

OCEANIA FOOTBALL CONFEDERATION (INC)

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

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**AUDIT REPORT**

**TO THE MEMBERS OF OCEANIA FOOTBALL CONFEDERATION (INC)**

We have audited the financial report on pages 3 - 9. The financial report provides information about the past financial performance and the financial position of the Confederation as at 31 December 2006. This information is stated in accordance with the accounting policies set out on page 6-7.

**Treasurer's Responsibilities**

The Treasurer is responsible for the preparation of the Financial Report which fairly reflects the financial position of the Confederation as at 31 December 2006 and the results of operations for the year ended on that date.

**Auditor's Responsibilities**

It is our responsibility to express an independent opinion on the financial report presented by the Treasurer and report our opinion to you.

**Scope of opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgments made by the Treasurer in the preparation of the financial report; and
- whether the accounting policies are appropriate to the Confederation's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than this and in our capacity as auditors we have no other relationship with, or interests in, the Confederation.

**Unqualified opinion**

We have obtained all the information and explanations we have required.

In our opinion the financial report on pages 3 - 9 fairly reflect the financial position the Confederation as at 31 December 2006 and the results of its operations for the year ended on that date.

Our audit was completed on 31 March 2007 and our unqualified opinion is expressed as at that date.

*Lynch Phibbs & Associates*

**Lynch Phibbs & Associates**  
**Chartered Accountants**  
**Auckland**



OCEANIA FOOTBALL CONFEDERATION (INC)  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006	2005
<b>Revenue</b>			
FIFA World Club Championship		705,268	727,373
FIFA-Confederation Cup		-	928,218
FIFA Financial Assistance Programme		4,897,457	2,510,550
Sponsorships Received		1,495,172	-
Co-operation Income		68,111	-
Investment Income		194,181	79,385
World Cup Tickets Income		137,793	-
FIFA Ambassadors Programme		37,496	-
Sundry Income		12,801	121,312
<b>Total Revenue</b>		<b>7,548,279</b>	<b>4,366,838</b>
<b>Less Expenses</b>			
<b>Courses &amp; Tournaments</b>			
Academy Courses		142,151	59,102
Member Courses		42,480	-
OFC Equipment		20,960	46
Tournaments		1,082,662	1,335,140
<b>Total Courses &amp; Tournaments</b>		<b>1,288,253</b>	<b>1,394,288</b>
<b>Meeting Costs</b>			
Congress/Executive Meetings		503,232	185,742
Other Meetings		34,086	81,839
Travel & Visits		177,327	80,095
<b>Total Meeting Costs</b>		<b>714,645</b>	<b>347,676</b>
<b>Member Country Assistance</b>			
Equipment & Coaching		136,310	(857)
Financial Assistance to Member Associations		2,493,526	468,357
TV broadcasting rights FIFA 2006 World Cup		72,698	-
Loans Converted to Grants		198,511	1,169,473
<b>Total Member Country Assistance</b>		<b>2,901,045</b>	<b>1,636,973</b>
<b>World Cup Tickets Expenses</b>		<b>100,619</b>	-
<b>FIFA Ambassadors Programme Expenses</b>		<b>37,496</b>	-
<b>Less Administration Expenses</b>			
Audit		18,360	6,998
Communication Costs		147,142	87,180
Depreciation and Loss on Sale of Vehicle	3	130,864	110,141
Exchange Losses (Gains)		112,404	(81,769)
Academy & Office Expenses		408,854	283,254
Wages & Allowances	5	1,156,813	952,876
<b>Total Administration Expenses</b>		<b>1,974,438</b>	<b>1,358,680</b>
<b>Total Expenses</b>		<b>7,016,496</b>	<b>4,737,617</b>
<b>Operating Surplus (Deficit) for Year</b>		<b>531,784</b>	<b>(370,779)</b>

The Statement of Financial Performance must be read in conjunction with the Audit Report and the accompanying Statement of Accounting Policies and Notes.



OCEANIA FOOTBALL CONFEDERATION (INC)  
STATEMENT OF MOVEMENT IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006	2005
Accumulated Funds as at 1 January 2006		4,472,624	4,843,403
Net Surplus (Deficit) for the year		531,784	(370,779)
Accumulated Funds as at 31 December 2006		<u>5,004,408</u>	<u>4,472,624</u>

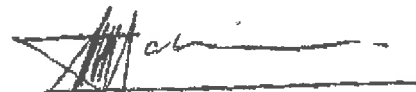
The Statement of Movements in Accumulated Funds must be read in conjunction with the Audit Report and the accompanying Statement of Accounting Policies and Notes.



OCEANIA FOOTBALL CONFEDERATION (INC)  
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2006

	Note	2006	2005
<b>CURRENT ASSETS</b>		3,862	3,549
ANZ NZ Accounts 51 A/c		( 170,271)	63,651
ANZ NZ Accounts 02 A/c		1,438	515
Cash in Safe		265,761	1,380,357
ANZ US Dollar Account		-	910,806
ANZ CHF Account		1,393,476	-
ANZ EUR Account		37,496	-
FIFA Ambassador programme NZD		93,114	246,530
Member Association Current Accounts	1	301,489	-
Member Association Loans	1	1,624,505	966,865
Accounts Receivable / Prepayments	2	31,396	9,070
GST Refund Due			
<b>Total Current Assets</b>		<u>3,582,266</u>	<u>3,581,343</u>
<b>Investments</b>		1,003,362	803,362
ANZ Bank NZ Term Deposits			
<b>Total Investments</b>		<u>1,003,362</u>	<u>803,362</u>
<b>Property, Plant &amp; Equipment</b>	3	1,510,706	1,518,114
<b>Total Assets</b>		<u>6,096,334</u>	<u>5,902,819</u>
<b>Current Liabilities</b>		780,625	171,436
Accounts Payable & Accruals	4	27,951	-
ANZ Mastercards		103,667	476,918
FIFA FAP NZD account		-	602,158
FIFA FAP USD account		179,683	179,683
FIFA Ambassador programme USD		1,091,926	1,430,195
<b>Total Current Liabilities</b>		<u>1,091,926</u>	<u>1,430,195</u>
<b>Total Liabilities</b>		<u>1,091,926</u>	<u>1,430,195</u>
<b>NET ASSETS</b>		<u>5,004,408</u>	<u>4,472,624</u>
<b>REPRESENTED BY CONFEDERATION FUNDS</b>		4,472,624	4,843,403
Accumulated Funds brought forward		531,784	( 370,779)
Operating Surplus (Deficit) for year for year			
<b>ACCUMULATED FUNDS CARRIED FORWARD</b>		<u>5,004,408</u>	<u>4,472,624</u>

  
Tai Nicholas  
General Secretary

  
Lee Hanson  
Weasman

The Statement of Financial Position must be read in conjunction with the Audit Report and the accompanying Statement of Accounting Policies and Notes.



### Reporting Entity

Oceania Football Confederation (Inc) is an incorporated society registered under the Incorporated Societies Act 1908.

### Measurement Base

The measurement base adopted is that of historical cost. Reliance has been placed on the fact that the Confederation is a going concern. Accrual accounting is used to match expenses and revenues.

### Specific Accounting Policies

The specific accounting policies adopted in the Financial Report and which have a significant effect on the results and financial position disclosed are:

#### Accounts Receivable

Accounts receivable are stated at expected realisable values.

#### Property, Plant & Equipment

All owned items of property, plant and equipment are initially recorded at cost and depreciated as outlined below. Initial cost includes the purchase consideration, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Subsequent expenditure relating an item of property, plant or equipment is added to its gross carrying amount when such expenditure either increases the future economic benefits beyond its existing service potential, or is necessarily incurred to enable future economic benefits to be obtained.

Items of property, plant and equipment are written down immediately if an impairment in the value of the asset causes its recoverable amount to fall below its carrying amount. The impairment is recognised in the statement of financial performance.

Where an item of property, plant and equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the net sale price and the carrying amount of the asset.

Depreciation is charged on assets on a straight line basis at the following rates:

Buildings	25 years
Office furniture & equipment	3 - 5 years
Motor vehicles	5 years

#### Goods & Services Taxation

This Financial Report has been prepared exclusive of goods and services taxation.



**Foreign Currency**

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. At balance date, foreign monetary assets and liabilities are translated at the closing rate, and exchange variations arising from these translations are recognised in the statement of financial performance.

**Changes in Accounting Policies.**

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

**NOTES TO THE FINANCIAL REPORT**

Note 1.	2006	2005
<b>Member Country Current Accounts</b>		
American Samoa	-	1,275
Cook Islands	1,489	113,362
New Caledonia	8,214	-
NZ Soccer	5,673	-
Northern Marianas	200	200
Nuie Island Association	200	200
Papua New Guinea	40,081	93,355
Samoa	-	3,766
Solomon Islands	17,430	17,670
Tahiti	983	-
Tonga	1,096	-
Vanuatu	17,749	16,702
<b>Total Member Country Current Accounts</b>	<u>93,114</u>	<u>246,530</u>
<b>Member Country Infrastructure Loans</b>		
American Samoa	250,000	-
Tahiti	51,489	-
<b>Total Member Country Infrastructure Loans</b>	<u>301,489</u>	<u>-</u>



**Note 2. Accounts Receivable / Prepayments**

	2006	2005
Tournaments paid in advance	90,575	-
Other prepayments	97,082	12,353
Sundry Receivables	1,436,847	954,512
<b>Total Accounts Receivable / Prepayments</b>	<b><u>1,624,504</u></b>	<b><u>966,865</u></b>

**Note 3. Property, Plant & Equipment**

	Current Depn	Orig Cost	Accum. Depn.	Bk Value 31-Dec-06
Computer Equipment	21,113	80,729	36,352	44,377
Technical Equipment	2,208	12,819	1,488	11,331
Office Equipment	6,146	65,858	40,441	25,417
Office Furniture	1,008	15,846	14,812	1,034
President's Office	15,064	64,795	23,027	41,769
<b>Total Office Equipment &amp; Furniture</b>	<b><u>45,538</u></b>	<b><u>240,047</u></b>	<b><u>116,119</u></b>	<b><u>123,929</u></b>
Academy Furnishings	3,153	264,565	257,175	7,390
Academy Buildings	77,507	1,941,444	562,056	1,379,388
Loss on disposal of assets	4,666	-	-	-
<b>Total as at 31 December 2006</b>	<b><u>130,864</u></b>	<b><u>2,446,056</u></b>	<b><u>935,350</u></b>	<b><u>1,510,706</u></b>

	Current Depn	Orig Cost	Accum. Depn.	Bk Value 31-Dec-05
Computer Equipment	8,212	34,331	15,239	19,092
Office Equipment	3,252	44,556	38,288	6,268
Office Furniture	1,697	15,611	13,804	1,807
President's Office	8,156	40,932	11,410	29,523
<b>Total Office Equipment &amp; Furniture</b>	<b><u>21,317</u></b>	<b><u>135,430</u></b>	<b><u>78,741</u></b>	<b><u>56,690</u></b>
Academy Furnishings	6,587	263,032	254,024	9,008
Academy Buildings	77,449	1,936,965	484,549	1,452,416
Loss on disposal of assets	4,788	-	-	-
<b>Total as at 31 December 2005</b>	<b><u>110,141</u></b>	<b><u>2,335,428</u></b>	<b><u>817,314</u></b>	<b><u>1,518,114</u></b>

**Note 4. Accounts Payable & Accruals**

Trade Suppliers	181,671	55,929
Sundry Creditors / accruals	598,954	115,507
<b>Total Accounts Payable &amp; Accruals</b>	<b><u>780,625</u></b>	<b><u>171,436</u></b>





OCEANIA FOOTBALL CONFEDERATION (INC)  
NOTES TO THE FINANCIAL REPORT

**Note 5. Wages & Allowances**

Wages - Employed staff	658,480	451,114
Executive & development allowances	498,333	501,762
<b>Total Wages &amp; Allowances</b>	<b><u>1,156,813</u></b>	<b><u>952,876</u></b>

**Note 6. Capital Commitments**

At balance date the Confederation has no capital commitments. (Last year nil.)

**Note 7. Contingent Liabilities**

At Balance date the Confederation has a contingent liability of **\$ 301,489 (Last year nil.)** in respect of the infrastructure loans made to member countries. These loans are converted to grants and expensed in the Statement of Financial Performance when the member Country produces satisfactory evidence that the loan has been spent on an approved project.

**Note 8. Significant Events after Balance Date**

There has been no significant events after balance date.

