

drug free sport
new zealand

Statement of Performance Expectations

for year ending 30 June 2020

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Statement of authorisation

This Statement of Performance Expectations should be read with our Statement of Intent 2017-2021, and reflects our performance targets and forecast financial information for the year ending 30 June 2020. It is produced in accordance with section 148E of the Crown Entities Act 2004.

We authorise this Statement of Performance Expectations on behalf of the Drug Free Sport New Zealand Board.



Hon Warwick Gendall QC, CNZM, Chairperson Sarah Ulmer, Board member

What we intend to achieve – our 2017-2021 Statement of Intent

Drug Free Sport New Zealand (DFSNZ) operates under the Sports Anti-Doping Act 2006, which requires and empowers DFSNZ to do all that is necessary to implement the World Anti-Doping Code. The primary tool for achieving this is the Sports Anti-Doping Rules, which are made after consultation with the Sports sector, promulgated annually by DFSNZ and adopted by National Sport Organisations (NSOs).

New Zealanders greatly value success with integrity, and our work contributes strongly to our expression of what it means to be a New Zealander as prioritised in the Cultural Strategy Framework.

DFSNZ has a single reportable class of output which is *Sports Anti-Doping*, for which appropriations of \$3.239m have been allocated for the provision of:

- information and education on the anti-doping regime;
- drug testing of sports persons;
- investigations of possible anti-doping rule violations;
- taking action against athletes and other persons who commit anti-doping rule violations; and
- international anti-doping obligations and related activities.

DFSNZ's Statement of Intent 2017-2021 establishes a clear goal and primary strategic objective:

That New Zealand sport is doping free

'Doping free' means eliminating the use of prohibited substances and methods. We also refer to our objective as achieving 'clean sport'.

To achieve clean sport, we intend to nurture and support a sporting culture that universally rejects doping. A small organisation cannot do this in isolation and we actively seek the cooperation and support of athletes, coaches, support personnel, sporting organisations/participants and other interested parties, including Government and the wider sporting public.

We must continue to deliver a best practice, comprehensive and fully integrated anti-doping programme. Ultimately, it is the culture of our sporting environment that will determine our success. Our collaborative approach increasingly relies on strong engagement and buy-in from all stakeholders. We want to inspire a more proactive stance, rejecting doping and supporting clean sport.

To achieve our objective of clean sport, four key elements are essential: leadership, values, knowledge and deterrence.

LEADERSHIP

Clean sport will not be achieved, and our current strong position as a country which is largely doping-free may be eroded, if the threat of doping is approached passively. We intend to show strong leadership in order to bring the sport community along with us. This can only work if we are recognised as a professional organisation that is trusted, respected and valued as a leader of clean sport. We will work hard to achieve this status in the eyes of the sport community.

VALUES

Clean sport is values-based sport, where the way in which you compete is as important as the result. Our education programmes are focussed on the next generation of athletes, their parents and others who support them: encouraging good values at an early age supports a clean sporting culture.

We will partner with NSOs and work with them to actively support and promote clean sport.

KNOWLEDGE

Good values alone are not enough to achieve clean sport. Understanding complex anti-doping rules can be tricky and athletes and supporters have varied responsibilities.

Anti-doping education is very important. We are committed to providing and delivering high quality education programmes, designed to ensure that all the information necessary to comply with the Rules is provided and/or is readily accessible to all those who need it.

DETERRENCE

Not all those in the sporting community apply the values and knowledge necessary to ensure clean sport. Therefore, in addition there needs to be a strong level of deterrence to doping which includes:

- an education programme which makes clear the consequences of doping;
- a testing programme and investigative capabilities that are intelligence based; and
- an objective, fair and thorough results management process, including (as necessary) action taken where an anti-doping rule violation has been committed.

Evolving strategic planning

The world anti-doping environment has changed considerably in the last two years, dominated by the issues of Russia and WADA governance. This has had impacts on the perceptions of NZ athletes, as evidenced by the shift in responses to our annual question of NZ athletes as to whether they believe the outcomes of their competitions in NZ have been definitely or likely influenced by doping. With these factors in mind, and a change in senior leadership at DFSNZ, during 2018/19 we initiated a review of our strategic planning. This was done as a precursor to a new Statement of Intent within the next 24 months and changes to our future SPEs.

This work is ongoing at the time of this SPE, and therefore this document is transitional in nature, retaining some key elements from the past whilst introducing some new concepts, action plans and measures. We anticipate that our 2020/21 SPE will fully reflect our evolved strategic plan, with more fully developed goals and measures.

Our new strategic plan will place kiwi athletes at the very heart of our initiatives and our work, and our focus must be helping our clean athletes compete on a level playing field. Our updated vision is:

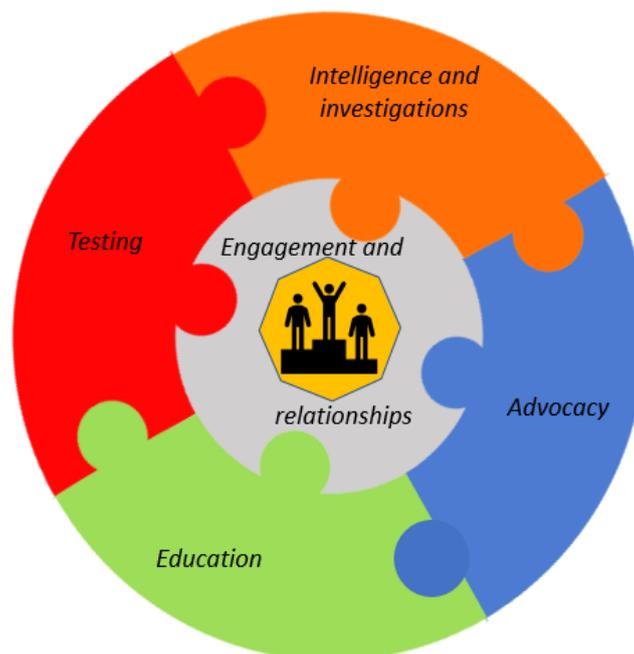
Clean athletes, clean sport

And is underpinned by a mission to:

Help protect the integrity and reputation of sport, and the health of athletes, by:

- Educating, supporting and advocating for clean athletes
- Deterring and detecting doping, holding dopers to account
- Engaging with our wider sporting communities

We will build our work programme based on five new strategic focus areas, centred around the athletes, with the five priorities reinforcing each other to build athlete trust and confidence in our work:



Our new strategic priorities have been grouped in the five focus areas depicted above, and map reasonably cleanly to the four key elements identified as essential in our 2017-21 Statement of Intent, as follows:



The key priorities identified in the following sections are broadly reflective of the existing SOI-based focus areas, but where possible we have reframed these to reflect the new strategic planning and inserted new goals and measures where these have advanced sufficiently to the point where they are ready to be included here.

Underpinning principles

We will continue with our existing focus on **quality**, to ensure we remain WADA compliant and retain our strong reputation in the New Zealand, and international, sporting and anti-doping communities for excellence in our systems, processes and people.

We will continue to **continuously improve**, through our systems, processes and people, looking to maintain and even lift the experience of athletes when we engage with them, and perform our core and administrative functions as well as possible.

We will continue to consider **new techniques and potentially disruptive technologies** and assess whether they could be utilised to achieve gains in efficiencies and effectiveness.

We will continue to look to reprioritise our efforts and cost base so that we **achieve greater impact with realised economies**, allowing us to expand our work into new and emerging areas of interest.

We will continue to build **valuable connections across New Zealand and internationally**, looking to leverage relationships and knowledge into exponential gains for our work.

Key priorities for 2019/20

While much of our focus is on completing our strategic evolution, some areas have already been identified that will form strategic priorities under each of our four current key elements, which will build on our current performance and success.

LEADERSHIP:

- We will leverage our existing standing as a Code-compliant, professional, respected and trusted leader of clean sport, to refocus our work and bring clean kiwi athletes into the centre of what we do.
- This will continue to include advocating for our athletes on international issues, seeking to level the playing field internationally.
- We will work closely and in partnership with other sporting organisations and government agencies to explore opportunities for joint initiatives.

VALUES:

- We will expand our work as the leading New Zealand advocate and promotor of values-based clean sport, by leading a movement to harness the education capabilities of all sport sector organisations through the Good Clean Sport (GCS) initiative .

KNOWLEDGE:

- We want our Education team to be, and to recognised as, best-in-class in content and delivery.
- We will enlist support and perspectives of athletes to harness the athlete's voice and expand our reach so that athletes at more levels have some interaction with us or our work.

DETERRENCE:

- We want to expand the shadow of our testing programme so that we can have impact on more athletes, and to increase our intelligence gathering activities, specifically focussed around our Speak Out programme.
- Athletes have confidence in the quality and integrity of our testing processes/procedures

Measures of performance

	2019/20 Priority	Measure	Methodology	Target
1	Leadership	% of elite athletes who believe their sporting contests in NZ are not influenced by doping	Survey of athletes	2019/20 > 90% 2018/19 > 95%
2	Leadership	% of CEOs of priority sport NSOs and pinnacle sport bodies that agree that DFSNZ provides good leadership, is expert and efficient.	Survey	2019/20 > 90% 2018/19 > 90%
3	Leadership	Very high levels of confidence in the quality of everything we do	DFSNZ Internal quality assessment criteria*.	2019/20 – “High” or “very high” quality as assessed against criteria 2018/19 “High” or “very high” quality as assessed against criteria
4	Leadership	Maintain DFSNZ’s prominent role on the international stage	Attendance at expert meetings (INADO/WADA) and representing NZ athletes and views	2019/20 – “High” or “very high” as assessed against criteria 2018/19 “High” or “very high” as assessed against criteria
5	Knowledge	# athletes receiving education through seminars and/or E-Learning	Records of attendance/completion	2019/20 > 7,500 2018/19 > 7,500
6	Values	Roll out GCS Youth in the schools	Number of youths receiving GCS seminars	2019/20: >2,500 youths 2018/19 >100 seminars to >2,500 youths
7	Values	Expand the Good Clean Sport community	Number of priority stakeholders actively contributing to the project	2019/20: 10 organisations <i>New measure</i>
8	Deterrence	Maintain a culture where NZ athletes will not take prohibited substances because they believe they may be caught	Number of intelligence led urine and blood tests carried out	2019/20: 1300 – 1450 2018/19: 1300 – 1450

* The quality measure criteria comprise compliance with WADA’s Code compliance regime, 90% good or better feedback on education workshops, <6 critical findings in the DCO audit process and all remediated and no adverse commentary from the Sports Tribunal of New Zealand / NZ Rugby Judicial Committee on the Doping Control Process.

Assessing organisation health and capability

Focus area	Performance measure	Performance indicator	Benchmark
Good employer	Level of staff engagement Focus on staff development and employee wellbeing	Staff survey annually % of annual budget	On a 7-point Likert scale, 75% of questions rate an average of 5 or higher 1% of annual budget
Workplace relations	Level of staff engagement Formal grievances	Staff survey annually # of grievances	On a 7-point Likert scale, 75% of questions rate an average of 5 or higher 0 formal employment grievances
Pay and employment	Remuneration changes within state sector parameters	Average salary increases	Salary changes to be informed by internal performance processes Total salary increases as a % in line with State Sector average
Efficiency	Discretionary spend outside of BAU with focus on improving efficiency and effectiveness	Business improvement spending	2% of annual budget
Financial information systems and controls	Annual audit report/rating on performance	Maintain minimum "good" rating. Address all improvement recommendations	2019: "good" 2018 "good"
Management control environment	Annual audit report/rating on performance	Maintain minimum "good" rating. Address all improvement recommendations	2019 "very good" 2018 "very good"
Service performance information and controls	Annual audit report/rating on performance	Maintain minimum "good" rating. Address all improvement recommendations	2019 "good" 2018 "good"

Risk evaluation

DFSNZ is susceptible to the same range of generic risks as other Crown Entities and takes prudent steps to mitigate those including regular assessment by the Board. Risks either unique to or heightened in relation to DFSNZ activities include:

- High legal costs in relation to complex cases and/or findings against DFSNZ including the award of costs. This is mitigated against by: robust practises in the field, thorough review of cases before proceeding, maintaining some cash reserves, the ability to request supportive funding from the Minister, and retention of appropriate insurance.
- Inappropriate release (including as a result of hacking) of personal information. This is mitigated against by movement towards implementation of Government 'Protective Security Requirements' across its work, regular staff training and expert assessment of the security of DFSNZ procedures.
- Loss of support and confidence of key stakeholders, especially our athlete community, the organisations or people directly involved in supporting them, or government. This is reflected in our new strategic thinking with a focus on Engagement and Relationships as a key strategic priority.
- Incorrect advice provided to athletes as a precursor to a positive test. We are mitigating this by enabling access to an industry-leading medications checking service, and withdrawing the provision of advice by our staff outside of this context.
- Exposure of levels of doping considerably in excess of previous experience or indications. This would be addressed by an initial re-prioritisation of internal resources but in the longer term an application for additional funding to meet the challenge.
- Fundamental changes to requirements pursuant to the World Anti-Doping Code.

DFSNZ maintains a comprehensive organisation-level risk register which identifies relevant mitigation strategies, which in turn are prioritised into management action plans.

Reporting and consultation

DFSNZ will report to the Minister for Sport and Recreation on its performance through a combination of reports and briefings according to the schedule agreed between the Minister and the Board.

DFSNZ will report to and consult with the Minister if it appears that either financial or non-financial performance or results will differ materially from what has been agreed to for any particular period. Under the 'no surprises' convention, DFSNZ will advise the Minister in advance of any action or statement which may potentially impact on the Minister or Government policy or may be of particular interest to the media or public, or on any other significant matter that is outside the normal business of DFSNZ.

Budget allocations and projected financial statements

Prospective Statement of Comprehensive Income For the year ended 30 June 2020 (\$000s)

	Forecast 2018/19	Budget 2019/20
INCOME		
Crown Funding	3,239	3,239
Contract Income	317	340
Interest Received	15	13
Total Income	3,571	3,592
EXPENSES		
Regulation/Testing/Investigation	2,671	2,591
Education Programme/Research	457	525
International	160	175
Contract Testing	242	240
Total Expenses	3,530	3,531
Net Profit / (Loss)	41	61

Prospective Statement of Financial Position
As at 30 June 2020 (\$000s)

	Forecast 2018/19	Budget 2019/20
ASSETS		
Current Assets		
Bank	548	514
Other	137	137
Total Current Assets	685	651
Non-Current Assets	159	254
Total Assets	844	905
LIABILITIES		
Current liabilities	563	563
Total liabilities	563	563
Net Assets	281	342
Public Equity	281	342

Prospective Statement of Changes in Equity
For the year ended 30 June 2020 (\$000s)

	Forecast 2018/19	Budget 2019/20
Opening Public Equity	240	281
Total Net Profit/Loss	41	61
Closing Public Equity	281	342

Prospective Statement of Cash Flows
For the year ended 30 June 2020 (\$000s)

	Forecast 2018/19	Budget 2019/20
CASH FLOWS FROM ALL ACTIVITIES		
Cash inflows		
Crown funding	3,239	3,239
Interest	15	13
Receipts from external organisations	317	340
Total cash inflows	3,571	3,592
Cash outflows		
Payments to suppliers	2,373	2,086
Payments to employees	1,167	1,200
Investment activities (fixed asset acquisition)		210
Other	(15)	130
Total cash outflows	3,525	3,626
Net cash inflows / (outflows)	46	(34)
Opening cash balance as at 1 July	502	548
Closing cash balance as 30 June	548	514

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Statements of accounting policies

PURPOSE

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 DFSNZ's financial prospects and to assess actual financial results prepared in future reporting periods against the prospective financial statements.

The information in these prospective financial statements may not be appropriate for purposes other than those described.

REPORTING ENTITY

These prospective financial statements are for DFSNZ for the year ending 30 June 2020. DFSNZ was established as a Crown entity, originally under the New Zealand Sports Drug Agency Act 1994 and latterly the Sports Anti-Doping Act 2006.

DFSNZ is designated as a public benefit entity (PBE) for the purposes of applying New Zealand PBE financial reporting standards to the prospective financial statements.

These prospective financial statements were approved by the DFSNZ Board on 30 April 2019.

BASIS OF PREPARATION

Statement of Compliance

The prospective financial statements of DFSNZ have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice ('NZ GAAP').

The prospective financial statements have been prepared in accordance with Tier 2 PBE accounting standards. Determination of Tier 2 status is due to not having public accountability (is not an issuer) and the entity is not large (expenses are less than \$30m and greater than \$2m).

Measurement base

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

The prospective financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently with previous financial statements.

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 DFSNZ is the New Zealand dollar.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

DFSNZ is primarily funded from the Crown. This funding is restricted in its use for the purpose of DFSNZ meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the funder.

DFSNZ considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement. Crown funding is regarded as “non-exchange” revenue. The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Interest revenue

Interest revenue is recognised using the effective interest method. It is “exchange” revenue.

Contract Income

Is income received in return for the provision of anti-doping services and is based on the predicted genuine cost of those services. It is “exchange” revenue.

Foreign currency transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Receivables

Short-term receivables are recorded at their face value, less any provision for impairment. A receivable is considered impaired when there is evidence that DFSNZ will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Investments

Bank term deposits

Investments in bank term deposits are initially measured at the amount invested. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

Inventories

Inventories held for distribution in the provision of services that are not supplied on a commercial basis are measured at cost, adjusted, when applicable, for any loss of service potential.

Property, plant and equipment

Property, plant and equipment consists of furniture and electronic equipment. All asset classes are measured at cost, less accumulated depreciation and impairment losses.

Additions

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

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 net 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 DFSNZ and the cost of the item can be measured reliably. The costs of day to day servicing of the furniture and electronic equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis for all items 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 have been estimated as follows:

- Furniture 10 years (10%)
- Electronic equipment 4 years (25%)
- Motor vehicle (15%)

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include software development, employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of DFSNZ's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful life and associated amortisation rates of intangible assets have been estimated as four years (25%).

Impairment of non-current assets

DFSNZ does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-current assets held at cost that have a finite useful life 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 service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

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.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Payables

Short-term payables are recorded at their face value.

Employee entitlements

Short-term 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 to but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover these future absences.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to Kiwisaver and the State Sector Retirement Savings Scheme 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.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- contributed capital;
- Accumulated surplus/(deficit).

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

DFSNZ is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Budget figures

The budget figures have been prepared for the purpose of this SPE and in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the board in preparing the financial statements.

Cost allocation

DFSNZ has previously determined the cost of outputs using the cost allocation system as follows. Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner, with a specific output. Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity/usage information as follows: Testing and Investigation 85%, Education 10% and International activity 5%.

Critical accounting estimates and assumptions

In preparing these financial statements, DFSNZ has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating useful life and residual values of non-current assets

At each balance date, the useful lives and residual values of non-current assets are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by DFSNZ, and the expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position.

DFSNZ minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

DFSNZ has not made significant changes to past assumptions concerning useful lives and residual values.

Critical judgements in applying accounting policies

Management has exercised the following critical judgement in accounting policy.

Leases classification

Determining whether a lease agreement is a finance lease or operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to DFSNZ.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewable options in the lease term, and determining the appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised