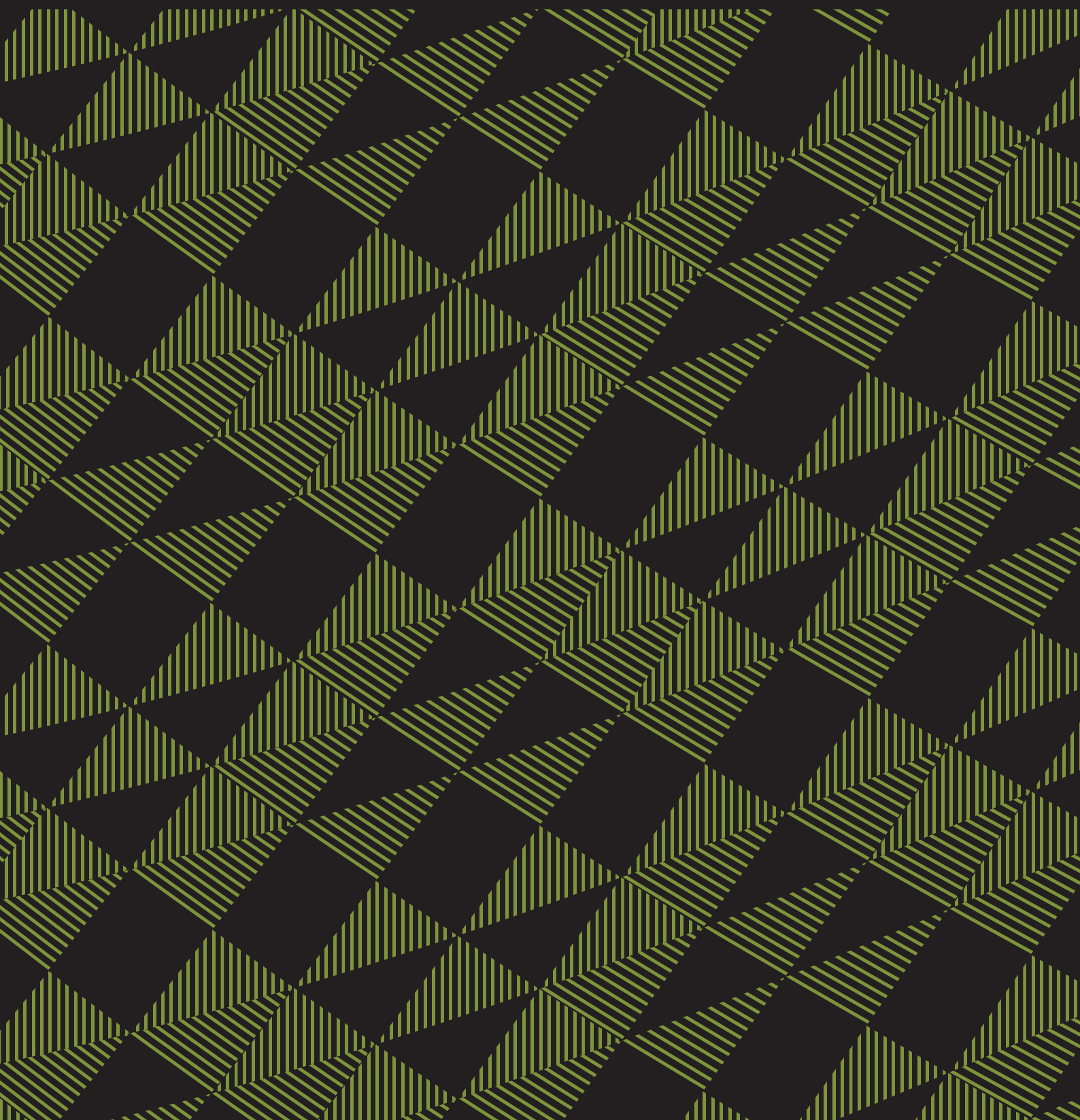


Statement of Performance Expectations

Te Tauākī o Ngā Tūmanakohanga Whakatutuki

2025/26



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Sport Integrity Commission Te Kahu Raunui
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Statement of authorisation

Te tauāki noho haepapa

This Statement of Performance Expectations reflects our proposed activities, performance targets and forecast financial information for the year ended 30 June 2026.

This Statement of Performance Expectations should be read with our Statement of Intent 2024–2028. It is prepared in accordance with the requirements of section 149E of the Crown Entities Act 2004.

We are responsible for the prospective financial statements and information contained in this Statement of Performance Expectations. We consider that they fairly reflect the organisation's expected financial position and performance results for the year ending 30 June 2026, in accordance with the Crown Entities Act 2004.

We authorise this Statement of Performance Expectations on behalf of the Sport Integrity Commission Te Kahu Raunui.



Don Mackinnon
Chair
18 June 2025



Adine Wilson
Board member
18 June 2025



Rebecca Rolls
Chief Executive
18 June 2025

Introduction

Kupu whakataki

Everybody involved in sport and recreation in Aotearoa New Zealand should expect to be safe and treated fairly, free from abuse and harm. We exist to make sure everyone can trust — and be confident — that sport and recreation in New Zealand is safer and fairer.

Our guiding statement, our Matariki, is:

**Doing the right thing, together
mā te tika, mā te pono, me te aroha
with truth, honesty and compassion.**

This explains how we partner and collaborate with the sport and recreation sector to build a positive culture of integrity. This means ensuring all participants, including children and young people, are safe, organisations have good integrity capability and processes, and that competitions are fair and free from corruption.

We're guided by our values and our strategic framework, Te Kahu Raunui, set out in our Statement of Intent 2024–2028.

We started operations on 1 July 2024. Our initial focus was to establish our functions and processes while also delivering value to the sport and recreation sector through our services and guidance.

In our first year, we made significant progress towards our long-term strategic priorities including by:

- ▼ publishing the first Code of Integrity for Sport and Recreation
- ▼ establishing our dispute resolution functions
- ▼ lifting sector awareness of the Commission and our role.

In 2025/26, we will build on the progress of our first year of operation by:

- ▼ strengthening our relationships across the sport and recreation sector
- ▼ promoting minimum integrity standards for the sport and recreation sector to adopt and align with
- ▼ running a pilot programme to support national-level organisations to adopt the Code of Integrity for Sport and Recreation
- ▼ implementing our new learning strategy
- ▼ continuing to deliver athlete-centred anti-doping services
- ▼ scaling up our statutory functions and services.

We have identified opportunities to improve our processes, structure and service delivery and will implement and embed these changes in 2025/26.

This Statement of Performance Expectations (SPE) sets out how we will measure performance from 1 July 2025 to 30 June 2026. We will report on progress against this in our annual report.

Who we are and what we do

Ko wai mātou, he aha ā mātou mahi

The Commission was established on 1 July 2024 to provide a singular and cohesive focus on integrity in sport and recreation. Our role is to work with the sport and recreation sector, including participants, to collectively strengthen our integrity system so all New Zealanders can have safer and fairer sport and recreation experiences.

We do this by:

- ▼ delivering trusted and participant-centred services
- ▼ investigating and resolving breaches of integrity standards
- ▼ supporting the sport and recreation sector to lift its integrity capability
- ▼ advocating for sport integrity and engaging with the international sport integrity community
- ▼ working closely with stakeholders and partners, both in New Zealand and overseas.

We are an independent Crown entity established under the Integrity Sport and Recreation Act 2023. Our statutory purpose is to:

- ▼ enhance integrity within sport and physical recreation to protect and promote the safety and wellbeing of participants, and the fairness of competition
- ▼ implement the World Anti-Doping Code in New Zealand.

We have broad statutory functions including:

- ▼ promoting, advising, and leading on integrity in sport and recreation
- ▼ developing and issuing integrity codes that set minimum standards
- ▼ making anti-doping rules to implement the World Anti-Doping Code
- ▼ providing processes for resolving integrity complaints and disclosures
- ▼ investigating integrity matters
- ▼ providing disciplinary process for breaches of integrity codes
- ▼ advising the responsible Minister on integrity matters.

We are New Zealand's national anti-doping organisation. We are a signatory to the World Anti-Doping Code which provides a common set of rules, requirements and sanctions that all anti-doping organisations must apply.

We focus on preventing and responding to behaviours that undermine integrity in sport and recreation. We call these threats to integrity. These are:

- ▼ manipulation or attempted manipulation of the result or course of a sporting competition or activity
- ▼ sports betting activity connected with competition manipulation, or the misuse of inside information connected with competition manipulation or sports betting
- ▼ doping in sport
- ▼ racism, discrimination, bullying, violence, abuse, sexually harmful behaviour, intimidation or harassment
- ▼ corruption, fraud, and other forms of deception or breach of trust
- ▼ an organisation in the sport and recreation sector failing to take measures to prevent these threats or to safeguard children.

As an independent Crown entity, we operate at arm's length from the Government. This means the Government cannot direct our work and we are independent of Government policy, though may have regard to it.

Our operating environment

Ā mātou horopaki

The Commission was established in a fiscally constrained environment. We have a broad mandate to lead on all aspects of integrity right across sport and recreation, from grassroots to high performance.

Threats are growing in complexity, both here and overseas

The threats to integrity in sport and recreation are diverse and evolving. They intersect with broader challenges related to social harm and cohesion, criminal and sub-criminal behaviour, and rapidly changing technology.

Factors that contribute to growing integrity risks include:

- ▼ the pressure on athletes to succeed can lead to doping and normalising harmful behaviour such as abuse, bullying and harassment
- ▼ myths, misperceptions, and attitudes that enable or normalise child abuse persist in sport and recreation
- ▼ poor organisational culture, inadequate policies, and power imbalances can make participants vulnerable to abuse, harm and corruption
- ▼ doping risk is increasing in community and recreational sport due to the easy access to prohibited substances and widespread use of supplements in the community
- ▼ the threat of competition manipulation is not widely understood in New Zealand and there is an opportunity to take a stronger and more coordinated approach across both government and sport.

A focus of our work in 2025/26 and outyears is to develop a deeper understanding of threats to integrity. This includes the intersection of different integrity threats, and working with the sport and recreation sector, law enforcement and our international partners to identify and mitigate the risks.

Behaviour change is a long-term journey

The scope and scale of the sport and physical recreation sector in Aotearoa New Zealand is vast and varied. Organisations range from large national sport organisations with paid staff members, through to small local clubs that rely entirely on volunteers to govern, manage and deliver their activities. The capability and capacity of these organisations to address integrity issues also differs significantly.

Influencing widespread behaviour change in the sport and recreation sector is limited by our finite resources and the large size and breadth of the sector. We are focusing on delivering better outcomes for participants by raising the integrity capability of sport and recreation organisations.

By working alongside organisations, we can support them to create the safest and fairest possible environments for their members while ensuring our limited resources are directed to where they are most needed and can have the greatest impact.

Our values

Ā mātou uara

In early 2025, we developed our values with our staff, board and Te Ope Tāmīro (our Māori partnership group).

Our values are important threads that we have added to Te Kahu Raunui, our strategic framework. Our strategic direction, our long-term objectives and our priorities are all about people, whānau and communities – ensuring everyone can participate in sport and recreation that is safe, fair and inclusive. Our values support this by describing the type of organisation we want to be, how we interact with the sector and the wider world around us, and how we treat people that engage with us or use our services.

Our work, our relationships, and our values all weave together to create and protect safe and fair sport and recreation experiences.

Our values:

- ▼ guide our actions and behaviour, including how we work alongside participants and organisations in the sport and recreation sector to build a culture of integrity
- ▼ reflect our commitment to being a participant-centred and high-performing organisation, and to building relationships across the sector
- ▼ reflect our strategic framework, which uses the metaphor of a kākahu (cloak) to symbolise the interconnectedness of the sport and recreation community and our shared values.

Tukutuku

We value relationships and work collaboratively to create a culture of integrity.

Kōtuia

We demonstrate care and respect for each other, and in our mahi with the sport and recreation sector.

Paiheretia

We lead with integrity and purpose, taking responsibility for our mahi and actions.

Tauwhiri

We offer guidance and support, so people feel safe, valued, and cared for.

How we assess our performance

He pēhea mātou e aromatawai ai i te pai o tā mātou mahi

How the Statement of Performance Expectations and Statement of Intent work together

Our Statement of Intent sets out our strategy for the four years to June 2028. It explains our long-term strategic direction, desired outcomes, and priorities. This SPE sets out what we will do in 2025/26 against the strategy, and how we will measure progress against these annual targets. This SPE and our Statement of Intent for 2024–2028 should be read together.

Our annual report 2025/26 will assess progress against the outcomes and the performance measures outlined in this Statement of Performance Expectations.

Output class

We have a single reportable class of output: Services from the Integrity Sport and Recreation Commission. The appropriation for 2025/26 is \$11.283 million. This appropriation is intended to achieve improved integrity outcomes in New Zealand's sport and active recreation sector, including through a Code of Integrity for Sport and Recreation.

Cost of services from the Sport Integrity Commission

	Estimated Actual 2024/25 \$000	Budget 2025/26 \$000
Crown funding	10,628	11,283
Funding transferred from Sport NZ	5,895	
Other revenue	737	500
Total revenue	17,260	11,783
Total operating expenditure	12,466	12,996
Net surplus	4,794	(1,213)

Performance assessment and annual expectations

We have made one change to the performance indicators from 2024/25 through the Estimates process. In 2024/25 we measured the total number of people receiving anti-doping education. In 2025/26 this measure has been expanded to include all education that the Commission provides to reflect our broader integrity mandate.

Performance indicator	2024/25 Target	2024/25 Estimated Actuals	2025/26 Target
Percentage of people who agree or strongly agree that the learning outcomes have been achieved on education modules they have completed. Note: This measure excludes anti-doping education.	80%	95%	80%
Total number of people receiving education through workshops and/or online learning at all ages.	New measure		10,000
Percentage of complaints responded to within three working days.	90%	100%	90%
Number of samples (urine and blood) collected from athletes. Note: We also do user-pays testing – these numbers are not included in this performance indicator.	1,100	1,100	1,100
Elite athletes believe their sporting contests in New Zealand are influenced by doping. Note: Elite athletes for this indicator are those in the two anti-doping testing pools.	< 10%	< 10%	< 10%

Our performance framework

Te mahere whakatutuki

Our purpose is to enhance integrity within sport and physical recreation to protect and promote the safety and wellbeing of participants and the fairness of competition.

Our four long-term outcomes will demonstrate that we are achieving our purpose

- ▼ Participants are safer, treated equitably, and their rights are respected.
- ▼ Sport and recreation organisations have strong integrity cultures.
- ▼ Competitions and activities are clean, fair and inclusive.
- ▼ We are a trusted source of integrity leadership and support.

We know we are on track to achieving our long-term outcomes when we see more of these

- ▼ Participants recognise threats to integrity.
- ▼ Participants can easily access education and resources that meet their needs and support their understanding of integrity.
- ▼ Sport participants can easily access education and resources that support their understanding of the Sports Anti-Doping Rules.
- ▼ Participants are confident to raise integrity issues with the relevant sport or recreation organisation or the Commission.
- ▼ Participants are confident that threats to integrity are dealt with consistently and fairly across sport and recreation.
- ▼ Sport and recreation organisations have processes in place to identify and address issues, and are using them confidently.
- ▼ Sport and recreation organisations have a clear understanding of their own performance in preventing and addressing integrity issues, know what to do to improve, and are implementing those improvements.
- ▼ Doping in sport is detected and deterred.

We have four strategic priorities for 2024 to 2028. They are:

Strategic Priority 1

Lead a strengthened integrity system

Strategic Priority 2

Work together to lift integrity capability

Strategic Priority 3

Deliver trusted and participant-centred services

Strategic Priority 4

Insights led and transparent

Information about what we will do to achieve our strategic priorities is provided in our SOI 2024-2028

This is how we will measure our impact in 2025/26:

- ▼ People agree that learning outcomes have been achieved on education modules they complete
- ▼ Number of people receiving education
- ▼ Complaints are responded to within three working days
- ▼ Number of samples collected from athletes
- ▼ <10% elite athletes believe their sporting contests in New Zealand are influenced by doping.

Our strategic focus areas for 2025/26

We have committed to four strategic priorities through our Statement of Intent 2024-2028. Each strategic priority guides our deliverables in 2025/26 and contributes to achieving our long-term outcomes. This section explains the activities we will focus on in 2025/26 and how we will measure performance and progress.

In 2025/26 we will also issue a new Statement of Intent to be effective from 1 July 2026.

Strategic Priority 1

Lead a strengthened integrity system

Promote adoption and alignment with integrity standards

In March 2025, the Code of Integrity for Sport and Recreation (the Integrity Code) came into force. It sets six minimum standards to help organisations prevent and respond to harmful behaviours and address integrity issues appropriately and effectively.



Standard 1

Prohibit behaviours that are a threat to integrity.



Standard 2

Proactively safeguard children, young people and adults at risk.



Standard 3

Implement an effective and fair dispute resolution process in relation to threats to integrity.



Standard 4

Notify the Commission of issues of serious concern.



Standard 5

Cooperate with the Commission in relation to dispute resolution, investigations, and monitoring activity.



Standard 6

Provide information to your members about the Integrity Code.

We will work closely with the sport and recreation sector to help them understand, adopt and implement the Integrity Code. We will continue to improve the support, guidance and resources we can offer to adopting organisations in order to reduce the administrative burden and resources required to improve integrity standards.

In 2025/26 we will:

- ▼ engage with national-level sport and recreation organisations to promote adoption of the Integrity Code
- ▼ work with a small group of organisations through an adoption pilot programme to test, evaluate and improve the adoption process
- ▼ identify other opportunities to embed the minimum standards in the sector including promoting alignment at least to minimum standards and use of the Commission's resources and policy templates.

How we will measure progress

- ▼ Number of organisations that progress towards Integrity Code adoption
- ▼ Progress made by organisations involved in the Integrity Code pilot programme
- ▼ Instances of minimum standards being implemented in the sport and recreation sector outside of formal adoption.

Advocate for clean sport and implement the World Anti-Doping Code in New Zealand

We update the Sports Anti-Doping Rules annually. In 2025/26 we will consult with national sport organisations, athletes, the Sports Tribunal, Māori, and the Privacy Commissioner on changes that will become effective on 1 January 2026.

We will continue to engage with the international anti-doping community on a range of matters including drafting of the 2027 World Anti-Doping Code and International Standards. We expect that the Sports Anti-Doping Rules will require substantial amendments to comply with the new World Anti-Doping Code by 1 January 2027, therefore we will start this work earlier than usual.

The Commission will also be audited by the World Anti-Doping Agency in September 2025. This is the first time that New Zealand has been audited for compliance with the World Anti-Doping Code since audits commenced in 2016.

In 2025/26 we will:

- ▼ update and make the 2026 Sports Anti-Doping Rules
- ▼ continue to input into the review of the World Anti-Doping Code and International Standards
- ▼ participate in the audit of our anti-doping functions by the World Anti-Doping Agency and respond to any outcomes or findings from the audit
- ▼ start work to review and amend the Sports Anti-Doping Rules and our anti-doping functions to comply with the 2027 World Anti-Doping Code.

How we will measure progress

- ▼ Updates to the Sports Anti-Doping Rules meet statutory requirements
- ▼ Feedback from athletes who are tested through a confidential and anonymous post-test survey
- ▼ Annual surveys of national sporting organisations and athletes to measure confidence in our anti-doping programme
- ▼ Outcomes of the audit of our anti-doping functions by the World Anti-Doping Agency.

Strategic Priority 2

Work together to lift integrity capability

Grow and strengthen relationships across the sport and recreation sector

Our ability to improve integrity outcomes is closely linked to how strong our relationships with the sport and recreation sector are, and how effectively we engage with participants and communities. We need to work closely and collaboratively with sector organisations so that integrity awareness, knowledge and capability can be improved.

A key focus will be to continue to build high-trust relationships with sector organisations and strengthen participant voice within all aspects of our work so that we can help build positive cultures of integrity. We will also continue collaborating with our partners, both in New Zealand and internationally, including advocating internationally for clean sport and better integrity outcomes for participants.

In 2025/26 we will:

- ▼ implement our engagement strategy that aims to:
 - ensure the lived experience and views of participants informs our work
 - build strong relationships across the sport and recreation sector
 - provide our audiences with the information they need at the right time
 - support meaningful engagement and outreach with participants and communities
- ▼ share insights, lessons and success stories that support the sector to lift its integrity capability
- ▼ develop and implement memoranda of understanding with key government partners (eg, New Zealand Police, Oranga Tamariki)
- ▼ deliver a national sport and recreation integrity symposium in 2026
- ▼ continue to collaborate with national and international partners on integrity matters.

How we will measure progress

- ▼ Feedback from the sector about how insights, lessons and success stories meet their needs
- ▼ Key government partners signing memoranda of understanding
- ▼ Registrations for the symposium in 2026, and feedback from the sector about the usefulness of the symposium.

Implement our new learning strategy to lift integrity capability

Improving knowledge about sport integrity and changing attitudes and behaviours within the sector is a critical component of our strategy. The Commission does not have sufficient capacity or resources to support every participant, however, by lifting the integrity capability of the sector and building positive cultures of integrity we can drive better outcomes for a wider range of participants, clubs and organisations.

Last year, we commenced work to develop an integrated learning strategy and curriculum for all areas of integrity, including anti-doping. This built on the strong focus on anti-doping education that already existed, and the refreshed safeguarding guidance and learning that the Commission delivered in our first year.

In 2025/26 we will:

- ▼ implement our new learning strategy and develop an updated learning curriculum for all integrity areas
- ▼ develop new learning content and guidance as identified through our learning strategy and informed by sector feedback and learner needs
- ▼ continue to deliver high-quality anti-doping education for athletes
- ▼ agree memoranda of understanding with sport and recreation organisations to deliver our learning through their own systems
- ▼ implement a learning evaluation model to demonstrate the efficacy of our learning.

How we will measure progress

- ▼ The volume and breadth of learning content made available to the sector
- ▼ Alignment of learning content with relevant standards, learner needs, and Commission's strategic priorities
- ▼ Effectiveness of learning including to change learner's attitudes, behaviours and beliefs
- ▼ Number of memoranda of understanding agreed with sector organisations for use of our learning content.

Strategic Priority 3

Deliver trusted and participant-centred services

Continue to deliver our high-quality anti-doping services

We are committed to continuing to deliver high-quality anti-doping education to support athletes to understand and meet their rights and obligations under the Sports Anti-Doping Rules.

Central to our anti-doping approach is a deterrence-based testing strategy. We have a target of collecting 1,100 samples (urine and blood) for analysis, and expect to deliver an additional 400 user-pays tests during the year.

In 2025/26 we will refresh and implement a new testing strategy including strengthening how science and intelligence informs decision-making. We will begin implementing this in 2025/26 with a view to having the new strategy fully implemented in 2026/27.

In 2025/26 we will:

- ▼ implement our refreshed testing strategy for 2025/26
- ▼ deliver high-quality anti-doping education as part of our new learning strategy
- ▼ redevelop the training and accreditation programme for testing chaperones
- ▼ seek feedback from athletes about their testing experience to support continuous improvement.

How we will measure progress

- ▼ Outcomes of World Anti-Doping Agency audit which will include audit of testing operations
- ▼ Feedback from athletes about their testing experience including trust and confidence in New Zealand's testing programme
- ▼ Proportion of testing that is informed by risk, science and intelligence
- ▼ Effectiveness of science and intelligence-led testing at detecting doping.

Scale our dispute resolution and disciplinary services

Last year we established our new and expanded dispute resolution and investigation functions and transitioned to in-house delivery, reducing reliance on external service providers.

We anticipate that complaint volumes will increase in 2025/26 and future years as the Integrity Code is adopted. This is because the Integrity Code will provide clearer grounds for participants to make complaints to the Commission, and requires organisations bound by the Integrity Code to report serious integrity concerns to the Commission.

In 2025/26, we will focus on scaling our dispute resolution services to be able to handle a higher volume of complaints. This will ensure that we can continue to deliver a timely, independent and fair process that meets the needs of participants even as our caseloads increase.

As part of our work to implement the Integrity Code, we will establish an independent disciplinary panel under section 41 of the Integrity Sport and Recreation Act. The disciplinary panel will be made up of independent members that will consider whether a participant has breached the Integrity Code and determine what sanctions should be imposed. This provides an independent and impartial way for sanctions to be determined and addresses concerns both participants and organisations may have about the capability of some organisations to run fair disciplinary processes.

We will work with Te Ope Tāmiro, the Pacific Nations Engagement Group and participants and communities to ensure our dispute resolution and disciplinary services are culturally responsive, accessible and participant-centred.

In 2025/26 we will:

- ▼ scale our dispute resolution service to handle an expected increase in complaints and enquiry volumes due to adoption and implementation of the Integrity Code
- ▼ establish an independent disciplinary panel under section 41 of the Act including recruiting and appointing panel members and setting the panel's policies and procedures
- ▼ continually improve key processes and activities as part of our establishment.

How we will measure progress

- ▼ Timeliness of triage and timeliness of resolution of complaints
- ▼ Feedback from parties about service
- ▼ Proportion of complaints resolved through early resolution.

Strategic Priority 4

Insights-led and transparent

As part of a new technology and information management strategy for the Commission, we will develop a Commission-wide data, intelligence and insights approach to:

- ▼ strengthen our operational and strategic decision-making
- ▼ monitor and increase our impact on sport integrity outcomes
- ▼ ensure we are operating efficiently and delivering value for money.

In the meantime, we will continue to use feedback and insights to inform the development and delivery of our services, support and guidance for the sector. This includes through participant and community engagement such as with our Pacific Nations Engagement Group and Athletes Commission.

In 2025/26, we will also implement a refreshed testing strategy that better integrates intelligence, science and testing operations to strengthen our detection capability. This includes increasing our anti-doping intelligence capability and prioritising intelligence-led and risk-based testing. This will include using a wider range of data and intelligence products to inform testing decision-making and heightened monitoring of emerging doping threats and trends.

These activities will be supported by increased intelligence and insights capability within our new structure. We will also strengthen how we monitor and analyse integrity threats in a New Zealand context. This includes better understanding the links between competition manipulation and organised crime.

In 2025/26 we will:

- ▼ complete a new technology and information management strategy, with detailed plans for the next two years
- ▼ use feedback and insights from a range of sources to improve our services, support and resources
- ▼ increase intelligence-led testing as part of our refreshed testing strategy
- ▼ develop a Commission-wide data, intelligence and insights approach.

How we will measure progress

- ▼ Completion of the technology and information management strategy
- ▼ Development of intelligence and insights frameworks
- ▼ Increased use of intelligence and insights in to support decision-making.

Our people and capability

In 2025/26 our focus will be on completing our establishment activities and moving to our long-term structure, services and ways of working. In 2024/25, we primarily focused on establishing our new statutory functions (eg, dispute resolution services) and transitioning staff, systems and processes from Drug Free Sport New Zealand to the Commission. In 2025/26 we will implement a new structure and further refine our systems, processes and work programmes to ensure they are fit-for-purpose, efficient and more aligned to our long-term strategy.

In May 2025, the Commission made final decisions on a change proposal for a new organisational structure. This followed a review of our functions and existing structure that highlighted gaps and challenges in our establishment structure. The outcome of the change process is a new structure that will:

- ▼ streamline our functions and services into four business groups
- ▼ clarify senior leadership responsibilities and accountability for our statutory functions and performance
- ▼ create new roles to address functional gaps including intelligence, insights and safeguarding
- ▼ eventually reduce use of contractor and consultants for core functions and services.

Work to implement the new structure started in late 2024/25 and will continue in the first six months of 2025/26. This includes recruitment of new roles, realignment of work programmes and projects to reflect the new structure, and refreshed approach to induction and internal capability-building.

We will also undertake a review of our IT systems and resourcing to inform the development of a fit-for-purpose strategy and work programme.

In 2025/26 we will:

- ▼ implement our new structure and ways of working to ensure we can deliver on our role and long-term priorities
- ▼ implement a refreshed induction and internal learning curriculum for staff as part of our refreshed learning strategy
- ▼ develop a fit-for-purpose technology and systems strategy and align resources accordingly.

Prospective financial statements

Introduction

The prospective financial information has been prepared to meet the Crown financial reporting requirements of the Crown Entities Act 2004, to enable Parliament and other readers of the prospective financial statements to evaluate the Commission's financial prospects and to assess actual financial results prepared in future reporting periods against the prospective financial statements.

These prospective financial statements are prepared for the purpose above and may not be appropriate for any other purpose. They have not been audited.

These prospective financial statements were approved by the Commission's Board on 18 June 2025.

Significant assumptions

In preparing these prospective financial statements, the Commission has made estimates and assumptions concerning the future. Estimates and assumptions are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Actual financial results achieved for the period covered by these prospective financial statements are likely to vary from the information presented, and the variations may be material.

The following assumptions have been used in preparing these prospective financial statements.

- ▼ Revenue from user-pays drug testing has been estimated based on projected demand for this service at the time of preparing the prospective financial statements.
- ▼ Interest income is earned depending on the level of cash balance being held.
- ▼ All significant assumptions surrounding expenditure have been based on historical data, existing business practices, or actual business plan projections for each financial year. This includes assumptions about the organisation structure and recruitment outcomes.
- ▼ The budget for personnel costs for 2025/26 assumes that the new organisational structure will be fully implemented by July 2025. The salary budgets for 27 new roles are our best estimate. Staffing at 30 June 2026 is forecast to be 45 full-time equivalent employees.
- ▼ Professional and technical services costs budgeted for 2025/26 reflect the specialised expertise required to deliver specific projects.

Prospective statement of comprehensive revenue and expense

For the years ending 30 June

	2025 Estimated Actual \$000	2026 Budget \$000
Revenue		
Crown funding	10,628	11,283
Funding transferred from Sport NZ	5,895	
User-pays revenue	443	400
Interest revenue	272	100
Other revenue	22	
Total revenue	17,260	11,783
Operating expenses		
Accounting and audit	363	285
Board members' remuneration	191	258
Depreciation and amortisation	133	129
Information and communication technology	1,518	1,156
Personnel costs	4,535	6,191
Professional and technical services	1,758	807
Premises and office costs	526	501
Resolution services and investigations	885	201
Sample collection, analysis and results management	1,304	1,401
Other operating costs	1,253	2,067
Total operating expenditure	12,466	12,996
Total comprehensive revenue and expense	4,794	(1,213)

Funding transferred from Sport NZ (\$5.895 million) in 2025 was a one-time revenue stream in 2024/25 and will not arise in any future year.

The 2025/26 budget deficit of \$1.213 million will be funded from the Commission's equity balance which is forecast to be \$4.950 million at 30 June 2025. Given the fiscally constrained environment, the Commission will continue to ensure any spending represents value for money and resources are prioritised to deliver its statutory functions.

Personnel costs are budgeted for 2025/26 on the basis of the new organisation structure being fully implemented early in the year. The Commission has operated for all of 2024/25 with several vacant positions.

Professional and technical services costs include legal fees, consultants and contractors. The estimated actual cost for 2024/25 is higher than will be normal for the Commission, due to the need for consultants and contractors to support establishment activities. Resolution services were outsourced for the first eight months of 2024/25 but are now delivered in-house, at a budgeted cost for 2025/26 that is significantly less than the estimated cost for 2024/25.

The Commission will continue to in-source its resources and only engage consultants where specialist advice or technical pieces of work need to be delivered.

Prospective statement of changes in equity

For the years ending 30 June

	2025 Estimated Actual \$000	2026 Budget \$000
Balance at 1 July	156	4,950
Total comprehensive revenue and expense for the year	4,794	(1,213)
Balance at 30 June	4,950	3,737

Prospective statement of financial position

Balance as at 30 June	2025 Estimated Actual \$'000	2026 Budget \$'000
Assets		
Current assets		
Cash and cash equivalents	3,530	2,452
Debtors and other receivables	472	184
Inventory	75	75
Prepayments	93	21
Total current assets	4,170	2,732
Non-current assets		
Property, plant and equipment	1,541	1,560
Total non-current assets	1,541	1,560
Total assets	5,711	4,292
Liabilities		
Creditors and accrued expenses	594	374
Employee entitlements	144	162
Other liabilities	23	19
Total liabilities	761	555
Net assets	4,950	3,737
Represented by public equity	4,950	3,737

Cash and cash equivalents and retained earnings are forecast to reduce in the next period, aligned to the budgeted operating deficit presented in the Prospective statement of comprehensive revenue and expense.

Prospective statement of cash flows

For the years ending 30 June

	2025 Estimated Actual \$000	2026 Budget \$000
Cash flows from operating activities		
Cash receipts from the Crown	10,628	11,283
Funding transfer from Sport NZ	5,895	
Interest received	216	100
Cash receipts from user-pays	529	589
Cash receipts from other revenue	22	
Cash paid to suppliers	(7,890)	(7,044)
Cash paid to employees	(4,452)	(5,958)
GST (net)	(167)	99
Net cash flow from operating activities	4,781	(931)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,484)	(147)
Maturity of investments	76	
Net cash flow from investing activities	(1,408)	(147)
Net (decrease)/increase in cash and cash equivalents	3,373	(1,078)
Cash and cash equivalents at beginning of year	157	3,530
Cash and cash equivalents at end of year	3,530	2,452

Statement of accounting policies

Reporting Entity

These prospective financial statements are for the Integrity Sport and Recreation Commission (Sport Integrity Commission Te Kahu Raunui, the Commission) for the year ending 30 June 2026.

The Commission was established under the Integrity Sport and Recreation Act 2023 (the Act) and commenced operations on 1 July 2024. The Commission's purpose is set out in section 3 of the Act. The Act also disestablished Drug Free Sport New Zealand, and vested all its property in the Commission, with all information, assets, liabilities, contracts, entitlements and engagements becoming those of the Commission on 1 July 2024.

The Commission is an independent Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in Aotearoa New Zealand.

The Commission exists to provide services to the New Zealand public and does not operate to make a financial return. Accordingly, the Commission is designated a public benefit entity (PBE) for financial reporting purposes.

Statement of compliance

These prospective financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand's generally accepted accounting practices (NZ GAAP) and Financial Reporting Standard 42.

The Commission has total annual expenditure less than \$33 million and is, therefore, eligible to report on the basis of Tier 2 PBE Accounting Standards. These prospective financial statements have been prepared on that basis.

Going concern

These prospective financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently to all periods reported.

Measurement base

The prospective financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Commission is the New Zealand dollar.

Summary of significant accounting policies

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Non-exchange revenue

Crown funding

The Commission is primarily funded through revenue received from the Crown. This revenue is restricted in its use for the purpose of the Commission meeting its objectives specified in the Integrity Sport and Recreation Act 2023. The Commission considers there are no other conditions attached to the funding.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it is appropriated.

Funding transferred from Sport NZ

Sport NZ received funding in 2023/24 for the establishment and operations of the Commission. Due to delays in appointing the Board, the Commission was not established until 1 July 2024. Sport NZ therefore transferred the balance of the 2023/24 funding to the Commission in the year ended 30 June 2025.

Exchange revenue

Interest revenue

Interest revenue is earned on bank account balances, term deposits and investments, and is recognised using the effective interest method.

Revenue from user-pays testing

The Commission carries out anti-doping testing on behalf of other organisations, in addition to anti-doping testing it delivers through Crown funding. These services are provided on a user-pays basis, at fees that are set to recover the direct costs of providing those services. This revenue is recognised at the time the services are provided.

Expenditure

All expenditure incurred in the provision of outputs for the Crown is recognised in the surplus or deficit when an obligation arises, using an accrual basis.

Operating leases

The Commission is party to an operating lease as a lessee. Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Commission are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the surplus or deficit.

There are no restrictions placed on the Commission by any of the operating lease arrangements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for credit losses.

An allowance for credit losses is established when there is objective evidence that the Commission will not be able to collect amounts due according to the original terms of the receivable. Short-term receivables are written off when there is no reasonable expectation of recovery; indicators of which include the debtor being in liquidation. Any impairment losses are recognised in the surplus or deficit.

Inventories

Inventories held to provide services are measured at cost, adjusted, when applicable, for any loss of service potential.

Investments

Investments in bank term deposits are initially measured at the amount invested. Principal and interest is normally repaid into operating bank accounts on maturity. A loss allowance for expected credit losses is recognised if the expected loss allowance is not trivial.

Property, plant and equipment

Property, plant and equipment asset classes consist of computer equipment, furniture and fittings, leasehold improvements, and office equipment.

Property, plant and equipment are shown at cost, less any accumulated depreciation and impairment losses.

Additions

An asset is capitalised if the purchase price is \$2,000 or greater.

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are reported in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisitions are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are reported in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets are estimated as follows:

Computer equipment	4 years	(25%)
Furniture and fittings	10 years	(10%)
Leasehold improvements	2–10 years	(10–50%)
Office equipment	2–10 years	(10–50%)

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment of property, plant and equipment

Property, plant and equipment assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The total impairment loss is recognised in the surplus or deficit, as is any subsequent reversal of an impairment loss.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value and use depends on the nature of the impairment and availability of information.

Creditors and accrued expenses

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method. They are normally settled on 10-day terms.

Employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and long-service leave.

Superannuation schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes, and are recognised as an expense in the surplus or deficit as incurred.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Goods and services tax (GST)

All items in the prospective financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis.

The net amount of GST recoverable from or payable to Inland Revenue is included as part of receivables or payables in the statement of financial position. The net GST paid to or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Income tax

The Commission is a public authority and, consequently, is exempt from income tax under subpart CW 38 of the Income Tax Act 2004. Accordingly, no provision has been made for income tax.

Equity

Equity is measured as the difference between total assets and total liabilities. As the Commission is an independent Crown entity with no contributed capital, all equity is disclosed as accumulated surplus/(deficit).

Critical accounting estimates and judgements

The Sport Integrity Commission Board is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

The basis and appropriateness of the estimates and assumptions used in preparing the prospective financial statements are those which the Board reasonably expects to take as at 18 June 2025, the date on which the prospective financial statements have been authorised for issue by the Board.

The following critical judgements were made in the preparation of the prospective financial statements.

- ▼ Software costs, and costs associated with preparing systems for the Commission's use, are expensed in the period in which the costs are incurred. Work in progress and some completed projects that were recorded by Drug Free Sport New Zealand as intangible assets and transferred to the Commission on 1 July 2024, have been expensed in 2024/25 (\$427,746).

In preparing the prospective financial statements, no critical judgements were made in the application of accounting policies that are considered to have involved significant risk, so as to require material adjustment to the carrying amounts of assets and liabilities in the next financial year.

