

# SOUTH WAIRARAPA DISTRICT COUNCIL

13 DECEMBER 2017

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## AGENDA ITEM C12

### APPLICATION FOR FUNDING – NEW ZEALAND CYCLE CLASSIC

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#### **Purpose of Report**

To present an application for funding from the organisers of the New Zealand Cycle Classic.

#### **Recommendations**

Officers recommend that the Council:

1. *Receive the application for grant funding in relation to the Trust House New Zealand Cycle Classic.*
2. ***Either*** approve grant funding including the level of grant, ***or***
3. *Decline funding.*

#### **1. Executive Summary**

Jorge Sandoval contacted me in early July in relation to applying for grant funding for the January 2018 Cycle Classic, to be held 16 to 21 January 2017.

While there had been some discussion prior to this (2016) the applicant missed making an application to our 2017/18 Long Term Plan.

#### **2. Background**

An application was made to the 2016/17 Annual Plan in conjunction with the Huri festival, a grant of \$12,000 was made to that combined group.

This year we funded Huri directly \$5,000, following consideration of their individual submission.

Mr Sandoval indicates in his covering letter he cannot finalise the 2018 race route until this application is considered.

Details of the application are included in Appendix 1.

### **3. Discussion**

Council did not set aside any contingency when allocating grant funding, therefore there is no specific budget available.

### **4. Appendices**

Appendix 1 – Application for Funding: Trust House New Zealand Cycle Classic

Contact Officer: Paul Crimp, Chief Executive Officer

# **Appendix 1 - Application for Funding: Trust House New Zealand Cycle Classic**



5 July 2017

Paul Crimp  
CEO  
South Wairarapa District Council  
P O Box 6  
Martinborough

Dear Mr Crimp,

Thank you for taking the time to speak to me earlier today regarding our application for funding from the SWDC with our international event in 2018.

Next year's event will be bigger than 2017 with lots more overseas teams taking part.

We have plans for the event to finish in Martinborough in stages three and four, this is a great opportunity for South Wairarapa to showcase the region via our television coverage, social media and to attract many people to the area in these two days.

I understand that for some reason we didn't know when applications date for the 2017-2018 Annual Plan closed and we miss the opportunity to do our application but I am hoping council re-evaluate this and support our event with the same amount as last year, \$12,000.

I am available to go and speak to council if this is necessary.

In order for me to finalise the 2018 race route, I would like to have a decision to our request as soon as possible.

Look forward to hearing from you.

Best regards

Jorge Sandoval MNZM  
Race Director  
NZ Cycle Classic

## The Trust House New Zealand Cycle Classic - 16 / 21 January 2018

Operating for the past 30 years, the New Zealand Cycle Classic (NZCC) has grown from a domestic road cycle race to become a mainstay on the Union Cycliste International (UCI) global calendar.

We have a great event, full of potential to grow and to do this, we need your support to continue to:

- provide riders with high grade events for them to mature and grow within the sport
- give New Zealand race officials the opportunity to learn and broaden the pool of capable officials needed for an expanding race calendar
  - this level of racing is so much faster and more complex than local racing
  - engagement of officials and volunteers helps them grow in capability with the higher demands of this level of racing
  - more types of officials are required such as support vehicles, judges, time keepers, traffic management; all at a level significantly higher than they'd be used to in their normal club environments
  - the unique opportunity to work with UCI officials to learn what they need at this level of racing
- provide young and up and coming New Zealand cyclists with the opportunity to take part in an international event in their own country
- be part on an international event and train volunteers.

With your support we will achieve this.

### ***The Event***

- The only UCI endorsed race in New Zealand making it the premier road cycling event in the country
- The only road cycle event in New Zealand with full support of NZ Police
- International competitors enjoy not having to move to a new hotel at the end of each stage of the race; five days racing in a hub and spoke type format from a single accommodation
- Wairarapa has extraordinary terrain for a varied five stage event and providing an equally varied visual spectacle for spectators and media

The success of this international event in the past, has been due to the support provided by organizations like NZCT and we are very grateful for your continuous support.

### **Wairarapa NZCC 2018**

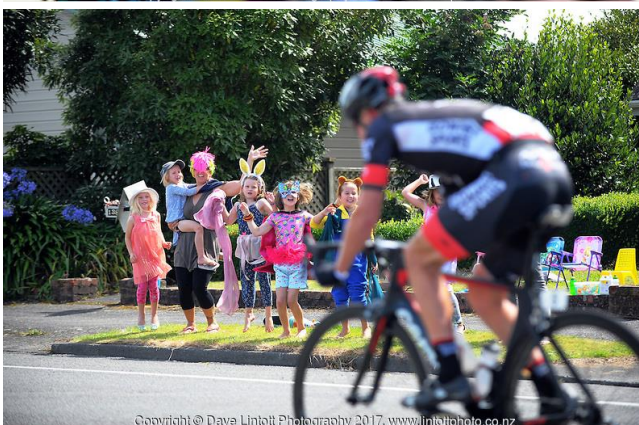
- The event will generate a sense of pride that an event with participants of the highest calibre will be in the region as part of an international calendar.
- This will inspire the community to come out and watch the tour and ideally become involved in the sport of cycling in greater numbers as riders and/or officials.
- Local participation will be huge with the community and fun events planned around the event. World class BMX demonstrations do not come to the Wairarapa without events like the NZ Cycle Classic to underpin them.



Major community events conducted during the NZ Cycle Classic were:

- Castlepoint Station Family Fun Ride – torrential rain kept numbers low (60) on this event but previous events have seen 200+ vehicles arrive for a similar event
- Pedal for Parkinsons – held midweek as a fundraiser for Parkinsons, organisers counted 80 participants
- Kids Holiday Programme included:
  - BMX demonstration – 400+ Martinborough
  - Children’s on course races – 20+
- The community will dress up and get track side to support teams and riders in greater numbers than in the past.

While it’s difficult to report on the numbers in the community who participate track side, we do know that the numbers have grown year on year. This series of photos shows the different ways the community engaged and we are certain that the continued growth will continue into 2018.



- The televised coverage of the race can tell the community stories more effectively and will showcase the region to an international audience
- Print media and local news media are interested in this calibre of event and will need the community stories for colour under the race itself.
- A central race village will provide opportunities for the community to have closer than ever engagement with riders and teams.
- Riders and teams will be found throughout the community at their favourite coffee stops and provide another opportunity to engage with the teams and riders
- The community pride, better understanding of the sport and contact with the teams will inspire more people to get involved in the sport and gain the social, physical and mental benefits
- Huri Huri; Wairarapa's Bike Festival will have more leverage for community engagement with events with this level of competition
- Huri Huri operates under a programme to enable kids from less financially able families to get involved in the sport; this event will provide added motivation.
- This event will require significant numbers of volunteers who will benefit from the returns volunteering gives.
- The event will deliver significant economic benefit to the region.

### **Cycling Community**

- The event will encourage up and coming competitive cyclists with first hand engagement with this level of cycling
- Race officials and drivers will be upskilled under the guidance of UCI officials
- The upskilled race officials and drivers will flow on to improve other cycle events in the community and nationwide.

### **By the numbers**

#### ***Riders and team managers***

- 108 riders 36 teams officials

#### ***Race Official and Volunteers***

- 62 volunteering officials

#### ***Media***

- 12 journalists following the tour.

#### ***Local Media Coverage***

A full media pack is provided to all prospective and participating media. This gives angles for stories on riders, teams, records, unusual characters, statistics, etc. A qualified media support officer is put in place to ensure all media get what they need from the event.

- 1 hour aggregated television coverage shown on Sky TV x 8 times
- TV One and TV 3 3 out of 5 stages covered
- Times Age
- Wairarapa News
- Dominion Post
- Stuff website
- Radio Sport
- Radio NZ Sport
- Radio More FM
- Sportzhub.co.nz
- NZ Road Cyclist Magazine
- The Motor Caravaner Magazine
- Wairarapa Lifestyle Magazine
- Wairarapa Journal
- Kia Ora Air NZ inflight magazine

Plus other UCI, UK, Italian and Australian media plus social media from many of the participating riders and teams.

## BUDGET 2018 NZ Cycle Classic

### EXPENSES

UCI Fees		\$	6,500.00
St Johns		\$	4,496.00
Clothing		\$	7,705.00
Television fees		\$	20,000.00
PA system		\$	1,800.00
Drug testing		\$	7,500.00
Hotel / Accommodation		\$	110,242.00
Stage presentation hire		\$	2,800.00
computer results		\$	8,015.00
Traffic / Road closure/ advertising		\$	25,000.00
Petrol		\$	3,500.00
Truck Hire		\$	2,200.00
Salary / Stage finish crew		\$	4,000.00
Motorcycle club/marshalls		\$	2,500.00
Bus		\$	2,200.00
car rental		\$	7,500.00
Airfares		\$	8,000.00
Race Numbers		\$	800.00
Salary		\$	40,000.00
petrol		\$	1,500.00
<b>TOTAL EXPENSES</b>		<b>\$</b>	<b>266,258.00</b>



**All Kiwi Sports Club Incorporated**  
**Financial Statements**  
**For the Year Ended 31 March 2017**

# All Kiwi Sports Club Incorporated

## Financial Statements

### For the Year Ended 31 March 2017

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## All Kiwi Sports Club Incorporated Compilation Report For the Year Ended 31 March 2017

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Compilation Report to the Society of All Kiwi Sports Club Incorporated.

### Scope

On the basis of information you provided we have compiled, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, the financial statements of All Kiwi Sports Club Incorporated for the year ended 31 March 2017.

As described in the Notes to the Financial Statements, these financial statements are a special purpose report and have been prepared for the Entity's Management and the entity's financiers.

### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

### Reporting Framework

These financial statements have been prepared in accordance with the Financial Reporting Act 2013. Under the Act the financial statements are no longer required to be prepared under generally accepted accounting practices and accordingly should only be relied on for the expressly stated purpose.

### Disclaimer

We have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we, nor any of our employees accept any responsibility for the reliability, accuracy or completeness of the compiled financial information nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.



**Paul Enoka Chartered Accountants Limited**

Level 1  
2 Pretoria Street  
Lower Hutt 5010

20 June 2017

# All Kiwi Sports Club Incorporated

## Directory

### As at 31 March 2017

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**Date of Incorporation**

12 May 2004

**Registered Address**

97 Kaka Amu Road

RD 1

Masterton 5871

**Officers/Committee Members**

Chairman - Jorge Sandoval

**Accountants**

Paul Enoka Chartered Accountants Limited

Level 1

2 Pretoria Street

Lower Hutt 5010

**Bankers**

Westpac New Zealand Limited

## All Kiwi Sports Club Incorporated

### Statement of Financial Performance

#### For the Year Ended 31 March 2017

	2017 \$	2016 \$
<b>REVENUE</b>		
Entry Fees	28,204	22,890
Sponsorship	253,000	220,000
<b>TOTAL SALES</b>	<u>281,204</u>	<u>242,890</u>
<b>LESS COST OF SALES</b>		
Clothing	12,411	7,599
Hire of Equipment	4,856	6,777
Prize Money	22,919	20,653
Race Expenses	64,731	70,522
Travel and Accommodation	108,430	106,687
<b>TOTAL COST OF SALES</b>	<u>213,347</u>	<u>212,238</u>
<b>GROSS SURPLUS FROM TRADING</b>	<u>67,857</u>	<u>30,652</u>
<b>SUNDRY INCOME</b>		
Interest Received	81	-
<b>TOTAL INCOME</b>	<u>67,938</u>	<u>30,652</u>
<b>Less Expenses</b>		
Accident Compensation Levy	452	573
Accountancy Fees	2,070	1,990
Bank Charges	279	332
Interest - Overdraft	7	-
Interest - IRD	8	-
Motor Vehicle Expenses	4,172	4,471
Penalties - IRD	65	-
Printing & Stationery	-	40
Telephone	1,082	1,244
Wages & Salaries	46,339	45,492
<b>Total Expenses</b>	<u>54,474</u>	<u>54,142</u>
<b>NET SURPLUS/(DEFICIT)</b>	<u>13,464</u>	<u>(23,490)</u>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review, and should be read in conjunction with the attached Compilation Report.

## All Kiwi Sports Club Incorporated Statement of Financial Position As at 31 March 2017

	Note	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Westpac - Cheque Account		29,286	13,822
Advance - J Sandoval		3,716	5,847
<b>TOTAL ASSETS</b>		<u>33,002</u>	<u>19,669</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable		800	931
<b>TOTAL LIABILITIES</b>		<u>800</u>	<u>931</u>
<b>NET ASSETS</b>		<u>32,202</u>	<u>18,738</u>
Represented by;			
<b>MEMBERS FUNDS</b>			
Retained Earnings		32,202	18,738
<b>TOTAL SURPLUS IN MEMBERS FUNDS</b>		<u>32,202</u>	<u>18,738</u>

For and on behalf of the Management Committee

Jorge Sandoval  
Chairman

Dated this 28 day of JUNE 2017

## All Kiwi Sports Club Incorporated

### Notes to the Financial Statements

### For the Year Ended 31 March 2017

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#### 1 **Statement of Accounting Policies**

These are the financial statements of All Kiwi Sports Club Incorporated, an incorporated society registered under the Incorporated Societies Act 1908. All Kiwi Sports Club Incorporated is engaged in Sports Promoter.

#### **Basis of Preparation**

These financial statements have been specifically prepared for the purpose of meeting the entity's reporting requirements and have been prepared for:

- the entity's financiers
- the Entity's Management

#### **Measurement Base**

The financial statements of All Kiwi Sports Club Incorporated have been prepared on an historical cost basis, except as noted otherwise below. The information is presented in New Zealand dollars and has been rounded to whole dollars, unless otherwise stated.

#### **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in the previous year.

#### **Specific Accounting Policies**

In the preparation of these financial statements, the specific accounting policies are as follows:

##### (a) **Goods & Services Tax**

These financial statements have been prepared inclusive of GST as the entity is not registered for GST.

##### (b) **Taxation**

The Society has been granted an income tax exemption for amateur sports status under the Income Tax Act 2007 and is not required to file an income tax return.

#### 2 **Audit**

These financial statements have not been audited.

#### 3 **Contingent Liabilities**

At balance date there are no known, quantifiable contingent liabilities. All Kiwi Sports Club Incorporated has not granted any securities in respect of liabilities payable by any other party.

#### 4 **Related Parties**

There were no material transactions with any related parties during the period under review.