

Performance Report

North Harbour Basketball Association Inc
For the year ended 30 September 2024

Prepared by Nexia New Zealand Limited

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North Harbour Basketball Association Incorporated

Independent auditor's report to the Members

Report on the Financial Report

Opinion

We have audited the financial statements of North Harbour Basketball Association Incorporated (the entity), which comprise the statement of financial position as at 30 September 2024, and the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion accompanying financial statements give a true and fair view of the financial position of North Harbour Basketball Association as at 30 September 2024 and of its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) 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 Performance Report section of our report. We are independent of the entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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, the entity.

Information Other than the financial statements and Auditor's Report Thereon

The Trustees are responsible for the other information in the Performance Report. The other information is the entity information 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 and, in doing so, 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 the work we have performed on the other information, 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

The Committee are responsible for:

- a. the preparation of financial statements on behalf of the entity that give a true and fair view in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- b. for such internal control as the Committee determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee are responsible on behalf of the entity for assessing the entity'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 Committee either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are as a whole 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.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

This description forms part of our independent auditor's report.

Restriction on Distribution and Use

This report is made solely to the entity's members, as a body. Our audit work has been undertaken so that we might state to the entity's members those matters which 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 entity and the entity's members, as a body, for our audit work, for this report or for the opinions we have formed.


William Buck Audit (NZ) Limited
Auckland

21 November 2024

Entity Information

North Harbour Basketball Association Inc For the year ended 30 September 2024

Legal Name of Entity

North Harbour Basketball Association Inc

Entity Identifier

9429042671985

Type of Entity

Incorporated Society

Registration Number

224014

Entity's Purpose or Mission

North Harbour Basketball Association Inc. is the largest and most successful basketball Association in New Zealand. Our success is due to our all year round provision of basketball activities, delivered to the very highest standard. North Harbour Basketball Association Inc. offers a large number of activities and programmes of excellent quality providing a pathway for every basketballer to realise his or her ambition. We have development programs for all players, coaches and referees who want to be involved with the game of basketball.

Entity Structure

Board: Blair Johnson (Chair), Maria Tyrrell (Deputy Chair), Garry Williams (Treasurer, Honorary Solicitor), James Blackwell (Secretary), Anna Tearii, Sam Yin. **Staff:** Chief Executive - John Hunt, Operations Manager – Campbell Marsters, Director of Basketball – Greg Brockbank, Women's Development Manager – Darci Finnigan, Coach Development Manager – Mikey Graham, Schools Participation Manager – Cain Nuttall, Tournaments and Travel Manager – Sue Woods, Membership and Media Coordinator – Cairo Kotuhi, Match Officials Manager - Scott Campbell, Club and Representatives Manager - Claire McCurran, Principal Venue Controller – Tessa Bennett

Entity's Governance Arrangements

The Board and CEO are responsible for Key decisions on behalf of the Association.

Entity's Reliance on Volunteers and Donated Goods or Services

We have ten full-time staff who perform the vast majority of the work that interfaces with our members. We rely on volunteers to help out on the door and score bench when we host tournaments. Managers of all representative and development teams are volunteers; as are most of the coaches.

Contact Details

Physical Address: Silverfield Lane, Glenfield, Auckland, New Zealand, 0627

Postal Address: Silverfield Lane, Glenfield, Auckland, 0627 Phone/Fax: 09 443 3854 Email: office@harbour.basketball

Other entities controlled by the entity

North Harbour Basketball Association Inc. owns 33.33% of shareholdings in Flaxhill Hoops Limited and in Northern Kahu Limited.

Description of Medium to Long term Objectives

North Harbour Basketball Association Inc. is New Zealand's largest regional basketball association. We run the largest basketball competitions with respect to participation, and the largest club and representative program in New Zealand. We look to provide pathways and skill development for all players, coaches and referees in our program.

We aim to be regarded as one of the best basketball clubs in Australia and New Zealand.

Description of Key Activities

North Harbour Basketball Association Inc. runs competitions for more than 8,000 members. This includes more than 7,500 players (80+ percent of whom are school age children), 400 coaches and 100 referees.

Our club and representative program encompasses more than 70 teams and 800 individual players.

We also run two major tournaments every year; the Easter Tournament and the SAS Slam over Labour weekend. These tournaments are regarded as the pre-eminent referee development events each year.

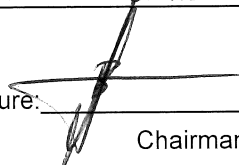
Statement of Financial Performance

North Harbour Basketball Association Inc For the year ended 30 September 2024

'How was it funded?' and 'What did it cost?'

	NOTES	2024	2023
Revenue			
Donations, koha, bequests and other general fundraising activities	1	82,740	30,375
Non-government service delivery grants/contracts	1	767,836	782,232
Membership fees and subscriptions	1	1,100,875	797,541
Revenue from commercial activities	1	784,141	462,122
Interest, dividends and other investment revenue	1	21,323	21,408
Other revenue	1	4,967	1,913
Total Revenue		2,761,882	2,095,592
Expenses			
Expenses related to fundraising	2	24,611	18,853
Employee remuneration and other related expenses	2	897,464	777,851
Expenses related to commercial activities	2	1,776,637	1,250,712
Grants and donations made	2	1,300	20,000
Other expenses	2	4,546	1,983
Total Expenses		2,704,559	2,069,399
Surplus/(Deficit) for the Year		57,324	26,193

Date: 22 November 2024

Signature: 
Chairman

Date: 22 November 2024

Signature: 
Board Member

This performance report has been approved by those charged with governance.

Statement of Financial Position

North Harbour Basketball Association Inc

As at 30 September 2024

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 SEPT 2024	30 SEPT 2023
Assets			
Current Assets			
Cash and short-term deposits	3	835,286	911,957
Debtors and prepayments	3	216,325	110,501
Other Current Assets	3	-	876
Total Current Assets		1,051,611	1,023,335
Non-Current Assets			
Property, Plant and Equipment	5	153,791	70,844
Investments	3	49,926	-
Total Non-Current Assets		203,717	70,844
Total Assets		1,255,328	1,094,179
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	178,093	160,228
Employee costs payable	4	73,908	107,280
Deferred revenue	4	116,796	99,164
Other current liabilities	4	372,771	331,657
Total Current Liabilities		741,568	698,329
Non-Current Liabilities			
Loans	4	81,454	20,867
Total Non-Current Liabilities		81,454	20,867
Total Liabilities		823,022	719,196
Total Assets less Total Liabilities (Net Assets)		432,306	374,983
Accumulated Funds			
Accumulated surpluses / (deficits)		432,306	374,983
Total Accumulated Funds		432,306	374,983

Statement of Cash Flows

North Harbour Basketball Association Inc For the year ended 30 September 2024

	2024	2023
Cash Flows from Operating Activities		
Donations, koha, bequests and other general fundraising activities	53,233	4,030
General grants	785,469	717,948
Membership fees and Subscriptions	1,381,359	1,037,989
Gross sales from commercial activities	585,204	557,770
Interest, dividends and other investment receipts	21,323	21,408
Other cash received	57,756	600
Payments to suppliers and employees	(2,556,550)	(1,926,612)
Total Cash Flows from Operating Activities	327,793	413,133
Cash Flows from Investing and Financing Activities		
Receipts from sale of property, plant and equipment	8,696	10,174
Proceeds from loans borrowed from other parties	122,926	-
Payments to acquire property, plant and equipment	(110,288)	(31,929)
Payments to purchase investments	(50,000)	-
Repayments of loans borrowed from other parties	(46,407)	(22,118)
Cash flows from other investing and financing activities	(329,391)	(233,792)
Total Cash Flows from Investing and Financing Activities	(404,464)	(277,665)
Net Increase/(Decrease) in Cash	(76,671)	135,468
Bank Accounts and Cash		
Opening cash	911,957	776,489
Net change in cash for period	(76,671)	135,468
Closing cash	835,286	911,957

Statement of Accounting Policies

North Harbour Basketball Association Inc For the year ended 30 September 2024

'How did we do our accounting?'

Basis of Preparation

This performance report is prepared in accordance with the XRB's Tier 3 (NFP) Standard. North Harbour Basketball Association Inc. is eligible to apply these requirements as it does not have public accountability and has total annual expenses of less than \$5,000,000. All transactions in the performance report are reported using the accrual basis of accounting. This performance report is prepared under the assumption that the entity will continue to operate for the foreseeable future.

Goods and Services Tax (GST)

North Harbour Basketball Association Inc is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

North Harbour Basketball Association Inc is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Advance Subscriptions and Grants

Tournament and event fees are recognised as income in the period in which the activities occur. Grants received must be utilised for the purpose set out in the grant application documents, with any excess funds used being refundable to the donating organisation. Grants are recognised as revenue unless there is an obligation to refund unspent funds to the donor.

Fixed Assets and Depreciation

Fixed assets are recorded at historical cost less accumulated depreciation. The fixed assets are depreciated on a diminishing value basis as follows:- Computer Equipment 40%-50% DV, Office Furniture & Equipment 8.5%- 40% DV, Leasehold Improvements 10% DV, Basketball & Competition Gear 26%-40% DV.

Leased Assets

Operating Leases are those in which all the risks and benefits are substantially retained by the lessor. Lease payments are expenses in the periods the amounts are payable.

Debtors

Debtors are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified

Investments

North Harbour Basketball Association Inc. has Investments in Flaxhill Hoops Limited, Northern Kahu Limited, and Auckland Foundation. Financial contributions to support Flaxhill Hoops Limited and Northern Kahu Limited have been recorded as an expense by North Harbour Basketball Association Inc. and contributions received from the entities have been recorded as revenue on receipt. There is no net investment in Flaxhill Hoops Limited and Northern Kahu Limited. Investments in Auckland Foundation recorded at market value.

Changes in Accounting Policies

North Harbour Basketball Association Inc. adopted The Tier 3 (NFP) Standard on 1 October 2023. There have been no other changes in accounting policies during the financial year (last year - nil). Policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

North Harbour Basketball Association Inc For the year ended 30 September 2024

	2024	2023
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Fundraising	1,537	1,081
Donations	60,000	-
Sponsorships	21,203	29,294
Total Donations, fundraising and other similar revenue	82,740	30,375
General grants		
Grants Allocated	767,836	782,232
Total General grants	767,836	782,232
Membership fees and subscriptions		
Fees	478,349	314,840
Subscriptions	622,526	482,701
Total Membership fees and subscriptions	1,100,875	797,541
Revenue from commercial activities		
Camp & Coaching Income	84,512	55,834
Junior Rep Income	213,040	82,577
Tournament Income	476,461	225,276
Other Commercial Activities Income	10,128	98,435
Total Revenue from commercial activities	784,141	462,122
Interest, dividends and other investment revenue	21,323	21,408
Other revenue	4,967	1,913
	2024	2023
2. Analysis of Expenses		
Expenses related to fundraising		
Social media & website cost	9,337	11,450
Other fundraising costs	15,273	7,403
Total Expenses related to fundraising	24,611	18,853
Employee remuneration and other related expenses		
Wages, Salaries and Contractors	857,269	748,350
Staff & Contractors Expenses	40,195	29,501
Total Employee remuneration and other related expenses	897,464	777,851
Expenses related to commercial activities		
Basketball Equipment	42,730	84,122
Camp & Coaching expenses	256,817	131,534
Competition & Tournament Expenses	689,395	478,313
Junior Rep Expenses	498,566	352,904

Other Expenses Related to Commercial Activities	289,129	203,840
Total Expenses related to commercial activities	1,776,637	1,250,712
Grants and donations made	1,300	20,000
Other expenses	4,546	1,983
	2024	2023

3. Analysis of Assets

Cash and short-term deposits		
ASB 07 Account	23,188	956
ASB 51 Account	101,600	308,640
Float	300	300
ASB 00 Account	31,218	20,387
ASB 06 Account	138,744	78,390
ASB 52 Account	540,237	503,283
Total Cash and short-term deposits	835,286	911,957
Debtors and prepayments		
Accounts Receivable	111,306	65,969
Prepayments	115,020	44,533
Provision for Doubtful Debts	(10,000)	-
Total Debtors and prepayments	216,325	110,501
Other current assets		
Unexpired Interest	-	876
Total Other current assets	-	876
Investments		
Investment In Auckland Foundation	49,926	-
Total Investments	49,926	-
	2024	2023

4. Analysis of Liabilities

Creditors and accrued expenses		
ASB Visa Account	4,756	1,991
Batcard Account	616	2,327
GST	36,985	17,187
Sundry Accruals	30,498	7,500
Trade Creditors	105,239	131,223
Total Creditors and accrued expenses	178,093	160,228
Employee costs payable		
Wages Accrual	17,985	26,126
Holiday Pay Accrual	38,062	57,204
PAYE Payable	17,861	23,950
Total Employee costs payable	73,908	107,280

	2024	2023
Deferred revenue		
Grants in Advance	116,796	99,164
Total Deferred revenue	116,796	99,164
Other current liabilities		
Income in Advance	357,507	317,882
Current Liability on Finance Lease	15,264	13,775
Total Other current liabilities	372,771	331,657
Loans		
UDC Finance	81,454	20,867
Total Loans	81,454	20,867
Total Analysis of Liabilities	823,022	719,196

5. Property, Plant and Equipment

	Current year					
Asset Class	Opening Carrying Amount	Purchases	Disposals	Depreciation and Impairment	Revaluation Movements	Closing Carrying amount
Land	-	-	-	-	-	-
Buildings	4,050	-	-	304	-	3,746
Motor vehicles	25,289	92,122	3,728	9,344	-	104,338
Furniture and fixtures	10,271	2,433	-	1,413	-	11,290
Office equipment	5,321	3,405	-	758	-	7,968
Computers	6,042	8,556	621	3,469	-	10,508
Basketball & Equipment	19,870	2,052	-	5,984	-	15,938
Total	70,843	108,568	4,349	21,273	-	153,791

	Last year					
Asset Class	Opening Carrying Amount	Purchases	Disposals	Depreciation and Impairment	Revaluation Movements	Closing Carrying amount
Land	-	-	-	-	-	-
Buildings	2,443	3,440	1,733	100	-	4,050

Motor vehicles	38,181	-	2,054	10,838	-	25,289
Furniture and fixtures	270	10,552	270	281	-	10,271
Office equipment	705	5,449	440	393	-	5,321
Computers	5,184	4,260	3,402	-	-	6,042
Basketball & Equipment	20,616	9,948	3,589	7,105	-	19,870
Total	67,399	33,649	11,489	18,717	-	70,844

6. Investments

North Harbour Basketball Association owns 33.33% shareholdings in Flaxhill Hoops Limited and in Northern Kahu Limited. The North Harbour Basketball Association Inc. has provided no funds as share capital to these companies and has no obligation to do so. It became a minority of shareholders when the companies were incorporated with no consideration paid.

The related revenue and expenses are included in the Statement of Financial Performance and consists of:

	2024	2023
Flaxhill Hoops Limited		
Holiday camps revenue	30,443	30,364
Holiday camps expenses	10,316	8,491
Net Surplus/ (Deficit)	20,127	21,873
Northern Kahu Limited		
Sponsorship received	2,000	6,333
Contribution to Administration	54,370	69,737
Net deficit	(52,371)	(63,404)

The total impact for the 2024 year is a deficit of \$21,243. North Harbour Basketball Association Inc. has no commitments or guarantees issued in respect to either of these two entities. The net equity in both companies was \$nil.

The total impact for the 2023 year is a deficit of \$41,531. North Harbour Basketball Association Inc. has no commitments or guarantees issued in respect to either of these two entities. The net equity in both companies was \$nil.

	2024	2023
Auckland Foundation Investment		
Total Investment	49,926	-

North Harbour Basketball Association Inc. invested \$50,000 in the Auckland Foundation. The market value of the investment as at 30 September 2024 was \$49,926. The two funds will be used for the Facilities Fund and the Support and Participation Fund specified purposes over time.

	2024	2023
7. Commitments		
Commitments to lease or rent assets		
Lease Commitments less than 1 year	30,000	96,153
Lease Commitments 1-5 years	195,333	349,989
Lease Commitments more than 5 years	255,000	802,425
Total Commitments to lease or rent assets	480,333	1,248,567

8. Commitment and Contingencies

There are no other commitments as at 30 September 2024 (Last year - nil)

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 September 2024 (Last year - nil).

10. Related Parties

The related parties' transactions were disclosed in Note 6 Investments.

11. Events After the Balance Date

There were no events that occurred after the balance date that would have a material impact on the Performance Report. (Last year - nil)

The investment in Northern Kahu Limited was sold for \$25,000 after the balance date.