

Financial Statements

For the year ended 31 December 2022

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Nature of Business

Basketball New Zealand is the national body for the sport of basketball in New Zealand. Our role is to develop, grow and promote basketball and participants of the game.

Address

Level 1, 55 Abel Smith Street, Wellington 6011

IRD Number

13-966-796

Status

Incorporated Society

Auditors

BDO Wellington Audit Limited

Bankers

ANZ Bank

Statement of Service Performance

Basketball New Zealand Inc For the year ended 31 December 2022

This report has been prepared in accordance with PBE FRS 48 Service Performance Reporting. The Board of Trustees of Basketball New Zealand Incorporated believes that the statements contained in this report accurately reflect the overall performance of Basketball New Zealand Incorporated for the year ended 31 December 2022.

Vision

A hoop at the heart of every community

Our Purpose

Bring Basketball to All

Shape representative basketball

Deliver high performance basketball

1. Community

To provide opportunities for all NZers to participate in and enjoy the benefits of basketball in their community by:

- Developing and delivering national education and training for coaches and officials
- Growing the women's game
- Facilitating more Hoops in Parks and Hoops in Schools
- Implementing the Strengthen and Adapt Project

Community Initiatives	2022	2021
Referee development participants	678	630
Coach development users	1143 users, 546 coaches and 678 teams	coaching framework under development
School hoop installations	53 (BBNZ contributed by way of partial funding)	7 (BBNZ contributed by way of partial funding)
Park hoop Installations	10 (BBNZ contributed by way of partial funding)	7 (BBNZ contributed by way of partial funding)
Girls Got Game development	This initiative is in the first year of implementation and, therefore, we are not able to produce verifiable participation numbers	Under development

2. Tournaments, Leagues and Events

To promote the brand of basketball by delivering national tournaments and leagues and domestic and international events by:

- Delivering representative tournaments
- Delivering national leagues-Men's NBL and Women's NBL
- Delivering domestic 3x3 events
- Hosting international events

Tournaments, Leagues and Events Initiatives	2022	2021
Tournaments	27 tournaments delivered, 787 teams	6 tournaments delivered, 273 teams
Tauihi Basketball Aotearoa	5 teams, 33 games	6 teams, 7 games*
Men's NBL	10 teams, 95 games	10 teams, 93 games
3X3 NBL	32 teams, 114 games	cancelled
3X3 Quest Tour	6 locations, 256 teams	8 locations, 196 teams
International Events	FIBA World Cup 2023 Qualifiers Window 3 (Tall Blacks)	Nil
	FIBA World Cup 2023 Qualifiers Window 4(Tall Blacks)	

*played 1 round before the season was cancelled due to Covid-19

3. High Performance

To provide the best players the opportunity to represent New Zealand and excel on the world stage by:

- Providing regional and national junior team camps and international tours
- Organising and promoting our national teams

High Performance Initiatives	2022	2021
Camps	4 x Regional Selection Camps	4 x Regional Selection Camps
	Tall Blacks preparation camp	
	National Junior Team Selection Camp	National Junior Team Selection Camp
	U14 Boy's and Girl's Development Camps	U14 Boy's and Girl's Development Camps
	Tall Ferns camp	
Tours	FIBA World Cup 2023 Qualifiers Windows 1&2 (Tall Blacks)	FIBA Asia Cup 2021 Qualifiers Window 3 (Tall Blacks)
	FIBA U17 Oceania Champs	FIBA Women's Asia Cup (Tall Ferns)
	FIBA U16 Asia Champs (Men and Women)	
	World University Games	
	FIBA World Cup 2023 Qualifiers Window 3	
	FIBA U17 World Champs (Men and Women)	
	FIBA Asia Cup (Tall Blacks)	
	Birmingham 2022 Commonwealth Games (3X3 Men and Women)	
	FIBA U18 Men's Asia Champs	
	FIBA World Cup 2023 Qualifiers Window 4 (Tall Blacks)	
	FIBA 3X3 U18 Women's World Cup 2022 (3X3 Women)	
	FIBA U18 Women's Asia Champs	
	FIBA World Cup 2023 Qualifiers Window 5 (Tall Blacks)	
	FIBA U15 Oceania Champs (Men and Women)	

Consolidated Statement of Comprehensive Revenue and Expenses

Basketball New Zealand Inc
For the year ended 31 December 2022

	Notes	2022 \$	2021 \$
Revenue from Non-exchange Transactions			
Gaming Trust funding	6	611,580	337,149
Other grants and donations		252,941	15,000
Sport New Zealand Group funding	12	2,291,899	1,061,200
TAB Sports Betting Commission		3,077,733	3,407,969
Offshore Wagering		237,492	-
Total Revenue from Non-exchange Transactions		6,471,645	4,821,318
Revenue from Exchange Transactions			
Interest		35,412	8,370
Sponsorship	11	3,930,572	1,515,776
Membership fees		101,950	106,750
Revenue from providing services	10	2,000,206	805,809
Other revenue		79,795	43,391
Total Revenue from Exchange Transactions		6,147,935	2,480,096
Total Revenue		12,619,580	7,301,414
Expenses			
Employee-related costs		2,677,071	2,320,519
Administration costs	7	812,898	676,741
Provision of services to members	13	8,992,432	3,948,125
Sponsorship in kind		106,174	96,243
Total Expenses		12,588,575	7,041,627
Total Surplus		31,005	259,787
Other Comprehensive Revenue and Expenses		-	-
Total Comprehensive Revenue and Expenses		31,005	259,787

The notes to the consolidated financial statements form part of and should be read in conjunction with the consolidated financial statements.

Consolidated Statement of Changes in Net Assets

Basketball New Zealand Inc
For the year ended 31 December 2022

	2022 \$	2021 \$
Accumulated Comprehensive Revenue and Expenses		
Opening Balance	1,569,206	1,309,419
Comprehensive Revenue and Expenses		
Surplus for the year	31,005	259,787
Total Comprehensive Revenue and Expenses	31,005	259,787
Total Accumulated Comprehensive Revenue and Expenses	1,600,211	1,569,206
Total Equity	1,600,211	1,569,206

The notes to the consolidated financial statements form part of and should be read in conjunction with the consolidated financial statements.

Consolidated Statement of Financial Position

Basketball New Zealand Inc
For the year ended 31 December 2022

	Notes	2022 \$	2021 \$
Assets			
Current Assets			
Cash and cash equivalents		781,552	415,474
Term deposit		1,224,711	1,630,191
Receivables from exchange transactions	8	303,960	169,982
Receivables from non-exchange transactions	9	514,286	434,332
Loan		-	25,000
Accrued income		119,631	12,714
Prepayments		134,889	67,957
Stock		-	11,234
Bartercard account	14	5,824	41,212
Total Current Assets		3,084,852	2,808,096
Non-current Assets			
Property, plant and equipment	15	75,479	77,344
Total Non-current Assets		75,479	77,344
Total Assets		3,160,331	2,885,440
Liabilities			
Current Liabilities			
Trade and other payables		742,000	597,619
GST payable		112,756	24,542
Unearned income		624,000	653,773
Employee entitlements		81,364	40,301
Total Current Liabilities		1,560,120	1,316,234
Total Liabilities		1,560,120	1,316,234
Net Assets		1,600,211	1,569,206
Net Assets Attributable to the Owners of the Controlling Entity			-
Accumulated revenue and expense		1,600,211	1,569,206
Total Net assets Attributable to the Owners of the Controlling Entity		1,600,211	1,569,206



Rob Gold, Chair
11 April 2023



Dillon Boucher, CEO
11 April 2023

The notes to the consolidated financial statements form part of and should be read in conjunction with the consolidated financial statements.

Consolidated Statement of Cashflows

Basketball New Zealand Inc
For the year ended 31 December 2022

	2022 \$	2021 \$
Cashflow		
Cash from Operating Activities		
Cash was Provided From		
Receipts from non-exchange transactions	9,441,264	6,413,559
Receipts for membership fees	101,950	106,750
Receipts from exchange transactions	2,190,265	570,389
Receipts from grants	734,340	317,149
Interest	35,412	8,370
Total Cash was Provided From	12,503,231	7,416,217
Cash was Applied To		
Payments to suppliers	(9,855,358)	(4,674,131)
Payments to employees	(2,636,009)	(2,360,408)
Total Cash was Applied To	(12,491,367)	(7,034,539)
Total Cash from Operating Activities	11,864	381,678
Cashflow from Investing Activities		
Cash was Applied To		
Purchase of property, plant and equipment	(41,687)	(54,825)
Acquisition of term deposit	405,480	(1,505,190)
Total Cash was Applied To	363,793	(1,560,015)
Total Cashflow from Investing Activities	363,793	(1,560,015)
Net Increase/Decrease in Cash Held	366,078	(1,178,337)
Add Opening Cash Balance	415,474	1,593,811
Ending Cash to Carry Forward	781,552	415,474
Bank and cash	781,552	415,474

The notes to the consolidated financial statements form part of and should be read in conjunction with the consolidated financial statements.

Notes to the Consolidated Financial Statements

Basketball New Zealand Inc
For the year ended 31 December 2022

1. Reporting Entity

Basketball New Zealand is an incorporated society registered under the Incorporated Society Act 1908. Basketball New Zealand is the national body for the sport of basketball in New Zealand. Our role is to develop, grow and promote basketball and participants of the game.

The consolidated financial statements of Basketball New Zealand Inc. includes the parent, Basketball New Zealand Inc, and its subsidiaries as listed in note 5.

Level of rounding is used in presenting amounts in the financial statements.

These consolidated financial statements have been approved and were authorised for issue by the Board on 11th April 2023.

2. Statement of Compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit Entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

3. Summary of Accounting Policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements, except as explained in Note 3.4, which addresses changes in accounting policies.

3.1 Basis of Preparation

These consolidated financial statements have been prepared on the basis of historical cost and under the assumption that the Group will continue to operate as a going concern in the foreseeable future.

3.2 Functional and Presentational Currency

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

3.3 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 entities are consistent with the policies adopted by the Group and have a 31 December reporting date.

All controlled entities are included in the financial statements of the Group.

3.4 Changes to Accounting Policies

(a) Changes due to the initial application of a new, revised, and amended PBE Standards

(i) PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 Financial Instruments is effective from 1 January 2022 and was adopted by the Group on that date.

PBE IPSAS 41 introduces new recognition and measurement requirements for financial assets and restricts the ability to measure financial assets at amortised cost to only those assets that are held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In addition, measurement of financial assets at fair value through other comprehensive revenue and expense is also restricted.

PBE IPSAS 41 has had an immaterial impact on the Group measurement and recognition of financial instruments, as financial assets that were recognised as loans and receivables are now recognised as amortised cost

(ii) PBE FRS 48 Service Performance Reporting

PBE FRS 48 Service Performance Reporting is effective for periods from 1 January 2022 and was adopted by the Group on that date.

PBE FRS 48 requires specific disclosures for the reporting of service performance information which have been provided in the consolidated statement of service performance.

3.5 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

Grant Revenue

Grant revenue includes grants received from Gaming Trust funders and Sports New Zealand Group funding. Grant revenue is recognised when it is received unless there are specific conditions attached that require repayment. In this case, grant revenue is recognised when specific conditions are met.

Donations

Donations are recognised as revenue upon receipt.

Sports Betting Commission

Sports Betting Commission includes sports betting turnover commissions and sports betting profit commissions. Sports betting revenue is recognised at the earlier of when consideration is received or receivable.

Revenue from Exchange Transactions

Membership Fees

Fees in exchange for monthly access to member services for the full membership year are recognised at the earlier of when consideration is received or receivable.

Revenue from Providing Services

Revenue from providing services including development programmes (players, coaches and referees) and national tournaments, leagues and events is recognised when the event occurs.

Interest

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

Sponsorship In Kind

Sponsorship in kind includes basketballs and sports apparel, and is recognised in revenue and expenses when the goods are received. Sponsorships in kind are measured at their fair value as at the date of the acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the Group.

Sponsorship

Sponsorship income is recognised in the period to which the sponsorship relates.

3.6 Financial Instruments

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

Financial Assets

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 cashflows from the asset have expired or are waived, or the Group has transferred its rights to receive cashflows from the asset or has assumed an obligation to pay the received cashflows 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 within the scope of NFP PBE IPSAS 41 Financial Instruments: On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive revenue and expenses (FVOCRE), debt investment and equity investment; or fair value through surplus or deficit (FVTSD). The

classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue 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 amortised cost. The Group's financial assets include cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions and investments.

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.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD; it is held within a management model whose objective is to hold assets to collect contractual cash flow; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's cash and cash equivalents and receivables from exchange transactions fall into this category of financial instruments. All financial assets not classified as measured at amortised cost or FVOCRE as described above are measured at FVTSD. This includes all derivative financial assets (see Note 18). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCRE as at FVTSD if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Impairment of Financial Assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cashflows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss 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 cashflows 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 of 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.

Financial Liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, and deferred revenue (in respect to grants and sponsorships 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.

3.7 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. ANZ Bank holds a security over 2 term deposits of Basketball New Zealand totalling \$220,000. In addition one term deposit of \$1,007,711.

3.8 Stock

Stock is stated at the lower cost and net realisable value. Cost includes the purchase consideration and other costs incurred in bringing the stock to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

3.9 Property, Plant, Equipment and Depreciation

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation is charged on a Straight Line basis over the useful life of the asset. The rates are calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Office furniture and equipment	12%-80.4% Straight Line
Computer equipment	25.2%-48% Straight Line
Team uniforms and equipment	87% Straight Line
Building works	16.67% Straight Line
Motor vehicle	10.2% Straight Line

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.

3.10 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.

3.11 Employee Benefits

Wages, Salaries and Annual Leave

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.

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

3.12 Income Tax

The Group is exempt from income tax as an amateur sports body.

3.13 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised exclusive 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.

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

3.14 Equity

Equity is measured as the difference between total assets and total liabilities. Equity is made up of accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since its formation.

4. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group consolidated financial statements requires 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:

Operating Lease Commitments

The Group has entered into an equipment lease and a lease for their office.

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 equipment, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, 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 Note 3.9.

5. Investments in Subsidiaries

The following companies were set up as shelf companies to protect their names. Only National Basketball League is trading. The other companies are dormant subsidiaries.

Subsidiaries	Class of Share	Ownership Interest 2022	Ownership Interest 2021
National Basketball League Limited (NBL)	Ordinary	100%	100%
New Zealand Basketball Limited	Ordinary	100%	100%
Basketball New Zealand Limited	Ordinary	100%	100%
New Zealand Basketball Development Limited	Ordinary	100%	100%
Basketball New Zealand Development Limited	Ordinary	100%	100%
Basketball New Zealand Events Ltd	Ordinary	100%	100%

NBL runs the New Zealand Basketball League, Basketball New Zealand Events Ltd ran the 2009 World U19 Championships.

6. Game Trust Funding

	2022	2021
New Zealand Community Trust	150,000	24,861
Lion Foundation	100,000	109,801
Four Winds Trust	97,070	162,487
Pub Charity	20,000	20,000
Eastern Central Community Trust	-	20,000
Grassroots Trust	156,153	-
Grassroots Central Trust	32,271	-
Trillian Trust	26,557	-
Pelorus Trust	10,000	-
We Care Foundation	2,308	-
One Foundation	17,222	-
Total Gaming Machine Grants	611,580	337,149

7. Administration Costs

	2022	2021
Accounting fees	3,095	601
Audit fees	26,986	20,103
Doubtful debts	3,814	-
Bad debts	1,450	13,395
Legal and consultancy fees	39,797	49,631
Office expenses	204,307	153,586
Office rent	93,686	84,510
Marketing and communications	120,725	127,904
Telecommunications and IT/website	99,501	79,659
Travel/accommodation/meetings	149,020	86,338
Membership fees	26,969	21,638
Depreciation	43,549	39,105
Fines	-	272
Total Operating Costs	812,898	676,741

8. Receivables from Exchange Transactions

	2022	2021
Accounts receivable	307,774	172,282
Provision for doubtful debts	(3,814)	(2,300)
Total Receivables from Exchange Transactions	303,960	169,982

9. Receivables from Non-exchange Transactions

	2022	2021
Sports Betting Commission	514,286	434,332
Total Receivables from Non-exchange Transactions	514,286	434,332

10. Revenue from Providing Services

	2022	2021
Exchange Transactions		
Tournaments, Leagues and Events	1,076,129	397,113
High Performance	647,154	126,962
National Basketball League	276,924	281,734
	2,000,206	805,809

11. Sponsorship

	2022	2021
Sponsorship	3,824,398	1,419,533
Sponsorship in kind	106,174	96,243
	3,930,572	1,515,776

12. Sport New Zealand Group Funding

	2022	2021
Sport New Zealand	1,176,899	818,000
High Performance Sport NZ	1,115,000	243,200
	2,291,899	1,061,200

13. Provision of Services to Members

	2022	2021
Community	986,616	1,031,506
Tournaments, Leagues and Events	2,704,206	549,504
High Performance	3,327,230	1,343,080
National Basketball League	1,974,381	1,024,035
	8,992,432	3,948,125

14. Bartercard Account

The value per the financial statements reflects the value of the Bartercard trade dollars. One trade dollar approximates fair value of one New Zealand dollar.

The restrictions on spending of trade dollars means that only a select number of retailers accept trade dollars. The account balance is shown separately from the bank accounts.

15. Property, Plant and Equipment

	2022	2021
Building Works		
Building works at cost	34,103	34,103
Building works accumulated depreciation	(33,953)	(33,953)
Total Building Works	150	150
Computer Equipment		
Computer equipment at cost	220,016	185,451
Computer equipment accumulated depreciation	(180,023)	(147,164)
Total Computer Equipment	39,993	38,287
Office Furniture and Equipment		
Office furniture and equipment at cost	277,584	270,454
Office furniture and equipment accumulated depreciation	(242,348)	(231,647)
Total Office Furniture and Equipment	35,236	38,807
Team Uniforms		
Team uniforms at cost	38,395	38,395
Team uniforms accumulated depreciation	(38,295)	(38,295)
Total Team Uniforms	100	100
Total Property, Plant and Equipment	75,479	77,344

Property, Plant and Equipment Reconciliation

	2022	2021
Building Works		
Opening balance	150	150
Additions	-	-
Disposals	-	-
Depreciation	-	-
Total Building Works	150	150
Computer Equipment		
Opening balance	38,288	22,777
Additions	34,566	-
Disposals	-	36,493
Depreciation	(32,860)	(20,982)
Total Computer Equipment	39,993	38,288
Office Furniture and Equipment		
Opening balance	38,806	38,597
Additions	7,118	18,332
Disposals	-	-
Depreciation	(10,688)	(18,123)
Prior year adjustment	35,235	38,806
Total Office Furniture and Equipment	38,806	38,597
Team Uniforms		
Opening balance	100	100
Additions	-	-
Disposals	-	-
Depreciation	-	-
Total Team Uniforms	100	100
Total Property, Plant and Equipment	75,479	77,344

16. Operating Lease

	2022	2021
Within one year	111,822	65,499
Later than one year and no later than five years	95,457	15,064
Total Operating Lease	207,279	80,563

The Group has operating leases for the following:

- 2 x Photocopier lease with Fuji Film.
- Office lease at 55 Abel Smith Street. This lease expires on 30 September 2024.
- Office lease at 1 Brynley Street. This lease expires on 1 January 2024.
- Office lease at 1 Sport House. This lease expires on 30 September 2023.
- 3 x car leases.

17. Related Parties

There were no related party transactions (2021: \$nil).

Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which comprises of the Board and the Senior Leadership Team. The Senior Leadership Team comprises of the CEO, GM – Community Basketball, GM – High Performance and GM – Leagues. No remuneration is paid to members of the Board. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

Key Management Personnel

	2022	2021
Total remuneration	582,183	657,874
Number of persons	4	4

18. Categories of Financial Assets and Liabilities

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

Loans and Receivables

	2022	2021
Receivables from exchange transactions	303,960	169,982
Receivables from non-exchange transactions	514,286	434,332
Bank and cash/(bank overdraft)	781,552	415,474
Investments term deposit	1,224,711	1,630,191
Total Loans and Receivables	2,824,509	2,649,979

Financial Liabilities

	2022	2021
Trade and other payables	742,000	597,619
Unearned income	624,000	653,773
Employee entitlements (wages, annual leave, etc.)	81,364	40,301
Total Financial Liabilities	1,447,364	1,291,692

19. Capital Commitments

There are no capital commitments at balance date (2021:\$nil).

20. Contingent Assets and Liabilities

There are no contingent assets or liabilities at balance date (2021:\$nil).

21. NBL Equity

	2022	2021
Asset	711,216	379,829
Liability	491,005	117,374
Net Assets	220,211	262,454
Retained earnings	262,454	125,749
Current year earnings	(42,242)	136,705
Total Equity	220,212	262,454



BDO Wellington Audit Limited

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BASKETBALL NEW ZEALAND INCORPORATED**

Report on the Audit of the General Purpose Financial Report

Opinion

We have audited the general purpose financial report of Basketball New Zealand Incorporated and its subsidiaries (together, "the Group"), which comprise the consolidated financial statements on pages 1 to 17, and the consolidated service performance information on page 2. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31st December 2022, the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity, 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 general purpose financial report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 December 2022 and its consolidated financial performance, and its consolidated cash flows for the year then ended; and
- the consolidated service performance for the year ended 31 December 2022, in accordance with the Group's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the consolidated service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Group 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 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 Group or its subsidiary/any of its subsidiaries.

Other Information

The Board is responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the general purpose financial report, but does not include the consolidated service performance information and the consolidated financial statements and our auditor's report thereon.



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Our opinion on the consolidated service performance information and 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 service performance information and 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 service performance information and 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 on the other information obtained prior to the date of this auditor's report, 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.

The Board's Responsibilities for the General Purpose Financial Report

Those charged with governance are responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements and consolidated service performance information accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated financial statements and consolidated service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report those charged with governance 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 General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the consolidated service performance information 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) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13/>



BDO Wellington Audit Limited

Who we Report to

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

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington

New Zealand

11 April 2023