



SNOW SPORTS NEW ZEALAND INCORPORATED

ANNUAL REPORT FOR THE
12 MONTHS ENDED 30 JUNE 2019



Alice Robinson – World Cup GS Silver – Soldeu – credit Alexis Boichard



Contents	2
Directory	3
Chairperson's Report	4
Chief Executive's Report	5
Results	6
Statement of Service Performance	7
Statement of Comprehensive Revenue and Expenditure	8
Statement Change in Net Assets	9
Statement of Financial Position	10
Cash Flow Statement	11
Notes to the Financial Statements	12
Independent Auditors' Report	31

DIRECTORY

Nature of Business National Sporting Organisation

Registered Office 78 Anderson Road, Wanaka

Incorporation Number 216247

IRD Number 42-198-749

Auditors Crowe Horwath
173 Spey St
Invercargill

Bankers Bank of New Zealand
11 Rees St
Queenstown

Board Members David Wallace (Chair)
Hetty Van Hale
Jan Shearer
Mat Woods
Michelle Trapski
Richard Leggat
Richard Thomas

Snow Sports New Zealand, Inc.

CHAIRPERSON'S REPORT

For the 12 months ended 30 June 2019

If we thought 2018 was a fantastic year for our athletes performing on the world stage, 2019 has topped that. It felt like every weekend through February, March and April another Instagram post recorded another podium with athletes draped in the New Zealand flag.

In this year's report we have included a list of Results and an infographic Statement of Service Performance. These provide some interesting perspectives around our organisation.

We congratulate all athletes across all codes and their support teams knowing that they have represented New Zealand with the pride and commitment that we expect as a country.

The board thanks the whole Snowsports team and the wider community of coaches, administrators and volunteers for their ongoing and often unrecognised hard work. Without all these people and countless hours of hard work our sport would not be in the great shape it's now in. We also must recognise our resort partners that provide lane space and host events. Without their ongoing support we couldn't deliver the events and training programs.

I would like to personally thank the Board for its time and energy especially Hetty Van Hale who has decided to not re-stand at this year's AGM. With Jan's appointment to the CEO role we are looking for two new board members.

Our financial result for the year shows a \$301k loss compared to last year's \$439k surplus. As noted last year, we expected this outcome as we recognise grant income in the year received rather than when it was spent. In addition, we had significant depreciation as we expense large capital items such as the Landing Bag over their useful lives. Our net equity position remains strong and with the four-year commitment from High Performance Sport NZ we are a lot more comfortable with our funding going forward.

Since the end of the financial year we have completed the recruitment of Jan Shearer into the CEO role, Ashley Light has stepped down from the High Performance Director role after 12 years and Nic Cavanagh has taken on the reigns of this key part of our business. I would like to thank Ash for his commitment to the organisation and wish him all the best for his new endeavours. He leaves knowing he has put in place a platform for our current and rising stars to fine tune their skills and performance.

We wish all of our athletes all the best for their northern hemisphere campaigns and look forward to seeing the results of their performances on the world stage.

David Wallace
Chairperson

Adam Hall – ISPS Handa Para Athlete of the Year – credit Getty Images

Snow Sports New Zealand, Inc.

CHIEF EXECUTIVE'S REPORT

For the 12 months ended 30 June 2019



This year, after 16 months in the Acting CEO role I am honored and privileged to have been recently appointed Snow Sports NZ CEO and have the opportunity to lead such an exciting and vibrant organisation. The breadth of work, the complexity, the quality of the people, and the opportunity to have an impact on our stakeholders' snow experiences and performance success are key drivers for me.

Again, we can reflect on the successes of our athletes, the Snow Sports NZ team and the programmes we run, all supported by our funders and providers. There are too many podiums to mention in total, however: the stand-out performances of NZ Snowboarder Zoi Sadowski-Synnott who won the US Open, World Championships and X Games; Alpine skier Alice Robinson who won the World Junior Championships and backed this up with a second place in the FIS World Cup Finals; and Skier Craig Murray who won a stop on the Freeride World Tour were results that made us truly proud. The future is also looking bright with Snowboarder Mitchell Davern winning the World Rookie Tour Slopestyle Championships and recently Freeskiers Ben Barclay, Jackson Wells and Ruby Andrews making podiums at Continental Cups.

Earlier in the year skier Adam Hall won the ISPS Handa Para athlete of the Year at the Halberg Awards which was extremely well deserved. Our adaptive team in the office continue to push the boundaries and make a real difference in this community. Jane Stevens, our Adaptive Manager, also continues to work closely with the International Paralympic Committee ensuring NZ is kept up to date and has a voice on the world stage.

Currently the 2019 Winter Games NZ is in action showcasing our sport to the world. This major event plays host to truly international fields in multiple snow disciplines and is a highly anticipated fixture on the winter calendar. The Winter Games gives NZ athletes the opportunity to plan their winter training to include high level competition and benchmark themselves against their peers. It also provides our community of officials, volunteers and event staff a games experience over this two-week period.

This year the Alpine discipline has been a focus for us at SSNZ with the development of a new strategy, calendar, points system and selection criteria. We have also introduced the season end Snowvision Alpine Youth National Championships and Selection Camp. The Alpine Sport Committee continues to provide advice on the Alpine development pathway and domestic activities, and our NZ FIS representatives keep us informed of worldwide activities.

This winter we have been meeting a wider stakeholder group and discussing the opportunities to maximise the delivery of our services. We will seek greater clarity and real purpose around our leadership role as an organisation and how we work in partnership and across the sector to strengthen the sport.

The staff at SSNZ have again performed outstandingly in their roles and delivered against our strategy. They support each other and work as a team delivering results to the community with integrity and pride.

The Snow Sports NZ outlook is very positive, having recently been elevated to Tier 2 status in the HPSNZ structure, this elevation provides additional funding security and in turn organisational stability. We hope to continue evolving and developing in our ever-changing environment and look forward to further successes on the international stage in all snow disciplines.

A huge thank you to our funding partners (FIS, HPSNZ, Sport NZ) our Gaming, Community, and Charitable Trust supporters (Community Trust of Southland, Otago Community Trust, NZ Community Trust, Pub Charity, Lion Foundation, Southern Trust), our resort partners (Cardrona, Coronet Peak, Mt Hutt, Treble Cone) and sponsors (Snowvision, Cooke Howlison Holden, Mons Royale, North Face, One Studio) the funding and in-kind support you provide enables Snow Sports NZ to support our athlete pathways from entry level through to high performance.

Jan Shearer
Chief Executive

Finn Bilous – World Cup Freeski Big Air Bronze – Cardrona – credit Neil Kerr

RESULTS

For the 12 months ended 30 June 2019

MILESTONE PODIUMS (11)

Athlete	Date	Venue	Discipline
Craig Murray	6 Feb 19	Kicking Horse	FWT Freeski
Zoi Sadowski-Synnott	10 Jan 19	Park City WC	SB Slopestyle
Zoi Sadowski-Synnott	26 Jan 19	Aspen X Games	SB Slopestyle
Zoi Sadowski-Synnott	2 Mar 19	Burton US Open	SB Slopestyle
Alice Robinson	18 Mar 19	Soldeu	Giant Slalom
Miguel Porteous	7 Dec 18	Copper	FS Halfpipe
Nico Porteous	20 Dec 18	Secret Garden	FS Halfpipe
Nico Porteous	16 Feb 19	Calgary	FS Halfpipe
Zoi Sadowski-Synnott	24 Jan 19	Aspen X Games	SB Big Air
Finn Bilous	7 Sep 18	Cardrona	FS Big Air
Nico Porteous	24 Jan 19	Aspen X Games	FS Halfpipe



INTERNATIONAL



Europa Cup - GER	National Junior Race - ITA	Copper Mountain Revolution Tour
1st Alice Robinson Giant Slalom	1st Mikayla Smyth U14 Slalom	1st Ben Barclay Freeski Slopestyle USA
2nd Alice Robinson Giant Slalom	Children's Trophy - CRO	3rd Samantha Johnston Freeski Halfpipe USA
Europa Cup - ITA	1st Mikayla Smyth U14 Giant Slalom	USASA Nationals
2nd Alice Robinson Super-G	2nd Mikayla Smyth U14 Slalom	1st Fin Melville Ives U14 Freeski Slopestyle USA
World Juniors - ITA	Whistler Cup - CAN	1st Liam Richards U12 Freeski Slopestyle USA
1st Alice Robinson Giant Slalom	1st Mikayla Smyth U14 Giant Slalom	1st Ruby Andrews U16 Freeski Slopestyle USA
	2nd Mikayla Smyth U14 Slalom	1st Ruby Andrews U16 Freeski Halfpipe USA
Far East Cup - CHN	Freeride 4 Star	1st Zak Baikie U16 Snowboard Slopestyle USA
1st Piera Hudson Giant Slalom	1st Jess Hotter Nendaz SUI	2nd Fin Melville Ives U14 Freeski Halfpipe USA
1st Piera Hudson Slalom	1st Finn Duffy Silvretta Montafon AUT	World Rookie Tour Finals
1st Piera Hudson Giant Slalom	1st Jess Hotter Silvretta Montafon AUT	1st Mitch Davern Snowboard Slopestyle AUT
3rd Piera Hudson Slalom	3rd Blake Marshall Silvretta Montafon AUT	Junior World Champs
	3rd Benjamin Ewens Silvretta Montafon AUT	3rd Ruby Andrews Freeski Halfpipe SUI



DOMESTIC



FS & SB Junior Nationals Winners				FS & SB Slopestyle Series Winners	
Freeski Girls	Freeski Boys	Snowboard Girls	Snowboard Boys	Laura Molly Jane Wotton	Freeski Open Womens
Michaela Bridgens U8	Riley Hein U8	Ada Silva U8	Joshua Lee U10	Ben Harrington	Freeski Open Mens
Poppy Freeman U10	Logan Millar U10	Lucia Georgalli U12	Jalen Carleton U12	Olivia Hein	Freeski U14 Girls
Grete-Mia Meentalo U12	Liam Richards U12	Lilly Steele U14	Zephyr Lovelock U14	Ferguson McArthur	Freeski U14 Boys
Samantha Johnston U14	Harper Souness U14	Meila Stalker U16	Zak Baikie U16	Cool Wakushima	Snowboard Open Womens
Ruby Andrews U16	Luca Harrington U16	Cool Wakushima U18	Mitchell Davern U18	Sam Finnemore	Snowboard Open Mens
Abi Harrigan U18	Kian Henderson U18			Lucia Georgalli	Snowboard U14 Girls
				Cam Melville-Ives	Snowboard U14 Boys



Alpine National Winners	NZ Junior Series Winners	NZ Junior Freeride Tour Overall	4 Star National Winners
Piera Hudson Womens SL	Alice Robinson Womens	Poppy Freeman Ski Girls U10	Jess Hotter Freeski Womens
Piera Hudson Womens GS	Will Cashmore Mens	Japer Powell Ski Boys U10	Blake Marshall Freeski Mens
Alice Robinson Womens SG	Alpine NZ Youth Series Overall Winners	Ruby Hewitt Ski Girls U14	Maria Kuzma Snowboard Womens
Adam Barwood Mens SL	Alys Scott U14 Womens Overall	Ethan McLean Ski Boys U14	Roland Morley-Brown Snowboard Mens
Adam Barwood Mens GS	Alec Jackson U14 Mens Overall	Lachlan Powell Ski Boys U16	
Willis Feasey Mens SG	Olivia Flight U16 Womens Overall	Phoebe Garland Ski Girls U18	
	Harrison Messenger U16 Mens Overall	Alistair Garland Ski Boys U18	
		Ronan Thompson Snowboard	

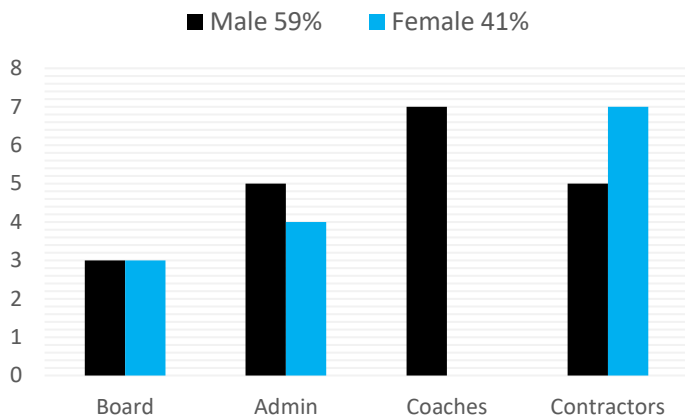


STATEMENT OF SERVICE PERFORMANCE

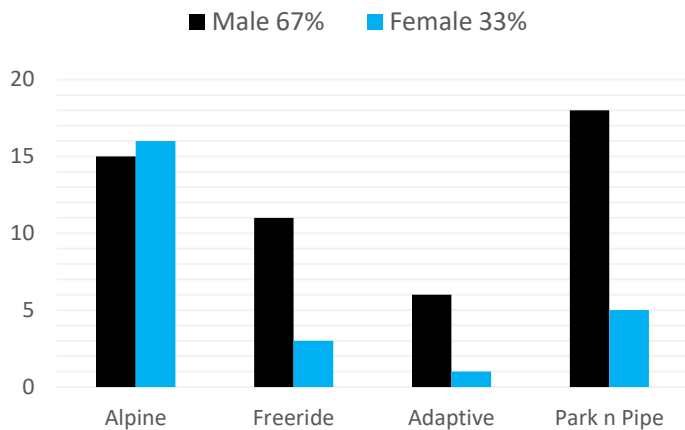
For the 12 months ended 30 June 2019



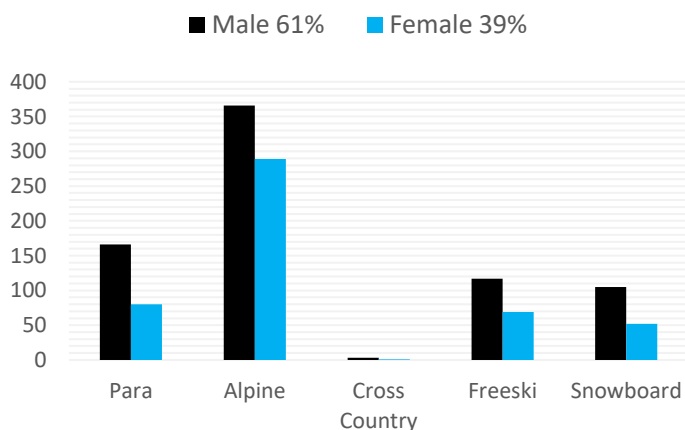
**Staff Gender Diversity
(34 Total)**



**Athlete Gender Diversity
(75 Total)**



**Membership Gender Diversity
(1,248 Total)**



Trust Funding

OTAGO Community Trust	\$
NZCT NZ COMMUNITY TRUST	\$
Halberg Foundation	\$\$\$\$\$\$\$\$\$\$\$\$
NEW ZEALAND RACING BOARD	\$\$\$\$\$\$\$\$
Pub Charity Limited	\$\$\$\$\$\$\$\$
THE LION FOUNDATION	\$\$\$\$
the Southern trust	\$\$\$\$
Community Trust South <small>TE POU ARATAKI POUNAMU O MURIHIKU</small>	\$\$\$\$

Events Camps

ALPINE	87	3
FREERIDE	16	6
CROSS COUNTRY	8	-
PARK & PIPE	30	6
ADAPTIVE	-	4
TOTAL	141	19

544 **ADAPTIVE VOLUNTEER DAYS**

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE

For the 12 months ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue			
Exchange	6	322,614	393,722
Non exchange	7	3,946,059	4,650,212
Total revenue		4,268,673	5,043,934
Expenses			
Administration		391,052	319,797
Events		174,610	152,635
Non-cash items		194,291	215,217
Operations		3,186,305	3,142,738
Scholarships		623,790	774,198
Total expenses	8	4,570,048	4,604,585
Total surplus (deficit) for the year		(301,375)	439,349
Other comprehensive revenue and expenses		-	-
Total surplus (deficit) for the year		(301,375)	439,349



Park & Pipe Team
Aspen X Games

Snow Sports New Zealand, Inc.

STATEMENT OF CHANGES IN NET ASSETS

For the 12 months ended 30 June 2019

	Notes	2019 \$	2018 \$
Opening balance		1,172,129	732,780
Surplus (deficit) for the year		(301,375)	439,349
Other comprehensive income		-	-
Closing equity		870,754	1,172,129

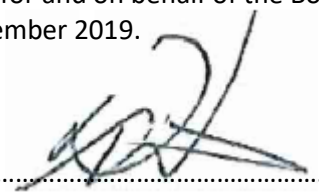


STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Notes	2019 \$	2018 \$
Equity			
Accumulated comprehensive revenue and expenses		870,754	1,172,129
Total net assets		870,754	1,172,129
Current assets			
Cash and cash equivalents	10	276,797	570,472
Investments	11	358,640	350,000
Prepayments		58,168	8,149
Receivables from exchange transactions		45,960	75,057
Receivables from non exchange transactions		2,150	137
Total current assets		741,715	1,003,815
Non-current assets			
Property, plant and equipment	12	417,479	460,880
Intangible assets	13	563	18,230
Total non-current assets		418,042	479,110
Total assets		1,159,757	1,482,925
Current liabilities			
Trade and other creditors	14	67,949	118,705
Employee entitlements		43,021	45,852
GST payable		86,947	79,223
Grants in advance	15	91,086	67,016
Total current liabilities		289,003	310,796
Net assets		870,754	1,172,129

Signed for and on behalf of the Board Members who have authorised these financial statements for issue on 5 September 2019.



 Chairperson 5 September 2019



 Board Member 5 September 2019



CASH FLOW STATEMENT

For the 12 months ended 30 June 2019

	Notes	2019	2018
		\$	\$
Cash flows from operating activities			
<i>Receipts</i>			
Receipts from HPSNZ grants		2,512,000	2,615,000
Receipts from Sport NZ grants		189,168	605,000
Receipts from International Ski Federation (FIS)		307,100	207,801
Receipts from Trust grants		159,661	149,144
Receipts from Winter Games NZ		16,499	33,810
Receipts from donations		9,792	11,021
Receipts from scholarships		817,207	789,308
Receipts from membership fees		48,347	48,420
Receipts from events		102,214	5,500
Receipts from other exchange transactions		213,648	294,136
Receipts from other non exchange transactions		9,357	7,379
Interest received		7,629	11,516
		4,392,622	4,778,035
<i>Net movement in GST</i>		6,389	(50,932)
<i>Payments</i>			
Payments to suppliers		2,448,049	2,198,106
Payments to employees		1,364,324	1,113,823
Grants and scholarships paid		748,631	774,198
Interest paid		170	72
		4,561,174	4,087,212
Net cash flows from operating activities		(162,163)	741,755
Cash flows from investing activities			
<i>Receipts</i>		-	-
<i>Payments</i>			
Purchase of property, plant and equipment		122,872	371,122
Investments in short term deposits		8,640	20,229
		131,512	391,351
Net cash flows from investing activities		(131,512)	(391,351)
Net cash flows from financing activities		-	-
Net increase (decrease) in cash equivalents		(293,675)	350,404
Cash and cash equivalents at 1 July		570,472	220,068
Cash and cash equivalents at 30 June	10	276,797	570,472



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

1 Reporting entity

The reporting entity is Snow Sports NZ which is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908.

The financial statements comprising of Snow Sports NZ and its controlled entity, Snow Sports NZ Charitable Trust, together the "Group", are presented for the year ended 30 June 2019.

These Group financial statements and the accompanying notes summarise the financial results of activities carried out by the Group. The Group provides sporting services to people living in the wider New Zealand area.

Snow Sports NZ Charitable Trust is a charitable organisation registered under the Charitable Trusts Act 1957 and the Charities Act 2005. Snow Sports NZ is the sole Trustee of the Snow Sports NZ Charitable Trust.

The consolidated financial statements have been approved and were authorised for issue by the Board Members on 5 September 2019.

2 Statement of compliance

The Group financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standard) as appropriate for Tier 2 Not For Profit (NFP) Public Benefit Entities, for which all disclosure exemptions have been adopted.

The Group is eligible to report in accordance with Tier 2 PBE (NFP) Standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million.

The Group is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

3 Changes in accounting policies

The accounting policies are consistent with those of the previous financial year.

4 Summary of accounting policies

The significant accounting policies used in the preparation of these consolidated financial statements as set out below have been applied consistently to both years presented in these consolidated financial statements.

4.1 Basis of measurement

The consolidated financial statements have been prepared on the basis of historical cost, as modified by the fair value measurement of non-derivative financial instruments and land and buildings which are measured at fair value.



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

4.2 Functional and presentational currency

The consolidated financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

4.3 Basis of consolidation

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 30 June 2019 reporting date.

4.4 Revenue

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

Revenue from non exchange transactions

Donations

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific programmes and services.

In kind income

In kind income includes income received for goods, services, and volunteer time and is recognised in revenue and expense when the service or good is received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the Group.

Grant Revenue

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



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

Revenue from exchange transactions

Membership fees

Fees and subscriptions received in exchange for annual access to member services are initially recorded as income in advance and recognised in revenue over the membership period.

Registration fees

Registration fees for functions and events are recorded as revenue when received.

Athlete contributions

Athlete contributions to development camps are recorded as revenue when received.

Interest income

Interest revenue is recognised as it accrues, using the effective interest method.

4.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- The Group has transferred substantially all the risks and rewards of the asset; or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Financial assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Group's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Group's financial assets include: cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions and investments.



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at fair value through surplus or deficit.

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions and non-equity investments fall into this category of financial instruments.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Group first assesses whether there is objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Group determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

Financial Liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), loans and borrowings and deferred income (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

4.6 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.7 Short term investments

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

4.8 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line and diminishing value basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

- | | |
|--------------------------|--|
| • Event equipment | 10% – 100% DV |
| • Leasehold improvements | 10% – 30% DV and straight line over lease term |
| • Motor vehicles | 25% – 67% DV |
| • Office equipment | 10% – 67% DV |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

4.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

The Group does not hold any intangible assets that have an indefinite life.

The amortisation periods for the Group's assets are as follows:

- Website 20% - 25% SL
- App 25% SL

4.10 Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

4.11 Employee benefits

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

4.12 Income tax

The Group is exempt from income tax.



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

4.13 Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to Inland Revenue is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to Inland Revenue is classified as part of operating cash flows.

4.14 Equity

Equity is the community's interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of accumulated comprehensive revenue and expenses since the formation of the Group.

4.15 New standards adopted and interpretations not yet adopted

All mandatory, new or amended accounting standards and interpretations were adopted in the current year. The Group has not yet assessed the impact of the following new standards and interpretations on issues which have yet to be adopted:

- 2016 omnibus amendments to PBE (NFP) standards
- PBE IFRS 9: Financial Instruments

The board expects to adopt the above standards in the period in which they become mandatory. The Board anticipate that the above standards are not expected to have a material impact on the financial statements in the period of initial application, however a detailed assessment of the impact is yet to be performed.

5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

Operating lease commitments

Vehicle, premise and photocopier leases

The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the leased assets, that it does not retain all the significant risks and rewards of ownership of these assets and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of The Group. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by The Group are listed in Notes 4.8 and 4.9

6 Group information Subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

Name of subsidiary	Principal activities	Country of incorporation	Percentage equity interest		Sporting Body – carrying value of investment (at cost)	
			2019	2018	2019	2018
Snow Sports NZ Charitable Trust	Increase snow sports participation in NZ	NZ	1%	N/A	Nil	N/A



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

The reporting date of Snow Sports NZ and Snow Sports NZ Charitable Trust is 30 June.

There are no significant restrictions on the ability of Snow Sports NZ Charitable Trust to transfer funds to Snow Sports NZ in the form of cash distributions or to repay loans or advances.

6 Revenue from exchange transactions

Revenue from exchange transactions received during each reporting period are made up of the following:

	2019	2018
	\$	\$
Athlete contributions	147,860	61,961
Exchange gain	105	6,114
Gain on disposal of fixed assets	996	71
Insurance proceeds	899	15,377
Interest received	11,302	11,516
Membership income	48,347	48,420
Merchandise sales	1,110	1,245
Other income	15,781	167,235
Registration fees	96,214	81,783
	322,614	393,722

NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

7 Revenue from non exchange transactions

Revenue from non exchange transactions received during each reporting period are made up of the following:

	2019	2018
	\$	\$
High Performance Sport NZ (HPSNZ) grants	2,399,100	2,615,000
Sport NZ grants	99,786	605,000
HPSNZ Performance Enhancement Grants (PEGs)	530,625	606,689
HPSNZ Prime Minister's Scholarships	145,332	37,532
Paralympics NZ Performance Enhancement Grants (PEGs)	60,000	150,000
Federation of International Ski (FIS) financial support	307,100	207,801
Winter Games NZ income	16,499	33,810
Central Lakes Trust grant	3,000	
Community Organisation Grant Scheme grant	2,000	2,000
Community Trust South grant	6,000	5,000
Disabled Snowsports NZ grant	2,000	
First Sovereign Trust grant	-	1,357
Foundation North grant	-	600
Four Winds Foundation grant	1,000	
Halberg Disability Foundation grant	12,000	12,000
Lion Foundation grant	8,000	10,000
Lottery Grants Board grant	-	1,000
NZ Community Trust grant	45,000	35,473
NZ Racing Board grant	10,000	14,000
One Foundation grant	1,875	
Otago Community Trust grant	51,500	48,500
Pub Charity grant	10,000	10,000
Sky City Queenstown grant	286	3,214
Southern Trust grant	8,000	6,000
Trust Waikato grant	1,000	-
Whanganui Community Foundation grant	1,000	-
Donations received	11,459	11,021
Event sponsorship	6,000	5,500
Other income	44,128	7,379
Other scholarships received	-	12,767
In kind income	163,369	208,569
	3,946,059	4,650,212



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

8 Components of total expenses

Surplus (Deficit) for the year includes the following specific expenses:

	2019	2018
	\$	\$
Administration		
ACC levies	19,002	21,606
Audit fees	7,392	9,180
Bank and credit fees	16,289	11,481
Computer, communications and IT	45,794	40,549
Insurance	26,729	29,331
Legal	618	1,095
Marketing	40,115	15,415
Occupancy	126,576	100,564
Office costs	16,044	13,897
Recruitment and staff costs	30,977	20,207
Subscriptions	2,146	1,194
Vehicle expenses	59,370	55,278
	391,052	319,797
Events		
Alpine events	15,110	17,690
Freeski and Snowboard Continental Cup	20,210	20,072
Freeski and Snowboard Junior Series	9,275	1,027
Junior Nationals	45,576	45,742
Snow Sports NZ annual awards	23,108	16,229
Registration fees paid	61,331	51,875
	174,610	152,635
Non cash items		
Amortisation	17,668	21,828
Depreciation	174,884	192,222
Loss on disposal of fixed assets	1,739	1,167
	194,291	215,217

NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

Operations		
Contractors	379,658	491,660
Facility access	284,040	327,749
FIS and international federation fees	27,556	24,493
Salaries	1,299,620	1,115,182
Science and medical	17,104	29,158
Technology and equipment	58,498	78,981
Travel	1,119,829	1,075,515
	3,186,305	3,142,738
Scholarships		
Other scholarships	-	366
Performance Enhancement Grants (PEGs)	607,291	740,022
Winter Games NZ grant	16,499	33,810
	623,790	774,198
Total expenses	4,575,256	4,604,585

9 Auditor's remuneration

Crowe Horwath New Zealand Audit Partnership provides audit services to the Group. The total amount recognised as an audit fees expense is \$7,992 (2018: \$9,180).

No non-audit services are provided by Crowe Horwath New Zealand Audit Partnership.

10 Cash and cash equivalents

Cash and cash equivalents include the following components:

	2019	2018
	\$	\$
BNZ deposits	267,039	583,776
BNZ credit cards	(9,745)	(5,113)
FIS current account (12,807 Swiss Francs)	19,503	(8,191)
	276,797	570,472

NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

11 Investments

	2019 \$	2018 \$
Term deposits – maturing within 12 months of balance date	358,640	350,000

12 Property, plant and equipment

2019	Event Equipment \$	Lease Improvement \$	Motor Vehicles \$	Office Equipment \$	Total \$
Cost / valuation	903,330	271,349	1,625	79,319	1,255,623
Accumulated depreciation	(524,155)	(259,684)	(1,353)	(52,952)	(838,144)
Net book value	379,175	11,665	272	26,367	417,479

2018	Event Equipment \$	Lease Improvement \$	Motor Vehicles \$	Office Equipment \$	Total \$
Cost / valuation	819,463	271,349	21,088	59,786	1,171,686
Accumulated depreciation	(382,943)	(256,869)	(18,782)	(52,212)	(710,806)
Net book value	436,520	14,480	2,306	7,574	460,880

Reconciliation of the carrying amount at the beginning and end of the period:

2019	Event Equipment \$	Lease Improvement \$	Motor Vehicles \$	Office Equipment \$	Total \$
Opening balance	436,520	14,480	2,306	7,574	460,880
Additions	101,276	-	-	37,126	138,402
Disposals	(4,705)	-	(1,878)	(335)	(6,918)
Depreciation	(153,916)	(2,815)	(156)	(17,998)	(174,885)
Net book value	379,175	11,665	272	26,367	417,479



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

2018	Event Equipment \$	Lease Improvement \$	Motor Vehicles \$	Office Equipment \$	Total \$
Opening balance	210,693	56,532	5,020	10,830	283,075
Additions	370,797	-	-	1,847	372,644
Disposals	(1,152)	-	(1,451)	(15)	(2,618)
Depreciation	(143,818)	(42,052)	(1,263)	(5,088)	(192,221)
Net book value	436,520	14,480	2,306	7,574	460,880

13 Intangible assets

	2019 \$	2018 \$
Cost (website and app)	97,489	97,489
Accumulated amortisation	(96,926)	(79,259)
Net book value	563	18,230

Reconciliation of the carrying amount at the beginning and end of the period:

	2019 \$	2018 \$
Opening balance	18,230	40,058
Additions (website and app)	-	-
Disposals	-	-
Amortisation	(17,667)	(21,828)
Net book value	563	18,230

NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

14 Trade and other creditors

	2019	2018
	\$	\$
Trade creditors	67,949	118,705
Net book value	67,949	118,705

15 Grants in advance

	2019	2018
	\$	\$
Membership fees	11,165	14,156
Other income	2,417	4,000
Trust grants	77,504	48,860
Net book value	91,086	67,016

16 Related party transactions

Hetty Van Hale (Board Member) and Richard Leggat (Board Member) are trustees of Winter Games NZ Trust. The Group has a close business relationship with Winter Games NZ Trust due to both entities operating in the same industry. There were numerous transactions between the two entities during the year relating to events, fees payable to overseas bodies and lease of office space. All transactions occurred on an arm's length basis.

Mat Woods (Board Member) is the Head of Sales at Cardrona Alpine Resort. The Group has a close business relationship with Cardrona Alpine Resort due to both entities operating within the same industry. There were numerous transactions between the two entities during the year relating to the landing bag, facility hire and ski passes, as well as general transactions occurring in the normal course of business. Cardrona also provided in-kind support for access to the alpine area.

Michelle Trapski (Board Member) is also a board member of Ruapehu Alpine Lifts. The Group has a close business relationship with Ruapehu Alpine Lifts due to both entities operating within the same industry.

The president of the Wanaka Ski and Snowsports Club, and contractor to Winter Games NZ Trust, is the wife of David Wallace (Board Chair). The Group has a close business relationship with the Wanaka Ski and Snowsports Club and Winter Games NZ Trust due to the entities operating within the same industry. Athlete grants from the club were administered by the Group and there were numerous Winter Games NZ Trust transactions occurring on an arm's length basis.



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Board Members, Chief Executive and Key Management Personnel, which constitutes the governing body of the Group. No remuneration is paid to Board Members. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2019	2018
	\$	\$
Total remuneration	402,848	256,249
Full Time Equivalent (FTE)	3.5	1.9

17 Leases

As at the reporting date, the Board Members have entered into the following non-cancellable operating leases:

	2019	2018
	\$	\$
Not later than one year	150,451	145,518
Later than one and no later than five years	155,814	236,923
Later than five years	-	-
	306,265	382,441

18 Categories of financial assets and liabilities

Classification of financial instruments:

All financial assets held by the entity are classified as “loans and receivables” and are carried at cost less accumulated impairment losses.

All financial liabilities held by the organisation are carried at amortised cost.

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

	2019	2018
	\$	\$
Financial assets		
<i>Financial assets</i>		
Deposits	358,640	350,000
<i>Loans and receivables</i>		
Cash and cash equivalents	267,797	570,472
Receivables from exchange transactions	45,960	70,057
Receivables from non exchange transactions	2,150	137
	674,547	990,666
Financial liabilities		
Trade and other creditors	67,949	118,705
	67,949	118,705

19 Capital commitments

A grant from Sport NZ of up to \$93,552 has been approved for capital expenditure in 2020. The funding is for the purchase, installation and maintenance of sports infrastructure (2018: \$153,946).

20 Contingent assets and liabilities

There are no contingent assets or liabilities at the reporting date (2018: \$Nil).

The Group has a credit card facility with a maximum value of \$48,500 (2018: \$48,500).

The Group has a \$120,000 BNZ letter of credit in favour of Datacom Employer Services Ltd for payroll purposes.

21 Events after the reporting date

The Board Members and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly, or may significantly, affect the operations of the Group, other than the following:

\$nil (2018: \$nil).



NOTES TO THE FINANCIAL STATEMENTS

For the 12 months ended 30 June 2019

22 Going Concern

In order to continue operations in their current format, the Group is reliant on funding from their main supporters, High Performance Sport New Zealand, Sport New Zealand and the International Ski Federation, as well as receiving funds and in-kind support from other organisations.

As a Tier 2 sport, High Performance Sport New Zealand have committed four years of funding for the 2019 to 2022 financial years. For the subsequent four financial years 2023 to 2026 High Performance Sport New Zealand have committed a minimum 60% of current funding.



BREAKDOWN BY DEPARTMENT

For the 12 months ended 30 June 2019

	Capital Expenditure	High Performance	Sport Development	Total
	\$	\$	\$	\$
Income				
Athlete contributions	-	133,202	14,659	147,861
Donations received	2,105	-	9,354	11,459
Event sponsorship	-	-	6,000	6,000
FIS financial support	-	58,198	248,902	307,100
Gain on disposal of fixed assets	996	-	-	996
Grants received - HPSNZ	33,464	2,355,636	10,000	2,399,100
Grants received - Sport NZ	3,013	407	96,367	99,787
Grants received - Trusts	27,419	-	135,242	162,661
In kind income	3,736	36,989	122,645	163,370
Insurance proceeds	-	899	-	899
Interest received	-	9,041	2,261	11,302
Membership income	-	-	48,347	48,347
Merchandise sales	-	-	1,110	1,110
Other income	-	26,565	33,446	60,011
Registration fees	-	-	96,214	96,214
Scholarships	-	729,570	22,886	752,456
Total income	70,733	3,350,505	847,432	4,268,673
Administration expenses				
ACC levies paid	-	13,407	5,595	19,002
Audit fees	-	5,914	1,478	7,392
Bank and credit fees	-	5,668	10,621	16,289
Computer, communications and IT	-	25,854	19,940	45,794
Insurance	-	21,782	4,947	26,729
Legal expenses	-	618	-	618
Marketing	-	-	40,115	40,115
Occupancy	-	102,258	24,318	126,576
Office costs	-	9,681	6,363	16,044
Recruitment and staff costs	-	27,671	3,306	30,977
Subscriptions	-	1,001	1,145	2,146
Vehicle expenses	-	50,347	9,022	59,369
Events expenses	-	-	174,610	174,610
Non-cash expenses				
Amortisation	17,668	-	-	17,668
Depreciation	174,884	-	-	174,884
Loss on disposal of fixed assets	1,739	-	-	1,739
Operations expenses				
Contractors	-	299,786	79,872	379,658
Facility access	-	177,581	106,460	284,041
FIS expenses	-	6,115	21,441	27,556
Salaries	-	1,040,071	259,550	1,299,621
Science and medical	-	17,104	-	17,104
Technology and equipment	-	39,306	19,192	58,498
Travel	-	1,048,891	70,937	1,119,828
Scholarships	-	607,291	16,499	623,790
Total expenses	190,983	3,500,346	875,411	4,570,048
Surplus (Deficit)	(120,251)	(149,841)	(27,978)	(301,375)

INDEPENDENT AUDITOR'S REPORT

To the Committee of Snow Sports New Zealand Inc

Opinion

We have audited the consolidated financial statements of Snow Sports New Zealand Inc and its controlled entities (the Group) on pages 8 to 29, which comprise the consolidated statement of financial position as at 30 June 2019, and the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Society as at 30 June 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Snow Sports New Zealand Inc or any of its controlled entities.

Information Other Than the Consolidated Financial Statements and Auditor's Report

The Committee are responsible for the other information. The other information comprises the information included in the annual report on pages 3 to 7, and page 30, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

Responsibilities of the Committee for the Consolidated Financial Statements

The Committee are responsible on behalf of the entity for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, and for such internal control as The Committee determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The Committee are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Committee 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 consolidated financial statements 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.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for the audit opinion.

We communicate with the Committee 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.



Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Invercargill this 5th day of September 2019