

Oceania Football Confederation Incorporated
Special Purpose Financial Reports
For the Year Ended 31st December 2012

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Oceania Football Confederation Incorporated

Directory

As at 31st December 2012

Purpose of Confederation

Oceania Football Confederation (OFC) is charged the task of servicing and administering football in the Oceania region while also using the game as a tool for social development.

Nature of Activities

OFC is the umbrella organization of the national football associations within Oceania. OFC has 11 member associations which it supports financially and logistically through various programmes.

Executive Committee

President	David Chung	Papua New Guinea
Senior Vice President	Martin Alufurai	Solomon Islands
Vice President	Lee Harmon	Cook Islands
Executive Members	Alex Goldinet	American Samoa
	Fred De Jong (resigned August 2012)	New Zealand
	Frank Van Hattum (appointed 24/11/12)	New Zealand
	Toetu Petana	Samoa
	Lord Ve'ehala	Tonga
	Lambert Matlock	Vanuatu

General Secretary	Tai Nicholas
Bankers	Bank of New Zealand
Address	12 Maurice Road, Mt Smart Penrose, Auckland 1061 New Zealand
Auditor	Lynch Phibbs & Associates Level 5, 60 Parnell Road, Parnell, Auckland

NOTE: These Financial Statements must be read in conjunction with the accompanying Notes and Auditor's Report.



Oceania Football Confederation Incorporated
Special Purpose Financial Reports
Statement of Financial Performance
For the Year ended 31st December 2012

	Note	2012 \$	2011 \$
REVENUE			
FIFA - Grants		7,665,415	7,699,335
FIFA - Grants Income		617,282	4,026,753
Just Play - Grants		2,033,615	3,049,914
Interest Received		101,543	77,482
Rent Recovered		36,000	3,100
Sponsorship Received		127,445	255,634
Sundry Income		975,814	48,201
Total Income		<u>11,557,114</u>	<u>15,160,419</u>
Less Expenses			
Administrative Expenses		3,178,207	3,794,022
Depreciation		362,638	405,954
Development Grants Paid Out		3,508,953	2,809,431
Media Marketing and Promotion Expenses		261,743	200,274
Social Responsibility Expenses		889,051	2,035,871
Technical, Training and Upskilling Activities		1,254,984	1,449,640
Tournaments and Events		2,271,662	1,948,439
Total Expenses		<u>11,727,238</u>	<u>12,643,632</u>
NET OPERATING SURPLUS/(DEFICIT)		<u><u>(\$170,124)</u></u>	<u><u>\$2,516,787</u></u>

NOTE: These Financial Statements must be read in conjunction with the accompanying Notes and Auditor's Report.



Oceania Football Confederation Incorporated
Special Purpose Financial Reports
Statement of Movements in Accumulated Funds
For the Year ended 31st December 2012

	2012	2011
	\$	\$
ACCUMULATED FUNDS AT START OF PERIOD	8,124,082	5,607,295
Net Deficit for the Period	(170,124)	2,516,787
Total recognised revenues & expenses	<u>(170,124)</u>	<u>2,516,787</u>
ACCUMULATED FUNDS AT END OF PERIOD	<u><u>\$7,953,958</u></u>	<u><u>\$8,124,082</u></u>

NOTE: These Financial Statements must be read in conjunction with the accompanying Notes and Auditor's Report.



Oceania Football Confederation Incorporated
Special Purpose Financial Reports
Statement of Financial Position
As at 31st December 2012

	Note	2012 \$	2011 \$
CURRENT ASSETS			
ANZ Bank Account		85,359	57,104
Bank NCL		54,221	-
BNZ Bank Account		359,978	4,482,270
Cash in Hand		10,447	2,940
GST Refund Due	1(g)	175,034	270,497
Due from Member Associations	7	936,997	86,577
Grants Receivable	7	196,064	85,704
Accounts Receivable / Prepayments	7	1,333,745	561,612
Interest Receivable		-	9,454
OFC Commercial Ltd		670,617	-
Total Current Assets		<u>3,822,462</u>	<u>5,556,158</u>
NON-CURRENT ASSETS			
Property, plant & equipment	8	5,467,239	4,459,792
Investments			
OFC Commercial Ltd	9	1,000,000	1,000,000
Total Non-Current Assets		<u>6,467,239</u>	<u>5,459,792</u>
TOTAL ASSETS		<u>10,289,701</u>	<u>11,015,950</u>
CURRENT LIABILITIES			
Accounts Payable & Accruals	10	1,450,194	998,755
Grants Received in Advance	10	249,550	1,436,673
OFC Commercial Ltd		-	456,440
Total Current Liabilities		<u>1,699,744</u>	<u>2,891,868</u>
Term Liabilities			
FIFA - unsecured	11	636,000	-
TOTAL LIABILITIES		<u>2,335,744</u>	<u>2,891,868</u>
NET ASSETS		<u>\$7,953,958</u>	<u>\$8,124,082</u>
Represented by;			
FUNDS			
Retained Earnings		7,953,958	8,124,082
TOTAL ACCUMULATED FUNDS		<u>\$7,953,958</u>	<u>\$8,124,082</u>

General Secretary

Tal Nicholas

Head of Finance

Mangesh Naik

Date 28 March 2013

NOTE: These Financial Statements must be read in conjunction with the accompanying Notes and Auditor's Report.



Oceania Football Confederation Incorporated

Statement of Accounting Policies and Notes to Special Purpose Financial Reports For the Year ended 31st December 2012

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Oceania Football Confederation Incorporated is an incorporated society registered under the Incorporated Societies Act 1908. These financial statements have been prepared as a special purpose financial report. All members of the Executive Committee are representatives of the Member Associations. These financial statements are prepared to enable the Confederation to meet its statutory obligations of filing annual financial statements with the Registrar of Incorporated Societies and thus may not be suitable for any other purpose. The Executive Committee is satisfied these financial statements meet the needs of FIFA and Member Associations.

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 Special Purpose Financial Report and which have a significant effect on the results and financial position disclosed are:

(a) Revenue Recognition

Revenue is recognised when received, except FIFA, UEFA, and AUSAID revenues from funding are recognised when the related expenses, that the funding purpose was based, occur. Investment income is recognised on an accrual basis.

(i) Revenue

Interest income is recognised using the effective interest method.

(ii) Government Grants

Government grants are reported at their fair value where there is reasonable certainty that the grant will be received and all attaching conditions will be met.

(b) 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.

(c) Operating Lease

The entity leases certain plant, office equipment, motor vehicles and land and buildings. Payments under operating leases are charged as expenses in the period in which they are incurred.

(d) Income Tax

The Confederation is a not for profit organization and is exempt from income tax.

(e) Receivables

Accounts Receivable are stated at their expected realisable value.

NOTE: The accompanying notes form part of these financial statements.



Oceania Football Confederation Incorporated

Statement of Accounting Policies and Notes to Special Purpose Financial Reports For the Year ended 31st December 2012

(f) **Investments**

Investments are stated at cost.

(g) **Goods & Services Tax**

These financial statements have been prepared on a GST exclusive basis. All items in this statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST.

(h) **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 to 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 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 Vehicle	5 years
Plant & Equipment	5 years

(i) **Funding Grants Received**

In accordance with OFC Statutes, the revenue and expenditure of OFC is to be managed so that they balance out over the financial period to which the funding relates.

Grants received in advance represent the granted funds that have not been spent for their designated purpose. These funds can be claimed back by FIFA, UEFA, AUSAID and are consequentially shown as current liabilities.

Assets acquired from FIFA grants received are capitalised and included as grants spent.

(i) **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.

NOTE: The accompanying notes form part of these financial statements.



Oceania Football Confederation Incorporated

Statement of Accounting Policies and Notes to Special Purpose Financial Reports For the Year ended 31st December 2012

2. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2011:\$0).

3. CAPITAL COMMITMENTS

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

	2012 \$	2011 \$
4. REVENUE COMMITMENTS		
Lease of Vehicles		
Less than One year	-	42,980
Two and Three Years	-	3,382
	<u>-</u>	<u>\$46,362</u>

The Confederation has a Licence to occupy a building it owns, on a piece of land on Mt. Smart Recreation Reserve leased from Auckland City Council pursuant to an agreement dated 28 October 1998. The term of the licence is for 21 years and may be renewed for a further similar term.

The annual licence fee payable in advance of \$ 9.00 per square metre of occupied land and is currently subject to a review from the Council upon certain conditions being met.

For the period 31 December 2011 Auckland Council is claiming a fee payable in respect to the current and prior years. This amount is subject to negotiations. During 2012 the full licence fee of \$60,000 was paid in accordance with the agreed balance with the council.

5. HOUSE OF FOOTBALL PROJECT

In 2011 Confederation has an agreement with Orakei Local Board, Auckland Council, in respect to acquiring the use of land at Ngahue Reserve to allow the Confederation to establish a Home of Football facility and multisport precinct and associated training and administrative facilities. The Confederation is currently evaluating the suitability of the use of Ngahue Reserve and is committed to establishing the confirmation for its use in conjunction with other regional requirements of the site. This is to be completed in conjunction with Orakei Local Board of Auckland Council.

Up to 31 December 2012 OFC spent NZ\$977,681 on the project. The project is subject to approval of resource consents and the management believes it will obtain the necessary approval.

FIFA agreed to provide the term loan of US\$10,000,000 to fund the project. The term loan is repayable over 5 years from 2014 to 2018. Instalments of US\$2,000,000 for each year during the 5 year period shall be automatically deducted from the FAP by the FIFA. The loan is interest free.

6. RELATED PARTIES

Most of the transactions are related to member association and executive committee membership, being related party transactions.

NOTE: The accompanying notes form part of these financial statements.



Oceania Football Confederation Incorporated

Statement of Accounting Policies and Notes to Special Purpose Financial Reports For the Year ended 31st December 2012

	2012 \$	2011 \$
7. TRADE AND OTHER RECEIVABLES		
Due from Member Associations		
American Samoa	17,539	(2,000)
Cook Island	90,655	1,186
Fiji	71,418	480
New Caledonia	212,362	(2,000)
New Zealand	-	4,584
Niue	100	-
Papua New Guinea	174,952	11,744
Samoa	59,963	(4,873)
Solomon Islands	228,467	83,629
Tahiti	629	(6,309)
Tonga	54,852	694
Tuvalu	(200)	(300)
Vanuatu	26,260	(258)
Total	<u>\$936,997</u>	<u>\$86,577</u>
Grants Receivable		
FIFA	-	7,481
Others	196,064	78,223
Total	<u>\$196,064</u>	<u>\$85,704</u>
Accounts Receivable / Prepayments		
Sundry Receivables	1,196,006	389,200
Prepayments	111,329	170,343
Other Receivables	26,411	2,070
Total	<u>\$1,333,745</u>	<u>\$561,612</u>

The comparative figures include the net off amounts, which cover Payables and Receivables. The current year does not have a lot of Payables, only receivables.

Sundry Receivables includes NZ\$48,389.62 and outstanding more than 2 years. The management is working with executive committee for necessary approval to write off the balance.

NOTE: The accompanying notes form part of these financial statements.



Oceania Football Confederation Incorporated

Statement of Accounting Policies and Notes to Special Purpose Financial Reports For the Year ended 31st December 2012

	2012 \$	2011 \$
8. PROPERTY, PLANT & EQUIPMENT		
Buildings		
At cost	6,080,205	5,238,377
Less accumulated depreciation	<u>(1,491,679)</u>	<u>(1,223,721)</u>
	<u>4,588,526</u>	<u>4,014,656</u>
Motor Vehicles		
At cost	286,137	44,312
Less accumulated depreciation	<u>(61,102)</u>	<u>(22,027)</u>
	<u>225,035</u>	<u>22,285</u>
Furniture & Fittings		
At cost	444,509	438,689
Less accumulated depreciation	<u>(343,080)</u>	<u>(307,707)</u>
	<u>101,429</u>	<u>130,982</u>
Office Equipment		
At cost	676,552	355,543
Less accumulated depreciation	<u>(185,705)</u>	<u>(69,985)</u>
	<u>490,847</u>	<u>285,558</u>
Plant & Equipment		
At cost	81,304	23,605
Less accumulated depreciation	<u>(19,903)</u>	<u>(17,295)</u>
	<u>61,402</u>	<u>6,310</u>
Total Property, Plant & Equipment	<u><u>\$5,467,239</u></u>	<u><u>\$4,459,792</u></u>
9. INVESTMENTS		
Unlisted Shares		
OFC Commercial Ltd	1,000,000	1,000,000
	<u>\$1,000,000</u>	<u>\$1,000,000</u>

The Confederation owns all the share capital in OFC Commercial Ltd comprising 1,000 ordinary shares (fully paid up).

OFC current policy is not to prepare consolidated financial statements.

NOTE: The accompanying notes form part of these financial statements.



Oceania Football Confederation Incorporated
Statement of Accounting Policies and Notes to
Special Purpose Financial Reports
For the Year ended 31st December 2012

	2012 \$	2011 \$
10. TRADE AND OTHER PAYABLES		
Accounts Payable & Accruals		
Sundry Creditors	876,229	580,403
Accounts Payable & Accruals	573,412	331,932
O-League Bond	-	80,000
Due to Member Associations	553	6,421
Total	<u>\$1,450,194</u>	<u>\$998,755</u>
Grants Received in Advance		
FIFA - FAP	64,143	499,011
FIFA - WIO	31,444	465,386
FIFA - Ambassador Programme	75,084	78,911
AUSAID	5,268	370,326
UEFA	73,611	23,039
Total	<u>\$249,550</u>	<u>\$1,436,673</u>

11. TERM LOAN

The term loan is from FIFA for "the Home for Football". The loan is carrying a nil interest rate. (see more details under note 5)

NOTE: The accompanying notes form part of these financial statements.

