



OCEANIA FOOTBALL CONFEDERATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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**OCEANIA FOOTBALL CONFEDERATION
 DIRECTORY
 FOR THE YEAR ENDED 31 DECEMBER 2019**

Registration Number	883483	
Registered Office	Auckland, New Zealand	
Nature of Society	Oceania Football Confederation (OFC) is charged with the task of servicing and administrating football in the Oceania region while also using the game as a tool for social development	
Nature of business	OFC is the umbrella organisation of the national football associations within Oceania. OFC has 11 member associations which it supports financially and logistically through various programs	
Executive Committee	Lambert Maltock (Vanuatu)	- Acting President from 11.6.2018 to 9.3.2019 - President from 9.3.2019
	John Kapi Natto (Papua New Guinea)	- Vice President from 9.3.2019
	Steeve Laigle (New Caledonia)	- Vice President from 9.3.2019
	Thierry Ariiotima (Tahiti)	- Vice President from 9.3.2019
	Lee Harmon (Cook Islands)	- Member to 7.3.2019 - Vice President to 7.3.2019
	Alexander Godinet (American Samoa)	-Vice President to 9.3.2019
	Rajesh Patel (Fiji)	- Vice President to 9.3.2019
	Philip Barry (New Zealand)	- Member to 2.4.2019
	Johanna Wood (New Zealand)	- Non-Voting Member from 15.3.2019 to 2.4.2019 - Member from 2.4.2019
	Laupama Solomona (Samoa)	- Member to 23.2.2019
	Papalii Samuel Petaia (Samoa)	- Member From 23.2.2019
	Lord Ve'ehala - (Tonga)	
	William Lai (Solomon Islands)	
	Sandra Freuan (American Samoa)	- Non-Voting Member to 9 March 2019
General Secretary	Franck Castillo	- General Secretary from 15.07.2018
Independent auditor	RSM Hayes Audit Level 1, 1 Broadway Newmarket, Auckland 1023	
Bankers	ASB Bank Ltd	

Independent Auditor's Report

To the members of Oceania Football Confederation Incorporated

Opinion

We have audited the consolidated financial statements of Oceania Football Confederation Incorporated and its subsidiaries (the group), which comprise:

- the consolidated statement of financial position as at 31 December 2019;
- the consolidated statement of comprehensive revenue and expense for the year then ended;
- the consolidated statement of changes in net assets/equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies.

In our opinion, the accompanying consolidated financial statements on pages 5 to 18 present fairly, in all material respects, the financial position of the group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the group 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 in our capacity as auditor we have no relationship with, or interests in, Oceania Football Confederation Incorporated or any of its subsidiaries.

Other information

The Executive Committee are responsible for the other information. The other information comprises the directory on page 1 and the approval of the financial statements on page 4 (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with 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 that we 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.

Responsibilities of the executive committee for the consolidated financial statements

The executive committee is responsible, on behalf of the society, for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the executive committee members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the executive committee are responsible, on behalf of the group, 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 consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole is 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 consolidated financial statements. A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the XRB's website at:

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page7.aspx

Who we report to

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

A handwritten signature in blue ink that reads 'RSM'.

**OCEANIA FOOTBALL CONFEDERATION
APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Signed By:



Sign

Name

Lambert Maltock

Title

OFC President

Date

23 July 2020



Sign

Name

Franck Castillo

Title

OFC General Secretary

Date

23 July 2020

OCEANIA FOOTBALL CONFEDERATION
CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 \$	2018 \$
Revenue from non-exchange transactions			
Grant Revenue	5	16,041,028	16,863,395
Others	6	93,645	205,060
		<u>16,134,672</u>	<u>17,068,455</u>
Revenue from exchange transactions			
Interest Revenue		154,786	48,143
Other Operating Revenue	7	449,037	1,225,837
		<u>603,822</u>	<u>1,273,980</u>
Total Revenue		<u>16,738,495</u>	<u>18,342,435</u>
Expenses			
Grants Expense	8	4,117,544	2,528,013
Employee Wages, Salaries and Benefits		3,565,124	3,154,210
Interest Expense		209,003	429,091
Depreciation and Amortisation	18, 19, 20	1,581,452	1,436,211
Other Operating Expenses	9	6,598,301	5,910,409
Loss on Impairment	10	546,555	-
Total expenses		<u>16,617,978</u>	<u>13,457,935</u>
Income Tax Provision		<u>-</u>	<u>-</u>
Total surplus/(deficit) for the period		<u>120,516</u>	<u>4,884,501</u>
Other comprehensive revenue and expense			-
Total comprehensive revenue and expense		<u>120,516</u>	<u>4,884,501</u>

OCEANIA FOOTBALL CONFEDERATION
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018
		\$	\$
Accumulated comprehensive revenue and expense at the start of the year		10,360,576	5,476,075
Surplus/(deficit) for the year		120,516	4,884,501
Other comprehensive revenue and expense		-	-
Total comprehensive profit / (loss)		120,516	4,884,501
Accumulated comprehensive revenue and expense at the end of the year		10,481,093	10,360,576

**OCEANIA FOOTBALL CONFEDERATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Notes	2019 \$	2018 \$
Current assets			
Cash and Cash Equivalents	11	13,943,769	6,085,282
Receivables from Associated Entities	12	262,727	1,411,003
Receivables from Exchange Transactions	13	533,401	1,560,323
Receivables from Non-Exchange Transactions	14	149,013	114,410
Prepayments	15	205,074	358,953
Taxes Receivable	16	69,987	59,455
Inventories	17	329,649	449,507
Total current assets		15,493,620	10,038,933
Non-current assets			
Property, Plant and Equipment	18	8,211,128	9,485,918
Intangible Assets	19	496,267	626,910
Investment Property	20	1,796,960	1,912,898
Total non-current assets		10,504,355	12,025,726
Total assets		25,997,975	22,064,659
Current liabilities			
Trade and other payables	21	3,123,167	4,113,009
Deferred Income	22	9,492,901	2,323,563
Taxes Payable	23	84,963	61,324
Employee Entitlements	24	325,260	311,290
Term Loans	25	2,490,589	2,604,554
Total current liabilities		15,516,882	9,413,740
Non-current liabilities			
Term Loans		-	2,290,341
Total non-current liabilities		-	2,290,341
Total liabilities		15,516,882	11,704,083
Net assets		10,481,093	10,360,576
Net assets/equity			
Accumulated comprehensive revenue and expense		10,481,093	10,360,576
Total net assets/equity		10,481,093	10,360,576

The financial statements are authorised for issue on behalf of Oceania Football Confederation Executive Committee.



President

23 July 2020

Date



General Secretary

23 July 2020

Date

**OCEANIA FOOTBALL CONFEDERATION
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019	2018
		\$	\$
Cash flows from operating activities			
<u>Receipts</u>			
Grant Revenue Received		20,866,686	10,877,249
Other Income		2,585,851	486,128
Net GST		(10,532)	24,256
		<u>23,442,005</u>	<u>11,387,633</u>
<u>Payments</u>			
Payments to suppliers		(11,371,512)	(6,387,580)
Payment to employees		(3,551,154)	(3,554,402)
		<u>(14,922,665)</u>	<u>(9,941,981)</u>
Net cash flows from operating activities		<u>8,519,340</u>	<u>1,445,651</u>
Cash flows from investing activities			
<u>Receipts</u>			
Interest received		154,786	48,143
		<u>154,786</u>	<u>48,143</u>
<u>Payments</u>			
Purchase of property, plant and equipment		(213,831)	(123,825)
Purchase of intangibles		(392,804)	(448,453)
Interest Paid		(209,003)	(429,091)
		<u>(815,638)</u>	<u>(1,001,369)</u>
Net cash flows from investing activities		<u>(660,853)</u>	<u>(953,227)</u>
Net increase/(decrease) in cash and cash equivalents		7,858,487	492,426
Opening cash and cash equivalents at 01 January		6,085,282	5,592,856
Closing cash and cash equivalents at 31 December		<u>13,943,769</u>	<u>6,085,282</u>

1 Reporting entity

The reporting entity is Oceania Football Confederation Incorporated (OFC). OFC is domiciled in New Zealand and is a public benefit entity registered under the Incorporated Societies Act 1908.

The financial statements comprise the operation and balances of OFC and its controlled entity OFC (Commercial) Limited (OCL), are presented for the year ended 31 December 2018. OCL and OFC merged together based on the Deed of distribution set off on 28 March 2019, therefore the financial statements comprise only the operations and balances of OFC for the year ended 31 December 2019 as OCL did not trade during the year. OCL's values of the assets and liabilities have been written down in the previous financial year based on the liquidator's assessment of their fair value and OFC purchased the assets and liabilities from OCL.

The financial statements and the accompanying notes summarise the financial results of activities carried out by OFC for the year ended 31 December 2019. They were authorised for issue by the Executive Committee on 23 July 2020.

2 Statement of compliance

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity Standards Reduced Disclosure Regime 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 reporting entity is a public benefit entity and is eligible to apply Tier 2 PBE standards on the basis that it does not have public accountability and it is not defined as large.

The Executive Committee has elected to report in accordance with Tier 2 PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (RDR) disclosure concessions.

3 Changes in accounting policy

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

4 Summary of accounting policies

Significant accounting policies used in the preparation of these financial statements are set out below.

a Basis of measurement

The consolidated financial statements have been prepared on the basis of historical cost.

b Functional and presentational currency

The consolidated financial statements are presented in New Zealand Dollars (NZ\$), which is the reporting entity's functional currency. All financial information presented in NZ\$ has been rounded to the nearest dollar.

c Revenue

Revenue is recognised to the extent the economic benefit will probably flow to the reporting entity 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 national and international charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached have been complied with. Where there are unfulfilled conditions, the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Sponsorship

Sponsorship Income is recognised when specific conditions attached have been met or when funds have been utilised for the purpose of the fund received.

▪ Rental Income on Investment Property

Rental income from investment property located 93-95 Ascot Avenue, Greenlane, Auckland is recognised in surplus or deficit on a straight-line basis over the term of the lease.

▪ Interest revenue

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

d **Financial instruments**

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

The reporting entity derecognises a financial asset or, where applicable, a part of a financial asset when the rights to receive cash flows from the asset have expired or are waived, or has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- The reporting entity has transferred substantially all the risks and rewards of the asset; or
- The reporting entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

▪ **Financial Asset**

Financial assets within the scope of recognition and measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The reporting entity's financial assets are classified as financial assets at fair value through surplus or deficit, or loans and receivables. The reporting entity's financial assets include: cash and cash equivalents, receivables from non-exchange transactions, receivables from exchange transactions, investments and loans to Associated Entities.

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 the group of financial assets are impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

▪ **Financial assets at fair value through surplus or deficit**

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments or a derivative that is a financial guarantee contract.

▪ **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The reporting entity's cash and cash equivalents, receivables from exchange transactions and receivables from non-exchange transactions fall into this category of financial instruments.

▪ **Impairment of financial assets**

The reporting entity assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets are impaired. A financial asset or a group of financial assets are 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 cash flows 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 on loans and receivables 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 cash flows 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 are any objective evidence of impairment, the reporting entity first assesses whether there are objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the reporting entity determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a the reporting entity of financial asset 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 reporting entity's financial liabilities include trade and other creditors, and employee entitlements.

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.

e **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.

f **Inventories**

- Inventories held for consumption in the provision of services that are sold on a commercial basis are measured at the lower of cost and net realisable value.
- Inventory held for distribution at no charge or for nominal charge or for consumption are measured at cost adjusted for any loss of service potential.

g **Investment properties**

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, for supply of goods or services or for administrative purposes. Investment properties are measured initially at cost, including transaction costs. Investment properties acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Subsequent to initial recognition, investment properties are measured using cost model where the investment property is carried at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight line basis over a twenty five year period.

When an owner-occupied property changes its use to an investment property, the property is remeasured to fair value and any gains arising on remeasurement is recognised in surplus or deficit to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in Other Comprehensive Revenue and Expense and presented in the asset revaluation reserve in equity.

The reporting entity has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs maintenance and enhancements. Repaint and carpet replacement work are planned in 2020.

h **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.

All 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.

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.

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

Home of Football Stage 2 is under development and is shown as Capital Work in Progress with nil depreciation.

Depreciation is charged using the straight-line method to allocate their depreciable amounts over the useful life of the asset:

▪ Buildings	20 - 30 Years
▪ Plant and equipment	5 years
▪ Motor vehicles	5 years
▪ Office equipment	5 years
▪ Leasehold Land Improvements	8 - 30 Years
▪ Furniture & Fittings	2 - 10 years

i Intangible assets

Software

Costs incurred in developing software systems and costs incurred in acquiring software and licenses that will contribute to future financial benefits through revenue generation or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs services, direct payroll and payroll related costs of employees' time spent on the development. Amortisation is calculated on a straight line basis over a two and half year period.

Development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the company has an intention and ability to use the asset.

j 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.

k Significant judgements and estimates

In preparing the financial statements, the reporting entity is required to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The uncertainty from these assumptions and estimates could result in outcomes that may result in a material adjustment to the carrying amount of the asset or liability.

The reporting entity base their assumptions and estimates on parameters available when the financial statements are prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the reporting entity. Such changes are reflected in the assumptions when they occur.

l Income Tax

The reporting entity is exempt from Income Tax under section CW46 of the Income Tax 2007, as it is a promoter of amateur sport.

m Goods and Services Tax (GST)

All amounts in the statement of financial performance and statement of cash flows are stated exclusive of GST, only accounts receivable and accounts payable are stated inclusive of GST in the statement of financial position.

n Grants in Advance

Income with a condition of 'use or return' is recognised as 'deferred income' once received by the Society. Once income is used, the 'deferred income' liability is reduced and revenue for the same amount is recognised in the statement of comprehensive revenue and expense.

o 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 balance and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the the reporting entity and have a 31 December balance date.

p Inventories

In arriving at the inventory value of distributable goods in the Statement of Financial Position which is acquired at cost, the recognised cost is the cost at the date of acquisition. Several key assumptions and estimates have been used in arriving at the inventory value which is the lower of cost or net realisable value.

Oceania Football Confederation
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2019

	2019 \$	2018 \$
5 Grant Revenue - Non Exchange		
FIFA Grants	14,015,167	15,533,929
Just Play Grants	1,422,954	1,329,466
UEFA Assist Grants	602,907	-
	<u>16,041,028</u>	<u>16,863,395</u>
6 Other Operating Revenue (Revenue from Non Exchange transactions)		
Sponsorship Income	88,145	180,000
Members Subscription Fees	5,500	5,500
Just Play Other Income	-	19,560
	<u>93,645</u>	<u>205,060</u>
7 Other Operating Revenue (Revenue from Exchange transactions)		
TV Income	-	178,380
Competitions income	41,092	88,129
Exchange Gain	342,282	207,599
Hireage and Rental Income	36,319	27,607
Others	29,343	724,122
	<u>449,037</u>	<u>1,225,837</u>
8 Grants Expense		
Member Associations		
American Samoa	200,000	150,000
Cook Islands	361,770	238,744
Fiji	438,596	236,332
New Zealand	470,703	308,182
New Caledonia	348,017	206,794
Papua New Guinea	215,354	139,198
Samoa	297,265	215,187
Solomon Islands	450,557	255,182
Tahiti	489,675	271,343
Tonga	427,486	268,920
Vanuatu	404,904	238,383
	<u>4,104,327</u>	<u>2,528,264</u>
Others		
Just Play Stock Adjustment	-	(250)
India (Western India FA)	13,217	-
	<u>13,217</u>	<u>(250)</u>
Total Grants	<u>4,117,544</u>	<u>2,528,013</u>

Oceania Football Confederation
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2019

	2019	2018
	\$	\$
9 Other Operating Expenses		
Accounting and Audit Fees	170,464	1,081,114
Apparel	32,139	19,646
Auditor of the financial statements	27,878	43,989
Bad debts	132,926	183,120
Bank Charges	10,740	6,112
Banner, Signage & Equipment	87,220	83,785
Broadcasting Fees	6,773	57,287
Brokerage and Commission	9,167	-
Cleaning	27,227	27,945
Computer Expenses	28,670	37,657
Contractor & Consultant Fees	543,331	445,862
Educational and Course Resources	173,134	-
Entertainment	14,214	15,849
Freight, Courier & Postage	177,897	49,973
General Expenditure	15,291	3,316
Gifts & Donations	7,598	52,221
Insurance	147,153	144,911
Lease	28,479	31,184
Legal	757,061	515,490
License	261,608	208,519
Marketing and Promotion	45,845	3,000
Medical	11,170	6,614
Membership & Subscription	26,432	23,147
Motor Vehicle Costs	85,540	81,877
Photography and Video	11,473	11,132
Power and Gas	48,186	33,594
Printing & Stationery	25,669	26,520
Rates, Body Corp, Rent & Water	91,015	99,154
Relocation Costs	9,920	4,661
Repairs and Maintenance	65,751	49,242
Security	12,147	2,028
Telecommunication	70,862	68,629
Training and Education	881	3,718
Translation	45,920	47,332
Travelling Expenses	3,267,478	2,387,960
Venue Hire and Associated Costs	81,643	31,920
Website Management and Maintenance	39,400	21,900
	<u>6,598,301</u>	<u>5,910,409</u>
	2019	2018
	\$	\$
10 Loss on Impairment		
Write down - Property, Plant and Equipment (Refer to Note 18)	546,555	-
	<u>546,555</u>	<u>-</u>
	2019	2018
	\$	\$
11 Cash and Cash Equivalents		
Cash and Cash Equivalents	13,943,769	6,085,282
	<u>13,943,769</u>	<u>6,085,282</u>

Oceania Football Confederation
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2019

	2019	2018
	\$	\$
12 Receivable/(Payable) from Members		
American Samoa	(31,340)	103,941
Cook Islands	(1,824)	1,188
Fiji	26,684	110,842
New Zealand	(1,545)	5,641
New Caledonia	11,826	31,296
Papua New Guinea	209,021	457,800
Samoa	22,207	154,009
Solomon Islands	1,478	163,528
Tahiti	597	128,212
Tonga	(2,931)	136,911
Vanuatu	28,555	117,634
	<u>262,727</u>	<u>1,411,003</u>
13 Receivables from Exchange Transactions		
Accrued Revenue	345,113	1,224,541
Account Receivables	463,320	719,560
Other Receivables	169,317	(11,786)
Provision for Bad Debts	(444,349)	(371,992)
	<u>533,401</u>	<u>1,560,323</u>
14 Receivables from Non - Exchange Transactions		
Account Receivables	<u>149,013</u>	<u>114,410</u>
15 Prepayments		
Flights	3,508	222,667
Software	60	15,804
Just Play Prepaid Grants	114,102	91,774
Education Centre Prepaid Grants	41,807	-
Other	45,597	28,709
	<u>205,074</u>	<u>358,953</u>
16 Taxes Receivable		
GST Receivable	<u>69,987</u>	<u>59,455</u>
17 Inventory		
Just Play Kits	1,942	53,594
Football Equipments	327,707	20,315
OFC (Commercial) Ltd Inventory	-	375,598
	<u>329,649</u>	<u>449,507</u>

18 Property, Plant and Equipment

	Opening balance 2019	Additions	Other - Transfers	Depreciation	Disposals	Impairment losses	Closing balance 2019
Buildings	1,231,964			101,200	-	-	1,130,765
Plant and equipment	190,585	70,361		31,964	4,394	-	224,588
Motor vehicles	7,562	6,500		4,549	-	-	9,512
Office equipment	73,922	67,779		55,432	-	-	86,270
Furniture & Fittings	14,543	16,506		4,699	-	-	26,350
Leasehold Land Improvements	4,768,247			744,223	-	-	4,024,024
Capital Work in Progress	3,175,096	81,079		-	-	546,555	2,709,621
Total (ii)	9,461,918	242,226	-	942,067	4,394	546,555	8,211,128

	2019 \$			2018 \$		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Buildings (i)	2,550,061	1,419,298	1,130,765	2,550,061	1,318,098	1,231,963
Plant and equipment (i)	395,167	170,579	224,588	349,681	142,096	207,585
Motor vehicles	117,374	107,862	9,512	117,374	103,312	14,062
Office equipment	1,106,658	1,020,389	86,270	1,041,904	967,982	73,922
Furniture & Fittings	467,984	441,635	26,350	464,627	449,585	15,043
Leasehold Land Improvements (i)	6,256,694	2,232,669	4,024,024	6,256,694	1,488,446	4,768,248
Capital Work in Progress	2,709,621		2,709,621	3,175,097	-	3,175,097
Total (ii)	13,603,560	5,392,432	8,211,128	13,955,439	4,469,519	9,485,918

(i) The total value of the Home of Football Stage 1 development, included in these asset classes at fair value is \$6,853,860. During the year, the amount of \$546,555 was written off due to changes in the design of the building which meant some work previously completed is unable to be utilised in the final design.

OFC has a License to occupy a building it owns, on land at 12 Maurice Road, Mt. Smart Recreation Reserve leased from Auckland Council at \$2,377 per month pursuant to an agreement dated 28 October 1998. The initial term of the license expired on 28 February 2019 and has been renewed for a further term of 20 years and 364 days.

An Agreement to Lease was signed on 13 September 2013, varied by agreements dated 30 August 2016 and 16 May 2017, pursuant to which Auckland Council agrees to lease to OFC part of the land at the Ngahue Reserve situated at 62-80 College Road, St Johns Auckland for thirty years. As part of the lease OFC has the right to construct the OFC Home of Football.

(ii) In 2018, the accounts were consolidated group accounts including fixed assets of 24,000 for OFC (Commercial) Ltd. Those were removed from the 2019 opening balance.

19 Intangible assets

	Opening balance	Additions	Other - Transfers	Amortisation	Disposals	Impairment losses	Closing balance 2019
Total Intangible Assets	626,910	417,804	-	523,447	-	25,000	496,267

	2019 \$			2018 \$		
	Cost	Accumulated amortisation	Net book value	Cost	Accumulated amortisation	Net book value
Intangible Assets - software	1,677,971	1,181,704	496,267	1,285,167	658,257	626,910
Total	1,677,971	1,181,704	496,267	1,285,167	658,257	626,910

20 Investment Property

	2019 \$	2018 \$
Opening Balance (1 January)	1,912,898	2,028,836
Additions	-	-
Disposals	-	-
Amortisation	115,938	115,938
	<u>1,796,960</u>	<u>1,912,898</u>

Oceania Football Confederation
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2019

	2019	2018
	\$	\$
21 Trade and Other Payables		
Trade Creditors	755,095	687,785
Credit Card Payable	10,554	10,100
Accruals	2,316,756	3,411,317
Other Creditors	40,762	3,807
	<u>3,123,167</u>	<u>4,113,009</u>
22 Deferred Income / Grants Received in Advance		
FIFA	8,746,642	1,433,374
NZ Aid Programme	501,532	274,570
Australian Aid Programme	2,779	123,939
UEFA Foundation	(5,004)	491,680
UNICEF PNG	-	-
UNICEF Pacific	246,951	-
US Embassy	-	-
	<u>9,492,901</u>	<u>2,323,563</u>
23 Tax Payable		
PAYE Payables	84,963	59,799
WT Payables	-	1,525
	<u>84,963</u>	<u>61,324</u>
24 Employee Entitlements		
Payroll Accrual	27,063	9,119
Holiday Pay Provision	298,197	302,171
	<u>325,260</u>	<u>311,290</u>

25 Term Loans

FIFA has part funded the Home of Football project, by way of an unsecured term loan of US\$10 Million carrying nil rate of interest. This loan was to be repaid in 4 annual instalments of US\$2.5 Million each, commencing from 2015. The repayment was to be deducted by FIFA from its annual grant. In 2016 FIFA has granted a loan repayment break to OFC Inc and repayments resumed in 2018. Instead of repaying US\$2.5 Million in 2018, FIFA agreed that OFC repay US\$4.0 Million which was NZ\$5,130,178. US\$1.75 Million was paid in 2019 and the balance of US\$1.75 Million has been classified as the current liability valued at NZD \$2,490,589 and was fully paid after the balance date on 7 Feb 2020.

26 Related Party Transactions

Controlled entities

The Oceania Football Confederation controls the OFC (Commercial) Limited on the basis that it holds 100% of shares in the company.

Oceania Football Confederation by a shareholders resolution in August 2018 appointed liquidators to wind up OFC (Commercial) Limited. All OFC (Commercial) Limited's assets were written down to their realisable values in 2017. OFC (Commercial) Limited is in liquidation and Deed of Set-Off and distribution was signed on 28.3.2019.

Key Management Personnel

The key management personnel consist of members of the OFC Executive Committee and the OFC General Secretary who are paid fees and remuneration for services rendered to the Reporting entity.

The individual compensation of the OFC Executive Committee Members (including the OFC President) consists of director fees of \$60,000 per annum (or pro rata based on the date they become a member). It is noted that the OFC President waived his entitlement in 2019.

The aggregate remuneration of executive committee, determined on a full-time equivalent basis, and their fees are as follows.

	2019	2018
	\$	\$
Total fees of executive committee	551,366	537,460
Number of persons	13	14

The General Secretary's annual remuneration paid in 2019 is \$256,770.

It is noted that, in addition to remuneration paid, the General Secretary is entitled to the usage of a company car, life and health insurance which is estimated at \$14,571.

Remuneration, Compensation provided to close family members of key management personnel.

During the reporting period, total remuneration and compensation of \$0 was provided by the reporting entity to employees who are close family members of key management personnel.

27 Operating leases

Operating leases relate to motor vehicles, printers and leasehold land. OFC does not have an option to purchase the leased assets at the expiry of the lease period. Minimum lease payments below are based on the total of future committed lease payments.

	2019 \$	2018 \$
Not longer than 1 year	60,016	50,401
Longer than 1 year and not longer than 5 years	114,096	53,214
Longer than 5 years	432,614	-
	606,726	103,615

28 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:

Financial assets

Loans and receivables

	2019 \$	2018 \$
Cash and Cash Equivalents	13,943,769	6,085,282
Receivable from Associated Entities	262,727	1,411,003
Receivables from Exchange Transactions	533,401	1,560,323
Receivables from Non-Exchange Transactions	149,013	114,410
Prepayments	205,074	358,953
Taxes Receivable	69,987	59,455
	15,163,971	9,589,426

Financial liabilities

At amortised cost

	2019 \$	2018 \$
Trade and Other Creditors	3,123,167	4,113,009
Grants Received in Advance	9,492,901	2,323,563
Taxes Payable	84,963	61,324
Term Loans	2,490,589	4,894,895
	15,191,620	11,392,792

29 Capital Commitments

At balance date capital commitments of \$508k(2018: \$583k) existed. All capital commitments below are related to Home of Football Project. OFC paid \$23,472 to INIZ in 2020 and the contract was terminated on 23 April 2020.

Service	Consultant	Contracted Value	Payments by 31.12.2019	To be paid for 2019	Total at 31.12.2019	Balance at 31.12.2019
Architect	Respond	171,720	75,841	-	75,841	95,879
Engineering	INIZ	65,000	29,500	5,000	34,500	30,500
Quantity surveyor	Cuesko Ltd	113,000	6,000	7,000	13,000	100,000
Civil engineer	Civix	38,070	3,600	800	4,400	33,670
Services engineer	22 Degrees	83,120	-	29,145	29,145	53,975
Land surveyor	Surveyworx	21,910	3,900	440	4,340	17,570
Environmental engineer	Soil and Rock Consultants	42,710	10,711	6,875	17,586	25,124
Fire engineer	Xfire	13,030	-	2,376	2,376	10,654
Acoustic engineer	Earcon	8,000	-	2,000	2,000	6,000
Traffic Engineer	Traffic Engineering Management	7,000	5,354	-	5,354	1,646
Structural engineering	Prendos NZ Ltd	133,400	-	-	-	133,400
		696,960	134,906	53,636	188,542	508,418

30 Contingent Assets and Liabilities

There are no contingent assets or liabilities at the reporting date.

31 Events after the balance date

OFC received confirmation from UEFA that the deadline for all of OFC's ongoing UEFA Assist projects have been extended until 31 December 2020 and further extension of the deadline until 30 June 2021 depending on Covid-19 development situation.

Furthermore, FIFA has confirmed that OFC is entitled to receive full amount of FIFA Forward in the year 2020 as well as in the year 2021 in accordance with the FIFA Forward development programme regulations.

OFC Executive Committee made the decisions on the cancellation and postponement of OFC tournaments due to the Covid-19 Pandemic.

The OFC U-19 men's Championship and the OFC Champions League 2020 and have been postponed.

OFC Nations Cup 2020 and OFC U-17 Women's Championship are cancelled.

Further decision on all other OFC competitions for 2020 will be made by 31 July 2020.

OFC has filed a claim on 9 May 2019 in the High Court to recover money from nine individuals and companies previously involved with the Home of Football project and the claim is actively being progressed.

An application has been made, on 26 May 2020, in the New Zealand High Court by a third party, to enter an arbitration award to which OFC was a party, as a judgement under Arbitration Act 1996.