

SPORT NZ GROUP

Annual Report

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1 JULY 2019 - 30 JUNE 2020



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Presented to the House of Representatives pursuant to section 150(3) of the Crown Entities Act 2004.

From the Chief Executive



This Annual Report for the Sport NZ Group spans what has been one of my most challenging times as Chief Executive.

Last October, when we launched our Strategic Plan 2020-2024, which marked the beginning of a 12-year strategic journey, we felt sure of the way. As we were to discover just a few months later, nature was about to intervene.

In February 2020, Aotearoa New Zealand recorded its first case of COVID-19. Within a matter of weeks, in a bid to eliminate the virus from our shores, kiwis were asked to enter a state of lockdown. Following worldwide trends, all forms of organised sport and recreation, from grassroots to professional leagues, were placed on hold. Not in living memory had we experienced such a time of upheaval to our daily routine and social norms.

Responding to COVID-19

Throughout the period that ensued, Sport NZ worked steadfastly alongside partners, stakeholders and lead Government agencies to respond to the threat posed by the virus. We paused our Strategic Plan 2020-2024 in order to respond to urgent system and participant needs. We subsequently created a single-year plan to focus on supporting a sector in crisis and an associated Recovery Funding Framework with three key outcomes.

An immediate priority for both Sport NZ and High Performance Sport New Zealand (HPSNZ) was to provide funding surety to all investment partners for the next twelve months. The second priority was the provision of additional investment to the wider system which had suffered financial hardship as a result of COVID-19. In early April, Sport NZ undertook an internal cost saving and reprioritisation process and through drawing down on reserves, announced a \$25m Relief Package. The Relief Package provided much-needed immediate funding to local clubs, regional organisations and national organisations in three areas - Community Resilience, Partner Support and Exceptional Systems Support.

Concurrent to this work, Sport NZ commissioned KPMG to undertake research into the financial implications of COVID-19 on the sector. This report formed the basis of a bid as part of Budget 2020, resulting in Government's \$264.6m four-year Recovery Package. The Recovery Package is focussed on supporting sport and recreation organisations through the initial impact of COVID-19, as well as helping the system to reset to become better and stronger, making it the single biggest investment ever made by any Government in the sector. Thusfar we have announced a range of investments from the Recovery Package including:

- Support for Individuals in Hardship - to help people, particularly children, young people and their whānau address the barriers of costs to participation
- Tū Manawa Active Aotearoa Fund - for community-based programmes and projects to help tamariki and rangatahi get active
- World-Cup Ready Facilities - funding to upgrade facilities at match venues and training grounds that teams will use during upcoming world cup tournaments including the 2021 Women's Rugby World Cup and 2022 ICC Women's Cricket World Cup
- National Partner Support - to help national partners recover, strengthen and adapt.

In reflecting on what was achieved through this period, I would like to acknowledge and applaud the resilience and strong leadership shown by our partners across the sector who rose to the enormous challenges of keeping their organisations intact and viable for the future, and the communities they service supported and reassured.

Advancing core strategy

Although the pandemic has been our focus in the latter six months of the year, Sport NZ has remained committed to implementing critically important programmes including Healthy Active Learning, the Disability Plan, the Women and Girls in Sport and Active Recreation Strategy, and Integrity in Sport. We have made excellent progress against each of these priorities against a backdrop of challenging times.

Prior to COVID-19, we had just embarked on a journey towards seeing national change in youth sport through the Balance is Better initiative. Standing alongside five of New Zealand's largest codes to commit to changing the course of youth sport remains a personal highlight of the year for me, demonstrating what can be achieved through the strength of unity and partnership.

In our strategic plan 2020 – 2024, we identified a future focus on tamariki and rangatahi in order to provide quality experiences that result in a lifelong involvement in sport and recreation. We remain committed to this resolve, although in mitigating the effects of the pandemic, have also pledged support to vulnerable populations impacted by COVID-19.

As an organisation, we remain aware of the substantial role Sport NZ has in leading national recovery efforts, and in proposing change to help the system emerge better and stronger. In doing this, we remain committed to our vision and purpose of creating an enriching and inspiring system and contributing to the wellbeing of everyone in Aotearoa New Zealand.

High Performance Sport NZ

This year has been a challenging one for our high performance athletes with training schedules and competition cycles heavily impacted by travel restrictions put in place in response to the pandemic.

The pandemic has forced most events around the world (including the Tokyo Olympic and Paralympic Games) to be postponed or cancelled. This has created a highly compressed pinnacle event calendar from 2021-2024. We must now balance the importance of success in Tokyo (2021) with the need to prepare for Paris in 2024.

In contemplation of the year that has been, I reflect on the fact that New Zealand's success on the world stage represents more to our nation than just winning. Through high performance sport and the inspiring performances of our elite athletes, we expand our sense of belonging to Aotearoa, and broaden our pride in being a small nation within a much larger footprint across the world.

It is essential that we continue to support our aspiring athletes and in doing so, nurture our own wellbeing as a nation. Later this year we will announce a new HPSNZ strategy that has been developed in consultation with the country's high performance sport system. At its core is the need to invest in the wellbeing of all people within the system, ensuring the environment in which our athletes and coaches operates is safe, fair and inclusive. We know that this change is overdue and non-negotiable.

Looking forward, drawing on the learnings of Sport NZ and its journey, HPSNZ is in the early stages of assessing and building its cultural capability and establishing how it will recognise the unique role Māori have as partners to the Crown and as tangata whenua. The definition of culturally distinctive pathways in the context of high performance sport in Aotearoa New Zealand is yet to be established, however it is envisaged that through engagement and consultation with key stakeholders, in particular Māori, a collective view can be established.

The silver lining

If there is any silver lining to our experience of this period, it is that COVID-19 has brought into sharp focus the importance of physical activity to the nation.

The benefits of play, active recreation and sport on wellbeing domains is well known and proven. Being physically active improves mental and physical health, quality of life and individual wellbeing. The value of sport as a remedy for hardship and stress becomes even more pronounced in times of crisis.

In coming together as a team of five million to combat the virus, we in turn celebrated being one of the first countries in the world to restart sport to packed stadiums - the Highlanders beating the Chiefs in Super Rugby in June. It was through the lens of sport that we celebrated our remarkable achievement together.

A heartfelt thank you

This annual report will be my last as Chief Executive of Sport NZ. In resigning from the role, I remain immensely proud to have had the privilege of working inside an organisation with so many passionate people dedicated to their work. I am also proud to have supported Sport NZ in its bi-cultural journey, extending our role as a partner to Te Tiriti O Waitangi, and formalising our commitment to its principles of partnership, protection and participation.

I would like to thank those across the sector for the role they play each day in the provision of this most precious asset, physical activity, along with the many thousands of volunteers who give up their time so generously each day to coach, support, administer, manage and mentor. We all, in some small way, carry the torch for Sport NZ's bold and important vision - Every Body Active.



Peter Miskimmin
Chief Executive

From the Chair



In its role as kaitiaki, Sport NZ does not operate in isolation.

There are tens of thousands of organisations across the play, active recreation and sport sector that provide services to people and communities across Aotearoa New Zealand, and they are the lifeblood of the system.

Across this period of disruption, working together, we have collectively risen to the challenges presented by COVID-19. We have supported each other, adapted to new operating environments, encouraged and motivated New Zealanders to keep moving. I would like to thank all those across the system for the commitment and dedication you have shown to keeping kiwis active and well in these unprecedented and uncertain times.

Though it seems a lifetime ago, this was a year in which Sport NZ revealed its 2020-2032 Strategic Direction and 2020-2024 Strategic Plan. In looking forward to these horizons, we also acknowledge that this next year is crucial for the play, active recreation and sport sector in New Zealand.

To this end and on behalf of the Board, I would like to thank Peter Miskimmin for his outstanding service to Sport New Zealand, and indeed the sport and recreation sector as a whole, for you have left us in very good stead.

Peter was appointed Chief Executive of Sport NZ in 2008 and in that time has overseen three of New Zealand's most successful Olympic Games (London, Beijing and Rio) and worked tirelessly to improve the access that all New Zealanders have to sport and recreation.

I know that all those at Sport NZ, along with friends and colleagues across the sector, will join me in acknowledging Peter's contribution across the past decade. I wish you all the very best in your future endeavors. You will be missed.

Bill Moran, MNZM
Chair

About the Sport NZ Group

Sport NZ is the kaitiaki of the play, active recreation and sport system in Aotearoa New Zealand. We develop and nurture the strength, capability and integrity of this system in order to improve participation and high performance outcomes. As a crown agency, we promote and support quality experiences in play, active recreation and sport (including elite sport), to increase levels of physical activity and, through this, ensure the greatest impact on wellbeing for all those living within Aotearoa New Zealand.

The Sport NZ Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ), and its wholly owned subsidiary High Performance Sport New Zealand (HPSNZ), and the New Zealand Sports Foundation Charitable Trust (NZSFCT) in which Sport NZ has a controlling interest. Together, we provide end-to-end leadership of the system.

Who we work with

Due to our unique perspective, we have a strong leadership role in areas such as direction setting and alignment, intelligence curation and sharing. We have a strong focus on diversity and inclusion, and in particular growing the visibility and participation of women and girls in sport and recreation. While we have tended to focus our efforts on our sector partners, we're developing our leadership position across local and central government, and our international counterparts.

Sport NZ works closely with partners who can make the biggest difference to our play, active recreation and sport system for the greatest number of people, and those with the greatest potential to win and excel on the world stage. We have a responsibility to be partners, connectors, enablers and champions in the communities we work with and invest in.

To use our resources wisely and for maximum impact, we typically partner with sector representative bodies at the national and regional levels. Most commonly, these are Regional Sports Trusts (RSTs) National Sports Organisations (NSOs), National Recreation Organisations (NROs) and Iwi.

Increasingly, our relationships are extending to other organisations across our sector that are contributing to our strategic priorities.

Collectively, we work across government to ensure there is a strong legislative and regulatory framework that supports physical activity, participation and winning, which in turn strongly supports the Government's well-being approach. We also partner with government agencies in the pursuit of common outcomes. Most recently this has included the Ministry of Education (MoE) and the Ministry of Health (MoH).

2015-20 Strategic Vision: The world's most successful sporting nation

In this final year of the Strategic Plan 2015-20, our vision is to be the world's most successful sporting nation, as measured by more young people and adults participating in play, active recreation and sport, and more winners on the world stage. We believe that play, active recreation and sport can increase the wellbeing of New Zealanders regardless of age, gender, ethnicity or ability.

Impact of COVID-19

When the country went into lockdown in March 2020 the play, active recreation and sport sector was significantly impacted. We moved immediately to support the sector as well as the wider system, in dealing with the impacts of the COVID-19 pandemic. Circumstances beyond our control such as the cessation of organised sport at all levels and restrictions on the public in response to COVID-19 alert levels has impacted, and will continue to do so, both our immediate deliverables and the direction of our short and medium-term strategy. For the first time in Olympic history, the 2020 Tokyo Olympic and Paralympic Games have been postponed until July and August 2021.

We initially focused on support, response and recovery packages for the entire system, which will continue to dominate much of 2020/21. Our immediate goal was to work collaboratively with our partners, stakeholders and Government to mitigate the pandemic implications as much as possible and to reset and rebuild the long-term sustainability of the play, active recreation and sport system. This includes a broader pastoral care role of the health and wellbeing of our sector and the people within it.

For HPSNZ, this also meant a focus on supporting athletes in re-planning their Olympic programmes so that they can reach their peak performance for the postponed Tokyo Olympic and Paralympic Games. Unlike other Olympiads, this will require new thinking with international competitions and offshore training camps leading up to the games significantly impacted.

An immediate relief package was announced by the Minister on behalf of Sport NZ in April 2020 valued at \$30m. This provided funding certainty to our current investment partners out to 30 June 2021, cash advances to some and access to additional support and advice.

Subsequently, a \$25m Relief Package was launched in May 2020, which provided targeted support to help sector organisations to sustain their most critical functions through the immediate challenges presented by COVID-19.

A list of almost 2,000 successful applicants and amounts awarded was published on Sport NZ website in July 2020. As a result of this funding none of our national partners have reported financial failure of any affiliates in this period.

As part of the Government's wider Budget 2020 COVID-19 Recovery Packages, a further \$265m over 5 years was provided to Sport NZ to assist the sector in its short, medium and long term recovery.

Legislation and Governance

Sport NZ was established as a Crown entity on 1 January 2003 under the Sport and Recreation New Zealand Act 2002. HPSNZ is Sport NZ's wholly owned subsidiary, established by the Sport NZ Board in August 2011.

Sport NZ is governed by a board whose members and chairperson are appointed by the Minister for Sport and Recreation. HPSNZ is governed by its own board of directors who are appointed by the Sport NZ Board, following Ministerial approval. The Sport NZ Board is responsible to the Minister for Sport and Recreation; and has accountability for the functions of the entire Sport NZ Group.

How we're funded

In 2019/20, the Sport NZ Group received \$93.8m from Vote Sport and Recreation.

Sport NZ was allocated \$22.8m to fund Sport NZ operations and the Kiwisport Partnership Fund. A further \$4.6m was received as part of the first tranche of a larger COVID-19 Recovery Package.

HPSNZ received \$66.4m, which funds high performance sport including direct investment in NSOs, the New Zealand Olympic Committee, Paralympics New Zealand, individual athletes and coaches, and HPSNZ's sector facing activity.

In addition, Sport NZ received \$65m from the New Zealand Lottery Grants Board. We invest this across our play, active recreation and sport sector, focusing on outcomes that contribute to us achieving our strategic outcomes.

Our System

The 'system' means the collection of regulations, organisations, places and people who directly or indirectly participate, support, contribute to, or influence play, active recreation and sport in Aotearoa New Zealand.

A 'system' is all encompassing – it is the sum of all the parts and their interactions. It can and will operate without us.

The play, active recreation and sport system includes central and local government agencies, recreation and sport organisations, private and commercial providers, schools, teams, funders, social groups and whānau connections. Each has a unique structure, and the attitudes, knowledge, beliefs and personal objectives that individuals bring to each of these are varied.

As the only agency with a national lens, our mandate involves making sense of the system and making it easy to connect and share information, insights and learning between the many agents within the system.

As one of the key leaders and influencers in our system we must also understand the impact we have on the system through our investments, activity, and operating principles. And, as a relatively small player, how quickly we realise our vision depends on how influential we are in mobilising the collective resources of the wider system in a chosen direction.





Strategic Framework 2018-20

The Sport NZ Group strategic framework is based on a common purpose; to enrich lives and inspire the nation. We know that being physically active increases wellbeing, by bringing about a host of health and educational benefits, as well as better connected and more inclusive communities. Success on the world stage provides national identity and pride that inspires future generations.

Children and young people are at the heart of our Community Sport Strategy. We believe that delivering quality experiences and opportunities will bring about a lifelong love of play, active recreation and sport. In turn, this will attract and support more people to participate at each stage of their lives.

We work with our partners to adapt and evolve our play, active recreation and sport system - to keep pace with a rapidly changing world and reduce barriers to participation. We are leading the system to ensure access and fairness for all New Zealanders, and to safeguard the integrity of sport across Aotearoa New Zealand.

To be successful, we need to understand and work with the components that shape and influence people's behaviour. We work with our partners to embed three approaches that focus on people in the system:

- Insights - using multiple sources of evidence and information, encourages ongoing evaluation and continuous feedback.
- Locally Led - supporting communities to take the lead.
- Physical Literacy - supporting physical activity experiences that respond to the holistic nature of people.

These approaches are crucial for long term impact. Alongside this, we are working with partners to build their capability to provide young people with quality experiences. This includes advice, guidance, tools, training and investment.

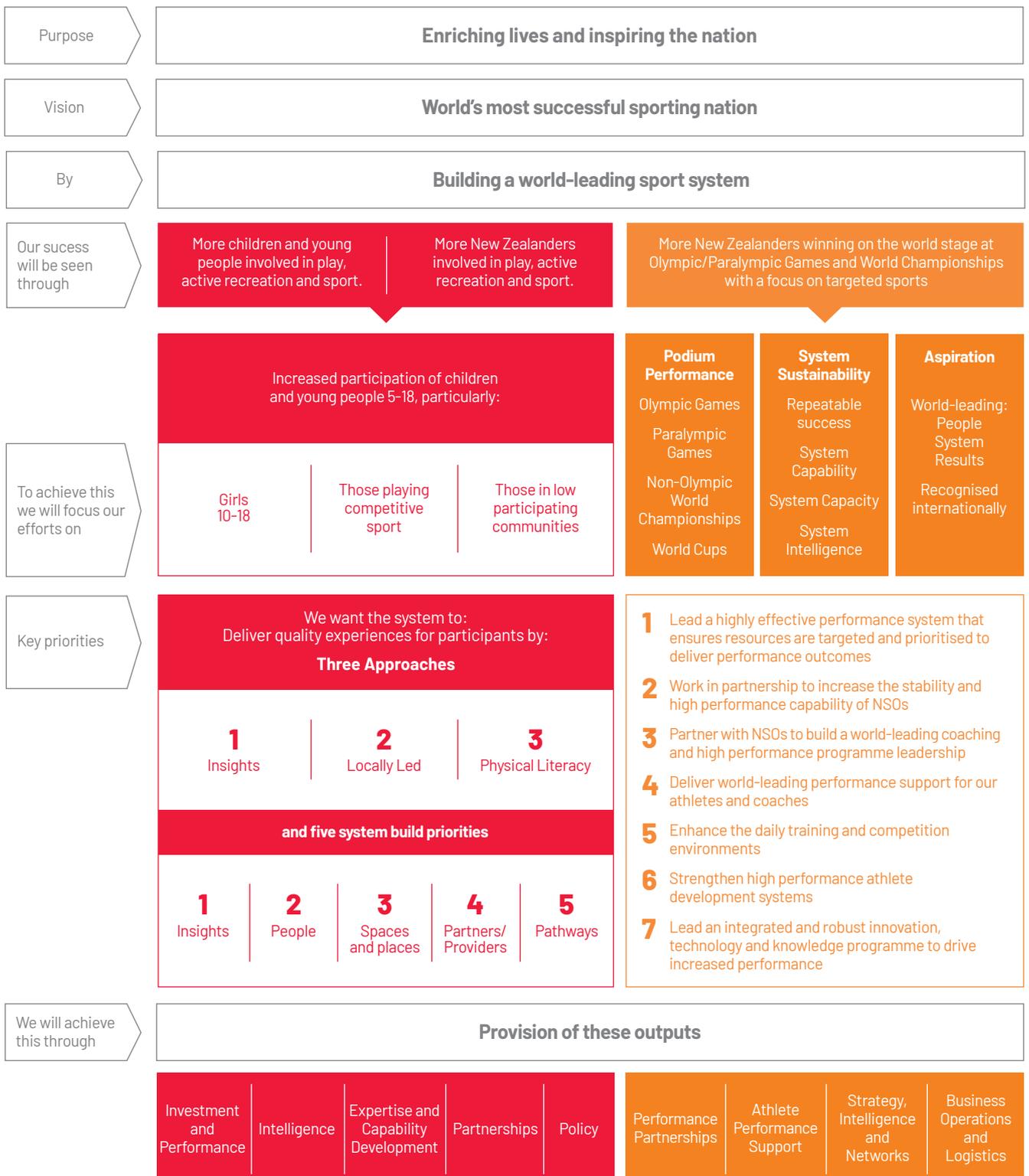
HPSNZ's role is to enable and empower world class performance in an environment that values wellbeing.

Working in partnership with National Sport Organisations (NSOs), it provides strategic investment and contributes specialist resources and expertise directly into targeted sports, athletes, coaches and their high performance programmes to enhance success on the world stage. HPSNZ also provides support to the wider high performance sport system (non-Olympic and Paralympic sports) with independent advice and knowledge.

HPSNZ's success is seen through more New Zealanders winning on the world stage at Olympic, Paralympic Games, and at World Championships. Its partnerships with sports, the existing trust and relationships across the high performance sport system and our ability to be agile and act decisively are the key elements of our competitive advantage.

Our sporting performances aim to inspire New Zealanders by making them proud of the results and the way they are achieved. In doing so they connect people and communities across the country and in turn inspire future success.

Fig 1: Strategic framework 2018-20





Sport NZ



Sport NZ Performance

Our response to COVID-19

Summary impact for the system

Participation and physical activity behaviours are being impacted by COVID-19, and will continue to be impacted. Analysis has shown that partners and sports have been impacted very differently, and that there is an unequal impact from the pandemic, and changing physical activity behaviours.

Alert level changes (especially levels 3 and 4) restricted the ability to participate in some activities (i.e. club based active recreation and sport), and made other activities more accessible (i.e. walking locally when restricted to working from home). Whilst still too early to tell, there are signals that this disruption appears to be changing physical activity behaviours in Aotearoa New Zealand, and reducing overall physical activity.

In the medium- and long-term an economic downturn will disproportionately impact low participating communities, who are over represented by high deprivation communities, by exacerbating the cost barrier to participation.

Policy/working across government

Sport NZ worked closely with the all of government COVID-19 response function, the Ministry of Health and the Ministry of Business, Innovation and Employment to provide detailed guidance on how play, active recreation and sport could be undertaken safely at the different COVID-19 Alert Levels. We also worked with WorkSafe to ensure that play, active recreation and sport organisations and businesses understood their responsibilities for complying with health and safety legislation to establish controlled workplace environments to protect workers and customers from COVID-19.

Sector leadership (incl. 2020/21 Priorities) and pastoral care

The COVID-19 pandemic has had a major effect on the entire sector affecting those who participate and the organisations that provide play, active recreation and sport services.

Sport NZ provided initial relief funding (see below) as well as pandemic-management support and advice to the sector.

Government, through their Budget 2020 COVID-19 Recovery Package committed an additional \$265m over the next four years to assist the sector in its short, medium and long term recovery. This will help the sector to achieve three outcomes:

- Reset and rebuild – relief, advice and support to help the sector get back on its feet
- Strengthen and adapt – strengthening the capacity, capability and resilience of our system
- Different and better – re-imagining the future

The impact of COVID-19 has resulted in Sport NZ creating and publishing a strategic priorities for 2020 – 2021¹ document, to support the sector in navigating the pandemic and rebuilding for the future across the next 12 months and beyond, whilst retaining focus on overall strategy.

¹ <https://sportnz.org.nz/resources/2020-2021-strategic-priorities/>

Financial support (initial commitments, relief package, recovery package)

We initially focused on support, response and recovery packages for the entire system, which will continue to dominate much of 2020/21. Our immediate goal was to work collaboratively with our partners, stakeholders and Government to mitigate the pandemic implications as much as possible and to reset and rebuild the long-term sustainability of the play, active recreation and sport system.

An immediate relief package was announced by the Minister on behalf of Sport NZ in April 2020 valued at \$30m. This provided funding certainty to our current investment partners out to 30 June 2021, cash advances to some and access to additional support and advice.

Subsequently, a \$25m Relief Package was launched in May 2020, which provided targeted support to help sector organisations to sustain their most critical functions through the immediate challenges presented by COVID-19.

A list of almost 2,000 successful applicants and amounts awarded was published on Sport NZ website in July 2020. As a result of this funding none of our national partners have reported financial failure of any affiliates in this period.

Insights – Survey

Sport NZ used the Active NZ:COVID-19 cohort study, media analysis, and the Indicators for Sport/Activity Participation report as the three core pieces of information that have informed the participation insights as a result of COVID-19.

Tamariki and Rangatahi participation insights

Participation recovered for tamariki (ages 5-11) and rangatahi (ages 12-17), but not back at normal levels.

Compared with April (captured during alert level 4), June results showed a significant increase in activity. However, participation is below a normal June. Participation through PE and competition were understandably significantly below a normal June.

Popular lockdown activities of cycling and walking fell significantly in June compared with April, returning to normal June levels. Running, jogging, cross country and playing on a playground returned to normal in June, however the majority of other sports and activities were significantly below a normal June.

Rangatahi are being more impacted by COVID-19 compared with tamariki. For tamariki and rangatahi combined, seven in ten say their everyday activities are back to normal, but this is significantly lower when only looking at rangatahi. Two in five young people say their participation changed as a result of COVID-19, with rangatahi significantly more likely to say so.

Adults participation insights

The positive physical activity changes we saw during lockdown, which saw participation levels rise significantly, have not been sustained in June. Participation levels were down significantly in June (compared with April), and are significantly lower than normal June levels. In addition, the number of inactive adults (participating less than 30 mins in the last week) increased significantly between April and June, and is now higher than a normal June.

Performance against 2019/20 priorities

Building system capability

At Sport NZ, we are working with our partners to build a sustainable and adaptable sport system. We provide them with investment and work with them to build their capability so that they can lead and implement our three approaches and five system build priorities in their own regions and sports.

Executing the final phase of our strategy 2015-20

Our partners deliver our strategy out to play, active recreation and sport organisations, communities and across Aotearoa New Zealand. In 2019/20, Sport NZ invested \$24.8m across our partners, aligned to our system build priorities and approaches. With our support and advice, partners then implement initiatives under the investment categories for which they are funded.

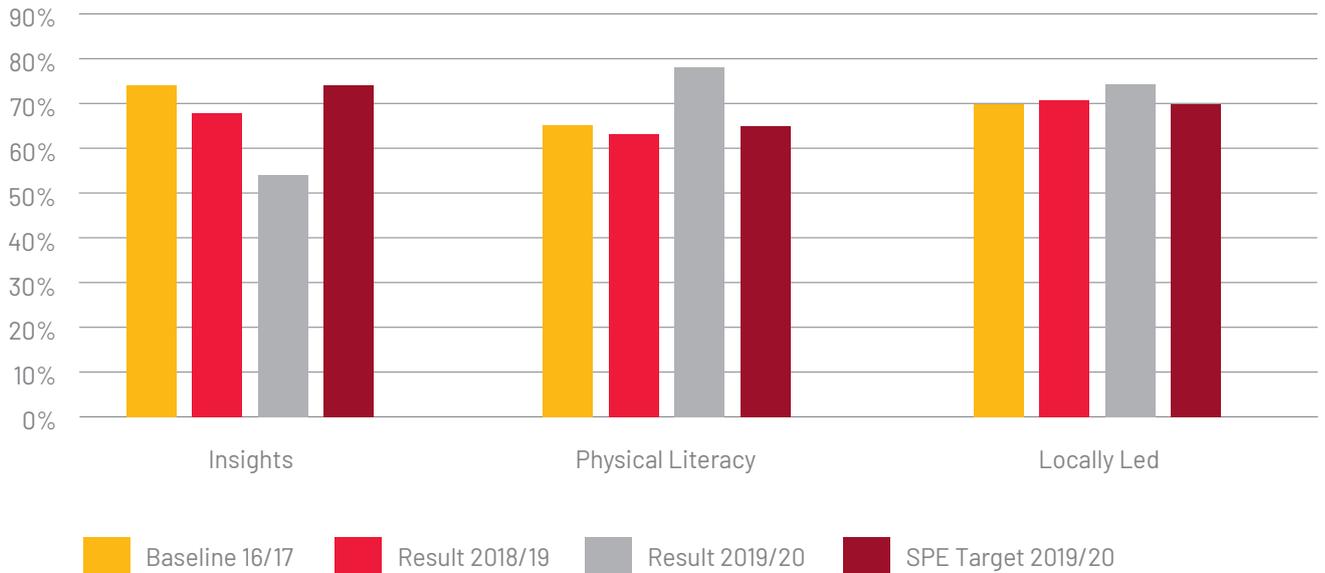
For maximum impact, we have focused our resources on 33 priority partners to embed the three Community Sport approaches and five priorities for building the system. Working with priority partners will have flow-on effects to support other partners adopting these approaches later. Insights from the early adopters will facilitate and support their application by other partners.

Our priority partners include 14 RSTs, who we invest in for their ability to impact on participation at a regional and local level. We also invest in NSOs and national recreation, disability and education organisations, who in turn work with regional sport and community bodies.

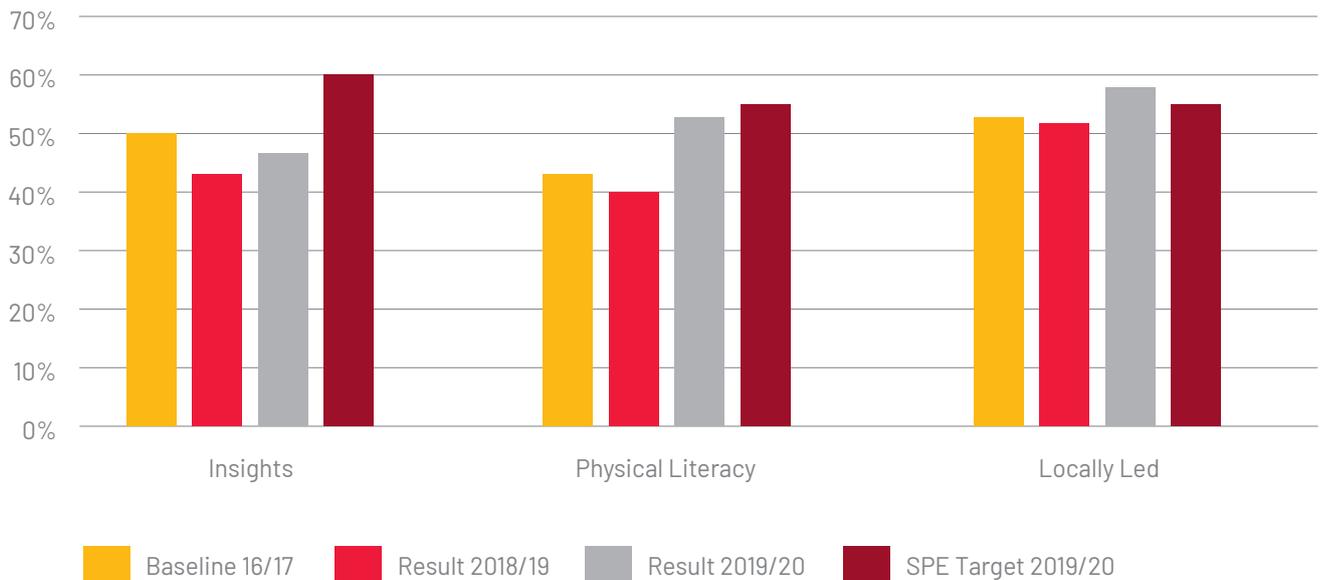
Embedding the Three Approaches

The following graphs illustrate our progress in embedding the three approaches across both our priority partners and then more widely across all partners, as measured through our annual Partner Confidence Survey.

Embedding the three approaches (2019/20 target and 2018/19-2019/20 results) - Priority Partners



Embedding the three approaches (2019/20 target and 2018/19-2019/20 results) - All Partners



The level at which both Physical Literacy and Locally Led approaches are embedded across priority partners have improved from prior years and are exceeding the 2019/20 targets. The level at which the Insights approach has been embedded across priority partners continues to decrease.

Insights

The Insights Approach encourages evaluation and learning that informs ongoing practice to ensure that initiatives continue to be effective in meeting the needs of participants. In 2019/20, we continued to support partners through data collection and analysis to identify what New Zealanders want and need.

We have continued to support insights capability development of our partners to enhance sector understanding and capability in the area of insights and evaluation. There are now 18 dedicated insights and evaluation staff embedded within RSTs. The Insights and Evaluation Leads are responsible for the development and delivery of the organisation's insights and evaluation work to ensure evidence is consistently used to influence decision-making, improve practice and demonstrate impact.

While there has been a year on year decrease in the Insights Approach being embedded into our priority partners, the main reason for this is the increase in the number of those who are "in process of embedding but need more support". When these numbers are included the total result increases from 90% in 2018/19 to 98% in 2019/20.

Physical Literacy

The Physical Literacy Approach takes a holistic view of the participant that considers their physical, social and emotional, cognitive, and spiritual needs. We work closely with RST Physical Literacy Leads to maximise partner investment by providing support through workshops and providing connections and resources.

The significant increase in understanding and embedding the physical literacy approach across our priority partners can be largely attributed to the 'Play.sport' pilot and 'Healthy Active Learning' (HAL) programme across our RSTs and the 'Balance is Better' philosophy. Other initiatives include:

The Physical Literacy Tracking Tool (PLTT) - The purpose of the PLTT (a user-friendly app-based tool) is to measure physical literacy at the individual participant level, to:

- Enable us to monitor and track physical literacy of individuals
- Enable us to understand the impact of the Physical Literacy Approach
- Inform the ongoing activation of our Physical Literacy Approach.

With the onset of COVID-19, further development has been put on hold.

The Tu Manawa Activation fund - This fund provides an opportunity to give practical effect to the leadership/connectivity investment we have provided, and connects closely to HAL and Regional Sports Directors. These workforces will be key advisors to RSTs about applications and will communicate the opportunity to their networks. It is also an activation fund for their own system build work.

Locally Led

The Locally Led Approach is a way of working with targeted communities towards mutually agreed outcomes that encourage organisations to support, empower and enable local communities to take a lead. The underpinning belief is that communities are best placed to lead sport, active recreation and play in their community and in doing so, increase participation.

During 2019/20 we conducted an evaluation of the Locally Led Approach, which found the following:

- RSTs are working with 109 communities, up from 77 in 2018, with a reported 183 initiatives
- RSTs report greater awareness of how the approach shifts their role from 'doing to communities' to one of 'working with communities', and that they are more open to taking calculated risks and learning through mistakes
- RSTs are starting to explore how they can influence their community partners to adopt the approach to collectively work with communities. Most RSTs self rated their development as at a 'consolidating' stage.

System Build Priorities

Underpinning our three approaches are five System Build Priorities:

Insights

Insights is both an approach and a system build priority. It is an approach because it is fundamental to understand and meet the needs of participants. It is also one of our system build priorities because we believe in the need to invest and support our partners to build an insights capability.

In 2019/20 we implemented Voice of Rangatahi, which is an annual survey delivered into secondary schools/kura with the objective of helping us understand how rangatahi experience physical activity, specifically within a school. The RSTs and schools which take part have direct access to their data via an online platform – from this they download their respective reports. 8,300 students voluntarily took part in 2019, and we are currently in field for the 2020 edition.

During 2019/20 we further developed subjective wellbeing (SWB) values to better understand our impact and our Social Return on Investment (SROI). We have developed values for 35 outcomes in the Sport NZ and High Performance outcomes frameworks, using data from the Active NZ survey. This work involved cross-government, sector and international engagement to ensure validation of the methods would result in the SWB values being widely accepted.

People

The People priority has two areas: coaching, and building workforce capability. We encourage our partners to lead the development of regional plans and provide workforce development opportunities. We encourage partners to provide coaches and coach developers with effective development opportunities.

In 2019/20, we worked with partners in the following ways:

- We held coach development capability-building workshops and continued to invest in future high performance coaches through our Performance Coach Advance programme
- We assisted RSTs in the development of regional workforce plans and brought involved RSTs together regularly to share progress and case studies of change.

Spaces and Places

The Spaces and Places system build priority is about equipping the sector with the necessary tools and know-how to ensure optimised investment in regional sporting infrastructure, including for active recreation and play spaces.

During 2019/20 we continued to work with partners in the following ways:

- We continued to support RSTs to take a regional leadership role in the development, implementation and review of Regional Spaces and Places (Facilities) Plans. At the end of the strategic period there were 12 regional plans and a further 2 sub-regional plans in place and being implemented
- We provided Spaces and Places learning and development opportunities for the sector and regularly participated in regional partner advisory groups and a funders forum
- We launched the Sport NZ Facility Planning Tool, which houses facility data collected as part of the Regional Spaces and Places planning approach, and which is available to the sector for ongoing planning purposes
- We have been developing a sport and recreation hub development guide to assist the increasing number of clubs and organisations who are looking to collaborate with others in order to develop more sustainable future operations
- We have, in conjunction with Recreation Aotearoa, facilitated a number of Peer Reviews for regionally significant facility projects to ensure that they are able to meet the intended outcomes of the project.

Partners & Providers

The Partners & Providers system build priority has two investment areas: provider network, and partnering. We encourage our partners to provide leadership, influence and advocacy for the play, active recreation and sport system and to collaborate effectively for impact.

We support our partners with engagement in their own provider networks such as Territorial Authorities, clubs and schools. Our partners are establishing different opportunities to engage with youth through leadership programmes, council and advisory panels. In some instances, this meant looking beyond traditional sports organisations to include providers such as marae, mosques and churches. Here are a few examples of how our 2019/20 investment in RSTs saw them reach out in different ways:

- Active - Auckland Sport and Recreation invested in a project with Eagle Sports and Cultural Collective, a branch of the Samoan Presbyterian Churches, to help them to create more participation opportunities across Auckland.
- Sport Canterbury undertook a community engagement project with the Christchurch Muslim community post the March 2019 terror attacks. On the back of this they have built strong connections with local mosques and established a diversity in sport connector role within Canterbury Football and Cricket.
- Sport Manawatū extended their relationship with the Manawatū Migrant Council and are starting to work with them on issues facing the local migrant community and what role play, active recreation and sport can play in supporting these communities.
- Sport Tasman developed a working relationship with Takahanga Marae in Kaikoura to support a collaborative project around active recreation.
- Sport Gisborne Tairāwhiti partnered with TPK, DIA and Sport NZ to invest in a Community Connector Project based in Ruatoria and supported by an Advisory Group of representatives from across the rohe.

Pathways

The Pathways system build priority has two investment areas: physical literacy, and ensuring that competition structure is set up to encourage participation. In 2019/20, we continued to provide professional development and support to RST Physical Literacy Leads.

We made strong progress with the Balance is Better programme, which is about keeping the fun in the game, creating balance in sport participation and nurturing talent at the right pace. In 2019, five major sports organisations (NZ Cricket, NZ Football, Hockey NZ, Netball NZ, and NZ Rugby) made a public commitment and signed up to Balance is Better. They have each committed to ensuring that all young people who play these sports receive a quality experience, irrespective of their level of competition

Prior to the start of the 2020 winter sports season, Sport NZ ran a six-week campaign with the five NSO's to promote this philosophy more widely - Keep up with the Play. This campaign was unfortunately cancelled due to NZ going into lockdown due to COVID-19.

Participation as measured through Active NZ

We want to see more New Zealanders in play, active recreation and sport because we know it creates happier, healthier people, better connected communities and a stronger Aotearoa New Zealand. We monitor levels of participation through the Active NZ survey. In the long term, our goal is to see an increase in participation of both young people and adults.

The value of play, active recreation and sport

Sport NZ's *Value of Sport* research has told us that participating in play, active recreation and sport helps increase wellbeing, brings communities together and feeds the high performance sport system.

Play, active recreation and sport have a valuable contribution to make to the Government's wellbeing approach, an intergenerational approach that seeks to maintain and improve New Zealanders' living standards over the long term.

Tracking participation through the Active NZ Survey

Active NZ surveys more than 30,000 children and adults per year to measure nationwide participation in play, active recreation and sport. Redesigned in 2017, the survey is a point-in-time snapshot of participation, using a continuous data collection method over the course of the calendar year. The survey provides us with rich information through the lenses of age, gender, ethnicity and deprivation.

Overall, the 2019 survey results reinforce what we saw from the 2017 baseline survey, and 2018 survey. As expected, the results against our key measures for success, young people and adult participation results, are virtually the same as 2017 and 2018, though no measure saw a reduction in the result.

Enhancing system leadership

In 2019/20, one of Sport NZ's key priorities was on continuing to create a step change by developing and enhancing our leadership role in and across a range of areas, including government, local government, our play, active recreation and sport system partners and international counterparts. As the only agency with a national lens, our mandate involves making sense of the system, and making it easy to connect and share information and insights between the many agents within the system.

Cross agency government collaboration

- Sport NZ worked in partnership with the Ministry of Health and the Ministry of Education in 2019/20, following our successful joint 2019 Budget bid for the Healthy Active Learning initiative. This initiative is designed to improve the wellbeing of young people in early learning and school settings, and to help set good habits that will last a lifetime. The partnership approach includes a shared project and governance structure with evidence of strong relationships being demonstrated at both regional and national level.
- Sport NZ also worked with the Ministry of Health to begin work on developing a whole-of-government approach to increasing physical activity in Aotearoa New Zealand to respond to the WHO's Global Action Plan on Physical Activity. Although delayed by COVID-19, a cross-agency working group was established with representatives from across the public sector. This work will continue in the 2020/21 financial year with the aim of developing a coordinated cross-government physical activity plan. Due to the overlap between play and physical activity, the same cross-agency group will also consider the work being led by the Department of Prime Minister and Cabinet to develop a cross-government strategy and action plan for the promotion of play as part of the implementation of the Child and Youth Wellbeing Strategy
- Sport NZ participated in a cross-agency working group led by the Department of Prime Minister and Cabinet looking at ways to improve social inclusion following the Christchurch Terror Attack. Among other avenues, this work identified the role that active recreation and sport already play in fostering social inclusion and breaking down barriers between communities. It was agreed that other opportunities to encourage and facilitate positive interactions between groups including the potential for grassroots sports to contribute more to this objective should be explored further. Although this work has been delayed by COVID-19, the Ministry for Social Development is now leading this cross-agency work programme and we expect this to be progressed in the 2020/21 financial year.

- Sport NZ works in partnership with Oranga Tamariki across a number of projects to improve outcomes for tamariki and rangatahi.

Following the successful Ngā Hapori pilot project last year, that led to the signing of a MoU between Oranga Tamariki and Sport NZ, a further project has been put in place in partnership with Sport Canterbury continuing to build our knowledge and capability in improving outcomes for tamariki and rangatahi in care. This project is continuing to demonstrate the value of the collaborative approach and from 2021 will also include support from the Ministry of Health and will involve the creation a new role for the Healthy Families Ōtautahi Christchurch team, for the next 18 months to continue this work.

- Sport NZ also continues to work closely with ACC across a number of projects to improve outcomes for tamariki and rangatahi, guided by the MoU between our agencies. Collaborative projects include:
 - Working with ACC's Injury Prevention Team to support the launch of Sport NZ's Balance is Better philosophy for youth sport
 - Working on a joint project to better align the outcomes of the annual AIMS Games
 - The development of Move Well, a resource intended to help key influencers, especially teachers, enhance the quality of physical activity experiences for tamariki.
- Sport NZ worked closely with the all of government COVID-19 response function, the Ministry of Health and the Ministry of Business, Innovation and Employment to provide detailed guidance on how play, active recreation and sport could be undertaken safely at the different COVID-19 Alert Levels. We also worked with WorkSafe to ensure that play, active recreation and sport organisations and businesses understood their responsibilities for complying with health and safety legislation to establish controlled workplace environments to protect workers and customers from COVID-19.
- Responding to the lockdown highlighted the importance of strong relationships with DIA, TAB and funders, and enabled a collaborative effort to be quickly advanced.
- 2019/20 year saw the passing of the Racing Industry Act, and ongoing advocacy, collaboration and relationship building across this sector, including connecting with impacted NSOs.
- Statistics, DPMC, and the Treasury provided peer review of environmental scans we prepared for our futures work, identifying drivers of change and the implications for the play, active recreation and sport sector.

Working with international counterparts

Sport NZ has a range of international connections specific to various areas of the organisation. We discuss strategy development with our international counterparts in Scotland, Wales, England and at federal and state levels within Australia.

We have continued to work with international counterparts on anti-doping through our membership of the World Anti-Doping Agency (WADA) and as a signatory to the UNESCO Anti-doping Convention. Our focus has been on improving compliance measures and ensuring the appropriate consideration of athlete voice in international anti-doping.

Integrity in Sport

Sport NZ is committed to integrity in sport. It is vital to maintain public interest and confidence in participating in sport (so that the many benefits of sport and physical activity can be realised), promoting fundamental features of sport such as fair play, and on the world stage, maintaining Aotearoa New Zealand's reputation as free from corruption.

The integrity of sport is increasingly threatened both globally and here in Aotearoa New Zealand by issues such as match-fixing, corruption, doping, and abusive behaviour. We are committed to ensuring a level playing field for all participants within our nation.

In late 2018, Sport NZ commissioned a broad review of sport integrity in Aotearoa New Zealand to determine whether existing measures are fit for purpose and to identify any gaps. Following public consultation, a set of findings and 22 recommendations were released in September 2019. Sport NZ is committed to implementing these recommendations with strong progress being made to date. The recommendations extend beyond sport and are focused on safeguarding the play, active recreation and sport system at all levels, for all New Zealanders.

Sport NZ has prioritised the recommendations and developed timeframes for their implementation. We have been seeking input from key sector stakeholders as part of this process and have established two reference groups to support this work.

Sport NZ has been focusing on initiatives within two main areas for 2019/20: Safeguarding Children and Member protection. The majority of the work progressed well in 2019/20, with the exception of two areas which have been put on hold due to COVID-19. These are the Integrity Reference Groups and the Safeguarding Children Training and Education Pilot. Both areas need substantial sector collaboration.

Safeguarding Children

Work continued on updating Sport NZ's Safe Sport for Children guidance, which includes the development of a suite of child safeguarding policies and procedures, as well as resources specifically being developed for the integrity website. We also investigated options for ensuring all sports organisations have a child protection officer and a child protection policy in place

Child Safeguarding training and education pilot scheduling is now recommencing following the lockdown.

Safeguarding Members

Our work programme regarding the pilot of an independent Complaints Management and or Dispute Resolution Service (CMDRS) remains on track, with a feasibility study undertaken and a final report received.

We are progressing well with establishing a Sport Integrity Online Guidance Repository, with all aspects of the website in development, comprising:

- Community portal including guidance and information on Child Safeguarding, Member Protection, Organisational Culture, Competition Manipulation and Anti-Discrimination
- Education area including, Anti-Discrimination, Competition Manipulation and Child Safeguarding e-Learning Modules
- Policies and Procedures drafting is underway relating to Child Safeguarding and Member Protection.

Women and Girls

In 2018/19, Sport NZ launched the Government's Strategy for Women and Girls in Sport and Active Recreation, following extensive engagement with our partners and other key stakeholders. The strategy aims to ensure that all women and girls, in all roles, are visible, feel positive about the contribution they make, and value being involved and participating in all levels of sport and active recreation.

There are three strategic priorities, each with an outcome and detailed measures we are committed to achieving:

01

Participation

More women and girls are leading, working, coaching and volunteering in sport and active recreation, at all levels.

02

Leadership

More women and girls are physically active through play, active recreation and sport.

03

Value and visibility

Women and girls in sport and active recreation are valued and visible.



All organisations in the sector have a role to play by considering who they can work with to create equity for women and girls. We will lead from the front in mobilising the strategy and giving momentum to that collective action.

Through Sport NZ, the Government committed an additional \$10m over the three years from 2018/19 on 24 initiatives to enable more women and girls to realise their potential in and through sport and active recreation². Working towards achieving our commitments against the strategy, has been a key priority for Sport NZ in 2019/20, and we are making strong progress³. In particular:

Board Gender Diversity Target

In June 2018, Sport NZ announced that we would be working with partners to meet a minimum requirement of 40% self-identified females and 40% self-identified males on their boards by December 2021.

This is now a formal condition of investment for Sport NZ Group partners and progress will be monitored as part of the 2020 investment process.

Pleasing progress has already been made within the play, active recreation and sport system championing and embracing diversity, and alongside other actions, this target will help realise the benefits collective action can bring, driving better outcomes and long-term success.

Sport NZ provides boards with governance advice related to best practice recruitment, with a focus on diversity and inclusion. Where required this includes external recruitment expertise to help boards achieve balance (skills, experience, equity and representation) that supports robust decision making.

Of the 65 boards involved in this work, 57% have reached the target for self-identifying women to-date.

Women and Girls Activation Funds

In 2019, we launched two funds specifically targeting young women aged 12 to 18: The Young Women's Activation Fund and The Innovations for Young Women Fund. The Young Women's Activation Fund has supported nine projects, which are providing opportunities for young women to increase their time spent being physically active in both active recreation and sport. They are also investing in the development of young women to lead those activities and trial different ways of delivering opportunities that are fun and inclusive.

The Innovations for Young Women Fund was created to encourage and support the development of new and bright ideas. It supported eight smaller organisations or teams to develop their best innovative ideas to target young women aged 12 to 18 to get and stay active. Successful teams were invited to a design challenge weekend and were supported by a mentor for twelve months as they delivered their projects.

Through these funds, Sport NZ is investing in the capability of individuals and providers so that we can help all women and girls realise their full potential in and through play, active recreation and sport. These funds reflect a flexible, innovative approach where we are trialing new ways of working.

² Sport NZ's commitments and the corresponding measures are detailed in the document, Women and Girls in Sport and Active Recreation, Sport NZ Commitments - <https://sportnz.org.nz/resources/commitment-progress/>

³ <https://womenandgirls.sportnz.org.nz/>

Young People

Tamariki (age 5-11)

These are key formative years for the development of the skills, known as physical literacy, that encourage being active for life.

Play

Play is a vital part of physical and cognitive development for our tamariki. It is the foundation, alongside physical education, of physical literacy. Sport NZ's Principles of Play recognise, value and aim to protect the right of young New Zealanders to play.

During 2019/20 we increased our effort in active/unstructured play for tamariki. We supported and increased visibility of play at a national level, informed through diverse partnerships and working collaboratively. We also continued to grow regional play development and networks, focused on greater reach and play sufficiency.

Healthy Active Learning

Healthy Active Learning is a joint government initiative between Sport NZ and the Ministries of Health and Education to improve the wellbeing of children and young people through healthy eating and drinking, and quality physical activity.

This initiative builds on the successes of government programmes across physical activity and nutrition and is comprised of three general components:



Ministry of Health - Toolkits and health promotion staff to support healthy food and water-only (and plain milk) environments in early learning settings, primary and secondary schools and kura. The toolkits will be developed in Te Reo Māori and English.



Ministry of Education - Resources to support all primary, intermediate and secondary schools and kura enhance the understanding, planning and delivery of Health and Physical Education (HPE) and Hauora curriculum, and physical activity. The resources will be developed in Te Reo Māori and English.



Sport NZ - A physical activity workforce to support 800 primary and intermediate schools and kura to create healthy and active learning environments, and better connection to their local communities.

Sport New Zealand component

Sport NZ has partnered with Regional Sports Trusts (RSTs) to employ the physical activity workforce to work with schools, kura and in their wider communities. In 2020 this has included the recruitment of seven Regional Leads, 30 physical activity advisors and seven community connectors. RSTs have recently begun the recruitment of Community Connectors (previously named Activators) who will begin their work in connecting communities and schools and kura in 2021.

Internally, Sport NZ has appointed a Healthy Active Learning Lead and an additional three FTE to work with regional partners and support the implementation of the initiative. It has been recognized that the success of Healthy Active Learning is dependent on a capable workforce. Therefore, Sport NZ has placed on professional learning and development (PLD) and has a people capability consultant.

This role provides ongoing Professional Learning Development (PLD) support and connection for the Advisors through regular hui and learning opportunities. Through these sessions, advisors continue to have the opportunity to connect and share their learning and insights of school and community engagement within their regions.

While COVID-19 caused some disruption to the implementation of Healthy Active Learning through school closures, the physical activity workforce has continued to build strong connections within schools and communities. Healthy Active Learning is well positioned to meet its key deliverables for the first phase of implementation (2020 – 2022). This includes:

- Recruitment of the Community Connector (previously named Activator) roles has begun in some Regional Sports Trusts.
- Of the 316 targeted schools, 259 are moderately to highly engaged in the initiative. This does not include kura that are engaged in the Tapuwaekura Pilot Project.
- Strong regional engagement between Regional Sports Trusts (RSTs) regional education offices and public health units through regional Steering Groups in the seven regions where the physical activity workforce is working (Auckland, Bay of Plenty, Canterbury, Gisborne Tairāwhiti, Northland, Southland, Waikato and Wellington).

Cross- agency collaboration

National collaboration between Sport NZ, MoH and MoE is strong. All three central agencies are engaged and committed to working together to align and implement their respective components of the initiative across all levels of governance, operational implementation, communications and evaluation. These relationships have extended beyond Healthy Active Learning and have included:

- a) Supporting the MoE on the design and planning for their new Mental Wellbeing and Healthy Relationships initiative as part of their 2020 Student and Educator Wellbeing Package
- b) Supporting the MoE on the development of a new Health and Physical Education webpage

Healthy Active Learning has also provided a platform to strengthen relationships between RSTs, District Health Boards, Public Health Units and Regional MoE Offices. This is resulting in greater alignment and connection of regional investment, interventions and initiatives benefiting tamariki.

Tapuwaekura Pilot Project

Upon recommendation of the Tapuwaekura Leadership Group, the Tapuwaekura Pilot Project has been commissioned by Sport NZ and will deliver a programme into kura (Kura Kaupapa Māori, Kurā ā-lwi and Kura ā-rohe) that will achieve health and physical activity outcomes in a way that is meaningful and relevant to Māori.

The Tapuwaekura Pilot Project will test and review the Atua Matua⁴ approach to strengthen quality physical activity and healthy eating in kura across Aotearoa.

To date, the selected provider has introduced this approach into selected kura in regions across the country. There have been positive levels of engagement with many kura and Kaiako (teachers) now looking at how Atua Matua can change their approaches to strategy and planning, curriculum delivery, pedagogy and assessment.

Monitoring and evaluation

Sport NZ has contracted Massey University to lead the evaluation of the initiative. This provider has worked alongside Sport NZ, Ministry of Health and Ministry of Education experts to create an evaluation design that best suits the complex nature of the initiative.

The selected provider has begun baseline data collection on 27 July 2020 and is due to finish in December 2021. First baseline reporting is expected in March 2021.

⁴ A Māori health and wellbeing framework and approach that focuses on traditional Māori knowledge and the environment, with health and physical activity becoming incidental outcomes.

Rangatahi (age 12-17)

Our prime interest is in improving the quality of experiences, opportunities and support offered to this age group to keep them being active. There is an opportunity to deliver a broader range of activities to rangatahi by better understanding and responding to their needs.

Balance is Better

Balance is Better is an evidence-based philosophy to inform and provide a framework for the sport system to put the needs of the participant first. The objective of the Balance is Better Philosophy is to ensure the sport system provides opportunities for all tamariki and rangatahi (young people aged 5-17) to positively experience the benefits of sport participation and to realise their potential at the right time.

Balance is Better philosophy underpins Sport NZ's effort (in sport) over the medium-term, including investments into NSOs, RSTs, College Sport organisations and School Sport NZ, as well as the wide range of support we provide to these partner organisations to enable them to drive the required change.

The four areas in which our partners are being asked to make an impact via Sport NZ investment and support aligned to Balance is Better are:

- Sport sector leadership
- Coach development
- Participation and development opportunities
- Parent education.

Most critically the programme is about the sport system leading behavioural and attitudinal change amongst the enablers of sport experiences (parents, coaches, administrators and leaders).

The focus of the philosophy is on why tamariki and rangatahi play sport – to have fun, be challenged, develop and improve, be part of a team or group, and enjoy time with friends.

In 2019, five major sports organisations made a public commitment and signed up to Balance is Better: NZ Cricket, NZ Football, Hockey NZ, Netball NZ, and NZ Rugby. They have each committed to ensuring that all young people who play these sports receive a quality experience, irrespective of their level of competition. They are leading attitudinal change among sport leaders, coaches, and parents, and working with schools to ensure young people get to play a variety of sports and that development opportunities are available to all.

Prior to the start of the 2020 winter sports season, Sport NZ ran a six-week campaign with the five NSO's to promote this philosophy more widely – Keep up with the Play. This campaign was unfortunately cancelled due to NZ going into lockdown due to COVID-19.

From 1 October 2020, committing to the Balance is Better philosophy became a formal condition of investment into partners for sport outcomes (primarily NSOs). Sport NZ are focusing our effort on youth sport changes for 12-18 years in the current strategic cycle.

We will continue to support and build the capability of our partners to provide quality experiences for all young people and strengthen the sport system overall.

Working with Māori



The Māori-Crown relationship underpins our work with Māori. We work to promote play, active recreation and sport in a way that is appropriate for Māori.

Sport NZ is committed to upholding the mana of Te Tiriti o Waitangi (Te Tiriti) and the principles of partnership, protection and participation. In 2018/19, Sport NZ created Te Tuarā Te Tiriti, a working group with representatives from the Board, Senior Leadership and Te Rautaki Māori teams who provided guidance, knowledge, experiences and learnings from Te Tiriti. Te Tuarā developed a Te Tiriti commitment statement, and interpretations of the Treaty principles partnership, protection, and participation specific to our sector. They give guidance to how our play, active recreation and sport system reflects Te Tiriti.

Our key priorities and activities include:

- Te Reo me ona Tikanga strategy – to continue both the Sport NZ and sector journey to improved cultural capability
- MaraeFit Aotearoa – launch and roll-out of this marae-centric ‘Every Body Active’ initiative that provides opportunities for sport & recreation organisations, whānau, hapū and marae to increase physical activity
- He Oranga Poutama Programme – a continuation and expansion of this successful investment approach.

COVID-19 has proven challenging for our sector and heightened the existence of inequities for Māori within our system. As a result we have developed a COVID-19 Kaupapa Māori Response Plan, which will be launched within the second quarter of 2020-2021, and will enable the exploration of new relationships with Māori as well as strengthening current partnerships.

Disability active recreation and sport strategy

As part of ensuring that everyone has access to play, active recreation and sport opportunities, Sport NZ is committed to strengthening the long-term opportunities for New Zealanders with disabilities. A key focus for the disability active recreation and sport sector is to provide quality support, opportunities and experiences for disabled people and their whānau/families to participate.

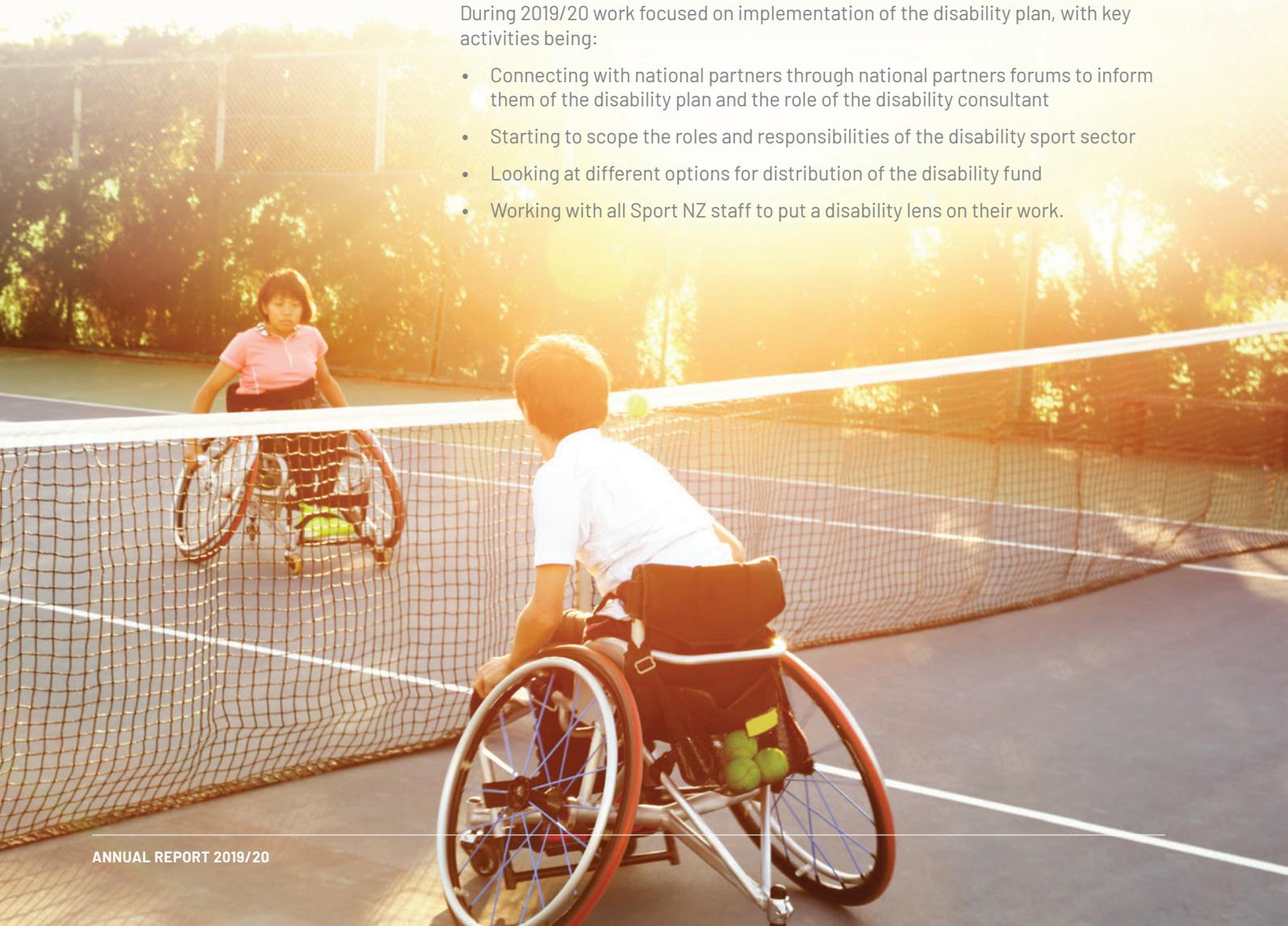
Sport NZ has developed a Disability Plan to transform opportunities in play, active recreation and sport for disabled people. The Disability Plan seeks to improve the wellbeing of disabled New Zealanders by addressing inequalities in play active recreation and sport

The plan includes:

- Training to develop a workforce that understands the needs of tamariki and rangatahi with a range of impairments
- Advocacy for fit for purpose and accessible playgrounds and parks
- A more inclusive approach to strategy, policy and communication within Sport NZ and partner organisations
- A new role at Sport NZ to lead delivery of the plan.

During 2019/20 work focused on implementation of the disability plan, with key activities being:

- Connecting with national partners through national partners forums to inform them of the disability plan and the role of the disability consultant
- Starting to scope the roles and responsibilities of the disability sport sector
- Looking at different options for distribution of the disability fund
- Working with all Sport NZ staff to put a disability lens on their work.



Strategic Direction 2020-32

We launched our new Sport NZ Strategic Direction 2020-32 and the Strategic Plan 2020-24, which comprises two parts. Towards 2032, which sets out our direction and outcomes for the next 12 years, and our 2020-24 Strategic Plan which outlines our focus for the first four years.

To affect change, we know we need collective resolve and commitment from across our system. Towards 2032 is all about demonstrating how we, as the kaitiaki (guardian) of the Play, Active Recreation and Sport system, hope to achieve this together with our partners. Our leadership priorities through to 2032 focus on areas that we believe will have the greatest positive impact: direction setting, insights, advocacy, collaboration and investment.

We also recognise we must do better in demonstrating the impact we are having through the Play, Active Recreation and Sport system. That's why we've developed an Outcomes Framework that is aligned to the Government's Wellbeing Framework. This illustrates what success looks like over the upcoming 12 years. Put simply, improving the wellbeing of the people of Aotearoa New Zealand, as a result of them being active in Play, Active Recreation and Sport.

Output Class One

This output class is aimed at increased participation in play, active recreation and sport by providing investment, technical expertise, knowledge and information to partner organisations and key stakeholders.

Sport and recreation programmes

We use methods of evaluation such as surveys and case studies to assess performance across the following main areas:

- Community Sport Strategy implementation
- Stakeholder satisfaction levels
- Partner capability.

The measures below reflect both the strategic outcomes set out in the SOI 2018-22 and the outputs from the 2019/20 SPE. This provides a more complete view of our performance in the last year, and our progress against strategic outcomes. By showing participation results (Active NZ), how our partners rate our performance (Partner Confidence Survey) and the impact of partners' initiatives (Partner Reporting), we can see more clearly the progress made against the Community Sport Strategy.

More children and young people involved in sport and recreation

– progress against strategic outcomes (SOI 2018–22)

Outcome Description	Measure	Baseline 2017	SOI 21/22 target	2018 progress	2019 progress
Young People	% young people (age 5-17 years*) participating in at least 3hrs of organised and/or informal activity over the last 7 days ⁵ *up to 18th birthday	82%	>82%	81%	82%
	% young people (age 5-17 years*) participating in at least 3hrs of organised sport over the last 7 days *up to 18th birthday	51%	>51%	51%	51%
	% young people (age 5-17 years*) participating in at least 3hrs of informal sport over the last 7 days *up to 18th birthday	59%	>59%	60%	60%

All Active NZ data is based on a calendar year so the 2019 results are the latest available.

More New Zealanders involved in sport and recreation

– progress against strategic outcomes (SOI 2018–22)

Outcome Description	Measure	Baseline 2017	SOI 21/22 target	2018 progress	2019 progress
Adults	% adults (18+ years) that have participated in sport and active recreation in the last 7 days ⁶	73%	>73%	72%	72%
	% adults (18+ years) that are currently in a sport or recreation club	24%	>24%	23%	51% ⁷
Volunteers	% volunteered for sport and active recreation activity over the last 12 months	25%	>25%	24%	25%

All Active NZ data is based on a calendar year so the 2019 results are the latest available.

⁵ This performance measure is in the Vote Sport and Recreation Estimates.

⁶ This performance measure is in the Vote Sport and Recreation Estimates.

⁷ Data from 2019 should not be compared to that from 2018 - due to changes to the questionnaire.

Previously the question asked, "Are you currently a member of any sport or recreation club (other than a gym or fitness centre)?" From 2019/20 the question asked, "In the last 12 months, have you done this [physical] activity through a club, gym or fitness centre that you are a member of?"

Progress of the Community Sport Strategy 2015-20: Quality Experiences

- progress against strategic outcomes (SOI 2018-22)

Outcome Description	Measure	Baseline 2017	SOI 21/22 target	2018 progress	2019 progress
Girls 10-18	% of young girls (10-18) participating in 3hrs+ of sport and active recreation every week	81%	>81%	80%	81%
	Evidence (case study) where Target Participant Groups (TPG) investment has improved participation in sport and active recreation in girls (10-18)	NA	Qualitative evidence	Achieved	Achieved
	Evidence (case study) where NSO Grow investment ⁸ has improved participation in sport in girls (10-18)	NA	Qualitative evidence	Achieved	Achieved
Young people in competitive sport	Number of young people (5-18) participating in sport (through clubs)	666,026	>666,026	742,341	730,896
	Satisfaction level of young people (5-18) in competitive sport outside of school in NSOs implementing 'Voice of the Participant' ⁹	59%	>59%	64%	67%
Low participating communities	% of young people in low participating communities ¹⁰ participating in 3hrs+ of sport and active recreation every week	75%	>75%	78%	79%
	Evidence (case study) where TPG investment has improved participation in sport and active recreation in low participating communities	NA	Qualitative evidence	Achieved	Achieved
	Evidence (case study) where NSO Grow investment has improved participation in sport in low participating communities	NA	Qualitative evidence	Achieved	Achieved
Play.sport	% young people (5-18) participating in sport and active recreation in Play.sport schools ¹¹	65%	>23%	NA	64%
	% young people who have a high level of engagement and belonging at school and with their PE learning ¹²	84%	65%	NA	77%
Physical Literacy	% young people who understand why taking part in physical activities is good for them ¹³	89%	>89%	89%	89%
(Young people aged 5-17 up to 18th birthday)	% young people who want to take part in physical activities	85%	>85%	84%	84%
	% young people who feel confident to take part in different physical activities	73%	>73%	70%	70%
	% young people who believe they are good at lots of different physical activities	73%	>73%	70%	70%
Sport NZ's ability to impact on participation	% of partners that believe the Community Sport Strategy is able to improve participation ¹⁴	78%	≥80%	65%	68% ¹⁵
	# of primary and intermediate schools in which Active Schools (Budget 2019) has been implemented.	NA	300 ¹⁶	NA	307

8 Grow NSOs are 10 national sport organisations identified for their high potential to increase participation in one or more identified Target Participant Groups (TPGs). They receive specific investment to enhance existing programmes and develop new programmes and products.

9 2019/20 Voice of the Participant survey - % very satisfied or extremely satisfied.

10 High deprivation (8-10).

11 Measure has changed due to change in analysis (more specific rather than group (of a number of questions) analysis). The measure is now '% of young people who do active things at lunchtime or break times'. Pre (2016) = 65%, Post (2019) = 64%. The old SOI target was >23%.

12 Measure has changed due to change in analysis (more specific rather than group (of a number of questions) analysis). The measure is now '% of young people who like doing PE' (Engagement). Pre (2016) = 84%, Post (2019) = 77%. The old SOI target was 65%.

13 2019/20 Active NZ Survey - % respondents who agree or strongly agree (for all physical literacy measures).

14 2019/20 Partner Confidence Survey.

15 Analysis indicates that the major change between 2016/17 and subsequent years is due to more partners selecting 'adequate' rather than good or excellent (27% in 2019/20 vs 13% in 2016/17). Less partners are selecting poor/very poor than in 2016/17 (8% in 2016/17 vs 5% in 2019/20).

16 This is a SPE measure and relates to Sport NZ's component, Active Schools only.

Embedding approaches 2019/20 – Priority partners

(SPE 2019/20)

The measures below are derived from the Partner Confidence Survey. Due to the small sample size (31 responses from priority partners in 2018/19 and 39 in 2019/20) a change in one response can significantly influence the overall result, so these results can appear more volatile.

Approach	Measure	Baseline 16/17	SPE 19/20 target	18/19 result	19/20 result
Insights	% of priority partners embedding the Insights Approach	74%	>74%	68%	54%
Physical Literacy	% of priority partners embedding the Physical Literacy Approach	65%	>65%	63%	78%
Locally Led	% of priority partners embedding the Locally Led Approach	70%	>70%	71%	74%

2019/20 Partner Confidence Survey - % respondents who are in the process of embedding this approach and have the support they need and or have successfully embedded this approach.

Embedding approaches – all partners

– progress against strategic outcomes (SOI 2018-22)

Working with priority partners will have flow-on effects to support other partners adopting these approaches later. Insights from the early adopters will facilitate and support their application by other partners. As a consequence, measures which relate to all partners have lower results, as these are driven by non-priority partners.

Approach	Measure	Baseline 16/17	SOI 21/22 target	18/19 result	19/20 result
Insights Approach	% of Partners embedding the Insights Approach (SOI)	50%	60%	43%	47%
Physical Literacy Approach	% of Partners embedding the Physical Literacy Approach (SOI)	43%	55%	40%	53%
Locally Led Approach	% of Partners embedding the Locally Led Approach (SOI)	53%	55%	52%	58%

2019/20 Partner Confidence Survey - % respondents who are in the process of embedding this approach and have the support they need and or have successfully embedded this approach.

Progress of the Community Sport Strategy 2015-2020: Quality Support and Opportunities

(SPE 2019/20)

The following measures were not captured in 2019/20 as part of the Partner Confidence Survey. As a result of COVID-19 related pressure on our partners a decision was made to significantly reduce the size of the survey. In order to do this, the questions related to these measures were removed. Sport NZ believes that the balance of the measures in this Annual Report, alongside the performance narrative against these priorities, adequately tell our performance story. It should be noted that these measures were not included in our 2020/21 Statement of Performance Expectations.

Priority	Measure	Baseline 16/17	SPE 19/20 target	18/19 result	19/20 result
Insights	% of Priority Partners who consider that Sport NZ's activity in the Insights area has had a positive impact on Priority Partner Organisations [Partner Confidence Survey - Positive Impact].	83%	85%	81%	Not reported
People	% of Priority Partners who consider that Sport NZ's activity in the People area has had a positive impact on Priority Partner Organisations [Partner Confidence Survey - Positive Impact].	52%	75%	53%	Not reported
Spaces and Places	% of Priority Partners who consider that Sport NZ's activity in the Spaces & Places area has had a positive impact on Priority Partner Organisations [Partner Confidence Survey - Positive Impact].	48%	75%	69%	Not reported
Partners/ Providers	% of Priority Partners who consider that Sport NZ's activity in the Partners/Providers area has had a positive impact on Priority Partner Organisations [Partner Confidence Survey - Positive Impact].	91%	85%	81%	Not reported
Pathways	% of Priority Partners who consider that Sport NZ's activity in the Pathways area has had a positive impact on Priority Partner Organisations [Partner Confidence Survey - Positive Impact].	48%	75%	50%	Not reported
All	% of Priority Partners' initiatives that demonstrate positive impact on the system, relative to investment	NA	>60%	NA	Not reported

Organisational Effectiveness – 2019/20

(SPE 2019/20)

The measures below are derived from the Partner Confidence Survey, and a ministerial satisfaction survey.

Priority	Measure	Baseline 16/17	SPE 19/20 target	18/19 result	19/20 result
Overall effectiveness	% of partners who rated the impact of Sport NZ on their organisation's ability to increase their participation as good or excellent	78%	≥80%	75%	75%
Relationship quality	% of Partners who rate their organisation's relationship with Sport NZ as good or excellent	84%	80%	86%	83%
Service quality	% of partners who rate Sport NZ's specialist services and consultancy as good or excellent	80%	80%	81%	81%
Ministerial satisfaction	Level of ministerial satisfaction ¹⁷	satisfied	satisfied	Achieved	Achieved

Cost of Service by Output Expense – Sport and Recreation Programmes

ACTUAL 2019 ADJUSTED ¹⁸ \$000		ACTUAL 2020 \$000	BUDGET 2020 \$000
REVENUE			
19,151	Crown funding	22,794	22,791
-	- Crown funding: COVID-19 recovery package	4,600	-
52,364	Other operating revenue	60,988	56,687
71,515	Total revenue	88,382	79,478
LESS EXPENSES			
46,777	Sector investments and consulting	47,723	53,231
-	- COVID-19 relief package	7,620	-
-	- Recovery investment portfolio	4,600	-
5,551	Programme management	6,758	7,678
13,287	Technical advice and resources	10,397	18,685
2,480	Policy advice	2,615	2,163
1,645	Knowledge and information	4,978	3,193
69,740	Total expenses	84,691	84,950
1,775	Net operating deficit	3,691	(5,472)

¹⁷ A score of 5-7 is satisfied and 8-10 is more than satisfied. The 2019/20 result was 7.5 and 2018/19 was 9.

¹⁸ The balances for 2018/19 have been restated to include the results of the NZSFCF.



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HPSNZ: Progress against the High Performance Strategy 2015–20

Aotearoa New Zealand has a world-leading high performance sport system that supports our elite athletes. The increase in our international sporting success over the past 20 years is clear evidence of this.

After a successful performance at the Rio Olympics, we have sustained our momentum into the current Tokyo Olympiad. In PyeongChang, our Winter Olympians delivered Aotearoa New Zealand's most successful Winter Games (two medals) and our Winter Paralympians also recorded their most successful games ever, winning two medals. On the Gold Coast, Aotearoa New Zealand's Commonwealth Games team secured their best away games performance to date (46 medals).

The second half of 2019 and early 2020 represented another strong period of performance, including four gold medals at the 2019 Rowing World Championships, two golds at the 2019 Canoe Sprint world Championships, wins in the 49er Yachting World Championships in 2019 and 2020 and in the Finn World Championship in 2019, a win for the Black Ferns Sevens in the Rugby Sevens World Series 2019, a world cup win for the Silver Ferns (2019) and an exceptional runner-up performance by the Black Caps at the 2019 ICC Cricket World Cup. Aotearoa New Zealand also won five gold medals at the 2019 Para Swimming World Championships and three at the Para Cycling World Championship.

COVID-19

Since early 2020, the COVID-19 pandemic has forced most events around the world (including the Tokyo Olympic and Paralympic Games and several world championships) to be postponed or cancelled.

Aotearoa New Zealand's high performance athletes and coaches are faced with the need to prepare and peak for pinnacle events while travel restrictions remain in place, at least during the build up to Tokyo and the 2022 Winter Olympic and Paralympic Games in Beijing. The pandemic will continue to impact international competition and training opportunities, with flow on effects for pathways and the wellbeing of athletes and coaches.

This also creates a highly compressed pinnacle event calendar from 2021-2024. We must balance the importance of success in Tokyo (2021) with the need to prepare for the 2022 Winter Olympics and Paralympics, the 2022 Commonwealth Games and the Paris Olympics and Paralympics in 2024.

In short HPSNZ's challenge is to evolve the high performance sport system to empower world class performances that resonate with all New Zealanders in an environment that values wellbeing, while leading high performance sport's recovery from the impacts of COVID-19.



Michael Scott
HPSNZ Chief Executive

A Future Focus

As well as adapting to a COVID-19 world, that evolution must take into account a range of other influences with growing potential to impact high performance sport.

Global trends towards inactivity are well documented. The way people choose to engage in sport is changing. Aotearoa New Zealand's demographics are changing significantly, with implications for the types of sports New Zealanders want to engage in. Globally and in Aotearoa New Zealand we have also seen increased attention on matters relating to gender equality, culture and wellbeing that are critical for sustainable success on the world stage.

We must focus on being more collaborative in approach, more holistic in preparation and more agile in execution.

In addition, there is real momentum around the athlete voice. Therefore, it is timely to look at the systems and processes sports have in place with potential for future co-creation with sports and athletes.

Sustainable success in the years ahead demands partnership be a defining strength of the system in Aotearoa New Zealand. Purposeful collaboration and engagement between partners are crucial in the lead up to Tokyo in July 2021.

However, our strategic focus extends well beyond Tokyo. To support our mission of high performance system sustainability, we have completed the 2032 High Performance System Strategy. We need to have an HP sports system that is open, agile, and innovative, like the athletes and coaches it supports. Our system must balance wellbeing and the requirements of elite sport, as we recognise that an emphasis on wellbeing and ethics will provide our system with a competitive advantage.

By leading the HP sports system in partnership, we can continue to achieve ambitious performance targets, instilling national pride, shaping our national identity and supporting the development of good people, not just good athletes, who can be role models for generations to come.

Progress against 2019/20 priorities

HPSNZ developed several initiatives for 2019/20 to supplement and enhance the HP strategic priorities. Progress is summarised below:

01

Partner with target sports to enhance robust evidence-based tracking and learning systems to inform critical programme and campaign decisions for Tokyo and beyond.

The Knowledge for Tokyo project provides a learning platform for NSOs.

HPSNZ commenced work on an Intelligence Strategy as part of its 2024 strategy.

02

Lead the development of a New Zealand approach to understand what it takes to win, to better inform campaign preparation.

HPSNZ has begun working with NSOs to develop their Picture of Performance, which captures all the required components of a winning performance. This will be used to inform and align tailored resources for campaign planning and athlete preparation within the High Performance Pathway framework.

03

Partner with NSO leaders in target sports to increase numbers of HP coaches and develop environments that optimise coaches' preparation for Tokyo 2020 and Paris 2024.

Coach Accelerator Programme coaches increased to 54 and we have also introduced the Te Hāpaitanga coaching programme which targets female HP coaching.

Coach wellbeing plan for 2019/20 implementation commenced.

04

Partner with Sport NZ to support enhanced NSO capability, stability and alignment.

Four pilot projects identified to enable support of system wide change.

05

Partner with target NSOs via a tailored Engagement model utilising Performance teams to ensure alignment and focus.

HPSNZ continue to refine and evolve the NSO Health Check that provides strategic and performance oversight of the NSO and our value add.

Engagement model in 2019/20 featured Strategic Partnership meetings, Operational Performance Team meetings and Campaign Management meetings.

06

Develop a national strategy for HPSNZ hub networks.

Pathway work with NSOs commenced incorporating an understanding of regional Pod support.

Regional hubs and pods included in 2024 HSPNZ strategy.

07

Challenge and support the system internally and externally with targeted NSOs to deliver sustainable success for 2024-28.

NSO health checks enhanced to incorporate a focus on business capability and sustainability

08

Create and leverage effective partnerships with industry, university, commercial and philanthropy networks.

The need for increased number and types of partnerships identified by the 2032 HP System Strategy has been incorporated into the development of HPSNZ's 2024 Strategy.

09

Initiate a gender equity project that will provide meaningful activities for women in high performance.

Women in High Performance Residency Fund initiated and first intake in place.

Women in High Performance coaching commenced and first intake in place.

10

Develop recommendations on how athletes can have authentic involvement, genuine consultation and ability to impact in the HPSNZ system and within NSOs.

HPSNZ commissioned the Beaman Report to review NSO progress on athlete voice.

Athlete voice included in HPSNZ 2024 Strategy development.

11

Review our current investment model (including carding, PEGs and PM scholarship criteria) to be sustainable towards 2028.

Review of Prime Minister's Scholarship programme underway – phase 1 complete.

Comprehensive review of investment criteria underway with intended implementation from 2022 onwards.

12

Further develop and enhance the HPSNZ culture by living our values and improving collaboration and communication with staff, contractors and stakeholders.

Diversity and Inclusion score rose from 63% to 68% in 2020 Staff Engagement Survey.

Communication of values, philosophy and strategic direction increased from 57% to 65% in 2020 Staff Engagement survey.

Our work in 2019/20

Enhancing athlete performance

HPSNZ is focused on enhancing Aotearoa New Zealand's high performance sport's long term and sustainable success. Our work in 2019/20 has continued this.

We progressed our successful model in collaboration with NSOs of placing carefully chosen teams of experts around elite athletes and coaches to provide the additional resources, knowledge and inspiration needed to enhance their world beating capability. In 2019/20, we supported more than 440 international and emerging athletes. Through our 120+ world class specialists in more than eight disciplines, we optimised athlete training through support in performance health and performance science.

We continued to provide innovative solutions, products and technology to increase Aotearoa New Zealand athletes' chances of success on the World Championship, Olympic and Paralympic stage. For example, we incorporated *Picture of Performance*, a New Zealand equivalent of the *What it Takes to Win* philosophy (performance backwards approach) to support long term planning and enable campaigns to be better prepared.

We used robust evidence-based tracking and learning systems to inform critical programme and campaign decisions for Tokyo and beyond.

Aotearoa New Zealand athletes' achievements in 2019

	Olympic Sports	Paralympic Sports ¹⁹
TOP 3	19	18
TOP 5	27	29
TOP 8	43	N/A

¹⁹ Does not include NZ Para Swimming.

Athlete wellbeing support

In addition to its performance health and performance science services, in 2019/20, HPSNZ has continued to provide several channels to enhance holistic support for athletes and coaches. These include:

Athlete Life Programme

A holistic programme that helps athletes maximise their performance in sport and life. It is designed to build capability, accelerate athlete learning, support athletes through transition (during and post career), identify transferable skills and awareness of future employment and promote wellbeing.

Prime Minister's Scholarships

Academic and vocational scholarships to enable HP athletes, coaches, officials and support personnel to balance their sports development by pursuing educational and personal development opportunities. In the last year, we administered 354 athlete scholarships and 192 coach, official and support team scholarships.

Performance Enhancement Grants (PEGs)

These provide athletes and teams with direct financial support to enable them to commit to longer periods of training and competition, which are necessary if they are to progress and achieve podium placings in pinnacle events. In the last year, we administered 234 PEGs to HP athletes.

We also moved quickly to provide financial certainty for athletes in response to COVID-19 as well as identifying and implementing mental health initiatives to support athlete wellbeing.

Coaching support

Coaching is one of our top priorities. It is central to both the performance of athletes, as well as a sustainable HP system. The HP Coach Advisory Group, established by HPSNZ in 2018/19 (consisting of ten current and former HP elite coaches from a variety of Olympic, Non-Olympic and team sports) continued to add value. Having developed and endorsed an HP Coaching Wellbeing Plan 2019/20, this group is also supporting the development of the Coaching Pathway as part of the Performance Pathways work in the development of HPSNZ's 2024 Strategy.

Additional coaching support progress in 2019/20 included:

- Continued engagement with NSO leaders to identify and agree an HP coaching support plan (2019/20) in each tiered sport to ensure the best possible preparation for the next two Olympiads
- HPSNZ's Coach Accelerator Programme increased to 54 coaches from 14 sports to optimise preparation for Tokyo and other pinnacle events. The Coach Accelerator Programme includes individual development opportunities for HP coaches, as well as an intensive series of planned activities that integrate facilitators and participants
- The 2020 Coach Performance Support Programme continues to target 65 priority coaches in partnership with Paralympics New Zealand and the New Zealand Olympic Committee. A member of HPSNZ's coaching team provides one to one coach support, to reflect on, explore and develop their coaching practice and provide athletes with the coaching they need
- HPSNZ Introduced the Te Hāpaitanga initiative that will identify and develop a talent pool of future female high performance coaches and selected a first intake of 14 participants
- Recent initiatives that are under development include
 - Know the Line (an approach to develop the coaches' understanding of the requirements of working in the HP environment)
 - Feasibility study into the establishment of a professional coaching body that is looking at the profession of coaching and the standards that are required.

Building a system that focuses on wellbeing, integrity and inclusiveness

We need an HP system that is inclusive, fair and that balances wellbeing and the requirements of elite sport. The wellbeing of our people is not only important for the individuals personally but is a critical enabler of performance for our organisation and the athletes, coaches and sports we support. It also impacts on our ability to retain, develop and attract people to sustain a world-leading HP sport system. Everyone in the HP sports system must be safe and well so they can consistently perform at their best - whether that is on the field of play, in the office or working within a sport.

In 2020, prioritising wellbeing has been as important as ever, particularly with increased uncertainty which has become a reality for HP sport in the wake of the COVID-19 pandemic.

HPSNZ has been active in advocacy to government during COVID restrictions to ensure that the specific environments/needs of elite sport were taken into account and uncertainty minimised as far as possible.

The onset of the pandemic and subsequent postponement of the 2020 Olympic and Paralympic Games saw demand for support from HPSNZ practitioners increase.

In addition to meeting the immediate need of athletes, HPSNZ has moved develop a more detailed understanding of the wellbeing of athletes across the system through use of DASS questionnaire, which is about identifying depression, anxiety and stress at a point in time. This will enable us to better understand the athlete cohort and respond to their needs.

We also identified and implemented additional wellbeing initiatives to help deal with the impacts of COVID-19 including a Mental Health 101 education programme for those working with athletes and additional support available to athletes via InStep, a recognised provider of specialist programmes to support mental health and wellbeing.

The importance of coach wellbeing has also been recognised with the development and introduction of a HP Coach Wellbeing Plan in 2019/20, which has been used in the first instance to ensure tailored support to coaches in the build up to Tokyo.

Athlete voice is a key consideration in high performance sport. In 2019, Sport NZ commissioned the Beaman report to provide a picture where NSOs are at with athlete voice and prompt them to think about what they can do more effectively. The report provided them with guidance on areas to consider and what best practice looks like, noting that each context will be different. We will be looking to build on that work as we develop and implement HPSNZ's 2024 strategy

HPSNZ has also implemented internal changes via a sustained review and action plan to improve 'Ways of Working' across the organisation. Throughout 2019, HPSNZ staff engaged in change focus groups in the following areas: Purpose and Behaviours, Communications and Engagement, Ways of Working, Leadership, and People Experience.

In 2018, we also formed an active focus group to ensure best practice diversity and inclusiveness initiatives and policy is applied consistently across HPSNZ, creating an environment where staff can be their best, and where every voice matters. As a result, the Diversity and Inclusion score in the Annual Staff engagement survey increased from 63% to 68% in 2019/20.

Partnership

HPSNZ's partnerships with sports, the existing trust and relationships across the high performance sport system and our ability to be agile and act decisively are the key elements of our competitive advantage.

We continue to work with target sports to ensure that the right level of HP support and expertise is provided to enable and enhance HP programmes and campaigns. We have established performance teams that are integrated and immersed within HP sports environments to ensure alignment and focus. This helps the NSO to achieve performance measures and to manage risks associated with the sport's context.

To increase capability and provide opportunities for cross-sport learning and collaboration, we hold finance workshops with NSOs. We have also moved quickly in response to COVID-19 to provide NSOs with greater certainty of their level of funding over the next 1-3 years.

Our partners highly value the quality of our expert advice, guidance and assistance, with a score of 92% partner satisfaction, against a target of 80%, in the 2018/19 partner confidence survey.

A priority for HPSNZ in 2018/19 was to partner with target NSOs via a tailored engagement model. This continued in 2019/20 and was designed to enable proactive engagement and working with the NSOs to:

- Prioritise HP strategy, performance partnership and risk management
- Focus on performance and the co-ordination of HP support
- Deliver leading practice campaign management, campaign delivery and case management.

This engagement has occurred across all targeted NSOs within the last year. We also embarked on an internal "roadshow", presenting the new engagement model in all HPSNZ centres to ensure staff awareness and understanding.

Business Capability of NSOs continued to be a priority in 2019/20. Following a comprehensive review of the business capability of each partner in 2018/19, we now have a clear idea of the path ahead needed to contribute to our partners becoming more fit for purpose, relevant and sustainable organisations. This has resulted in recommendations for each individual partner and Sport NZ have begun implementing four significant pilots or feasibilities that can be undertaken to attempt system wide, sustainable change. In addition, the evolution of the HPSNZ Health Check now includes Business Capability and has a focus on sustainability.

Further partnership progress in 2019/20 included:

- Performance Pathway work with NSOs commenced, incorporating an understanding of support for regional Performance Pods
- Performance Advisory introduced to campaign sports
- The Knowledge for Tokyo project provided an evidence based learning platform for NSOs.

COVID-19 Response

To mitigate the disruption caused by COVID-19 across the sport sector in the first half of 2020, including the postponement of the Olympic and Paralympic Games, an immediate reset was required to ensure a successful transition to the 'new normal' and to continue to enhance Aotearoa New Zealand's competitive advantage.

Our partner NSOs have experienced significant hardship as a result of COVID-19 impacts and we pivoted quickly to put in place ways of supporting them.

HPSNZ confirmed core investment for all NSOs at 100% of current levels to the end of 2021 and for tier 1 and 2 Olympic and Paralympic sports at a minimum of 70% from 2022-2024. Performance Enhancement Grants were also confirmed at 100% of current levels for the remainder of their current term.

HPSNZ also developed and secured funding for two reset and recovery initiatives designed to mitigate the impacts of COVID-19:

- Pathway Development - Target coach and athlete support to facilitate pathways that deliver performances and enhance system sustainability
- Regional Performance Pods - Enhance national daily training environments to enable COVID-19 restrictions to be turned to a competitive advantage for NZ athletes.

2032 High Performance System Strategy

HPSNZ led the completion of the 2032 High Performance System Strategy (HPSS) in 2019/20.

The strategy was developed collaboratively by representatives of Aotearoa New Zealand's high performance sport System including:

- A 14-member steering committee made up of representatives from Olympic and non-Olympic sports, HPSNZ and Sport NZ reps, and Athletes' Federations
- HPSNZ-led advisory groups with a total of 67 members (36 externals)
- HPSNZ-led working groups with a total of 64 members
- Two additional Sport NZ-led advisory groups and working groups
- A strategy roadshow to consult with stakeholders in Auckland, Wellington, Cambridge and Christchurch.

The outcome was a strategy that clearly identifies and prioritises what the high performance sport system must achieve over the next three Olympic and Paralympic cycles and the system shifts required to deliver this.

Within the 2032 High Performance System Strategy seven key system shifts were identified as fundamental to delivering the transformation required between now and 2032, each aligning and contributing to the High Performance Outcomes Framework and the New Zealand High Performance Sport System Strategic Objectives.

Focusing on the fundamentals of Performance Pathways, Funding and Investment and Wellbeing and Engagement, the 2032 High Performance System Strategy will deliver a world leading system that enables Aotearoa New Zealand to achieve sustainable success on the world stage and leverages that success to inspire the nation and its communities.

Backed up by investment in Performance Support, Intelligence and Performance Solutions, NSO Capability and Leveraging Success, the strategy set the direction for the HPSNZ 2024 Strategy.

The HPSNZ 2024 strategy is currently under development with the finalisation and launch planned for the third quarter of for November 2020 with a focus on taking action to evolve the way we work to enable and empower world class performance in an environment that values wellbeing.

As a leader of the High Performance Sports System the HPSNZ, 2024 Strategy will support the implementation of the 2032 High Performance System Strategy priorities and will accelerate the delivery of the three key strategic system shifts:

- Performance Pathways
- Wellbeing and Engagement
- Funding and Investment.

Women in High Performance Sport

HPSNZ remains committed to working with Aotearoa New Zealand's sport sector to address the gender imbalance that persists in leadership and coaching roles within high performance sport.

Aotearoa New Zealand's high performance system has the potential to be world leading and influential with regards to gender equity and equal opportunity. Raising the visibility and demonstrating the valuable contribution made by female leaders, coaches, and athletes in high performance sport will inspire future generations and help position Aotearoa New Zealand for future sporting success.

HPSNZ continues to prioritise investments that support the Government's Strategy for Women and Girls in Sport and Active Recreation. This is primarily driven through the ongoing implementation of the Women in HP Sport project (WHPS). The Minister for Sport and Recreation announced a \$2.7 million investment in the project in October 2019.

The project focuses on three core streams of work that seek to add value to and complement work already underway at the community, regional and national levels:

1. the Women in High Performance Sport Residency Fund that was implemented in 2019/20 and is supporting the development of eight highly capable women leaders and coaches working in fixed term Residency funded positions in NSO high performance programmes
2. the WHPS Te Hāpaitanga Breakthrough Coach initiative that will identify and develop a talent pool of future female high performance coaches; and (launched in August 2020)
3. working in collaboration with Sport NZ, HPSNZ is partnering with NSOs to review and enhance current approaches to developing, attracting and retaining female HP leaders and coaches and explore opportunities to create sustainable and inclusive high performance environments (ongoing).

Preparation for Tokyo 2020

Enhancing athlete performance

In April 2020, the IOC made the decision was made to postpone the 2020 Tokyo Olympic and Paralympic Games until 2021.

While this, and the general travel restrictions caused by COVID-19 have disrupted preparations for Tokyo and compressed the pinnacle events calendar beyond Tokyo, the Tokyo Olympic and Paralympic Games now scheduled for July 2021 and August 2021 respectively, are the immediate pinnacle event focus.

Should the Tokyo games proceed in an unaltered format, Aotearoa New Zealand athletes will compete in more than 20 sports in Tokyo with perhaps the country's largest ever Olympic team. Our athletes will compete in familiar sports such as rowing, cycling, equestrian, rugby sevens, sailing and kayak. Tokyo 2020 will also feature sports new to the Olympic programme including surfing, karate, sport climbing and skateboarding. Baseball and softball will return to the Olympic programme for the first time since 2008.

Heat strategy

Tokyo 2020 will likely be the hottest Olympic and Paralympic games on record. Consequently, HPSNZ has developed a robust heat strategy, including heat acclimatisation, individualised plans for at risk athletes, and ensuring that that athletes perform in pre-Olympic test events to understand the conditions and perform successfully. As a result of COVID-19 we have had more time to prepare our athletes and sports for the heat in Tokyo, including another summer to simulate heat strategies. It is possible that some sports and athletes may need to acclimatise longer in Aotearoa New Zealand pre Games, and we have partnered up with Institutions who have heat chambers to cater for this.

Own the moment – psychological preparation

We continue to learn the importance to be psychologically prepared to perform at optimal levels within the intense Olympic environment. HPSNZ is continuing to implement the Own the Moment (OTM) action plan to enable athletes to develop psychological components needed for optimum performances under pressure. OTM includes foundational skills such as a learning mindset and ownership, habits of excellence such as rehearsing roles, plans and processes, responses to change/ challenge, and performance skills such as attention and mind-body management. Time in lockdown has enabled many athletes to prioritise more time for their mental skills preparation supported by our Performance Psychologists. The challenge is for athletes to simulate or practise under pressure situations as the amount of international competition between now and Tokyo will be limited.

OTM is being delivered in partnership with key stakeholders including NSOs, the New Zealand Olympic Committee (NZOC) and Paralympics New Zealand.

Output Class Two

High Performance Sport

Our aim is for more New Zealanders to win on the world stage at Olympic / Paralympic Games and World Championships in targeted sports. HPSNZ leads the HP sport system in Aotearoa New Zealand working in partnership with NSOs and key stakeholders to allocate resources, and provide support to impact NSO, coach and athlete performance.

We assess performance across the following main areas:

- Progress across HP programmes and campaigns, supported by strategic investment and world-leading HP expertise
- Stakeholder satisfaction levels
- Athlete and coaches enabled to perform.

We use methods of evaluation such as surveys and case studies. Where available, we monitor Aotearoa New Zealand's position within the international environment, for example, the virtual Olympic medal table.²⁰

Progress towards 2020 (postponed)

Area	Measure	Target	Previous result	Result
Results on the world stage (with a greater focus on gold medals) SOI 2018-22	Olympic Summer Games Tokyo 2020 ²¹	16+	Rio 2016 - 18 medals	Not measured
	Winter Olympics Beijing 2022	TBD	PyeongChang 2018 - 2 medals	Not measured
	World Championships	Winning in non-Olympic sports	19 World Championships across 8 Sports in the Rio cycle	2018: 0 2019: 1
	Paralympics Tokyo 2020 ²²	10-14 gold medals	Rio 2016 - 21 medals (9 gold)	Not measured
	Winter Paralympics Beijing 2022	TBD	PyeongChang 2018 - 3 medals (1 gold)	Not measured
Progress towards Olympic and Paralympic success through annual results SOI 2018-22	Consistent number of NZ athletes placed in top 3, 5 and 8 in the world in Olympic disciplines ²³	Top 3: 16 Top 5: 24 Top 8: 32	Annual results for the comparative year in the previous Olympic cycle eg 2015 as compared to 2019, one year out from the Olympic Games. ²⁴	Top 3: 19 Top 5: 27 Top 8: 43
	Consistent number of NZ Paralympics athletes placed in top 3 and 5 Paralympic disciplines ²⁵	Top 3: 18 Top 5: 24	Annual results for the comparative year in the previous Olympic cycle eg 2015 as compared to 2019, one year out from the Olympic Games	Top 3: 18 ²⁶ Top 5: 29

²⁰ The virtual Olympic medal table predicts the number of medals that will be won by each country, based on current performance: <http://www.gracenote.com/virtual-medal-table/>

²¹ This performance measure is in the Vote Sport and Recreation Estimates.

²² This performance measure is in the Vote Sport and Recreation Estimates.

²³ This performance measure is in the Vote Sport and Recreation Estimates.

²⁴ Athlete/team placings are reported on a calendar-year basis, for comparison with the equivalent years in the previous Olympic cycle. Not all sports have a pinnacle event every year, so the comparison between equivalent years in the Olympic cycle provides a more reasonable indication of results tracking.

²⁵ This performance measure is in the Vote Sport and Recreation Estimates.

²⁶ The increase result from 2018 is due to no Paralympic Athletics world championships taking place in 2018 and the Paralympic Swimming world Champs were postponed and then moved and NZ did not send a team.

Progress towards 2020

Key Activity	Output description	Result
Investment to support NSO high performance initiatives SPE 2019/20	At least 85% of high performance funding will be invested in high performance programmes and initiatives ²⁷	2019/20: 93% 2018/19: 94% 2017/18: 93%
	At least 80% high performance key indicators achieved	2019/20: 87% 2018/19: 80% 2017/18: 89%
Technical advice for high performance expertise SPE 2019/20	At least 80% partner satisfaction with quality of consultancy provided ^{28, 29}	2019/20: 91% 2018/19: 95% 2017/18: 91%
High performance athlete support services ³⁰ SPE 2019/20	At least 80% of coaches and athletes say that HPSNZ support and training environment positively impacts performance ^{31, 32}	2019: Athletes 85%, Coaches 84% 2018: Athletes 86%, Coaches 80% 2017: Athletes 89%, Coaches 86%
	Performance Enhancement Grants (PEGs) allocated to at least 200 high performance athletes*	2019: 234 2018: 228 2017: 237
	400 athletes receive funding and/or access to services through the high performance system*	2019: 426 2018: 442 2017: 527

*Based on a calendar year

Cost of Service by Output Expense - High Performance Sport

ACTUAL 2019 \$000		ACTUAL 2020 \$000	BUDGET 2020 \$000
REVENUE			
62,192	Crown funding	62,192	62,192
7,283	Other operating revenue	7,724	7,536
69,475	Total revenue	69,916	69,728
LESS EXPENSES			
43,859	Sector investments and consulting	44,270	44,828
2,734	Infrastructure investment	486	1,370
2,789	Programme management	2,886	5,172
7,690	Technical advice and resources	6,962	8,444
15,912	High performance athlete services	16,133	15,959
72,984	Total expenses	70,737	75,773
(3,509)	Net operating deficit	(821)	(6,045)

27 Programmes and initiatives include: Investments to targeted sports, PEGs, Technology and Innovation, HP Events and direct costs associated with the provision of technical advice, resources and athlete services to targeted sports/athletes/coaches.

28 This performance measure is in the Vote Sport and Recreation Estimates.

29 2019/20 Partner Confidence Survey – targeted partners only.

30 For example, specialist services such as exercise physiology, biomechanics, strength and conditioning, nutrition, physiotherapy, massage, planning, athlete life and medical services, in addition to PEGs and funding.

31 2018 Coach and Athlete survey done on a calendar basis to align with athlete investment/performance.

32 This performance measure is in the Vote Sport and Recreation Estimates.

Output Class Three

Prime Minister's Sport Scholarships

The Prime Minister's Sport Scholarships aim to increase participation and achievement in sport and active recreation by enabling talented New Zealanders to pursue tertiary study to develop particular skills, while developing to elite-level sport. Particular skills are those which contribute to the quality of Aotearoa New Zealand's sport performance at the elite level.

We assess performance using the following perspectives:

- Efficient administration.
- Talent is developed (athletes, coaches, officials and support staff).

Key Activity	Output description	Result
Investment SPE 2019/20	Administration costs are less than 4% of total funding	2019/20: 3.4% 2018/19: 4% 2017/18: 3.1%
	At least 300 athlete scholarships are awarded	2019/20: 354 2018/19: 337 2017/18: 313
	At least 100 coach, official, and support team scholarships are awarded	2019/20: 192 2018/19: 194 2017/18: 143

Cost of service by output expense - Prime Minister's Sport Scholarships

ACTUAL 2019 \$000		ACTUAL 2020 \$000	BUDGET 2020 \$000
REVENUE			
4,250	Crown funding	4,250	4,250
4,250	Total revenue	4,250	4,250
LESS EXPENSES			
4,353	Sector investments and consulting	3,695	4,250
172	Programme management	146	170
4,525	Total expenses	3,841	4,420
(275)	Net operating deficit	409	(170)



Sport NZ Group

In 2019/20 and into 2020/21, our kaitiaki role has never been more important as we support our sector and the wider system. We must respond to the challenges posed by COVID-19 and to lead the reset and rebuild of a play, active recreation and sport system in a way that makes it stronger and more resilient into the future. To enable the success of this work we need highly capable staff.

Managing the Organisation

The Sport NZ Group aims to attract develop and retain highly capable staff who work in a continuous learning environment supported by an enabling culture.

Diversity and Inclusion

The Sport NZ Group is committed to being an employer who demonstrate that equity, diversity and inclusion lead to stronger whānaungatanga and improved organisational performance.

In 2019/20, Sport NZ and HPSNZ have worked on developing a five year diversity and inclusion plan that will result in a diverse workforce, and inclusive mindset and increased innovation, enabling us to better reflect and serve the system. The Diversity and Inclusion Committee and key stakeholders are in the process of reviewing the D&I plan for final approval. Long term measures are included in the plan that will be monitored on an annual basis and included in reports to the SLT, HR Committee and both Boards.

HPSNZ has launched the Women in High Performance Sport project. The \$2.7m project will implement strategies that will improve gender balance in leadership and coaching positions within the high performance sector.

Gender equity

The Sport NZ Group is committed to closing the gender pay gap and is making steady progress towards this through a range of initiatives.

The Sport NZ Group now has an equal balance of male and females employed in the Senior Leadership Team and a close to equal balance at manager level. During the annual remuneration review, special attention was given to ensure pay equity (the same pay for different work but of equal value) and equal pay (same pay for the same job, no difference based on gender). As a result, we have now addressed our equity and equal pay discrepancies.

However, due to the gender distribution within the organisation, we have more females at lower levels of the organisation than males, resulting in a gender pay gap (gap between average earnings of women compared to men). To reduce the gap, we need more females in the middle tier of the organisation. In the immediate future, we will address this through our diversity and inclusion initiatives as we continue to recruit and develop internal female talent. Our measures of success in this area will be monitored through the Diversity and Inclusion annual reporting.

Building our Māori cultural capability

Sport NZ has now incorporated the organisation's Māori cultural capability programme, Tū Te Ihi into the induction programme for all new staff. Through Tū Te Ihi, the organisation is committing to building a strong Māori cultural capability baseline to ensure all staff better understand our commitment to Te Tiriti o Waitangi and the principles of partnership, protection and participation.

An additional programme was trialled in 2019 as a follow up to Tū Te Ihi. The Tū Mai Workshops as with Tū Te Ihi support the development of the skills and knowledge identified in the Māori Crown Relationships Framework. Future workshops will be conducted, following the evaluation it was decided that these would need to be streamed to ensure participants are at a similar level so that learning can progress at a pace best suited to all participants.

A number of Māori customs and protocols are now commonplace within the organisation and are evident in meetings, welcoming new staff and events of significance.

Health, safety and wellbeing

The Sport NZ Group provides a safe work environment that encompasses physical and mental wellbeing for all of our employees, contractors, athletes, coaches and visitors.

We are continuously improving, our health, safety and wellbeing systems, and ensuring that there are no notifiable³³ events in the workplace. Our regional and national health and safety committees ensure monthly site inspections, appropriate signage throughout our facilities, training and induction for staff and for athletes using our training facilities as well as health and safety reminders for staff to maintain awareness.

During 2019/20:

- Sport NZ continued to focus on proactively managing and monitoring the health and wellbeing of staff through the promotion of mental wellbeing initiatives and the staff wellness programme
- HPSNZ is ensuring wellbeing 'on and off the field' is balanced with achieving performance on the world stage. Several initiatives were put in place such as workshops in resilience, mindfulness, psychological safety along with reviews of existing practice and policy
- During the COVID-19 lockdown staff were surveyed to ensure they were well supported with the right tools, communication and leadership to enable them to be fully engaged during the crisis. Positive feedback was received post the level 4 COVID-19 lockdown period when both organisations achieved an increase in the scores of the annual engagement survey.

Staff Engagement

The Sport NZ Culture Team continued to represent and gather feedback from staff, working with the Senior Leadership Team and Human Resource team to implement and monitor initiatives to build and sustain staff engagement. The impact of these initiatives can be seen in the Annual Engagement survey score which was the highest score recorded since the survey was introduced in 2011.

HPSNZ also put in place a range of staff driven change initiatives. Specific focus was on Health and Wellbeing and Diversity and Inclusion. As a result these factors increased by 7 and 5% respectively. Overall the Engagement score increased by 2%.

Organisational Structure

HPSNZ has conducted an operating model review to better understand the work currently being undertaken, the work required in the future along with the capability needed. As a result the organisation is well prepared to align to the 2020/24 strategy.

Sport NZ conducted a realignment of their business units to better fit their teams and staff to the 2020/24 strategy. This had minimal impact on staff but did result in the creation of a number of new roles and staff moving business units which should result in increased agility, collaboration and teamwork.

³³ The Health and Safety at Work Act 2015 defines a notifiable event as a death, notifiable injury or illness or notifiable incident. A notifiable workplace injury or illness is one that requires immediate medical treatment (other than first aid). A notifiable incident is an unplanned or uncontrolled incident that exposes a person to serious health or safety risk.

Managing the Organisation

Being a good employer

The Sport NZ Group meets its obligations as a good employer under section 118 of the Crown Entities Act 2004. This includes providing equal employment opportunities, developing staff, and maintaining engagement through a range of initiatives such as those listed below.

Element	Initiatives
Culture and Staff Engagement	<ul style="list-style-type: none"> • Staff engagement is monitored regularly through staff engagement surveys and action taken on feedback as appropriate. • Our cultural transformation programmes across both organisations are employee-led by the organisations Culture Teams with the support of the SLT. • We have feedback loops in place to monitor and measure change initiatives. • We have increased manager accountability to build and sustain staff engagement.
Recruitment and Induction	<ul style="list-style-type: none"> • Candidate care is at the heart of our recruitment experience at Sport NZ and we are dedicated to ensuring every interaction is a positive one. • Our recruitment and selection policy and practice targets the best possible candidates whilst maximising equal opportunity for both existing and potential employees. • A new look careers site was launched to visually appeal to a more diverse candidate pool and provide a more inclusive platform to potential candidates. On the site candidates can learn more about our employee value proposition and recruitment process. • We updated our onboarding and induction process to be more inclusive and tailored for each unique employment type, from contractor to casuals and fixed term to permanent employees. Across all employment types, we maintain the same level of experience for any employee's first 90 days.
Learning and Development	<ul style="list-style-type: none"> • Our workforce planning identifies current and future capability needs. • Training and development is aligned to workforce planning and individual career aspirations. • Individual development plans form an integral part of the performance planning and development process. • We have focus on building a continuous learning environment through coaching, on-the-job activity and feedback.
Reward and Recognition	<ul style="list-style-type: none"> • Job bands are set and updated based on job evaluations following Hay Group methodology. • The performance management process includes annual salary reviews and appropriate adjustments, supported by the group-wide remuneration policy. • An annual audit is undertaken at the remuneration review to ensure pay equity and equal pay, with action taken if required. • We are celebrating individual and team success more frequently.
Diversity and Inclusion	<ul style="list-style-type: none"> • We have flexible work practices to address work-life balance and whānau needs. • We have increased emphasis of Te Reo Māori and cultural capability in the workplace through the Tū Te Ihi and Tū Mai programmes. • The Diversity and Inclusion Committee and key stakeholders champion and integrate diversity and inclusion initiatives. • We reviewed recruitment, onboarding and induction with a diversity and inclusion lens in order to attract more diverse pools of talent to better reflect the population we serve. This includes ethnic diversity but also gender (for middle management) and age (young people).

Sport NZ Group staff



2019/20
Number of employees



243

236 2018/19



8.7% 2019/20
Annual staff turnover

15.4% 2018/19



43.5 2019/20
Average age

42 2018/19



5.2 2019/20
Average tenure in years

4.34 2018/19



1 2019/20 Staff
disability profile
(Sport NZ only)

1 2018/19



50% 2019/20
Female

48% 2018/19

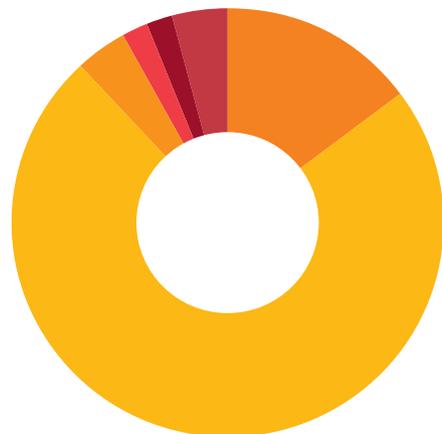


50% 2019/20
Male

52% 2018/19

Ethnic diversity in sport nz at the end of 2019/20

(excluding HPSNZ, which does not currently collect this data)



- 15% European
- 74% NZ European
- 4% Māori
- 2% Pacific Islander
- 2% Asian
- 4% Other

Managing the Organisation

Measurement

Measurement was again a key priority for 2019/20 and we have made progress on several workstreams focused on improving how we measure and then tell a more compelling story about the value proposition of play, active recreation and sport. This includes:

- Embedding the Performance Framework into reporting and senior level meetings
- Streamlining measures for 2019/20 and 2020/21 to provide a sharper, more focused performance story and prototyping regular impact reporting against these measures
- The development of a physical literacy tool. Sport NZ has continued to work on a physical literacy tool to help us measure the extent to which physical literacy in young people improves over time as our partners adopt the approach
- Developing the Sport NZ Outcomes Framework for our Towards 2032 Strategic Direction and the Sport Social Value Bank - we have a significant programme of work underway to develop a social return on investment methodology which we can apply to our investment, and other decision making which will be implemented as part of our Strategic Plan 2020-24.

Managing risk

The Sport NZ Group has risk management arrangements which include the Board's risk appetite, corresponding risk registers, a business continuity plan and cyber security plan. The Board receives regular reports of significant risks and risk management mitigations, actions and controls. Staff have risk management resources including a risk management manual and policy. Maintaining risk awareness is an ongoing activity which enhances risk management and includes risk management workshops.

Working with our Minister and government partners

Sport NZ advises the Minister for Sport and Recreation on a range of matters within the play, active recreation and sport system, spanning both HP and community sport. Each year we ask for the Minister's satisfaction rating for the policy advice we provide. This spans six areas such as timeliness, value for money and whether the advice meet his needs. For the 2019/20 financial year the Minister rated Sport NZ seven and a half out of ten across all six parameters. The rating for 2018/19 was nine and for 2017/18 was seven out of ten.

For the first time, in 2018/19 we also asked our government partners how they rated their relationship with Sport NZ. We scored an average of 4.5 out of 5, with our partners providing very positive comments. While we are pleased with how our partners and our Minister view us, we know we have a lot of work ahead to achieve the outcomes of our new strategic direction. We will be working hard in the future to further build genuine productive relationships so that we can work together to achieve the Government's wellbeing outcomes.

Governance of the Sport NZ Group

The Sport NZ Board members, who bear responsibility for this Annual Report, are:

- Bill Moran (Chair)
- Jason Shoebridge (Deputy Chair)
- Darrin Sykes
- Hilary Poole
- Kylie Clegg
- Raewyn Lovett
- Dr Farah Palmer
- Rowan Simpson
- Beatrice Faumuina

Sport NZ is governed by a Board whose members and chairperson are appointed by the Minister for Sport and Recreation. The Board is responsible for setting the Sport NZ Group's strategic direction and for providing governance and leadership.

HPSNZ is governed by its own Board of directors, as provided in its Constitution. Members are appointed by the Sport NZ Board with approval from the Minister for Sport and Recreation. The HPSNZ Board members are:

- Bill Moran (Chair)
- Hilary Poole (Deputy Chair)
- Alison Shanks
- Ian Hunt
- Waimarama Taumaunu
- Kylie Clegg
- Chelsea Grootveld
- Tony Hall (NZOC appointment)
- Peter Miskimmin (ex officio)

Ministerial Directions

The Sport NZ Group did not receive any directions from the Minister for Sport and Recreation during 2019/20.

Acts in breach of statute

No natural person acts have been enforced against the Sport NZ Group under section 20(3) of the Crown Entities Act during 2019/20.

Permission to act

Section 68(6) of the Crown Entities Act 2004 requires disclosure of a permission (by the chair or deputy chair) to act despite a Board member's interest in a matter. No permissions were sought in 2019/20.

Statement of Responsibility

We are responsible for the preparation of Sport and Recreation New Zealand's financial statements and statements of performance and for the judgements made in them.

We are responsible for any end-of-year performance information for Sport and Recreation New Zealand under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Sport and Recreation New Zealand for the year ended 30 June 2020.

On behalf of the Sport NZ Board.



Bill Moran, MNZM

Chair - Sport NZ and HPSNZ
19 November 2020



Jason Shoebridge

Board Member - Sport NZ
19 November 2020

Independent Auditor's Report

To the readers of Sport New Zealand's group financial statements and performance information for the year ended 30 June 2020

The Auditor-General is the auditor of Sport New Zealand group (the Group). The Auditor-General has appointed me, Rehan Badar, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for appropriations, of the Group on his behalf.

Opinion

We have audited:

- the financial statements of the Group on pages 75 to 103, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Group on pages 38 to 43 and 59 to 61.

In our opinion:

- the financial statements of the Group on pages 75 to 103:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2020; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the performance information on pages 38 to 43 and 59 to 61:
 - presents fairly, in all material respects, the Group's performance for the year ended 30 June 2020, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 19 November 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw attention to the impact of COVID-19 on the Group. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Emphasis of matter – Impact of COVID-19

Without modifying our opinion, we draw your attention to the disclosures about the impact of COVID-19 on the Group as set out in notes 3 and 25 to the financial statements, page 42 of the performance information and page 8, 16, 17, 46 and 55 of the annual report.

Independent Auditor's Report: Continued

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Group for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Group, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Group's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1 to 112, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Group.



Rehan Badar

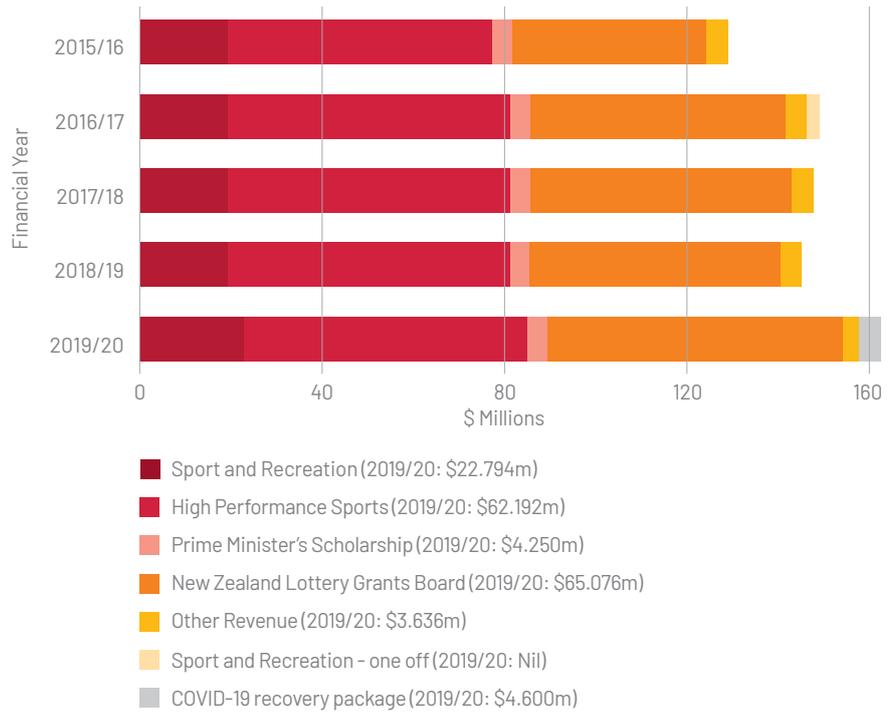
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Financial Overview

The financial information presented within this annual report is for Sport New Zealand (Sport NZ) and the consolidated Sport NZ Group (the Group), comprising Sport NZ and its wholly-owned subsidiary High Performance Sport New Zealand (HPSNZ) and the New Zealand Sports Foundation Charitable Trust (NZSFCT) in which Sport NZ has a controlling interest.

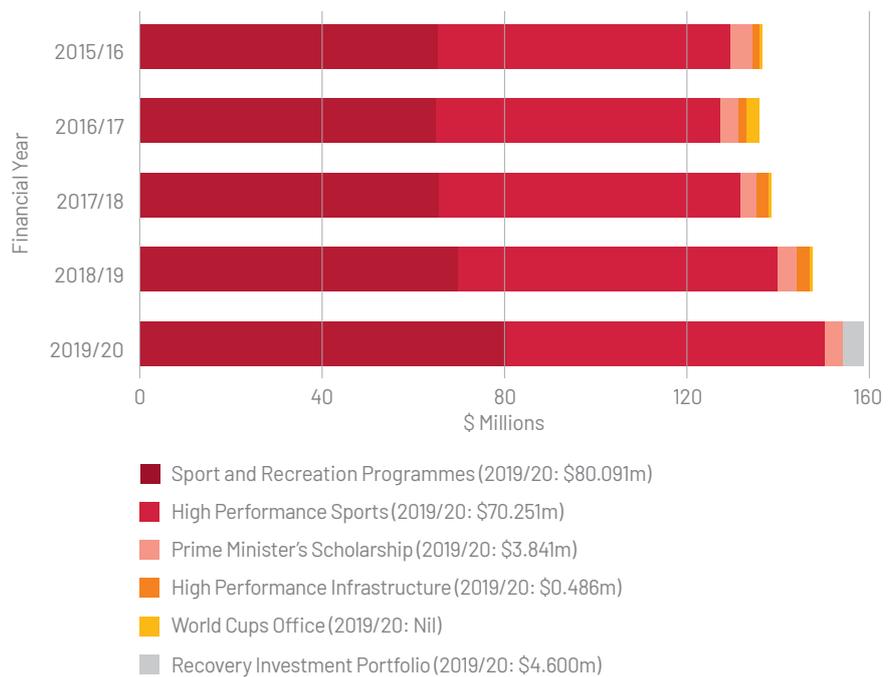
Analysis of revenue from 2015/16 to 2019/20

Crown funding (excluding the COVID-19 Recovery Package) has increased by \$3.643m for the 2019/20 year, to fund a cross-agency, school based programme referred to as Healthy Active Learning. Prior to 2019/20 crown funding had remained unchanged since the 2016/17 financial year, when the Group received an additional one-off payment of \$2.950 million to support leverage and legacy programmes related to the Lions Rugby Tour. New Zealand Lottery Grants Board (NZLGB) funding is \$10.339m more than 2018/19, partially offset by a \$0.161m decrease to Water Safety NZ.



Analysis of expenditure from 2015/16 to 2019/20

This chart shows how Group expenditure has been allocated across outputs since 2015/16. Sport NZ Expenditure related to both Sport and Recreation programmes and High Performance programmes has increased in the last two years, utilising reserves, and additional Crown and NZLGB funding as noted above.



Financial Statements

Statement of comprehensive revenue and expense³⁴

For the year ended 30 June 2020

ACTUAL 2019 ADJUSTED \$000			ACTUAL 2020 \$000	BUDGET 2020 \$000
REVENUE				
85,593	Crown funding		93,836	89,233
54,898	New Zealand Lottery Grants Board		65,076	59,638
1,790	Interest revenue		1,272	1,566
2,959	Sundry revenue		2,364	3,019
145,240	Total revenue	2	162,548	153,456
EXPENDITURE				
SECTOR INVESTMENTS				
777	Investment consulting		772	1,093
94,239	Partner investments		94,919	102,309
2,728	Infrastructure investments		484	1,370
-	COVID-19 relief package		7,620	-
-	Recovery investment portfolio		4,600	-
97,744	Total sector investments	3	108,395	104,772
COST OF SERVICES				
222	Board members' remuneration	21	217	244
27,089	Personnel costs	4	28,689	30,158
9,465	Professional and technical services	5	9,291	11,588
2,435	Leased property		2,501	2,556
1,466	Depreciation and amortisation	10,12	1,469	1,670
8,828	Other operating costs	6	8,712	14,155
49,505	Total operating expenditure		50,879	60,371
147,249	Total expenditure		159,274	165,143
(2,009)	Net Operating Surplus/(Deficit)		3,274	(11,687)
(5)	Gain/(Loss) on disposal of assets		4	-
(2,014)	Surplus/(Deficit)		3,278	(11,687)
-	Other revenue and expenditure		-	-
(2,014)	Total comprehensive revenue and expense		3,278	(11,687)

³⁴ This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations for major variances against budget are provided in note 25.

Financial Statements: Continued

Statement of financial position³⁵

At 30 June 2020

ACTUAL 2019 ADJUSTED \$000			ACTUAL 2020 \$000	BUDGET 2020 \$000
ASSETS				
CURRENT ASSETS				
6,094	Cash and cash equivalents	7	11,762	851
13,578	Trade and other receivables	8	31,407	13,235
327	Prepayments		280	100
36,917	Investments	9	17,286	27,216
56,916	Total current assets		60,735	41,402
NON-CURRENT ASSETS				
3,978	Property, plant and equipment	10	3,505	3,645
1,052	Intangible assets	12	1,027	1,268
-	- Loans	13	-	23
5,030	Total non-current assets		4,532	4,936
61,946	Total assets		65,267	46,338
LIABILITIES				
CURRENT LIABILITIES				
7,345	Trade and other payables	14	6,828	8,926
1,080	Revenue received in advance	15	1,042	1,112
1,844	Employee entitlements	16	2,442	1,773
10,269	Total current liabilities		10,312	11,811
NON-CURRENT LIABILITIES				
18	Provisions	17	18	29
18	Total non-current liabilities		18	29
10,287	Total liabilities		10,330	11,840
51,659	Net assets		54,937	34,498
REPRESENTED BY:				
53,673	Public equity		51,659	46,185
(2,014)	Total revenue and expenditure		3,278	(11,687)
51,659	Public equity		54,937	34,498

³⁵ This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations for major variances against budget are provided in note 25.

Statement of changes in equity³⁶

For the year ended 30 June 2020

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000	BUDGET 2020 \$000
53,673	Opening public equity	51,659	46,185
(2,014)	Total comprehensive revenue and expense for the year	3,278	(11,687)
51,659	Closing public equity	54,937	34,498

³⁶ This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations for major variances against budget are provided in note 25.

Financial Statements: Continued

Statement of cash flows³⁷

For the year ended 30 June 2020

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000	BUDGET 2020 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
85,554	Crown funding	93,982	89,233
59,620	New Zealand Lottery Grants Board	56,502	57,154
4,103	Sundry revenue	2,349	5,300
1,782	Interest revenue	1,522	1,420
(269)	Goods and services tax	1,435	(30)
(97,820)	Sector investment	(119,129)	(104,337)
(20,431)	Other payments	(21,349)	(26,958)
(27,175)	Payments to employees	(28,308)	(30,329)
5,364	Net cash flow from operating activities	(12,996)	(8,547)
CASH FLOWS FROM INVESTING ACTIVITIES			
3	Disposal of property, plant and equipment	5	-
-	Investments maturing	19,631	10,048
(1,289)	Purchase of property, plant and equipment	10	(558)
(507)	Purchase of intangible assets	12	(963)
(7,417)	Acquisitions of investments		-
(9,210)	Net cash flow from investing activities	18,664	8,527
(3,846)	Net increase / (decrease) in cash and cash equivalents	5,668	(20)
9,940	Cash and cash equivalents at 1 July	6,094	871
6,094	Cash and cash equivalents at 30 June	11,762	851

³⁷ This financial statement is to be read in conjunction with the accounting policies and notes to the financial statements. Explanations for major variances against budget are provided in note 25. The GST (net) component of operating activities reflects the GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Reconciliation of net deficit

For the year ended 30 June 2020

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
(2,014)	Surplus/ (deficit)	3,278
	Add/(deduct) non-cash items	
1,466	Depreciation and amortisation	1,469
5	Loss/(gain) on disposal of assets	(4)
12	Net fair value movement in financial assets	-
1,483	Total non-cash items	1,465
	Add/(deduct) movements in working capital items	
5,508	Trade and other receivables	(17,444)
31	Interest receivable	250
(105)	Prepayments	47
(137)	Trade and other payables	(1,152)
462	Revenue received in advance	(38)
136	Employee entitlements	598
5,895	Net movement in other working capital items	(17,739)
5,364	Net cash flows from operating activities	(12,996)

Notes to the Financial Statements

1. Statement of accounting policies for the year ended 30 June 2020

Reporting entity

The accompanying notes form an integral part of the financial statements. These financial statements are for the Group for the year ended 30 June 2020 and were authorised for issue on 19 November 2020. The Group comprises the parent entity, Sport and Recreation New Zealand (Sport NZ), its wholly owned subsidiary, High Performance Sport New Zealand Limited (HPSNZ), and the New Zealand Sports Foundation Charitable Trust (NZSFCT) in which Sport NZ has a controlling interest.

Sport NZ is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in Aotearoa New Zealand. The relevant legislation governing Sport NZ's operations includes the Crown Entities Act 2004. Sport NZ's ultimate parent is the New Zealand Crown.

Sport NZ was established as a Crown entity on 1 January 2003 under the Sport and Recreation New Zealand Act 2002 (the Act) to "promote, encourage and support physical recreation and sport in Aotearoa New Zealand". Its functions are set out in section 8 of the Act, which incorporates the functions of HPSNZ.

The NZSFCT commenced activities on 1 September 1995 and was granted charitable status under the Income Tax Act 1994, in August 1995. The NZSFCT was registered as a charitable entity under the Charities Act 2005 on 30 June 2008. The objects of the NZSFCT include: to promote, organise, and provide for and assist in the promotion and organisation of sport, and participation in sport in the community, for the purpose of promoting the health, education, and development of individuals and communities.

Although a separate legal entity from Sport NZ, the Trustees are appointed by the Sport NZ Board and comprise members of the Sport NZ Board

The Group does not operate to make a financial return and is designated a public benefit entity for financial reporting purposes.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

There have been no changes to accounting policies from the prior period.

Statement of compliance

The financial statements of the Group have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with Aotearoa New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

Measurement base

The financial statements have been prepared on the historical cost basis.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

Comparative financial information

Comparative amounts for 2019 have been restated to include the financial information of the NZSFCT. Due to the application of PBE IPSAS 35, as described in note 27, the NZSFCT has been included in the consolidated financial statements of the Group.

Standards issued and not yet effective and not early adopted

2019 Amendments to XRB A1 Appendix A

This amendment updates the guidance on the classification of an entity as either a PBE or a for-profit entity for financial reporting purposes. This amendment is effective for annual periods beginning on or after 1 January 2020.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and it is effective for reporting periods beginning on or after 1 January 2021. The Group has not determined how application of PBE FRS 48 will affect its statement of performance.

Amendment to PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising

from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Group does not intend to adopt this amendment early.

PBE IPSAS 41 Financial Instruments

The XRB issued PBE IPSAS 41 Financial Instruments in March 2019. The standard supersedes PBE IFRS 9 Financial Instruments, which were issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022. Although the Sport NZ Group has not assessed the effect of the new standard, it does not expect any significant changes as the requirements are similar to PBE IFRS 9.

Summary of significant accounting policies

Basis of consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, income, and expenses on a line-by-line basis and eliminating all significant intragroup balances, transactions, income and expenses upon consolidation.

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis.

Income tax

Sport NZ and HPSNZ are public authorities and the NZSFCT is a registered charity, consequently the Group is exempt from income tax.

Budget figures

The budget figures for the year ended 30 June 2020 are derived from the Statement of Performance Expectations (SPE) 1 July 2019 – 30 June 2020 as approved by the Sport NZ Board on 22 May 2019. The budget figures have not been adjusted for the consolidation of the NZSFCT, as it was not anticipated that the Trust would be active in the year under review and therefore, no budget was prepared.

The budget figures were prepared in accordance with NZ GAAP using accounting policies that are consistent with those adopted by the Board for the preparation of the financial statements.

Cost allocation

Within the cost of service statements, the cost of outputs has been determined through a combination of direct cost allocation and indirect cost allocation. Costs directly attributed to an output are allocated to that output. Indirect costs comprise expenditure related to the Executive, Strategy, Policy, Corporate Services, Business Operations, Marketing and Communications. These are allocated to outputs based on the proportional share of fulltime equivalent employees (FTEs) working directly on each output.

Critical accounting estimates and assumptions

In preparing these financial statements, the Group has made estimates and assumptions concerning the future that may differ from actual subsequent events. These estimates and assumptions are based on historical experience and other factors, including reasonable expectations as to likely future events, and continual re-evaluation of expectations in the light of new information.

There were no critical accounting estimates or assumptions applied in preparing the financial statements that were considered to have involved significant risk so as to require material adjustment to the carrying amounts of assets and liabilities in the next financial year.

Critical judgements in applying accounting policies

In preparing the financial statements, no critical judgements were made in the application of accounting policies that are considered to have involved significant risk, so as to require material adjustment to the carrying amounts of assets and liabilities in the next financial year.

Notes to the Financial Statements: Continued

2. Revenue

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
CROWN FUNDING		
19,151	Sport and recreation programmes	22,794
62,192	High performance sport	62,192
4,250	Prime Minister's sport scholarships	4,250
-	- COVID-19 recovery package	4,600
85,593	Total crown funding	93,836
OTHER REVENUE		
54,898	New Zealand Lottery Grants Board	65,076
1,790	Interest revenue	1,272
2,959	Sundry revenue	2,364
145,240	Total revenue	162,548

Revenue recognition

Revenue is recognised based on the fair value of consideration received or receivable.

Crown funding

The Crown directly provides funding to the Group for the specific purpose and objectives of Sport NZ and HPSNZ, as set out in the SPE and according to the scope of relevant government appropriations.

Apart from the general restrictions, the Group considers there are no other conditions attached to Crown funding. It is recognised as revenue when earned and is reported in the financial period relating to which it was appropriated.

New Zealand Lottery Grants Board

Sport NZ receives annual funding from the NZLGB who in turn receive it from LottoNZ. Sport NZ receives 20% of LottoNZ net profits. Revenue from the NZLGB is recognised as revenue in the same year as the corresponding LottoNZ net profits based on formal advice received from the NZLGB.

Sport NZ also receives annual funding from the NZLGB for Water Safety New Zealand, which it passes directly on. This is recognised as revenue and expenditure in the statement of comprehensive revenue and expenditure.

Interest

Interest revenue is recognised by accruing on a time proportion basis the interest due from investments.

3. Sector investment

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
46,777	Sport and recreation programmes	47,724
46,614	High performance sport	44,756
4,353	Prime Minister's Sport Scholarships	3,695
97,744	Sub-total	96,175
	- Recovery investment portfolio	4,600
	- COVID-19 relief package	7,620
97,744	Total sector investments	108,395

Investment consulting

Costs associated with engaging consultants to provide professional advice directly to partner organisations are recognised in the statement of comprehensive revenue and expense as 'investment consulting' expense under 'sector investments'.

Sector investment and infrastructure investment

The Group provides funding to various organisations in the sport and recreation sector to meet its primary objectives. This expenditure is recognised as an expense in the Statement of Comprehensive Revenue and Expense as either partner investments or infrastructure investments.

Investment with substantive conditions is expensed at the earlier of the investment payment date or when the contract requirements are met.

Investment without substantive conditions that need to be subsequently met, is expensed at payment date.

The Group must exercise judgement when recognising investment expenditure to determine whether contracted requirements have been satisfied. This judgement is based on the facts and circumstances that are evident for each contract.

COVID-19 Relief Package

On 7 May 2020 Sport New Zealand announced the creation of a \$25 million relief package available to the sport, play and active recreation sector as an immediate response to the effects of the COVID-19 pandemic. These funds have been made available through savings, the re-prioritisation of Sport NZ's work programme, and potentially drawing down

on cash reserves. A further \$0.5 million was contributed by the NZSFCT bringing the total package to \$25.5 million.

At 30 June \$7.620 million of the Relief funds had been spent as follows:

- \$6.995m - Community Resilience Fund established to provide relief to local and regional sport and active recreation organisations.
- \$0.625m - Partner Support Fund to help the Group's investment partners maintain critical roles and business functions which are at risk due to COVID-19. The Partner Support Fund had a closing date of 30 September 2020.

Recovery Investment Portfolio

As part of Budget 2020 the Minister for Sport and Recreation announced a five-year \$265m Recovery Package into the Sport and Recreation sector.

At 30 June \$4.6 million was paid out in support of professional clubs. The criteria covered imminent competitions aiming to ease the financial impact of COVID-19 to ensure that the competitions remained viable through to June 2020.

Sector investments by appropriation

A breakdown of sector investments made to individual organisations is available on sportnz.org.nz.

Notes to the Financial Statements: Continued

4. Personnel costs

ACTUAL 2019 \$000		% OF TOTAL REVENUE	ACTUAL 2020 \$000
SALARY AND WAGES			
12,337	Sector support	9%	13,710
7,132	Athlete services	4%	7,196
5,158	Corporate and business operations	4%	5,638
24,627	Total salaries and wages		26,544
1,659	Other personnel costs		816
666	Employer contributions to defined contribution schemes		730
137	Increase/ (decrease) in employee entitlements		599
27,089	Total personnel costs		28,689

Salary and wages

Salaries and wages are recognised as an expense as employees provide services. The split in salaries and wages represents three high level functional groupings:

- Sector support represents staff working directly with the sector to provide knowledge, advice and technical expertise.
- Athlete services includes specialists who provide direct performance support to athletes in exercise physiology, psychology, strength and conditioning, nutrition, biomechanics, physiotherapy, massage, planning, athlete life, medical and other specialist services.
- Corporate and business operations covers staff providing organisational infrastructure, policy advice, ministerial servicing and support.

Other personnel costs

Other personnel costs include recruitment and professional development costs.

Defined contribution schemes

The Group's contributions to Kiwisaver are recognised as an expense in the statement of comprehensive revenue and expense as incurred.

5. Professional and technical services

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
4,531	Sector support consultants	4,578
2,503	Athlete service contractors	2,656
2,325	Other professional and technical services	1,946
106	Annual audit fees (Audit NZ)	111
9,465	Total professional and technical services	9,291

Sector support consultants represent professional and technical services we engage to directly support the sector.

Athlete service contractors, along with athlete service staff (note 4), represent a key part of the delivery for high performance athlete services.

Other professional and technical services are specialist advice and services engaged by the Group to assist with the delivery of the Group's work programmes and priorities. These services include information technology, research, legal, strategic advice, benchmarking and frameworks advice.

6. Other operating costs

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
2,075	Travel	1,613
713	Marketing and communications	1,493
3,285	Sector training and programme resources	2,617
2,755	Other operating costs	2,989
8,828	Total other operating costs	8,712

Travel includes all costs related to transport and accommodation for international and domestic business travel.

Marketing and communications costs include campaigns, sponsorship, social media, website, and publications.

Sector training and programme resources include costs associated with developing sector resources, hosting and sector attendance at seminars, workshops and conferences.

Notes to the Financial Statements: Continued

7. Cash and cash equivalents

ACTUAL 2019 ADJUSTED \$000			ACTUAL 2020 \$000
1,094	Bank balances and cash held	AA-	2,247
	SHORT TERM TREASURY INVESTMENTS (deposits < 90 days)		
	- ANZ National Bank	AA-	15
5,000	ASB Bank	AA-	-
	- Rabobank NZ	A	6,000
	- Westpac	AA-	3,500
5,000	Total short term investments		9,515
6,094	Total cash and cash equivalents		11,762

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

While cash and cash equivalents at 30 June 2020 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

8. Trade and other receivables

ACTUAL 2019 ADJUSTED \$000			ACTUAL 2020 \$000
12,026	New Zealand Lottery Grants Board		20,600
146	Trade receivables due from the Crown		-
473	Interest receivable		223
133	Other trade receivables		10,584
800	Goods and services tax		-
13,578	Total trade and other receivables		31,407

All significant trade and other receivables are current. There has been no provision for the impairment of receivables (2018/19: Nil).

All trade and other receivables are unrated.

Trade and other receivables are recorded at the amount due, less an allowance for credit losses. The Sport NZ group applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, trade and other receivables have been assessed on a collective basis as they possess shared credit risk characteristics.

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

9. Investments

ACTUAL 2019 ADJUSTED \$000			ACTUAL 2020 \$000
INVESTMENTS (deposits > 90 days)			
1,917	- ANZ National Bank	AA-	6,786
6,000	- Bank of New Zealand	AA-	-
10,000	- ICBC (NZ)	A	-
8,000	- Kiwi bank	A	5,000
4,500	- Rabobank NZ	A	4,500
6,500	- Westpac	AA-	1,000
36,917	Total Investments		17,286

Term deposits with an initial term of 90 days or more are measured at the amount invested. Interest is subsequently accrued and recorded as interest receivable (note 8).

The weighted average interest rate on treasury investments was 2.65% with an average maturity of 212 days (2018/19 3.46%).

A loss allowance for expected credit losses is recognised only if the estimated loss is not trivial. There was no impairment provision for treasury investments of 90 days or more at 30 June 2020.

Term deposits are financial assets forming part of financial instruments. Financial instrument risks are discussed more fully in note 23 to the financial statements.

Notes to the Financial Statements: Continued

10. Property, plant and equipment

	LEASEHOLD IMPROVEMENTS \$000	PLANT AND EQUIPMENT \$000	FURNITURE AND FITTINGS \$000	COMPUTER EQUIPMENT \$000	TOTAL \$000
COST					
Balance at 1 July 2019	4,477	2,453	1,257	1,461	9,648
Additions	133	122	101	207	563
Disposals	-	-	-	(130)	(130)
Balance at 30 June 2020	4,610	2,575	1,358	1,538	10,081
ACCUMULATED DEPRECIATION					
Balance at 1 July 2019	1,895	1,969	691	1,115	5,670
Depreciation expense	461	209	115	250	1,035
Eliminated on disposal	-	-	-	(129)	(129)
Balance at 30 June 2020	2,356	2,178	806	1,236	6,576
Carrying amount at 30 June 2020	2,254	397	552	302	3,505
COST					
Balance at 1 July 2018	3,696	2,293	1,144	1,365	8,498
Additions	781	210	113	185	1,289
Disposals	-	(50)	-	(89)	(139)
Balance at 30 June 2019	4,477	2,453	1,257	1,461	9,648
ACCUMULATED DEPRECIATION					
Balance at 1 July 2018	1,446	1,708	573	950	4,677
Depreciation expense	449	304	118	253	1,124
Eliminated on disposal	-	(43)	-	(88)	(131)
Balance at 30 June 2019	1,895	1,969	691	1,115	5,670
Carrying amount at 30 June 2019	2,582	484	566	346	3,978

There are no restrictions over the title of the Group's property, plant and equipment nor any property, plant and equipment pledged as security for liabilities.

Property, plant and equipment are shown at cost less any accumulated depreciation and impairment losses.

The Group does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Additions

The cost of an item of property, plant or equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Group and can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

Costs incurred subsequent to initial recognition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Group and can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are expensed when they are incurred.

Disposals

Gains and losses are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses are reported net in the statement of comprehensive revenue and expense.

Depreciation

Depreciation is provided on a straight-line 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.

The depreciation rates and useful lives associated with major classes of assets have been estimated as follows:

Leasehold improvements	2 to 10 years	(10-50%)
Plant and equipment	2 to 10 years	(10-50%)
Furniture and fittings	4 to 10 years	(10-25%)
Computer equipment	2 to 5 years	(20-50%)

Leasehold improvements are depreciated over the lesser of the unexpired period of the lease or the estimated remaining useful lives of the respective improvements.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of the asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using either a depreciated replacement cost approach, a restoration cost approach, or a services unit approach. The most appropriate approach used to measure value depends on the nature of the impairment and the availability of information.

If an asset's carrying value exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount.

Total impairment cost is recognised in the statement of comprehensive revenue and expense.

The reversal of impairment loss is also recognised in the statement of comprehensive revenue and expense.

11. Non-current assets held for sale

Non-current assets held for sale are assets with a carrying amount that will be recovered principally through a sale transaction rather than through continuing use. These assets are available for immediate sale and the sale is considered to be highly probable. Non-current assets held for sale are recognised at the lower of their carrying amount and fair value (market value) less costs to sell, and are not depreciated or amortised while classified as held for sale. Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of comprehensive revenue and expense.

Apollo Projects Centre

During 2017/18, the Group reclassified the Apollo Projects Centre building to non-current assets held for sale on the expectation that it would be gifted to Christchurch City Council. The COVID-19 pandemic has resulted in delays in gifting the Apollo Centre. It is now expected that the Group will gift the Apollo Projects Centre to Christchurch City Council early in 2022. The carrying value of the Apollo Projects Centre is nil, reflecting that the asset has been fully depreciated.

Notes to the Financial Statements: Continued

12. Intangible assets

INTERNALLY GENERATED 2019 \$000	ACQUIRED SOFTWARE 2019 \$000	TOTAL 2019 \$000		INTERNALLY GENERATED 2020 \$000	ACQUIRED SOFTWARE 2020 \$000	TOTAL 2020 \$000
COST						
2,329	2,306	4,635	Opening balance at 1 July	2,371	2,573	4,944
227	280	507	Additions	289	120	409
(25)	25	-	Reclassification	(16)	16	-
(160)	(38)	(198)	Disposals	-	(51)	(51)
2,371	2,573	4,944	Closing balance at 30 June	2,644	2,658	5,302
ACCUMULATED AMORTISATION						
1,846	1,902	3,748	Opening balance at 1 July	1,879	2,013	3,892
193	149	342	Amortisation expense	199	235	434
(160)	(38)	(198)	Eliminated on disposal	-	(51)	(51)
1,879	2,013	3,892	Closing balance	2,078	2,197	4,275
492	560	1,052	Carrying Amount at 30 June	566	461	1,027

There are no restrictions over the title of the Group's intangible assets, nor are any intangible assets pledged as security for liabilities.

Computer software licenses longer than 12 months are capitalised on the basis of the costs incurred to acquire and make the specific software available for use.

Costs directly associated with the development of software for internal use by the Group are recognised as an intangible asset. Costs associated with the development and maintenance of the Group's websites are recognised as an expense when incurred.

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired software	2 to 3 years	(33-50%)
Internally generated software	3 to 5 years	(20-33%)

Impairment of intangible assets

Refer to the policy for the impairment of property, plant and equipment in Note 10. The same approach applies to the impairment of intangible assets.

13. Loans

ACTUAL 2019 ADJUSTED \$000	ACTUAL 2020 \$000
1,300 Loan drawn down	1,300
(871) Fair value adjustment on initial recognition	(871)
(175) Prior year loan repayment	(175)
(231) Cumulative fair value movement from prior years	(254)
23 Opening balance	-
(23) Fair value movement	-
- Closing balance	-
- Total Loans	-

Loans are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for assets of a similar maturity and credit risk. Movements in fair value, including those arising from impairment, are recognised in the Statement of Comprehensive Revenue and Expense.

Loans are unrated financial assets forming part of financial instruments. Financial instrument risks are discussed more fully in Note 23.

Judgements in applying accounting policies

Fair value of loans

At each balance date, the fair value of loans is determined based on the discounted cash flows of the expected repayments for each loan. In exercising its judgement with respect to determining both the expected future cash flows and the appropriate discount rate to apply to each loan, the Group takes into account the repayment term, currently prevailing interest rates, and any risk to achieving full recovery of the loan amount.

The Group has one loan on issue, \$1.3 million to part-fund Rowing New Zealand's loss incurred following the 2010 Rowing World Championships held at Lake Karapiro.

Rowing New Zealand

The loan to Rowing New Zealand was part funded by the Ministry of Business, Innovation and Employment (MBIE). The Group has a conditional obligation to MBIE for loan repayments received from Rowing New Zealand.

As a result of forecast negative cash flows received from Rowing New Zealand this loan was assessed as being irrecoverable at 30 June 2019 and the loan was written down to Nil, reflecting the fair value movement of the expected future repayments. This assessment remains unchanged at 30 June 2020 with Rowing New Zealand continuing to forecast negative cash flows in out years.

Rowing New Zealand has not been required to make a loan repayment under the agreed calculation formula since 2015/16.

Notes to the Financial Statements: Continued

14. Trade and other payables

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
PAYABLES UNDER EXCHANGE TRANSACTIONS		
1,626	Creditors	869
601	Accrued expenses	474
2,227 Total payables under exchange transactions		1,343
PAYABLES UNDER NON-EXCHANGE TRANSACTIONS		
	- Goods and services tax	635
217	Other taxes payable (PAYE, ACC and rates)	248
4,901	Investment accruals	4,602
5,118 Total payables under non-exchange transactions		5,485
7,345 Total payables		6,828

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

15. Revenue received in advance

ACTUAL 2019 ADJUSTED \$000	ACTUAL 2020 \$000
958 Lease incentive payment	1,012
122 Sundry revenue	30
1,080 Total revenue received in advance	1,042

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit over the lease term.

In 2014/15 Sport NZ received a lease incentive payment of \$388,608 toward the fit-out of a new Auckland premise which acts as a hub housing a number of sports organisations. In 2015/16 Sport NZ leased additional space in this premise resulting in a further lease incentive payment of \$158,659.

On 18 May 2018 Sport NZ moved into new premises in Wellington. The ten-year lease period commenced on 8 December 2018 when the landlord met their obligations under the Agreement to Lease. At this point a ten-month rent-free period was triggered. In addition, the landlord granted Sport NZ an Early Occupation Licence for the period commencing on the Early Occupation Date (18 May 2018) until the Commencement Date (8 December 2018). Sport NZ was not required to pay rent or outgoings during this period. The rent-free period is being treated as a lease incentive to be spread over the term of the lease. The gross value of this incentive is \$827,210.

These lease incentive payments are recognised as revenue received in advance and are being amortised over the expected term of the lease. Lease incentive income is non-exchange in nature

16. Employee entitlements

ACTUAL 2019 ADJUSTED \$000	ACTUAL 2020 \$000
1,346 Annual leave provision	1,763
32 Sick leave provision	10
448 Remuneration accrued	651
18 Long service leave provision	18
1,844 Total employee entitlements	2,442

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include annual leave earned but not taken at balance date, sick leave, salaries and wages accrued up to balance date, and long service leave.

The Group recognises a liability and an expense for bonuses it is contractually obliged to pay, or where a past practice has created a constructive obligation and a reliable estimate of the obligation can be made.

Notes to the Financial Statements: Continued

17. Provisions

ACTUAL 2019 ADJUSTED \$000	ACTUAL 2020 \$000
NON CURRENT PROVISIONS	
18 Make good provision	18
- Loan repayment	-
18 Total Non-Current Provisions	18
18 Total provisions	18
Represented by:	
MAKE GOOD PROVISION	
18 Opening provision	18
- Unused amounts reversed	-
- Amounts used	-
18 Closing provision	18
LOAN REPAYMENT	
11 Opening provision	-
- Unused amounts reversed	-
(11) Amounts used	-
- Closing provision	-
18 Total provisions	18

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits or service potential will be required to settle the obligation; and
- the amount of the obligation can be reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Redundancy

The Group has made no provision for redundancies at balance date (2018/19: Nil).

Loan

The Group has a constructive obligation for half of the MBIE funded loan to Rowing New Zealand. At 30 June 2019 the Rowing New Zealand loan was assessed as being irrecoverable and the provision in respect of this loan was written down to NIL. This assessment remains unchanged at 30 June 2020.

Make good

The Group has lease make good obligations of \$18,000 at one of its premises (2018/19: \$18,000). At the expiry of the lease term the Group is required to make good any damage caused to the premises and to remove any fixtures and fittings that have been installed by the Group since the lease commenced. The Group has the option to renew the lease, which affects the timing of expected cash outflows to make good the premises.

The Group has assumed lease expiry dates in accordance with those reported in note 19.

18. Contingencies

The Group has no contingent liabilities and no contingent assets as at 30 June 2020 (2019/20: Nil).

19. Capital commitments and operating leases

The Group has no contracted capital commitments for the acquisition or development of property, plant, equipment or intangible assets as at 30 June 2020 (2018/19: Nil).

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
NON-CANCELLABLE OPERATING LEASE COMMITMENTS		
2,093	Less than one year	2,338
8,178	One to five years	7,008
4,241	Over 5 years	3,255
14,512	Total non-cancellable operating lease commitments	12,601

Operating leases

Non-cancellable operating lease commitments include:

- lease of premises, \$12.665 million (2018/19: \$14.143 million)
- lease of vehicles, \$0.194 million (2018/19: \$0.369 million)

The Group has entered into five major non-cancellable operating leases, all relating to leased premises, as follows:

Location	Expiry date	Total future minimum lease payments
North Shore	26/02/2024	\$825,130
Dunedin	30/06/2022	\$659,794
Auckland	30/04/2024	\$2,530,804
Wellington	31/01/2029	\$5,858,204
Cambridge	15/03/2029	\$2,240,550

On 18 May 2018 Sport NZ moved into new premises in Wellington. The ten-year lease period commenced on 8 December 2018 when the landlord met their obligations under the Agreement to Lease. At this point a ten-month rent-free period was triggered.

Sport NZ has sub-leased part of its Wellington office space and has future commitments to receive \$527,783 from sub-tenants beyond the balance date (2018/19: \$586,750).

Sport NZ leases office space in Auckland which acts as a hub for sports organisations. At 30 June 2020 the Group had subleased part of this space and had future commitments to receive \$1,163,471 from sub-tenants beyond balance date (2018/19: \$1,351,542).

Notes to the Financial Statements: Continued

20. Related party transactions

Sport NZ is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect Sport NZ would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

No related party transactions by Ministers (or their close family members) have been identified.

With the exception of Board Member Remuneration (note 21), no other related party transactions have occurred that are required to be disclosed.

Key management personnel compensation

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
BOARD MEMBERS		
222	Remuneration	217
1.48	Full time equivalent personnel	1.59
SENIOR LEADERSHIP TEAM		
2,699	Salaries and other short-term employee benefits	3,125
10.00	Full time equivalent personnel	11.02
2,921	Total key management personnel compensation	3,342

Key management personnel includes members of the Sport NZ and HPSNZ Boards, the chief executives of both Sport NZ and HPSNZ, and the general managers from both organisations.

Board members represent 1.59 full-time equivalent personnel (2018/19: 1.48). This has been determined based on the expectations of the Minister for Sport and Recreation in 2007 that each Board member would be remunerated based on a maximum of 25 days.

21. Board member remuneration

The total value of remuneration paid to Board members for the year ended 30 June 2020 is as follows:

ACTUAL 2019 \$000	SPORT NZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2020 \$000
32	Bill Moran (Chair)	September 2016	June 2021	31
16	Darrin Sykes	August 2013	June 2020	2
16	Jason Shoebridge	January 2017	July 2021	16
16	Hilary Poole	July 2017	July 2021	15
16	Kylie Clegg	July 2017	July 2021	16
16	Dr Farah Palmer	July 2018	June 2021	16
16	Rowan Simpson	July 2018	November 2021	15
16	Raewyn Lovett	July 2018	June 2021	16
-	Beatrice Faumuina	December 2019	November 2022	7
144				134
ACTUAL 2019 \$000	HPSNZ BOARD	APPOINTED	TERM ENDS	ACTUAL 2020 \$000
14	Bill Moran (Chair)	January 2017	June 2021	14
10	Alison Shanks	July 2015	July 2021	10
10	Waimarama Taumaunu	July 2017	December 2020	10
10	Ian Hunt	July 2015	July 2021	10
10	Hilary Poole	January 2017	June 2021	10
10	Kylie Clegg	July 2018	July 2021	10
10	Anthony Hall	January 2018	June 2020	9
4	Chelsea Grootveld	February 2019	January 2022	10
78				83
222	Total Board Members' Remuneration			217

Notes to the Financial Statements: Continued

Board member remuneration continued

Peter Miskimmin (Chief Executive) is a non-voting ex-officio member of the HPSNZ Board.

In addition to the remuneration reported in the table above, there were gifts provided for a departing Board member valued at approximately \$218 (2018/19: \$613).

During the 2019/20 year:

Payments totalling \$186,854 (2018/19: \$225,375) were made to Martin Jenkins Limited, of which Hilary Poole is a Director, in relation to consulting services provide to Sport NZ.

Payments totalling \$29,796 (2018/19: \$50,298) were made to Duncan Cotterill, of which Raewyn Lovett is a partner, in relation to consulting services provided to Sport NZ.

During the year, no HPSNZ directors were engaged to provide services to HPSNZ. During the 2018/19 year:

- Ian Hunt provided legal services through Young Hunter Lawyers, to HPSNZ totalling \$18,000.
- Alison Shanks provided services to the HPSNZ Gender Equity, Diversity and Inclusivity Action Group totalling \$2,950.

All transactions with Board members were on normal commercial terms and at arm's length.

The Group has provided Directors and Officers Liability and Professional Indemnity insurance cover for Board members and employees for the year ended 30 June 2020.

Committee members who are not Board members

A payment of \$3,857 (2018/19: Nil) was paid to Jennifer Gill in her capacity as independent advisor to the Investment Advisory Committee.

22. Employee remuneration

The number of employees who received, or who are due to receive, remuneration of \$100,000 or more during the year ended 30 June 2020 are provided, within \$10,000 bands, in the table below.

	ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
1	390,001 - 400,000		2
1	380,001 - 390,000		-
1	340,001 - 350,000		1
-	270,001 - 280,000		1
1	260,001 - 270,000		1
1	250,001 - 260,000		-
-	230,001 - 240,000		1(1)
-	220,001 - 230,000		1
1	210,001 - 220,000		1
2	200,001 - 210,000		4(1)
2(1)	190,001 - 200,000		2
-	180,001 - 190,000		2
4	170,001 - 180,000		5
5(2)	160,001 - 170,000		8
10	150,001 - 160,000		14
13	140,001 - 150,000		15
15(1)	130,001 - 140,000		16(1)
8(2)	120,001 - 130,000		16
15(1)	110,001 - 120,000		17
21(3)	100,000 - 110,000		13
	101(10)		120(3)

The above table includes those employees who ceased employment during the periods reported. For the year ended 30 June 2020, 3 employees who ceased employment during the period had received remuneration of greater than \$100,000, as indicated in brackets (2018/19: 10).

The Sport NZ and HPSNZ chief executives' salaries are within the band range \$390,001 to \$400,000 (2018/19: \$380,001 to \$390,000) and \$390,001 to \$400,000 (2018/19: \$390,001 to \$400,000) respectively.

During the year ended 30 June 2020, there were 3 employees (2018/19: six employees) who received, or were entitled to receive, \$136,482 compensation or other benefits in relation to cessation of employment (2018/19: \$219,817).

During the 2019/20 financial year, the Group had a 2.0% general pay increase (2018/19: 2.5%).

Notes to the Financial Statements: Continued

23. Financial instruments

Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

ACTUAL 2019 ADJUSTED \$000		ACTUAL 2020 \$000
	<i>Financial liabilities measured at amortised cost</i>	
7,128	Payables	5,945
7,128	Total financial liabilities measured at amortised cost	5,945
	<i>Financial liabilities measured at amortised cost</i>	
6,094	Cash and cash equivalents	11,762
606	Receivables	10,807
36,917	Investments - term deposits	17,286
43,617	Total financial assets measured amortised cost	39,855

Fair value

The fair value of the Group's financial assets and liabilities within each category are equivalent to their carrying amounts and are disclosed separately in the Statement of Financial Position. The Group's financial assets and liabilities have not been disclosed by fair value hierarchy due to their nature and the materiality of this disclosure.

With the exception of the loan to Rowing New Zealand, which has been written down to reflect the fair value movement of the future repayments, the fair value of all financial instruments has been determined in accordance with level 1 of the fair value hierarchy.

The Group's financial liabilities are all non interest-bearing trade and other payables that are normally settled on 30-day terms.

Financial instrument risks

The Group's activities expose it to a variety of financial instrument risks, including market, credit and liquidity risk. The Group has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies prohibit entering into speculative transactions.

Fair value interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, owing to changes in market interest rates.

The Group's exposure to interest rate risk is limited to bank deposits that are held at fixed rates of interest. The Group does not actively manage its exposure to fair value interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group has no material exposure to currency risk.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Group is not exposed to price risk as it does not hold any listed equity investments.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss.

Due to the timing of its cash inflows and outflows, the Group invests surplus cash with registered banks. In line with the Group's investment policy, funds may only be deposited with registered banks having an A- (Standard and Poors) or better credit rating and within limits of credit exposure to any one institution.

The single most significant receivable carried at balance date is for NZLGB revenue. This receivable comprises the fourth quarter instalment and the final wash-up payment for the financial year, received each year in July and October respectively. These are guaranteed amounts, and are therefore low risk. The Group does not have significant concentrations of credit risk for any other financial instruments.

Where necessary, the impairment of short term receivables is determined by applying the expected credit loss model.

The Group's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and net receivables, as detailed in notes 7 and 8 respectively. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Group closely monitors its forecast cash requirements with expected cash drawdowns from the Crown and NZLGB. The Group maintains cash on hand to meet liquidity requirements.

24. Capital management

The Group's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

The Group is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

The Sport NZ Board has set a minimum level of public equity at \$11.5 million (2018/19: \$11.5 million) to manage the Group's cashflow profile and unforeseen fluctuations in NZLGB revenue.

Notes to the Financial Statements: Continued

25. Explanation of major variance against budget

Statement of comprehensive revenue and expense

Revenue

Crown funding

Crown funding was \$4.6 million higher than budget due to the receipt of the first tranche of the COVID-19 recovery package.

New Zealand Lottery Grants Board

NZLGB revenue was higher than budgeted reflecting a run of jackpots which more than offset the impact of COVID-19 in quarter four.

Interest received

Interest received is lower than budget and the prior year due to lower than expected interest rates.

Sector investments

Sector investments of \$108.395 million is \$3.623 million more than budget and \$10.651 million higher than 2018/19. The higher than expected investment spend is principally due to the release of \$7,620m in COVID-19 Relief funding and \$4.600m in COVID-19 recovery investment for professional clubs. This additional COVID-19 spending is partially offset by lower than expected sector investment, due to delays in the roll-out of the Healthy Active Learning Programme and new activation investments not put into the market as a result of COVID-19.

Operating expenditure

Operating expenditure of \$50.879 million is \$9.492 million (15.7%) below budget and \$1.374 million (2.7%) more than 2018/19. Personnel costs are \$1.469 million below budget and are \$1.600 million more than 2018/19. 2018/19 personnel costs were lower than expected primarily due to the difficulty in filling staff vacancies in a highly competitive global market and hold on all recruitment with the onset of COVID-19. The lower than budgeted operational expenditure relates largely to delays in projects, principally caused by reprioritization of projects as a result of COVID-19.

Statement of financial position

Assets

Trade and other receivables were \$18.172 million more than expected and \$17.829 million more than 2018/19. This is due to higher Lotto revenue in 2019/20 and unspent relief funding of \$9.197 million due to be returned from Regional Sports Trusts.

Liabilities

Liabilities of \$10.330 million are \$1.510 million less than budget. This is largely due to \$1.571 million in national sport organisation (NSO) funding being paid out in early April rather than July as contracted. This payment to NSOs was made early to provide immediate cashflow relief against the impact of COVID-19. This resulted in a lower investments accrual.

26. Events after balance sheet date

There were no significant events after balance date requiring either adjustment to the financial statements or further disclosure in the accompanying notes.

27. Change in accounting policy

The Group has adopted PBE IPSAS 35 issued in January 2017 with a date of initial application of 1 July 2019. The accounting policy represents a change in the definition of controlling interest in an entity. As a result of this change in definition, Sport NZ is now considered to have a controlling interest in the NZSFCT trust.

In accordance with the transitional provisions of PBE IPSAS 35, the Group has restated the information from previous years to include the consolidation of the NZSFCT. Budget information has not been restated as the NZSFCT was not anticipated to be active during the year and no budget was prepared.

Key changes in comparative information:

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	\$000
Total comprehensive revenue and expense	41
<i>Statement of Financial Position</i>	
Cash and cash equivalents	2
Trade and other receivables	39
Investments - term deposits	1,917
Trade and other payables	3
Total public equity	1,955

There have been no other changes in accounting policy.

Appendix 1

Interests of Board and Key Management Personnel

Conflicts of interest are both defined and managed in accordance with relevant policies. The Sport NZ Group maintains Interests Registers for members of the Sport NZ and HPSNZ Boards, and staff. Board members and key management personnel (those on the Sport NZ and HPSNZ Senior Leadership Teams) are not part of decision making processes where the Group has entered into transactions with organisations in which they have disclosed interests.

Disclosed interests are listed here for current Board members and key management personnel, and those who were Board members in 2019/20.

NAME/POSITION	ORGANISATION	POSITION
Kylie Clegg Board Member Sport NZ and HPSNZ	Auckland Transport	Director
	Counties Manukau District Health Board ³⁸	Director
	Waitemata District Health Board	Deputy Chair
	Well Foundation	Trustee (ex-officio member)
<small>38 Term ended December 2019.</small>		
Chelsea Grootveld Board Member HPSNZ	Aiko Consultants Limited	Director
	Core Education	Director
	Hato Pāora Board of Trustees	Chair
	Iwi affiliations - Ngāti Porou, Ngai Tai, Whānau a Apanui, Whakatōhea, Te Arawa	
	JR McKenzie Trust	Trustee
	Brown Whānau Trust	Trustee
	Niwha Foundation	Trustee
Beatrice Faumuina Board Member Sport NZ		Nil
Anthony Hall Board Member HPSNZ	Agriculture and Life Sciences Lincoln/Massey and Industry Partnership for Excellence	Chair
	Community Colleges NZ	Governing Director
	CORE Education Charitable Trust	Chair
	Lincoln University Sports	Senior Advisor
	Lincoln University Hospitality	Chair
	North Canterbury Sport and Recreation Trust	Board Member
	New Zealand Olympic Committee (NZOC)	Board Member
	New Zealand Olympic Committee (NZOC) Selection Panel	Member
	Waikuku Beach Surf Lifesaving	Patron
Ian Hunt Board Member HPSNZ	Court of Arbitration for Sport	Arbitrator
	Member, World Athletics Disciplinary Tribunal	Member
	Lawyers and Conveyancers Disciplinary Tribunal	Member
	Young Hunter Lawyers (Young Hunter Lawyers provides legal advice to individual athletes, and national and local sports organisations)	Partner

NAME/POSITION	ORGANISATION	POSITION
Raewyn Lovett Board Member Sport NZ	CHT Healthcare	Trustee
	International Working Group on Women and Sport (IWG)	Co-Chair
	Football NZ Executive Committee	Business partner is on committee
	Duncan Cotterill (provides legal services to Sport NZ, Surf Lifesaving NZ, and Hockey New Zealand)	Partner
	Duncan Cotterill Board Member Bruce Cotterill (is Chair of Swimming NZ)	Board Member
	Dunedin Venues Management Limited	Chair
	Onelaw Limited	Shareholder
	Sir Ray Avery Foundation	Trustee
	WiSPA	Board appointments panel
Peter Miskimmin Sport NZ CE and Ex Officio HPSNZ Board Member	Hockey New Zealand	National Selector of Men's Black Sticks
Bill Moran Chair Sport NZ and HPSNZ	Aspen Institute NZ	Trustee
	Community Trust South	Trustee
	McGuinness Institute	Patron
	New Zealand Dementia Prevention Trust	Trustee
	New Zealand Football Foundation	Trustee
	Olive Leafe Centre	Trustee
	Otago Polytechnic	Deputy Chair
	Parliamentary Education Charitable Trust	Trustee
	Pioneer Energy	Director
	Play It Strange Trust	Advisory Trustee
	Queenstown Lakes District Council, Finance, Audit and Risk Committee	Independent Member
	Queenstown Community Hub	Trustee
	School of Government, Victoria University of Wellington	Advisory Trustee
	Sky City Charitable Trust Queenstown	Trustee
	Three Lakes Cultural Trust	Trustee
	WorkSafe NZ	Director
	Turn Up the Music Trust	Chair
	Youthtown	Trustee
	Youthtown Foundation	Trustee

Appendix 1: Continued

NAME/POSITION	ORGANISATION	POSITION
Farah Palmer Board Member Sport NZ	Aho ki Rangī Trust	Member
	Iwi: Ngāti Maniapoto and Waikato (Tainui)	
	Kind Hearts Movement	Ambassador
	Massey University – Massey Business School	Associate Dean – Māori Senior Lecturer
	New Zealand Māori Rugby Board	Chair
	New Zealand Rugby	Director
	New Zealand Women in Leadership	Steering Committee Member
Hilary Poole Board Member Sport NZ and HPSNZ	Badminton New Zealand	Member of Board appointments panel
	Hockey New Zealand	Member of Board appointments panel
	Martin Jenkins Ltd	Independent Director / Chair
	Play it Strange Trust	Member of Board of Trustees
	Snow Sports New Zealand	Member of Board appointments panel
	The Clubhouse NZ Ltd (NZ Women's Golf Open – LPGA Event 2017-2019)	Independent Director
Michael Scott HPSNZ CE and Sport NZ Ex Officio Board Member	Women's Sport Leadership Academy	Mentor
		Nil
Alison Shanks Board Member HPSNZ	Cycling New Zealand	Husband employed by Cycling NZ
	Commonwealth Games Athletes Advisory Commission	Member, Oceania Representative
	My First Gym NZ	Master Franchisor
	New Zealand Olympic Committee (NZOC)	Ambassador
	New Zealand Olympic Committee (NZOC)	Oceania Rep, Commonwealth Games Athletes Advisory Commission
	New Zealand Olympic Committee (NZOC) Athletes Commission	Member
	Toro Mai Trust	Trustee
Jason Shoebridge Board Member Sport NZ	Colmar Brunton Research Limited	CEO of parent company
	Focus Research Limited	Director
	Kantar Insight New Zealand	CEO
	Milward Brown NZ Limited	Director
	Needscope International Limited	Director
	NFO Worldgroup Holdings Limited	Director
	Research International Limited	Director
	Rosmini College Board of Trustees	Trustee
	TNS New Zealand Limited	Director

NAME/POSITION	ORGANISATION	POSITION
Rowan Simpson Board Member Sport NZ	BlackGold	
	Hoku Foundation	Trustee
	Hoku Group Trustee Ltd	Director
	N7 Limited	Director
	P8 Limited	Director
	Electric Fence Limited	Director
	Timely Limited	Director
	Unicorn Farm Limited	Director
	Utiku Limited	Director
	Valar NZ Limited	Director
	Winter Games NZ Trust	Trustee
	W5 Limited	Director
Darrin Sykes Board Member Sport NZ	Capital and Coast District Health Board ³⁹	Government appointed Board Member
	Capital and Coast District Health Board Finance, Risk & Audit Committee ⁴⁰	Chair
	Capital and Coast District Health Board Remuneration Committee ⁴¹	Member
	Crown Forestry Rental Trust ⁴²	Chief Executive
	Federation of International Touch Referees Commission	Member
	Forestry Emission Unit Trust ⁴³	Secretary
	Office for Māori Crown Relations- Te Arawhiti, organisational Services	Deputy CEO
	Touch New Zealand	National Director of Referees
	Touch New Zealand	Integrity Review Officer
	Touch New Zealand Judicial, Legal and Constitutional Committee	Chair
Waimarama Taumaunu Board Member HPSNZ	Wellington Regional Sports Education Trust (trading as Sport Wellington)	Trustee
	International Netball Federation	Rules Advisory Panel
	Netball Central Zone	High Performance Director (permanent, part time)
	Netball New Zealand	Contractor (part time)
	NZ Community Trust	Wellington Regional Advisory Committee member
	New Zealand Olympic Committee (NZOC)	Māori Advisory Board
	Māori Advisory Group, MCH (2017-2020)	Member
All Black Coach selection committee (therefore an interest around the NZRFU for the period) – as at 6 November 2019	Member	

39 Resigned as at 12 August 2019.

40 Resigned as at 12 August 2019.

41 Resigned as at 12 August 2019.

42 Resigned as at 9 August 2019.

43 Resigned as at 9 August 2019.

Appendix 2

Glossary

Active NZ	A survey commissioned by Sport NZ to understand participation in Play, Active Recreation and Sport in New Zealand. Redesigned in 2017, trends will be available in the third year of survey, ie 2019.
Active Recreation	<p>'Active recreation' is a subset of physical activity (see definition below), and is the term we use to describe 'generally non-competitive physical activities for the purpose of wellbeing and enjoyment'.</p> <p>It includes activities that:</p> <ul style="list-style-type: none"> • occur in built, landscaped and natural environments (including outdoor recreation, fitness/exercise, community recreation, aquatics, informal activity and play). • are undertaken both by individuals and by groups. • occur both with and without the active involvement of a 'provider' group or organisation (ie independently). <p>It is likely undertaken as 'informal activity' with people choosing to be active when they want, with whom they want, and at a time and for a duration that best suits them.</p>
Balance is Better	A Sport NZ programme to support organisations making changes to ensure they put the needs of participants and athletes first. Specifically, it supports targeted partners who are tackling change to ingrained competition formats, tournaments, selection processes in their sport focusing on the youth sport area (aged 11-18).
Club experience survey	See the Voice of the Participant survey.
Coach developer	Just as coaches work with and develop athletes, coach developers are the people who develop coaches. Coach developers often work for NSOs and Regional Sport Organisations.
Community Sport	We use a wide definition of community sport. It includes play (age and stage appropriate development opportunities for young people), active recreation, and competitive sport taking place through schools, clubs and events at a local, regional and national level. Community sport does not include high performance sport or passive recreation such as gardening.
Community Sport approaches or Three Approaches	<p>We have three Community Sport approaches (providing a way of thinking and working) through which the community sport system will develop quality opportunities, support and experiences which are:</p> <ol style="list-style-type: none"> 1. Insights Approach 2. Locally Led Approach 3. Physical Literacy Approach <p>For more information: www.sportnz.orgnz/threeapproaches.</p>
Community Sport Strategy	Sport NZ's strategy for the period 2015-20 which focuses on young people and building system capability to provide quality experiences and increase participation.
Competitive Sport	Organised community sport that is delivered at a local, regional or national level. It does not include informal active recreation and play, or high performance sport – it sits in the middle of that spectrum, encompassing both organised sport played primarily for social participation purposes as well as the sub-elite parts of the athlete pathway.
Every Body Active	Sport NZ's vision under the Towards 2032: Strategic Direction.
Grow NSOs	Grow NSOs are ten national sport organisations identified for their high potential to increase participation in one or more identified Target Participant Groups (TPGs). They are priority partners who receive investment to enhance existing programmes and develop new programmes and products.
Healthy Active Learning	A new Wellbeing Budget 2019 joint initiative by the Ministry of Health (MoH), Ministry of Education (MoE) and Sport NZ. It will promote healthy eating and physical activity in schools, kura, and early learning services across Aotearoa New Zealand.
Healthy Families	An initiative funded by the MoH which is led by a range of locally-based organisations in their specific communities, including: iwi organisations, councils, Pacific primary healthcare organisations, and RSTs. These organisations are responsible for bringing together partnerships of key organisations and local leaders who can influence transformational change in their communities. Sport NZ has a partnership with Healthy Families which is an area of mutual interest with MoH.

He Oranga Poutama (HoP)	He Oranga Poutama is a programme funded by Sport NZ that supports Māori wellbeing through sport and active recreation, and is held in different regional sports trusts and iwi around the country. The overall aim of this programme is to get more Māori active and participating within their communities by doing things Māori. The framework used to measure this is Te Whetu Rehūa.
High Performance (HP) Sport	Sport which is at the highest level of competition, with high performance athletes as the competitors. High Performance Sport New Zealand (HPSNZ) leads the high performance system in New Zealand, targeting investment and support to the athletes, teams and sports capable of winning medals on the world stage – especially at the Olympics.
Innovations for Young Women Fund	A Sport NZ fund to get more young women physically active through play, active recreation and sport. It is designed for smaller organisations or teams, to submit their best innovative ideas which target young women to get and stay active. Following the development of the ideas at an innovation weekend, developed ideas are eligible for funding of up to \$25,000 per project. The round of the fund was in 2018/19.
Insights Approach	One of our three Community Sport approaches. A combination of facts, data, voice of the participant, local knowledge and analysis to help better understand participants and participation. More information: www.sportnz.org.nz/threeapproaches
Kiwisport	Kiwisport is a government funded initiative managed by Sport NZ that aims to get more school-age children (aged 5-18) participating in competitive sport. It has two components. <ul style="list-style-type: none"> • The Kiwisport Direct Fund – provided to all schools (public and private). The amount allocated to each school is based on a per capita formula and is funded directly by the Ministry of Education (MoE) through operational funding. The Direct Fund is for schools to use on initiatives that lead to the outcomes sought from Kiwisport, i.e. more children and young people participating regularly in competitive sport. Schools have discretion about how the fund is used. • The Regional Partnership Fund (RPF) – designed to complement the Direct Fund by encouraging schools, clubs, community organisations and local businesses to collaborate in increasing opportunities for school-aged children to participate in organised sport. The RPF is funded through Sport NZ to regional sports trusts (RSTs). The RSTs receive funding based on the number of enrolled students in their region calculated according to roll-return information from MoE. RSTs allocate funding in projects which can ensure new or increased opportunities for school-aged children to participate in competitive sport at a community/regional level.
Leads	Sport NZ supports Insights and Physical Literacy Leads within RSTs who are responsible for upskilling others and championing the approach both internally and externally.
Living Standards Framework (LSF)	Developed by the Treasury, the LSF looks across the human, social, natural and financial/physical aspects of those things that affect our wellbeing – the ‘four capitals’. It is a tool that emphasises the diversity of outcomes meaningful for New Zealanders, and helps the Treasury to analyse, measure and compare those outcomes through a wide and evolving set of indicators.
Locally Led Approach	One of our three Community Sport approaches which empowers local communities to make decisions and take action to improve their lives and communities.
Low Participating Communities	Communities where participation in sport and active recreation is below average. These communities often have a mixed demographic that includes our Target Participant Groups (TPGs).
National Recreational Organisation (NRO)	There are a significant number of national recreation organisations (NROs) involved in delivering active recreation opportunities to New Zealanders. Sport NZ invests in eight NROs as active recreation partners. Our most significant active recreation partner is the New Zealand Recreation Association (NZRA).
National Sport Organisation (NSO)	The peak body for a sport in New Zealand e.g. Basketball New Zealand.
Outcomes Framework	Sport NZ’s Outcomes Framework demonstrates how Sport NZ contributes to the government’s wellbeing objectives. Developed for Towards 2032 Sport NZ’s Strategic Direction, the framework links the work (outputs) of Sport NZ and the play, active recreation and sport system, with the contributions to wellbeing that we are trying to achieve (outcomes).

Appendix 2: Continued

Glossary

Own the Moment	An HPSNZ action plan to enable Tokyo 2020 athletes to develop psychological components needed for optimum performance under pressure.
Participant	A person who participates in a play, active recreation and sport opportunity – e.g. as a player, but not a coach, referee or administrator.
Partners	A group of over 130 stakeholders, such as RSTs, NSOs and NROs across the system which Sport NZ works with and invests in.
Partner Confidence Survey	Sport NZ's annual survey to gather feedback from partners regarding Sport NZ's support to them.
Partner reporting	All Sport NZ partners who receive investment are required to provide written reports regarding the initiatives they carried out during the year. A face to face meeting also takes place, with an independent observer present. Partners summarise what they did, the impact and what they learned. The report is then assessed by Sport NZ experts against set criteria and the relative size of the investment.
Performance Enhancement Grants (PEGs)	High performance sport grants to provide athletes and teams with direct financial support to enable them to commit to longer periods of training and competition. There are five categories of PEGs that may be granted: Olympic Individual, Olympic Team, Non-Olympic Individual, Non-Olympic Team and Emerging Talent.
Physical Activity	Any bodily movement produced by skeletal muscles that expends energy. Encompasses a whole spectrum of sport and active recreation activities including: everyday walking, cycling, work-related movement, active play, recreation as well as organised activities, social sport and competitive sport i.e. sport and active recreation are subsets of physical activity.
Physical literacy	Physical literacy is a person's level of motivation, confidence, physical competence, and knowledge and understanding of physical activity. The more physically literate someone is, the more likely they are to have a lifelong love of being active. We first develop physical literacy as babies, toddlers and young children through play (play is the foundation of physical literacy). We continue to develop it through physical opportunities that match our individual abilities and holistic needs (physical, social/emotional, cognitive and spiritual).
Physical Literacy Approach	One of Sport NZ's Community Sport three approaches. The approach is about providing quality experiences that meet people's holistic needs (physical, social/emotional, cognitive and spiritual) and therefore improve their physical literacy. This is particularly important at a young age, to ensure young people develop the motivation, confidence, physical competence, and knowledge and understanding that will enable them to have a lifelong love of physical activity.
Play	Play is: <ul style="list-style-type: none"> • Intrinsically motivated – it is spontaneous and will happen anywhere • personally directed – it has limited or no adult involvement • freely chosen – it has not predetermined outcome and is self-determined, fun, accessible, challenging, social and repeatable. For more information see: www.sportnz.org.nz/play.
Play.sport	Play.sport is a collaborative intervention led by Sport NZ intended to improve the quality of physical education, sport, play and physical activity experience in schools and better connections between schools and communities. It is delivered by Sport NZ and supported by MoE and ACC.
Prime Minister's Sport Scholarships	These scholarships support athletes, coaches and support team members and officials to gain educational or professional qualifications while continuing in sport. It includes a financial contribution towards academic fees of up to \$10,000 per year and a financial contribution towards other study costs of up to \$5,000.
Priority partner	A subset of 33 partners that Sport NZ works more closely with and provides a greater level of investment. Priority partners are those that have been identified with the potential to impact our Target Participant Groups.
Quality experiences	Experiences that develop physical literacy by meeting the aspirations and needs of the participant.
Quality opportunities	People who enable and enhance quality opportunities and experiences for the participant.
Quality support	Opportunities that are provided at the right time, place and cost for the participant
Rangatahi	Sport NZ refers to young people aged 12-17 as 'rangatahi' in our Strategic Plan 2020-24.

Results Based Accountability (RBA)	An approach to reporting which communities and organisations can use to focus on results/outcomes to make a positive change for their communities, whānau and clients.
Regional Sports Organisation (RSO)	One type of regional sport provider, often a provincial sport association that is closely aligned to its national sport organisation (NSO) and whose members are local sports clubs.
Regional Sports Trust (RST)	Regional sporting entities that connect into communities. RSTs are key partners in the regional delivery of sport. Sport NZ invests in 14 RSTs to provide leadership, influence and advocacy to grow participation in their regions.
RST Stakeholder Survey	The RST Stakeholder Survey is conducted every two years and is sent to organisations that work closely with RSTs such as local government, local sporting bodies, and the health and education sector. The purpose of the RST Stakeholder survey is to support the continued development of RSTs as strong regional leaders, working with the stakeholders in the regions to support and enhance the play, active recreation and sport system.
Sport Social Value Bank	An initiative that uses international best practice methods to place a monetary value on outcomes associated with play, active recreation and sport.
System	The collection of regulations, organisations, places and people who directly or indirectly participate in, support, contribute to, or influence play, active recreation and sport in Aotearoa. The play, active recreation and sport system includes central and local government agencies, sport and active recreation organisations, private and commercial providers, schools, teams, funders, social groups and families.
System Build	The Community Sport Strategy 2015-20 relies on building a system that is responsive to participant needs. This is because the strategic outcomes of increasing participation rely on the system responding and adapting to changing participant needs now and in the future ie building from a demand-led approach, as opposed to supply-led.
Tamariki	Sport NZ refers to children aged 5-11 as 'tamariki' in our Strategic Plan 2020-24.
Target Participant Groups (TPGs)	Target Participant Groups (TPGs) are groups where an organisation is particularly focusing its effort. Within the young people (aged 5-18) focus of our Community Sport Strategy, the TPGs are: <ul style="list-style-type: none"> • Teenage girls (aged 10-18). • Young people playing competitive sport. • Young people in low participating communities.
Targeted Sports	HPSNZ works closely with a group of NSOs and Campaign Sports. This is a balanced portfolio that's wide enough to ensure to ensure enough medal opportunities, and narrow enough to impact performance and increase the chances of repeatable success. See: https://hpsnz.org.nz/what-we-do/
Territorial Authorities (TAs)	In New Zealand local government there are 67 TAs made up of: 13 city councils (including Auckland Council), 53 district councils and the Chatham Islands Council. District councils serve a combination of rural and urban communities, while city councils administer the larger urban areas. Five TAs (Auckland, Nelson, Gisborne, Tasman and Marlborough) also perform the functions of a regional council and thus are unitary authorities.
Te Tiriti O Waitangi	The Treaty of Waitangi, Aotearoa New Zealand's founding document.
Te Whetu Rēhua	Te Whetu Rēhua is a culturally based programme and evaluation framework developed for He Oranga Poutama (HOP). Te Whetu Rēhua encapsulates a collective and shared understanding of five key Māori concepts and principles that make up what it means to participate as Māori in sport and recreation in the HOP programme context.
Three approaches	See Community Sport Three Approaches
Towards 2032	Sport NZ's strategic direction for the next 12 years to 2032. This comprises three four-year strategic periods.
Tū Te Ihi	Sport NZ's Māori Cultural Capability programme launched in 2018.
Voice of the Participant survey	A national survey run by Sport NZ to capture how our partners are viewed and their impact on their own regions and sport systems. It is completed by over 30,000 people and provides valuable insights for NSOs to understand the needs of participants.
Wellbeing approach	Enabling people to have the capabilities they need to live lives of purpose, balance, and meaning for them. It is an intergenerational approach that seeks to maintain and improve New Zealanders' living standards over the long term.

Appendix 2: Continued

Glossary

Women and Girls in Sport and Active Recreation Government Strategy	The Government's strategy developed by Sport NZ that aims to create an equitable and inclusive sport and recreation culture for Aotearoa New Zealand, and a system that empowers and supports all women and girls – as active participants, athletes and leaders. It has three priority areas: leadership, participation, and value and visibility. Sport NZ published the strategy in October 2018.
Women and Girls in Sport and Active Recreation Sport NZ Commitments	Sport NZ's response to the Women and Girls in Sport and Active Recreation Government Strategy. The document sets out the 24 commitments under each of the three priority areas.
Young Women's Activation Fund	A Sport NZ fund to get more young women physically active through play, active recreation and sport. It focuses on young women aged 12-18 to get and stay active and/or developing leadership skills. Eligible organisations can apply \$30-300k per project over a maximum of three years.

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