

# Financial Statements

Surfing New Zealand Inc  
For the year ended 30 June 2024

Prepared by Yovich Hayward Pevats Johnston Limited

# Contents

3	Auditors Report
6	Directory
7	Statement of Profit or Loss
10	Statement of Changes in Equity
11	Balance Sheet
12	Depreciation Schedule
14	Notes to the Financial Statements

## **Independent Auditor's Report**

### **To the Members of Surfing New Zealand Incorporated Group**

#### **Opinion**

We have audited the financial statements of Surfing New Zealand Incorporated Group on pages 7 to 17 which comprises the balance sheet as at 30 June 2024, and the statement of profit and loss and statement of movements in equity for the year then ended, and notes to the accounts, including a summary of significant accounting policies.

In our opinion the financial statements presents fairly, in all material respects, the financial position of the Group as at 30 June 2024, and its financial performance for the year then ended in accordance with the reporting framework disclosed.

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 Financial Statements section of our report. We are independent of Surfing New Zealand Incorporated Group 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, Surfing New Zealand Incorporated Group.

#### **Emphasis of Matter - Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 of the Notes to the Financial Statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Income Tax Act 2007 and accounting policies disclosed. As a result, the financial statements may not be suitable for another purpose.

#### **Material Uncertainty Related to Going Concern**

We draw attention to note 11 in the financial statements, which indicates that the Incorporation incurred at net loss of \$37,865 during the year ended 30 June 2024 and as of that date, the Incorporation's working capital was only \$4,144. As stated in note 11, these events and conditions, along with the other matters set forth in note 11, indicate that a material uncertainty exists that may cast significant doubt on the Incorporations ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Other Information**

The Trust Board is responsible for the other information. The other information comprises the information included on page 4, but does not include the financial statements, and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information. In doing so, we

consider whether the other information is materially inconsistent with the financial statements, 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.

### **Restriction on Responsibility**

This report is made solely to the Members, in accordance with our engagement letter with Surfing New Zealand Incorporated Group. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members for our audit work, for this report, or for the opinions we have formed.

### **Responsibility of the Board for the Financial Statements**

The Board are responsible on behalf of the Group for the preparation and fair presentation of the financial statements in accordance with the reporting framework disclosed, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible on behalf of the Group 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 the Board either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 economic decisions of users taken on the basis of these 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 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 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 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 financial statements, including the disclosures, and whether the financial statements 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.

*Graham & Dobson Ltd*

13 November 2024

**Graham & Dobson Ltd**  
**Chartered Accountants**  
**Gisborne**

# Directory

## Surfing New Zealand Inc For the year ended 30 June 2024

### Address

PO Box 233  
Whangamata 3620

### Telephone Number

021 227 8732

### Chief Executive

Ben Kennings

### Committee

Heath Kerr - Chairperson  
Alan Te Moananui - Maori Representative  
Cath Lomax - Appointed Board Member (Retired 1 July 2024)  
Deb Bowry - Appointed Board Member  
Jimi Higgins - South Island Representative  
Keri McKenzie - North Island Representative  
Matt Wood - Appointed Board Member

Russell Ritchie - Retired 22 May 2023  
Joe Hitchcock - Retired 29 September 2023  
Emily Davidson - Retired 31 January 2024

### Bankers

Westpac

### IRD Number

055-012-520

### Accountants

Yovich Hayward Pevats Johnston Limited  
Chartered Accountants  
23 Rathbone Street  
Whangarei

### Auditor

Graham and Dobson Limited  
Gladstone Road  
Gisborne

# Statement of Profit or Loss

## Surfing New Zealand Inc

For the year ended 30 June 2024

	NOTES	2024	2023
<b>Operating Income</b>			
Affiliation Fees - Club		11,400	11,126
Athlete Contributions		106,770	12,955
Betting Commission - TAB NZ		13,048	3,445
Coaching/Instructors Courses		51,130	48,800
Entry Fees		139,574	68,912
Equipment Hire/Officials/Staff/Management Fees		41,482	108,048
Funding Grants - ACC		10,000	-
Lion Foundation		10,001	40,000
NZ Community Trusts		80,060	77,147
NZOC		16,890	-
NZ Sport Collective		20,000	20,000
Other Income		19,752	2,377
Pub Charities		44,111	32,484
Sanctioning Fees		4,750	8,350
Service Fees		2,317	3,665
SNZ Membership		5,739	3,843
Sponsorship Misc.		66,555	59,348
Sport NZ		31,500	35,000
Sport NZ High Performance		43,075	76,609
Sundry		30	252
Surf School Affiliation		9,900	10,200
Surfers Rescue 247		12,653	10,313
HAG Surfing Day		-	(400)
Programs		5,514	40,000
<b>Total Operating Income</b>		<b>746,252</b>	<b>672,474</b>

### Administration Expenses

ACC Levy		1,230	918
Accounting Fees		12,924	14,587
Audit Fees		6,300	6,000
Bank Fees		125	146
Board Expenses		1,240	3,193
Booking Fees		331	274
Booking Fees		8,282	7,671
Consultants		1,856	1,190
Contractor		-	14,400
Depreciation		14,242	17,822
Entertainment		131	383
Executive Meetings		132	48
General		256	443
Insurance		6,631	5,396

These financial statements should be read in conjunction with the Notes to the Financial Statements.



	NOTES	2024	2023
ISA Affiliation Fee		868	851
ISA Coach Endorse Fee		22,222	29,947
IT Expenses		3,971	5,301
Legal Fees		149	-
Marketing - General		262	1,072
Media Expenses		5,750	4,125
Office/General Expenses		5,889	5,058
Postage & Courier		194	121
Printing & Stationery		784	1,071
Repairs & Maintenance - Equipment		485	4,817
Signage & Branding		236	-
Staff Training		-	300
Subscriptions		15,139	9,304
Telephone & Internet		4,137	2,862
Travelling Expenses		439	3,732
Vehicle Expenses		17,853	21,669
Wages and Salaries		227,040	231,234
<b>Total Administration Expenses</b>		<b>359,098</b>	<b>393,934</b>
<b>Event Expenses</b>			
Accommodation & Travel		151,898	62,920
Competition Expenses		56,332	31,361
Contract Staff		146,765	102,192
Entry Fees		19,804	17,382
Equipment		7,025	4,525
Food		15,109	14,956
High Performance		1,986	2,400
Marketing		19,254	16,502
Materials		2,404	3,350
Tour Expenses		171	-
Events - Transport - Other		-	1,096
Uniforms		6,140	3,861
<b>Total Event Expenses</b>		<b>426,889</b>	<b>260,546</b>
<b>Operating Profit/(Loss)</b>		<b>(39,735)</b>	<b>17,994</b>
<b>Expenses</b>			
<b>Other Expenses</b>			
Loss on sale of Fixed Assets		-	3,663
Bad Debts		(209)	1,526
<b>Total Other Expenses</b>		<b>(209)</b>	<b>5,189</b>

These financial statements should be read in conjunction with the Notes to the Financial Statements.





	NOTES	2024	2023
<b>Other Income</b>			
Interest Income		1,661	1,238
<b>Total Other Income</b>		<b>1,661</b>	<b>1,238</b>
<b>Net Profit (Loss) for the Year</b>		<b>(37,865)</b>	<b>14,043</b>

---

These financial statements should be read in conjunction with the Notes to the Financial Statements.



# Statement of Changes in Equity

Surfing New Zealand Inc

For the year ended 30 June 2024

	NOTES	2024	2023
<b>Equity</b>			
Opening Balance		92,743	78,699
Profit (Loss) for the Period		(37,865)	14,043
<b>Total Equity</b>		<b>54,878</b>	<b>92,743</b>

These financial statements should be read in conjunction with the Notes to the Financial Statements.



# Balance Sheet

## Surfing New Zealand Inc As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank	2	132,229	101,010
Trade and Other Receivables	3	2,933	37,312
<b>Total Current Assets</b>		<b>135,161</b>	<b>138,322</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		48,039	42,721
Intangibles	6	2,696	2,696
<b>Total Non-Current Assets</b>		<b>50,734</b>	<b>45,416</b>
<b>Total Assets</b>		<b>185,895</b>	<b>183,739</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	4	34,443	44,464
GST Payable		12,636	14,714
Other Current Liabilities	5	83,938	31,819
<b>Total Current Liabilities</b>		<b>131,017</b>	<b>90,996</b>
<b>Total Liabilities</b>		<b>131,017</b>	<b>90,996</b>
<b>Net Assets</b>		<b>54,878</b>	<b>92,743</b>
<b>Equity</b>			
Retained Earnings	7	54,878	92,743
<b>Total Equity</b>		<b>54,878</b>	<b>92,743</b>

The Statement of Financial Position has been approved and adopted



Chairperson



Date

These financial statements should be read in conjunction with the Notes to the Financial Statements.



# Depreciation Schedule

## Surfing New Zealand Inc

### For the year ended 30 June 2024

NAME	COST	PURCHASED	RATE	METHOD	OPENING VALUE	PURCHASES	SALE PRICE	LOSS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
<b>Competition Equipment</b>											
Adaptive Surf Boards (Halberg Fund) 8'6 & 10'4 (x2)	1,363	4 Jul 2019	67.00%	DV	16	-	-	-	11	1,358	5
Awning	1,112	1 Dec 2011	25.00%	DV	40	-	-	-	10	1,082	30
Defibrillator	2,201	24 Jan 2019	30.00%	DV	449	-	-	-	135	1,887	314
Digital Prio board	7,245	27 Jun 2024	67.00%	DV	-	7,245	-	-	405	405	6,840
Event Equip PA System (2 Speakers)	1,000	27 Jan 2023	67.00%	DV	665	-	-	-	446	781	219
Honda EU32i Generator	4,225	18 Jan 2024	20.00%	DV	-	4,225	-	-	423	423	3,803
HP Notebooks (x2)	3,012	23 Aug 2022	50.00%	DV	1,632	-	-	-	816	2,196	816
HPSNZ Ice Jackets	666	30 Jun 2021	67.00%	DV	69	-	-	-	46	644	23
Marquees (x3)	2,218	4 Feb 2019	67.00%	DV	19	-	-	-	13	2,212	6
PA System	8,702	9 Nov 2020	20.00%	DV	4,827	-	-	-	965	4,841	3,861
Priority Board	943	1 May 2018	10.00%	DV	547	-	-	-	55	450	493
Red Rash Vests (x30)	1,398	26 Sept 2019	67.00%	DV	22	-	-	-	15	1,391	7
Rotary Vents and new axles	2,304	10 Nov 2022	13.00%	DV	2,104	-	-	-	274	473	1,831
Samsung Tablets (x6)	2,877	23 Aug 2022	67.00%	DV	1,110	-	-	-	744	2,511	366
Scoring System	3,037	1 Nov 2017	50.00%	DV	63	-	-	-	32	3,005	32
Sign board	550	12 Mar 2019	10.00%	DV	349	-	-	-	35	236	314
Signage	3,152	1 May 2010	12.00%	DV	586	-	-	-	70	2,636	516
Signage Flags (x8)	1,638	6 Dec 2022	10.00%	DV	1,542	-	-	-	154	250	1,388
Softboards & Leashes (x12)	4,044	26 Sept 2019	67.00%	DV	64	-	-	-	43	4,022	21
Surfboards (x10)	3,005	1 Oct 2015	67.00%	DV	1	-	-	-	-	3,005	-

These financial statements should be read in conjunction with the Notes to the Financial Statements.



Depreciation Schedule

NAME	COST	PURCHASED	RATE	METHOD	OPENING VALUE	PURCHASES	SALE PRICE	LOSS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Surfboards & Leashes (x8)	3,911	28 Feb 2019	67.00%	DV	33	-	-	-	22	3,900	11
Tables	458	1 May 2005	21.60%	DV	6	-	-	-	1	454	4
Trailer	27,967	1 Oct 2019	13.00%	DV	16,621	-	-	-	2,161	13,507	14,460
Trailer	17,077	1 Feb 2012	13.00%	DV	3,490	-	-	-	454	14,040	3,037
Unicrest Marquee 3 x 3	3,324	22 Aug 2022	67.00%	DV	1,282	-	-	-	859	2,900	423
Unicrest Marquee 3 x 3	2,620	13 Mar 2024	67.00%	DV	-	2,620	-	-	585	585	2,035
Unicrest Marquee 3 x 3	3,324	22 Aug 2022	67.00%	DV	1,282	-	-	-	859	2,900	423
Unicrest Marquee 3 x 6	3,238	28 Oct 2020	67.00%	DV	175	-	-	-	118	3,180	58
Unicrest Marquee 3 x 6	4,376	22 Aug 2022	67.00%	DV	1,688	-	-	-	1,131	3,819	557
Wave Warrior Boards 2024 (x10)	5,469	19 Dec 2023	67.00%	DV	-	5,469	-	-	2,137	2,137	3,332
Wet suits	2,013	1 Oct 2017	100.00%	DV	-	-	-	-	-	2,013	-
Wetsuits (x38)	3,109	26 Sept 2019	67.00%	DV	49	-	-	-	33	3,093	16
<b>Total Competition Equipment</b>	<b>131,578</b>				<b>38,734</b>	<b>19,559</b>	<b>-</b>	<b>-</b>	<b>13,050</b>	<b>86,335</b>	<b>45,243</b>
<b>Motor Vehicle</b>											
Holden Colorado - KCA535	43,506	1 Oct 2017	30.00%	DV	3,956	-	-	-	1,187	40,737	2,769
<b>Total Motor Vehicle</b>	<b>43,506</b>				<b>3,956</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,187</b>	<b>40,737</b>	<b>2,769</b>
<b>Office Equipment</b>											
Desk	395	1 Oct 2003	14.40%	DV	18	-	-	-	3	380	15
Projector	888	1 Dec 2007	48.00%	DV	-	-	-	-	-	888	-
Workstation	288	1 Oct 2003	14.40%	DV	13	-	-	-	2	277	11
<b>Total Office Equipment</b>	<b>1,571</b>				<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>1,545</b>	<b>26</b>
<b>Total</b>	<b>176,655</b>				<b>42,721</b>	<b>19,559</b>	<b>-</b>	<b>-</b>	<b>14,242</b>	<b>128,616</b>	<b>48,039</b>

These financial statements should be read in conjunction with the Notes to the Financial Statements.



# Notes to the Financial Statements

## Surfing New Zealand Inc

For the year ended 30 June 2024

### 1. Statement of Accounting Policies

#### Registration and Reporting Standards

The entity reporting is Surfing New Zealand (Inc) and its subsidiary (The Ultimate Waterman Limited). Surfing New Zealand is an incorporated society under the Incorporated Societies Act 1908. Surfing New Zealand (Inc) is not a reporting entity under the Financial Reporting Act 2013. The financial statements are Special Purpose Financial Statements prepared for internal management purposes using principals contained in the Income Tax Act 2007.

The accounting principles recognised as appropriate for the measurement and reporting of the Combined Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the club, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

The Ultimate Waterman Limited was formed in November 2010. Surfing New Zealand (Inc) is the sole shareholder. These financial statements represent the consolidation of both entities. The consolidated financial statements are prepared by combining the financial statements of all entities that comprise the consolidated entity, being the incorporated society, Surfing New Zealand (Inc), and its controlled entity.

#### Principal Activities of the Society

To administer and promote surfing within New Zealand.

#### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Profit or Loss and Balance Sheet have been applied:

#### Property, Plant and Equipment and Investment Property

Property, plant and equipment are recorded at cost less accumulated depreciation.

#### Depreciation

Depreciation is provided on all tangible assets at a rate which will write off the cost of the assets over their estimated useful lives.

Account	Method	Rate
Office Equipment	Diminishing Value (100%)	14.4% - 50%
Motor Vehicle	Diminishing Value (100%)	30%
Competition Equipment	Diminishing Value (100%)	3% - 100%



## Goods and Services Tax (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Balance Sheet are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

## Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectable amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

## Income Tax

Surfing New Zealand Inc is exempt from income tax under the Income Tax Act 2007 Section CW 46. The Ultimate Waterman Limited is subject to income tax but no income tax has been provided for in the year ended 30 June 2024.

## Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

	2024	2023
<b>2. Cash and Bank</b>		
The Ultimate Waterman	10	10
Westpac 00 Account	131,830	100,995
Westpac 04 Account	389	5
<b>Total Cash and Bank</b>	<b>132,229</b>	<b>101,010</b>
	2024	2023

## 3. Trade and Other Receivables

<b>Accounts Receivable</b>		
Live Heats	-	564
Prepayments	-	2,575
Trade Receivables	2,933	34,173
<b>Total Trade and Other Receivables</b>	<b>2,933</b>	<b>37,312</b>
	2024	2023

## 4. Trade & Other Payables

Accounts Payable	21,337	20,002
Holiday and Days in Lieu Payable	11,843	24,462
<b>Total Trade &amp; Other Payables</b>	<b>33,180</b>	<b>44,464</b>

Holidays and Days in Lieu are made up of the below balances.

Ben Kennings: 15 Days  
 Lee Ryan: 19 Days  
 Dan Westerkamp: 3 Days  
**Total: 37 Days**



2024 2023

**5. Other Current Liabilities****Income In Advance**

Athlete Contributions	-	5,600
Wave Warriors	10,000	-
Foundation North	-	8,853
Lion Foundation	9,999	-
NZCT	15,481	-
Olympic Committee	18,458	14,290
Sport NZ HPNZ	-	3,075
Prepaid Revenue - ACC	30,000	-
<b>Total Income In Advance</b>	<b>83,938</b>	<b>31,819</b>

<b>Total Other Current Liabilities</b>	<b>83,938</b>	<b>31,819</b>
----------------------------------------	---------------	---------------

Athlete Contributions are entry fees collected on behalf of Backdoor - Raglan Competition. Foundation North funding was for Have a Go Surfing Days in Auckland and Northland. Olympic Committee is for the running of workshops and camps for current and potential Olympic athletes and coaching staff. Sport NZ HPNZ is to support Olympic athletes and games expenses.

Wave Warriors Income in Advance relates to donations received prior to balance date to support the roll-out of Wave Warriors during summer 2024/2025. Prepaid Revenue - ACC relates to income received by Accident Compensation Corporation related to Surfers Rescue 24/7 program.

2024 2023

**6. Intangibles****Trademarks**

Trademark	2,696	2,696
<b>Total Intangibles</b>	<b>2,696</b>	<b>2,696</b>

2024 2023

**7. Retained Earnings****Retained Earnings**

Opening Balance	92,743	78,699
Profit/(Loss) for the Period	(37,865)	14,043
<b>Total Retained Earnings</b>	<b>54,878</b>	<b>92,743</b>

**8. Related Party Transactions**

Russell Ritchie was paid for acting as a judge. (2023: \$5,524). Russell Ritchie resigned as a director on 23 May 2023.

**9. Contingent Liabilities and Assets**

The company has no contingent liabilities or assets as at 30 June 2024, (2023 Nil).





## 10. Post Balance Date Events

There are no post balance date events.

## 11. Going Concern

In common with other sports promotion entities, Surfing New Zealand relies on grant funding to support its operations. Grant funding is often not recurrent year on year and as such Surfing New Zealand Inc is constantly applying for funding from different sources and reviewing operations. During the 2024 year and subsequently in the 2025 year the Committee has reported a general economic downturn which has been unfavourable to amateur sporting organisations fundraising activities. Surfing New Zealand Inc has net equity at 30 June 2024 \$54,878 (2023:\$92,743). The Committee believes that Surfing New Zealand Inc remains a going concern, and the financial statements have been presented as such.

