

**New Zealand Softball Association
Incorporated**

For the year ended 31 May 2023

New Zealand Softball Association Inc
For the year ended 31 May 2023

Contents

Directory	2
Statement of Service Performance	3
Statement of Comprehensive Revenue and Expenses	5
Statement of Changes in Net Assets	6
Statement of Financial Position	7
Statement of Cash Flows	8
Notes to the financial statements	9

New Zealand Softball Association Inc
For the year ended 31 May 2023

Directory

Board Members

Hoani Lambert (Chair)
Rebecca Annan
Sharon Kawe
Duncan Enoke
Vaughan Dennison
Charlene Pouaka
Megan Harlick (resigned May 2023)

Registered office

Sporthouse
93 Hutt Park Road
Seaview
Lower Hutt

Nature of business

Leadership of Softball in New Zealand
including delivery of national competitions
and international competitiveness

Incorporated Societies Registration Number: 215729

Statement of Service Performance

For the Year Ended 31 May 2023

Our Strategy: Mahere Rautaki

Our Vision: Whakakitenga

We want softball to be a sport for life. One that evolves as it needs to, is enjoyed by all those who connect with the game in any capacity and is characterised by success.

Our Collective Purpose: He Kaupapa

We are all tasked with working together to enable Kiwis to participate in softball in whatever way they choose and to have a great time doing so to ensure that they stay involved and get the best experiences from the game.

Our Approach: Nga Huarahi Mahi

To be successful we will need to:

- Focus on the needs of the people wanting to be in our game and work hard to meet these.
- Open to change and doing things differently.
- Inclusive.
- Play to our strengths.
- Work together.

Our Strategic Framework: Pou Tarawaho

We have four strategic outcomes which, if we can progress towards, will help us to achieve our vision. These are:

1. A bigger, more diverse participant base
2. Capable, aligned and consistent delivery
3. Strengthen the business of softball
4. High performance success

1. A Bigger More Diverse Participant Base

We will focus on meeting the needs of our whanau and the people wanting to be involved in our game. This is about taking a participant-centred approach to planning and decision-making where the participant may be a player, coach, umpire, scorer, administrator, supporter, sponsor or funder.

Today, our communities are increasingly diverse and as a sport we must respond by finding ways to make softball a game for all ages, abilities, genders, and ethnicities.

Having had a disrupted experience in recent years due to COVID, we have the opportunity to learn from recent changes and apply them to align our delivery model in a way that offers both regional participation and national performance through a facilitated regional and national delivery model.

Success factors

1. Growth in targeted areas of rangatahi, women and girls – **2023** – 56 female teams competing at the age-grade events (19 Girls and U17 Girls), NFC, Open Womens Clubs and Secondary School Div 1 & Div 2 events (Fastball 45 excluded). (**2022** – no events held as cancelled due to covid).
2. Introduce a programme to raise cultural understanding and improve application of te reo, tikanga and kawa – **2023** – Completion of phase 2 of Te Tairāwhiti High Deprivation Cohort programme from 1/7/22 to 31/12/22 with tangible and quantifiable metrics. (Sport New Zealand category finalist and winner of the Community Impact Award for 2022). (**2022** – phase 1 of Te Tairāwhiti High Deprivation Cohort programme).

2. Capable Aligned, and Consistent Delivery

We are open to change and doing things differently. In today's sporting environment our success is built around our ability to adapt to changing situations and circumstances. Whatever made softball successful in the past won't necessarily make it successful in the future. At the heart of this is being open to new ideas and information and trying different ways of responding in order to make continuous progress and improvements.

Success factors

1. Initiate the Strength and Adapt Programme with a view to strengthening our support to Associations and Hubs to become operational – **2023** – Developed the Softball NZ Strengthen and Adapt plan with identified priorities confirmed and presented and reinforced at the Annual Conference. (**2022** – facilitated consultation with members underway).
2. Deliver a capable conference programme at the AGM – **2023** – Virtual AGM completed in August 2022 and 2 day Annual Conference held in April 2023 in Wellington. (**2022** – Virtual AGM completed in August 2021. No annual conference).

3. Strengthen the Business of Softball

The business of softball has both an internal and external perspective. On one hand it is about the financial sustainability of softball organisations brought about through different softball activities and on the other it is about the quality of our relationships with funders and key commercial partners. When we are seen to be capable organisations that run in a sound business-like manner with viable products and opportunities, we are better placed to develop long-term and successful commercial and funding relationships because we can deliver value. This is relevant at all levels of our game.

Success factors

1. Deliver budget – **2023** – Delivered against Budget deficit of (\$89,786) with actual deficit of (\$101,816). (**2022** – Delivered against Budget deficit of (\$59,620) with actual surplus of \$132,677).
2. Increase number of commercial partnerships – **2023** – increased commercial partners (to value in 2023 of \$366,843). (**2022** - \$275,221).
3. Secure Grant Funding – **2023** – increased grant funding support (to value in 2023 of \$381,969). (**2022** - \$250,227).

4. High performance success

Remaining competitive and winning is challenging and reliant on good development systems, a deep understanding of what high performance means and having the best people in the right places. Success at this level creates profile for the game from which we can build other activities that enhance the game at other levels. High performance success is supported by quality domestic competitions, a talent pathway that provides a pipeline of talent into the high-performance environment, quality venues and facilities for hosting international events that allow our teams to compete at home, and media support to take the game to the wider population.

Success factors

1. Prepare Black Sox to be best positioned for the 2022 Mens World Cup – **2023** – Series of domestically based events and training blocks as build up to 2022 Men's Softball World Cup (Black Sox Trial in October 2022, Black Sox Invitational Club Challenge in November 2022, International Invitational Series in Palmerston North in November 2022, Men's Softball World Cup in North Harbour in November/December 2022 which Black Sox placed 8th). (**2022** – N/A).
2. Deliver international level event, domestically for the White Sox programme – **2023** – Not held (as was still covid impacted). (**2022** - not held).

Statement of Comprehensive Revenue and Expenses

For the Year Ended 31 May 2023

	Notes	31 May 2023 \$	31 May 2022 \$
Revenue from non-exchange transactions	5		
Sport NZ funding		670,061	504,094
Other grants		381,969	250,227
Sponsorship		366,843	275,221
Other Income		37,885	20,144
		1,456,758	1,049,686
Revenue from exchange transactions			
Membership (Capitation) fees and Affiliation Levy		161,950	110,898
International Youth Levy		-	-
White Sox Programme Levy		-	-
Merchandise Sales		8,994	1,790
Tournaments		36,470	-
Interest revenue		24,642	6,630
National team tours and camps		584,131	13,487
Other exchange income		-	-
		816,187	132,805
Total revenue		2,272,945	1,182,491
Expenses	6		
Employee related costs		639,049	536,287
Tournaments		177,716	41,049
National teams		1,020,281	184,551
Game development and High performance		350,268	156,465
Depreciation and amortisation	9	855	1,644
Other expenses		186,592	129,818
Total expenses		2,374,761	1,049,814
Total (deficit)/surplus for the year		(101,816)	132,677
Other comprehensive revenue and expenses for the year		-	-
Total comprehensive revenue and expense for the year		(101,816)	132,677

These financial statements should be read in conjunction with the notes to the financial statements

Statement of Changes in Net Assets
For the Year Ended 31 May 2023

	Note	International youth levy reserve	White Sox programme levy reserve	Accumulated comprehensive revenue and expense	Total equity
		\$	\$	\$	\$
Opening balance 1 June 2022		28,689	58,339	690,597	777,625
Surplus/ (Deficit) for the year		-	-	(101,816)	(101,816)
Transfers to reserves		-	-	-	-
Transfers from reserves		-	-	-	-
Closing equity 31 May 2023		28,689	58,339	588,781	675,809
Opening balance 1 June 2021		28,689	58,339	557,920	644,948
Surplus/ (Deficit) for the year		-	-	132,677	132,677
Transfers to reserves		-	-	-	-
Transfers from reserves		-	-	-	-
Closing equity 31 May 2022		28,689	58,339	690,597	777,625

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Financial Position
As at 31 May 2023

	Notes	31 May 2023 \$	31 May 2022 \$
Current assets			
Cash and cash equivalents	7	730,899	1,055,219
Investments	8	429,490	417,520
Receivables from exchange transactions (includes GST Receivable)		170,148	49,381
Receivables from non-exchange transactions		-	-
Prepayments		262,737	60,044
		1,593,274	1,582,164
Non-current assets			
Property plant and equipment	9	926	1,781
		926	1,781
Total assets		1,594,200	1,583,945
Current liabilities			
Trade and other creditors		139,507	66,786
Employee entitlements		77,722	48,585
Revenue in advance		701,162	690,949
		918,391	806,320
Total liabilities		918,391	806,320
Net assets		675,809	777,625
Equity			
Accumulated comprehensive revenue and expense		588,781	690,597
International Youth Levy reserve		28,689	28,689
White Sox Programme Levy reserve		58,339	58,339
Total net assets attributable to the owners of the controlling entity		675,809	777,625

Signed for and on behalf of the Board Members who authorised these financial statements for issue on 21 July 2023



Board Member



Chief Executive Officer

These financial statements should be read in conjunction with the notes to the financial statements.

New Zealand Softball Association Incorporated



Statement of Cash Flows
For the Year Ended 31 May 2023

	Notes	2023	2022
Cash flows from operating activities			
<i>Receipts</i>			
Receipts from grants		1,062,243	1,003,704
Receipts from other non-exchange transactions		404,728	270,365
Receipts from membership fees		161,950	63,372
Receipts from functions and events		620,601	13,487
Receipts from other exchange transactions		8,994	1,790
Interest received		24,642	6,630
		<u>2,283,158</u>	<u>1,359,348</u>
<i>Payments</i>			
Payments to suppliers		(1,971,054)	(527,637)
Payment to employees		(624,454)	(555,504)
		<u>(2,595,508)</u>	<u>(1,083,141)</u>
Net cash flows from operating activities		(312,350)	276,207
Cash flows from investing activities			
<i>Payments</i>			
Purchase of property, plant and equipment		-	-
Investments in short term deposits		(11,970)	(4,542)
		<u>(11,970)</u>	<u>(4,542)</u>
Net cash flows from investing activities		(11,970)	(4,542)
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(324,320)	271,664
Cash and cash equivalents at 1 June 2022		1,055,219	783,555
Cash and cash equivalents at 31 May 2023	7	730,899	1,055,219

These financial statements should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

For the Year Ended 31 May 2023

1 Reporting entity

The reporting entity is New Zealand Softball Association Incorporated (SNZ). SNZ is domiciled in New Zealand and is an incorporated society registered under the Incorporated Societies Act 1908.

The financial statements are presented for the year ended 31 May 2023.

These financial statements have been approved and were authorised for issue by the Board Members on 21 July 2023.

2 Statement of compliance

The 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, SNZ 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.

Financial statements for the year ended 31 May 2023 presented by the Board of Directors have been prepared under 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.

3.1 Basis of measurement

These 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 Year Ended 31 May 2023

3.2 *Functional and presentational currency*

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

3.3 *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefit will flow 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 given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability where a use or return condition exists and released to revenue as the conditions are fulfilled.

Revenue from exchange transactions

Membership fees

Capitation Fees are recorded as revenue when the cash is received. Capitation Fees were due in February based on team playing numbers for the season as per the Certificate of Playing Strength received.

Tour and camp levies are initially recorded as revenue in advance, and then recognised proportionally on the basis of the value of each session relative to the total value of the purchased services.

Event revenue

Entrance fees for functions and events are recorded as revenue when the function or event takes place.

Interest and dividend revenue

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

3.4 **Financial Instruments**

Date of recognition

The Association recognizes a financial asset or a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument in accordance with PBE IPSAS 41 *Financial Instruments*. Purchases or sales of financial assets, recognition, and de-recognition, as applicable, that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date.

Initial recognition of financial instruments

Financial instruments are recognized initially at fair value, which is the fair value of the consideration given (in case of an asset) or received (in case of a liability). The Association's initial measurement of financial instruments, except for those classified as FVTPL, includes transaction cost.

Notes to the financial statements

For the Year Ended 31 May 2023

Financial assets

At initial recognition, the Association classifies its financial assets as follows:

- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)
- Financial assets measured at amortized cost

The basis of the classification of the Association's financial instruments depends on the following:

- The Association's business model for managing its financial assets; and
- The contractual cash flow characteristics of the financial assets.

Financial assets measured at amortized cost

A financial asset shall be classified to be measured at amortized cost if the following conditions were met:

- The financial asset is held to collect the contractual cash flows; and
- Contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Association's bank accounts, accrued interest and term deposits are classified under this category. After initial measurement, these financial assets are subsequently measured at amortized cost using the effective interest method, less allowance for impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees that are an integral part of the effective interest rate.

The Association does not have financial assets classified through Fair value through profit or loss (FVTPL) or Fair value through other comprehensive income (FVTOCI).

Financial liabilities

Financial liabilities are classified as measured at amortized cost.

After initial recognition, these financial liabilities are carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any direct attributable transaction cost. Gains or loss on financial liabilities are recognized in profit or loss when the liabilities are derecognized, as well as through the amortization process.

The Association's creditors and accrued expenses, employee entitlements and other current liabilities are classified under this category.

Notes to the financial statements

For the Year Ended 31 May 2023

3.5 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.

3.6 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.

3.7 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 diminishing value basis over the useful life of the asset, except for land and buildings. Land and buildings are not depreciated. 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:

- | | |
|----------------------|-----|
| • Office equipment | 48% |
| • Training equipment | 48% |

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.

3.8 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.

3.9 Income Tax

SNZ is exempt from income tax as its purpose is to promote softball for recreation or entertainment of the general public. This exemption is specifically provided by section CW46 of the Income Tax Act 2007.

Notes to the financial statements

For the Year Ended 31 May 2023

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, the Inland Revenue Department 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, the Inland Revenue Department is classified as part of operating cash flows.

3.10 Equity

Equity is the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

International Youth Levy Reserve

This Reserve is used solely for the purpose of assisting Youth Team costs.

White Sox Programme Levy Reserve

This Reserve is used solely for the purpose of assisting the White Sox. High Performance funding is not generally available for the White Sox.

4 Significant accounting judgements, estimates and assumptions

The preparation of these 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 accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Notes to the financial statements

For the Year Ended 31 May 2023

Operating lease commitments

SNZ has entered into a number of vehicle leases.

It 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 vehicles, 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. SNZ based its assumptions and estimates on parameters available when the 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 SNZ. 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 are listed in Note 3.6.

5 Revenue from non-exchange transactions

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

	2023	2022
	\$	\$
Sport NZ Funding	670,061	504,094
Other Grants	381,969	250,227
Sponsorships	366,843	275,221
Other Non-exchange revenue	37,885	20,144
	1,456,758	1,049,686

Notes to the financial statements
For the Year Ended 31 May 2023

6 Components of net surplus

Surplus before tax includes the following specific expenses:

	2023	2022
	\$	\$
Employee related costs	639,049	536,287
Tournaments	177,716	41,049
National teams	1,020,281	184,551
Game Development and High Performance	350,268	156,465

7 Cash and cash equivalents

Cash and cash equivalents include the following components:

	2023	2022
	\$	\$
Cash at bank	511,579	838,797
Short-term deposits with maturities of less than 3 months	219,320	216,422
Total cash and cash equivalents	730,899	1,055,219

8 Investments

	2023	2022
	\$	\$
Term deposits – Maturing within 12 months of balance date	429,490	417,520
	429,490	417,520

Notes to the financial statements
For the Year Ended 31 May 2023

9 Property plant and equipment

31 May 2023	Training Equipment	Office Equipment	Total
	\$	\$	\$
Cost	8,325	52,536	60,861
Accumulated depreciation	8,228	51,707	59,935
Net book value	97	829	926

31 May 2022	Training Equipment	Office Equipment	Total
	\$	\$	\$
Cost	8,325	52,536	60,861
Accumulated depreciation	8,139	50,941	59,080
Net book value	186	1,595	1,781

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

2023	Training Equipment	Office Equipment	Total
	\$	\$	\$
Opening balance	186	1,595	1,781
Additions	-	-	-
Depreciation	89	766	855
Closing	97	829	926

2022	Training Equipment	Office Equipment	Total
	\$	\$	\$
Opening balance	356	3,068	3,424
Additions	-	-	-
Depreciation	170	1,473	1,643
Closing	186	1,595	1,781

Notes to the financial statements
For the Year Ended 31 May 2023

10 Related party transactions

		2023	2022
		\$	\$
Related Party	Description of the Transaction	Value of transactions	Value of transactions
2021 Softball Limited (S2021)	S2021 is a Related Party as Mr Duncan Enoka and Mrs Sharon Kawe are Directors of that entity and SNZ. The MBIE investment agreement for delivery of the 2022 Men's Softball World Cup is with SNZ who pay the funds received from this agreement to S2021. Plus a portion of sponsorship funding from Tradestaff NZ Ltd, Jack Links NZ Ltd, Whakaata Maori and Asia NZ Foundation was paid to S2021 in relation to the 2022 Men's Softball World Cup.	229,489 paid to and 15,575 received from S2021	-

11 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, the Chief Executive Officer and the Softball Manager. There is currently seven board members serving. No board members receive remuneration. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2023	2022
	\$	\$
Total Remuneration	240,554	230,159
Number of Persons	2	2

12 Remuneration and compensation to close family members of key management personnel

During the reporting period, total remuneration and compensation of \$74,115 (2022: \$65,496) was provided by SNZ to employees and independent contractors who are close family members of key management personnel.

Notes to the financial statements
For the Year Ended 31 May 2023

13 Leases

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

	2023	2022
	\$	\$
Not later than one year	27,517	27,641
Later than one year and no later than five years	32,023	61,158
Later than five years	-	-
	59,540	88,799

14 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:

	2023	2022
	\$	\$
Financial assets		
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	511,579	838,797
Short term investments	219,320	216,422
Receivables from exchange transactions	170,148	49,381
Receivables from non-exchange transactions	-	-
Investments	429,490	417,520
	1,330,537	1,522,120
Financial liabilities		
<i>At amortised cost</i>		
Trade and other creditors	154,049	66,786
Employee entitlements	63,180	48,585
	217,229	115,371

15 Capital commitments

There were no capital commitments at the reporting date. (2022: \$Nil).

16 Contingent assets and liabilities

There are no contingent assets or liabilities at the reporting date. (2022: \$Nil).

Notes to the financial statements
For the Year Ended 31 May 2023

17 Events after the reporting date

The Board Members and management is 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 SNZ. (2022: \$Nil).

Independent auditor's report

To the Members of New Zealand Softball Association Incorporated

Opinion

We have audited the general purpose financial report of New Zealand Softball Association Incorporated which comprise the financial statements on pages 2 to 19 and the service performance information on pages 2 to 19. The complete set of financial statements comprise the statement of financial position as at 31 May 2023, the statement of comprehensive revenue and expense, statement of changes in net assets, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of New Zealand Softball Association Incorporated as at 31 May 2023, and (of) its financial performance,
- and its cash flows for the year then ended; and
- the service performance for the year ended 31 May 2023 in accordance with the entity's service performance criteria

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the 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 New Zealand Softball Association Incorporated 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 our capacity as auditor we have no relationship with, or interests in, New Zealand Softball Association Incorporated.

Other matter

The financial statements of New Zealand Softball Association Incorporated for the year ended 31 May 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 22 July 2022.

Responsibilities of the Board for the General Purpose Financial Report

The Board are responsible on behalf of New Zealand Softball Association Incorporated for:

- a) the financial statements and service performance information in accordance with Public Benefit Entity Standards 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; and
- c) such internal control as the Board determine is necessary to enable the preparation of the general purpose financial report and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, the Board are responsible for assessing the New Zealand Softball Association Incorporated'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 entity 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 financial statements as a whole, and the 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) 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 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-14/>

This report is made solely to the members of New Zealand Softball Association Incorporated. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' 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.

Moore Markhams

Moore Markhams Wellington Audit | Qualified Auditors, Wellington, New Zealand
21 July 2023