



Inspiring & Unifying

NEW ZEALAND RUGBY ANNUAL REPORT 2016



2016 WAS A YEAR IN WHICH WE ACHIEVED SOME GREAT THINGS TOGETHER

21%
GROWTH IN
INCOME

**QUICK RIP
LAUNCHED**

63% SUPER RUGBY
PLAYERS ARE FORMER U20

30 E TU RANGITAHU
COURSES PROVIDED

79/100
SCOREBOARD RESULT

239,220
TEAM ALL BLACKS
MEMBERS

DIGITAL AUDIENCE OF
11,000,000+

BLACK FERNS SEVENS
VISITED SEVEN CITIES IN SEVEN DAYS

**SILVER MEDAL
WON IN RIO**

FIRST YEAR OF
NEW ZEALAND RUGBY
2020

85,000+
CHILDREN
PLAY RUGBY

200+
PLAYER EDUCATION
WORKSHOPS DELIVERED

HOSTED 7
ALL BLACKS & 2
BLACK FERNS TESTS

3 REFEREES
AT THE RIO OLYMPICS



3% GROWTH
IN AUCKLAND
PLAYERS

1,262
DROP IN ACC
CLAIMS FOR
INJURIES
FROM 2015

155,934
REGISTERED
PLAYERS



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Illustrations: Getty Images, Dave Lintott, Marc Weakley

DIRECTORY

AS AT 31 DECEMBER 2016

NEW ZEALAND RUGBY LIFE MEMBERS

Peter Burke Rob Fisher
Richie Guy Sir Graham Henry
Andy Leslie Sir Brian Lochore
Sir Colin Meads John Sturgeon
Eddie Tonks

NEW ZEALAND REPRESENTATIVES TO WORLD RUGBY

Steve Tew Mark Robinson

NEW ZEALAND REPRESENTATIVES TO SANZAAR

Steve Tew Brent Impey

NEW ZEALAND REPRESENTATIVE TO OCEANIA RUGBY

Brent Anderson

APPEAL COUNCIL

Rob Fisher Richie Guy
Sir John Hansen John Pringle
Stephen Ward

CITING COMMISSIONERS

Steve Hinds Mike O'Leary
John Wootton Martin Harris
Tony Duffin Ian Dallas
David Gray Keith Brown

JUDICIAL OFFICERS

Nigel Hampton, QC
Roger Drummond
Chris Morris
Helen Morgan
Sue Sytants
Judge Phil Recordon

AUDITORS

Deloitte, Wellington

SOLICITORS

Simpson Grierson, Wellington
AJ Park, Wellington

NEW ZEALAND MĀORI RUGBY BOARD

Farah Palmer (Chair)
Bernard Te Paa
Jim Wetere
Arapeta Gibson
Val Morison
Howard Peeti
Eru Waiti
Peter Goldsmith

ASSOCIATE MEMBERS

New Zealand Colleges of Education
Rugby Football Federation

New Zealand Deaf Rugby
Football Union

New Zealand Defence Force
Sports Committee

New Zealand Marist Rugby
Football Federation (Inc)

New Zealand Rugby Foundation (Inc)

New Zealand Schools Rugby Council

New Zealand Universities

Rugby Football Council (Inc)

Rugby Museum Society of
New Zealand (Inc)

SPONSORS

AS AT 31 DECEMBER 2016



Principal Partner of New Zealand
Rugby & Principal Sponsor of the
All Blacks



Major Global Sponsor of
New Zealand Rugby



Official Broadcasting Partner of
New Zealand Rugby

COMMERCIAL PARTNERS



CHARITY PARTNERS



INSIDE NEW ZEALAND RUGBY

Throughout New Zealand Rugby, the roles and responsibilities of our people vary and recognise the scale and breadth of the game's priorities.

We're a diverse group of people with a positive mix of different backgrounds, experience, gender and ethnicity.

As well as the 142-strong corporate team, experienced people in many specialist areas – including coaches, managers, trainers, referees and players – are also part of the wider NZR team.

As at the end of 2016, our Executive Team had three female members, which is the highest number we have ever had. Women also make up 24 per cent of our Leadership Team and 49 per cent of our overall employee group. These numbers may be positive, but we recognise that we have work to do to increase the diversity of our people so that we better reflect the communities in which we operate.

We pride ourselves on ensuring NZR is a great place to work and our engagement scores reflect this. This year, for the third year running, the rating our people gave us saw us recognised as one of the best places to work in New Zealand through the IBM Kenexa Best Workplaces Survey. In 2016, we saw our engagement score increase by 1.2 to 82.4, when compared with our 2015 result, and in 2017 we aspire to further increase this.

As at 31 March 2017 we employ 142 people, of which:

108 are permanent and 34 are fixed term contractors

Of our 142 employees, 11 people work part time hours (8 per cent)

We employ 72 males and 70 females

Our people work from a range of locations outside of our main offices in Auckland and Wellington, including:

112 – Wellington

14 – Auckland

16 – Regional



New Zealand Rugby staff helping out at the 2016 Air New Zealand Rippa Rugby tournament held in Wellington

NEW ZEALAND RUGBY BOARD



NEW ZEALAND RUGBY BOARD 2016

(Left to right)

Andrew Golightly

Peter Kean

Mark Robinson

Farah Palmer (Māori Representative)

David Rhodes (President)

Stewart Mitchell

Brent Impey (Chair)

Richard Dellabarca

Maurice Trapp (Vice President)

Steve Tew (CEO)

Steve Morris

Glenn Wahlstrom

2016 BOARD COMMITTEES

Rugby Committee

Mark Robinson (Chair)
Steve Morris
Glenn Wahlstrom
Andrew Golightly
Farah Palmer (seconded)

Commercial Committee

Peter Kean (Chair)
Richard Dellabarca
Andrew Golightly
Steve Morris
Julie Christie (seconded)

Strategic Relationships and Planning Committee

Stewart Mitchell (Chair)
Farah Palmer
Richard Dellabarca
Glenn Wahlstrom
Kereyn Smith (seconded)

Audit and Risk Committee

Richard Dellabarca (Chair)
Mark Robinson
Peter Kean
Stewart Mitchell

Ex-officio for Board Committees

Chair of the Board - Brent Impey
Chief Executive Officer - Steve Tew

NEW ZEALAND RUGBY EXECUTIVE



NEW ZEALAND RUGBY EXECUTIVE

(Left to right)

Cath Ingram, Executive Assistant – CEO

Nick Brown, Chief Commercial Officer

Steve Tew, CEO

Neil Sorensen, General Manager – Rugby

Nicki Nicol, Chief Financial Officer,
Head of Corporate Services

Tracey Kai, General Manager – Communications

Nigel Cass, Chief Strategy & Operations Officer

Absent

Gilbert Enoka, All Blacks Manager –
Leadership

Darren Shand, All Blacks Manager – Business
& Operations

New Zealand Rugby is made up of six teams who work closely together to lead, support, grow and promote rugby: Rugby; All Blacks; Strategy and Operations; Corporate Services; Commercial; and Communications. People in these teams are spread around New Zealand.

NZR is headed by a Chief Executive Officer (CEO), who is supported by an Executive Team (known as 'The Exec'), Senior Leadership Team and other management.

The Exec is responsible for the day-to-day running of NZR, while the CEO is ultimately responsible for ensuring that NZR strategy is implemented and that the organisation achieves its objectives. The CEO and Exec work closely with the NZR Board and provide a link between staff and the Board.

For more information about the Exec, go to nzrugby.co.nz/about-us/our-people/management

FROM THE CHAIR & CEO



All Blacks Captain Kieran Read and Vice Captain Ben Smith perform the National Anthem

2016 was a year of challenges and opportunities for New Zealand Rugby. There were some pleasing successes, with achievements that will deliver far-reaching benefits for rugby, but also some disappointments and we had to confront some serious issues within our game.

Some of the highlights for the year included:

- ⑨ Having a record number of people sign up to play our game: 155,934 men, women and children throughout New Zealand.
- ⑨ Expanding RugbySmart: in partnership with the Accident Compensation Corporation (ACC) we began delivery of an incredible new programme that will help all players, on and off the field.
- ⑨ Provincial Rugby Funding: this reached record levels in 2016, with a 54 per cent increase in funding distributed to Provincial Unions and wisely invested in the game at its base.
- ⑨ Signing the Collective Employment Agreement: a new Collective Employment Agreement with the New Zealand Rugby Players Association provided certainty as to our financial commitments and expanded the support provided to professional players, which helped retain the bulk of our talent.
- ⑨ Winning All Blacks: A year of strong on-field successes was recognised with the number one ranking retained for the seventh year, all the silverware the team plays for in the cabinet and World Rugby Team, Coach and Player of the Year awards.

- ⑨ Inspiring Black Ferns and Black Ferns Sevens: The Black Ferns Sevens were the first New Zealand rugby team to stand on an Olympic podium after earning silver in Rio and the Black Ferns were unbeaten in five Tests, with both teams inspiring a new generation of players.
- ⑨ Connected Māori All Blacks: the Māori All Blacks' return to the USA was part of a great Rugby Weekend and their tribute to Coach Anthony Foley ahead of their match with Munster provided one of the most emotional moments of the year.

Our people produce great rugby on the field. We would like to congratulate every player that pulled on a black jersey this year. Congratulations also to the coaches and management that supported those teams and to our referees, who also performed to a very high standard on the international stage.

Congratulations to the Hurricanes on winning their first Investec Super Rugby title; to Canterbury for your Mitre 10 Cup Premiership success and eighth title in nine years; and to North Harbour (Mitre 10 Cup Championship); Counties Manukau (Farah Palmer Cup, Bayleys National Sevens – Men's); Manawatu (Bayleys National Sevens – Women's); Wanganui (Meads Cup, Mitre 10 Heartland Championship); North Otago (Lochore Cup, Mitre 10 Heartland Championship); Waikato (Jock Hobbs Memorial National Under 19 Tournament and the Air New Zealand Rippa Rugby Championship) for your incredible seasons.

HE TĀNGATA, THE PEOPLE

He aha te mea nui o te ao?

What is the most important thing in the world?

He tāngata, he tāngata, he tāngata.

It is the people, it is the people, it is the people.

Rugby has an incredible power to bring people together. We want everyone associated with our game both in New Zealand and overseas to be brought together and inspired.

We are proud of the impact that rugby can have. We know we have opportunities to make a difference to people beyond 80 minutes on the field and will never take this for granted. Our teams, coaches and referees lead the way on the field and it's up to the people within NZR to be leaders off the field as well.

In 2016, we led the way with the Sport for Everyone campaign that launched in May 2016 to showcase inclusion and diversity, alongside other National Sporting Organisations. There is a massive amount of effort focused on ensuring we lead the world for player welfare, health outcomes, coach and referee development and the integrity of the game.

**“ WE ARE PROUD OF
THE IMPACT THAT RUGBY
CAN HAVE. ”**

FACING CHALLENGES

But we did not get everything right. Incidents of poor player behaviour and the way that we and others responded to that behaviour dominated the media in this country, for prolonged periods of time. Many questioned the underlying values within rugby and NZR's leadership of the response to these matters.

We have worked hard to highlight the very good things we and the game do for New Zealand, our various communities and the people involved in rugby.

We have established an independent review of our approach to ensuring respect and responsibility underpin our actions. We have built on the many programmes already in place or planned that help the game and all of its participants be good and proud New Zealanders.

There are other challenges for our game that pose risks to its sustainability. We will always walk towards these and actively pursue solutions. In 2016, we tackled – and will continue to work hard on – issues that included concussion; increasing rugby's appeal in our biggest city; promoting and growing women's rugby; and the increasing complexity of the commercial side of rugby in an increasingly dynamic, fast-moving and disrupted world.

Strong partnerships are essential to managing these risks and we value the participation of the Provincial Unions, Super Rugby Clubs, our commercial, broadcast and charity partners and the wider community in raising and resolving issues alongside us.



Black Fern Charmaine Smith secures a lineout against Australia at Eden Park

FROM THE CHAIR & CEO

CONTINUED

2016 STRATEGIC PRIORITIES

Our 2016 priorities were driven by the *New Zealand Rugby 2020* strategy. We have reported on each priority in the Reports following and in summary:

The All Blacks and other national teams winning pinnacle events: the All Blacks, Black Ferns and Black Ferns Sevens all had fantastic years on the international stage, but we were disappointed about not being able to secure gold medals in Rio (for more go to page 13).

More players and more communities participating: it was a good year for the community game with a record number of players, especially female players, but there is no room for complacency (for more go to page 15).

Fans are engaged and numbers are growing: fan interest in the All Blacks, All Blacks Sevens, Black Ferns Sevens, Investec Super Rugby and Mitre 10 Cup increased and technology played a greater role (for more go to page 17).

Positive global presence: our High Performance teams continued to be great ambassadors for New Zealand and rugby, while the Pacific Sporting Partnership means doing more to support our Pacific neighbours (for more go to page 18).

Rugby is the sport of choice in Wider Auckland: player numbers grew in Wider Auckland as greater collaboration and innovation got under way (for more go to page 20).

DHL New Zealand Lions Series 2017 is successful on and off the field: 2016 saw important steps taken to ensure that the DHL New Zealand Lions Series 2017 provides a world-leading experience for the teams, officials, partners, media, stakeholders and, most importantly, the fans (for more go to page 22).

Guiding principles: These principles describe the organisation that we want to be and how we work. We are measuring this performance for the first time (for more go to page 23).

SCOREBOARD PERFORMANCE

We have achieved a scoreboard result of 79/100 which is a fair reflection of the year, when we consider what our expectations were. We will always set ambitious targets for ourselves – like winning Olympic gold medals in Rio – and weight those priorities accordingly. Not achieving those did – and should – impact on our overall score. We are not generous markers either, preferring to be honest and upfront about what we didn't achieve as well as celebrating our successes when we achieve them.

For more information detailing our 2016 Scoreboard, see pages 10-12.

FINANCIAL PERFORMANCE

In 2016, NZR achieved a record level of Income and made a conscious decision to also increase expenditure across all levels of rugby in New Zealand, resulting in a loss of \$7.5m. Our income increased by 21 per cent to \$161.7m, driven in the main by a significant increase in broadcasting income. 2016 was the first year of our new broadcasting contracts covering the period 2016 to 2020. The decision to invest at an even greater level to accelerate the delivery of *New Zealand Rugby 2020* was determined based on NZR's strong Balance Sheet and with the expectation that 2017 would be a strong year commercially with the DHL New Zealand Lions Series 2017.

We were pleased to reduce the loss for the year from our original budget of \$9 million, through the generation of additional income and a prudent focus on expenditure throughout the year.

With a total cost base of over \$169 million, we invested \$26 million extra in our players, competitions and high performance programmes that create our world-leading athletes, and an additional \$7 million in grassroots rugby and game development initiatives to ensure rugby is strong across all levels.

The additional income also enabled NZR to increase its funding and support to the Provincial Unions, our key strategic partners and 'shareholders'. Total funding was \$32 million, an increase of 54 per cent compared to 2015. This investment has also ensured that the Provincial Unions delivered their strongest financial position since 2005, reporting a combined profit of \$4.1 million, a turnaround from the combined loss posted in 2015, with all 26 Unions reporting a profit.

2017 STRATEGIC PRIORITIES

The strategic focus areas identified in **New Zealand Rugby 2020** will again drive our priorities for 2017, with a number of initiatives aligned under the following:

- ⑨ **The All Blacks and other national teams winning pinnacle events**
- ⑨ **More players and more communities participating**
- ⑨ **Fans are engaged and numbers are growing**
- ⑨ **Positive global presence**
- ⑨ **Rugby is the sport of choice in Wider Auckland**
- ⑨ **DHL New Zealand Lions Series 2017 is successful on and off the field**
- ⑨ **Guiding Principles**

For more detail on our priority activity in 2017, see pages 24-27.

ACKNOWLEDGMENTS

As we mentioned earlier, people are at the heart of rugby and they make up each team, club, Union and organisation connected with the game. We are all supporters, guardians and advocates for the game and collectively we can celebrate the great contribution that rugby makes locally and globally. Within NZR, we also appreciate knowing that when we face challenges, we are not doing so alone and we would like to thank all the players, coaches, referees, volunteers, supporters and partners who were part of rugby in 2016.

NZR is grateful for the contribution of our commercial partners, especially adidas, AIG and SKY Television whose support is vital for funding, promoting and strengthening the game. We thank the New Zealand Government; Sport New Zealand; High Performance Sport New Zealand; the many regional and local Councils who maintain grounds and infrastructure at a local level for rugby in New Zealand; and our key partner ACC as well as the media for their coverage of the game.

We would like to recognise and thank our fellow Board Members for their contribution and we thank Wayne Peters, who retired from the Board in December 2016, for his tireless efforts

for rugby. We welcomed the election of Farah Palmer as the Māori Representative on the Board and look forward to working with Farah, who brings tremendous experience in playing and administering rugby.

And finally, we give our thanks to the dedicated people at NZR whose work in service of the game is inspiring.

Brent Impey, Chair

Steve Tew, CEO



2016 SCOREBOARD

PRIORITY 1

All Blacks and other national teams winning pinnacle events

- ⑨ All Blacks win Steinlager Series, win Investec Rugby Championship, retain Bledisloe Cup and win all End of Year Tour matches - **ACHIEVED**
- ⑨ 40 per cent of new player inductees to Investec Super Rugby come from Under 20s programme - **ACHIEVED**
- ⑨ All Blacks Sevens win gold or other medal at 2016 Rio Olympic Games - **NOT ACHIEVED**
- ⑨ Black Ferns Sevens win gold or other medal at 2016 Rio Olympic Games - **ACHIEVED**
- ⑨ Black Ferns win all matches on UK tour - **ACHIEVED**
- ⑨ NZR retains at least 75 per cent of players off contract who NZR seeks to retain - **ACHIEVED**
- ⑨ At least two New Zealand referees at the Olympics - **ACHIEVED**
- ⑨ At least three New Zealand referees officiating Test matches - **ACHIEVED**

SCORE: 19/30

PRIORITY 2

More players and more communities participating

- ⑨ Increase Small Blacks registrations by two per cent - **ACHIEVED**
- ⑨ Increase teenager registrations by one per cent - **ACHIEVED**
- ⑨ Total female player numbers reach 21,000 - **ACHIEVED**
- ⑨ Referees aged 22-35 increase by 10 per cent - **NOT ACHIEVED**
- ⑨ Coach to player ratio to be at 1:15 - **NOT ACHIEVED**
- ⑨ Increase number of competitions in alternate rugby formats - **ACHIEVED**
- ⑨ Agreement reached with Touch New Zealand on revised or strengthened Memorandum of Understanding - **HALF ACHIEVED**
- ⑨ Rugby participant satisfaction survey ratings above 4.0 - **ACHIEVED**

SCORE: 13/17



Waikato's Nawton Primary School were the winners at the Air New Zealand Rippa Rugby Championship

2016 SCOREBOARD

PRIORITY 3

Fans are engaged and numbers are growing

- 🕒 Exceed 800,000 New Zealand viewers for All Blacks home Tests - **NOT ACHIEVED**
- 🕒 Exceed 715,000 live Pay TV viewers for All Blacks offshore Investec Rugby Championship matches - **NOT ACHIEVED**
- 🕒 Exceed 2015 average live viewers for Investec Super Rugby regular season matches - **ACHIEVED**
- 🕒 Average live viewership of Mitre 10 Cup matches (for the full season) exceeds 60,000 - **ACHIEVED**
- 🕒 All Blacks home Test matches achieve budgeted sales - **ACHIEVED**
- 🕒 Crowd attendance at Investec Super Rugby regular season matches exceeds 2015 average - **ACHIEVED**
- 🕒 Crowd attendance at Mitre 10 Cup full season matches exceeds 2015 average - **NOT ACHIEVED**
- 🕒 Total digital audience of 8.4 million - **ACHIEVED**
- 🕒 Achieve a bounce rate of less than 65 per cent on allblacks.com - **ACHIEVED**
- 🕒 Team All Blacks registrations reach 300,000 - **ACHIEVED**
- 🕒 Achieve a bounce rate of less than 66 per cent on superrugby.co.nz - **ACHIEVED**
- 🕒 Brand tracking shows interest in All Blacks, All Blacks Sevens and Black Ferns Sevens at the same or increased levels as in 2015 and intensity of interest in Investec Super Rugby and Mitre 10 Cup is also at the same or increased levels as in 2015 - **ACHIEVED**
- 🕒 42/45 scores for Operational KPIs at Auckland and Wellington Tests - **ACHIEVED**
- 🕒 40/45 scores for Operational KPIs at Dunedin, Hamilton and Christchurch Tests - **ACHIEVED**

SCORE: 14/17

PRIORITY 4

Positive global presence

- 🕒 All Blacks rank as most popular international rugby team based on Facebook fans - **ACHIEVED**
- 🕒 All Blacks remain within the Top 100 sports clubs based on Facebook fans - **ACHIEVED**
- 🕒 Community investment exceeds current benchmark - **ACHIEVED**
- 🕒 Contract target revenue across NZR's commercial portfolio - **ACHIEVED**
- 🕒 Sign two new offshore commercial partners - **ACHIEVED**
- 🕒 Re-sign key sponsorships on more favourable terms than NZR's 2015 Long Term Projection - **ACHIEVED**
- 🕒 Maintain all seats on various World Rugby committees - **ACHIEVED**
- 🕒 Decide on target offshore markets and develop an offshore policy - **ACHIEVED**
- 🕒 Support Pacific Island rugby through Oceania Rugby secretariat role and appropriate leadership - **ACHIEVED**
- 🕒 New SANZAAR strategy and competition structure in place with NZR leadership - **NOT ACHIEVED**

SCORE: 10/12

2016 SCOREBOARD

PRIORITY 5

Rugby is the sport of choice in Wider Auckland

- ① Percentage change in player registrations for Auckland, Counties Manukau and North Harbour is better than for the other Provincial Unions - **ACHIEVED**
- ① Player to coach ratio for Auckland, Counties Manukau and North Harbour is better than for the other Provincial Unions - **NOT ACHIEVED**
- ① Governance and management of Wider Auckland Strategy is rated as positive by participating organisations - **ACHIEVED**
- ① Successful implementation of the confirmed projects under the Wider Auckland Strategy - **ACHIEVED**
- ① At least seven new alternate format competitions run - **ACHIEVED**

SCORE: 5/6

PRIORITY 6

DHL New Zealand Lions Series 2017 is successful on and off the field

- ① Create detailed budgets that meet or exceed the long-term budget projections - **ACHIEVED**
- ① Pre- and public sales operational on the NZR Centralised Ticketing Platform - **ACHIEVED**
- ① Key commercial suppliers all appointed - **ACHIEVED**
- ① Series sponsor secured and contracted at a level that meets or exceeds long-term budget projections - **ACHIEVED**
- ① City and Government engagement plans are in place and match what they have committed to - **ACHIEVED**

SCORE: 5/5

NZR GUIDING PRINCIPLES

From New Zealand Rugby 2020 strategy Guiding Principles

- ① Ensure NZR meets or exceeds 2016 budget - **ACHIEVED**
- ① 2016-18 Collective Employment Agreement ratified - **ACHIEVED**
- ① Develop and deliver a comprehensive programme to leverage the RWC trophy - **ACHIEVED**
- ① Attain Secondary Level through the ACC Workplace Safety Audit for NZR - **ACHIEVED**
- ① Contract concluded to deliver on the expansion of the RugbySmart injury prevention programme - **ACHIEVED**
- ① Overall NZR People Engagement Result that betters NZR's 2015 result and reflects a respectful, progressive and world-class culture - **ACHIEVED**

SCORE: 13/13

STRENGTH IN THE BLACK JERSEY

PRIORITY 1

ALL BLACKS AND OTHER NATIONAL TEAMS WINNING PINNACLE EVENTS

Rugby's potential to be part of great moments was very much on display in 2016, a year in which we had opportunities both to celebrate success and show our character in how we handled defeat.

The All Blacks were determined to build on a successful Rugby World Cup 2015. Retention of the world number one ranking and the World Rugby Team of the Year Award spoke to the team's success. New talent was introduced, the Bledisloe Cup and Investec Rugby Championship trophy were locked in the cabinet, a new Tier One men's world record for consecutive wins was set and we played great rugby. While there were distractions and glitches, they were dealt with and didn't slow progress.

In Rio, we aspired for Olympic gold and were disappointed we didn't get it. We were proud of the silver medal won by the Black Ferns Sevens and the strength they showed after their loss in the Final. We were genuinely disappointed for the All Blacks Sevens team, who went down to eventual gold medallists, Fiji. For both teams, preparation was solid and what we learned has been captured for the future with a really comprehensive review that included independent, external assessment.

The Black Ferns had an incredible season. They retained the Laurie O'Reilly Memorial Trophy as well as their unbeaten record against Australia. Then they headed offshore and beat England, Ireland and Canada. Five players made their debuts and the team is building towards Women's Rugby World Cup 2017 in Ireland.

New Zealand Under 20 didn't follow the 2015 team onto the podium but the success of our age grade programme is undoubted, with graduates featuring heavily in Investec Super Rugby squads. The strength of New Zealand Schools was also in evidence in 2016.

Referees gave New Zealand cause for pride and we exceeded our targets for their representation on the international stage: six officials refereed Test matches, with another five involved as Assistant Referees or Television Match Officials, and Jess Beard, Nick Briant and Richard Kelly ran sevens matches at the Olympics.

2016 also saw increased investment in our players. A new Collective Employment Agreement that featured significantly expanded player welfare provisions; a Memorandum of Understanding for female players; the launch of Player's RugbySmart; and the rise of development teams and competitions are all central to ensuring we look after the people who we will rely on to win these pinnacle events in the future.



**“ THE BLACK FERNS
EXTENDED THEIR UNBEATEN
RUN OVER AUSTRALIA ”**



RUGBY'S SUCCESS DEPENDS ON BEING RESPECTFUL AND RESPONSIBLE

In the same way that rugby seeks to do better on the field, we must constantly seek ways to improve off the field. The integrity, reputation, and ultimate success of the game in New Zealand depends on this.

Rugby has long been held up as one of the unique vehicles for New Zealanders to feel connected to each other, to be inspired, and be great members of their communities. We want to play our part in providing those opportunities and ensure rugby plays a positive role in our society.

When work began on the expansion of RugbySmart in 2015, in partnership with ACC, respect and responsibility were identified at that time as core elements of the programme. This element would focus on respectful relationships, including challenging issues like consent, sexual assault and violence prevention, aligning with the positive behaviour New Zealand Rugby wants to encourage in the people involved in the game.

Once the expansion was agreed in July 2016, a Respect and Responsibility Project Manager role was scoped and recruited for, with the role filled in November. The Project Manager's focus is on enhancing the skills and knowledge for healthy relationships across all levels of the game and community with research and building relationships identified as priorities for the first year.

During the year, players and teams were involved in incidents that highlighted the importance of this work and sparked conversations in the wider community about what is expected of rugby. We were disappointed with the behaviour in question and were challenged by the response from the communities we live in.

Following on from these incidents and listening to what was being said, in November, NZR announced the framework of a Respect and Responsibility Review. We also confirmed the independent panel members who would oversee the work, chaired by New Zealand Law Society President and employment lawyer Kathryn Beck.

The panel was briefed to undertake a review of NZR policies, processes and programmes already in place, and consider those that may need to be developed further, to build a culture of respect and responsibility in the professional rugby environment. The panel will deliver its report to NZR in mid-2017.

To find out more about the Respect and Responsibility Review, go to nzrugby.co.nz/what-we-do/rugby-responsibility/respect-and-responsibility-review

RUGBY'S HEALTHY HEART SUPPORTS PARTICIPATION IN THE GAME

PRIORITY 2

MORE PLAYERS AND MORE COMMUNITIES PARTICIPATING

A record number of New Zealanders playing our national game - over 155,000 registered to play the game - was just one of the highlights of the 2016 community rugby season.

The biggest growth area in the game last year was at Small Black level, with more than 85,000 children under 13 playing rugby, an increase of 5 per cent on 2015 and up almost 10 per cent since 2012.

Rugby's increasing popularity with girls (up 12 per cent on 2015) is driving overall growth in rugby registration numbers. The commitment many Provincial Unions are now giving to girls' and women's rugby is paying dividends and providing new opportunities for females to improve their skills and take part in meaningful competitions.

The retention of coaches remains a challenge but in 2016 we were pleased to record increases in numbers. We've updated and improved the resources provided to coaches through the expansion of RugbySmart (discussed in more detail on page 16) to make sure all coaches have the tools and information they need to be the best coach they can be.

Referees are essential for delivering rugby and we were disappointed not to hit our targets for recruiting and retaining more referees. This will be a focus area for 2017 to ensure that our player growth is sustainable and that the integrity and quality of the rugby experience for everyone is preserved.

Alternate rugby formats are key for us to introduce rugby to a wider group of players and communities. Quick Rip – a fast-paced, non-contact form of sevens - was successfully launched nationwide, while in the Wider Auckland region, a Ripa Rugby tournament for international students was amongst the initiatives used to introduce a broader group of New Zealanders to the game.

Our 2016 survey of the rugby community found people involved with clubs and schools were very happy with their roles and the support they receive. While community rugby currently enjoys new growth in player numbers, the women's game continues to go from strength to strength, and we are reaching new communities, there's no room for complacency. We will continue to work alongside the Provincial Unions, Clubs, Schools and other organisations to ensure rugby continues to develop and adapt to meet the needs of our ever-changing environment.





ENABLING PLAYERS TO BE AT THEIR BEST ON AND OFF THE FIELD

At both the community and professional levels, New Zealand Rugby is committed to ensuring that the people who sign up to play rugby have a positive experience of rugby.

In September 2016, NZR announced that the world-leading RugbySmart programme would receive an additional \$7m investment over the next four years from the Accident Compensation Corporation (ACC) to enhance and expand injury prevention education in our game.

While NZR believed strongly in the RugbySmart programme, first launched in 2001, we recognised that more can and should be done to keep players safe on and off the field and have extended the RugbySmart concept out to a much broader focus with the potential for significant benefits for the wider rugby community.

Our priorities for 2016 were integration, engagement and recruitment to ensure that initiatives we developed could be effectively delivered. To learn more about the expanded RugbySmart programme, check out www.rugbysmart.co.nz

As referenced in the Chair and CEO's Report, the signing of a new Collective Employment Agreement for 2016-18 also saw NZR commit to a number of initiatives that are designed to support positive player behaviour and keep players safe.

These include the introduction of an illicit drug education and awareness programme, designed to support player health and well-being; a compulsory induction programme requiring players to undergo a number of modules including respect and inclusiveness, player conduct, mental health and wellness, anti-doping, wagering and corruption and concussion management; and expansion of the player personal development programme. There is also increased funding for the New Zealand Rugby Players Association Benevolent and Welfare Fund, which assists players and their families through premature career-ending injuries or illness and during times of hardship.

Player education at all levels of the game remains a priority, with our research telling us that this needs to start as early as possible in a player's development. We increased the work we were doing with and for schools and teenagers, alongside our programmes for senior national teams, Investec Super Rugby, Mitre 10 Cup, New Zealand Under 20 and New Zealand Schools and the Jock Hobbs Memorial National Under 19 Tournament.

Information about supplements and nutrition was launched in 2016 at onlinelearning.nzrugby.co.nz, the first of a series of online resources to help players make informed decisions.

INNOVATION KEY TO CONNECTING WITH OUR FANS

PRIORITY 3

FANS ARE ENGAGED AND NUMBERS ARE GROWING

New Zealand teams and competitions rely on support from their fans for motivation, encouragement, celebration and sympathy. We can't take this for granted and keeping these fans in love with the game – as well as attracting more of them – is vital to its continued health.

We specifically track fan interest in the All Blacks, All Blacks Sevens, Black Ferns Sevens, Investec Super Rugby and Mitre 10 Cup and all increased from their 2015 measurements.

2016 was a great year for people getting out and showing their support in the stands. Average All Blacks and Investec Super Rugby match attendances both rose from 2015 – the latter by more than 20 per cent, driven by a sizeable increase in the number of young people turning out to support their teams and by strong New Zealand team performances.

The #SuperBangBang marketing campaign saw New Zealand Rugby take a new approach to connecting with fans, aimed at expanding the appeal of rugby beyond traditional audiences and we were delighted with the results of the campaign. Television viewership figures increased and SKY deserved credit for its promotion and profiling of the competition. Super Rugby also engaged with fans through the #ForEveryone campaign, celebrating the diversity of people involved with rugby as well as remembering those who gave the ultimate sacrifice through Anzac Day commemorations.

Mitre 10 Cup crowds did not increase and this remains a big challenge for NZR and the Provincial Unions. However, it was great to see that TV viewership of Mitre 10 Cup matches increased markedly from 2015 and that fan interest in the competition remains strong.

Fans are attracted to high-quality rugby but of equal importance is how they are engaging with and consuming it: technology is essential to growing the game's support and enabling fans to connect. Team All Blacks, which uses personalised communication tools and social media, are key parts of our strategy. Meanwhile, digital innovations like the offering of live streaming of the Chicago matches to areas outside our traditional broadcasting areas mean our rugby can reach more people. Online channels, including our websites continue to attract and retain viewers, through exciting, exclusive content.

JOINING NEW ZEALAND AND THE WORLD TOGETHER

PRIORITY 4

POSITIVE GLOBAL PRESENCE

We want to be leaders of rugby on the international stage and we want to strengthen the reach, impact and commercial potential of our teams, brands and competitions. In 2016, we took important steps towards delivering those goals.

Our teams and competitions are well-recognised offshore and this recognition has expanded. The All Blacks and Māori All Blacks returned to Chicago where there was a lot of excitement and the profiles of both teams were raised. We also renewed our focus on Japan ahead of Rugby World Cup 2019 and the 2020 Tokyo Olympics with players and management visiting to drive momentum and enthusiasm and we will be working with our partners in this market.

We were delighted to announce the extension of our global partnership with AIG, one of seven renewals agreed with existing partners as well as the development of short-term sponsorships such as American Express and Vista Equity Partners. It was also great to see our licensing and merchandising programmes exceed their targets.

There is more that we would have liked to achieve as leaders within World Rugby and SANZAAR roles, but our contribution laid the platform for change in 2017. We helped create the foundation for a world season, giving certainty for the next decade. Our work in 2016 also ensured that SANZAAR could resolve the Super Rugby competition format the following year.

The Pacific region continues to be a priority for us. As well as our leadership role within Oceania Rugby, it was great to be able to announce our involvement in the Government-funded Pacific Sporting Partnership. We're looking forward to working with the rugby unions and communities in Samoa, Tonga, Fiji and the Cook Islands to support their efforts to provide greater opportunities for their young people to be involved in sport and achieve better health outcomes. It's great that rugby will be used to support the work New Zealand does in the Pacific and make a meaningful contribution on and off the field in the region.

Technology plays an important part in how we connect with our fans, partners and stakeholders around the world and it's constantly evolving. It's essential to building and maintaining strong connections locally and internationally. With those priorities – and our ambition in our *New Zealand Rugby 2020* strategy to be agile and modern – we embarked on an ambitious review of our approach to technology and digital that will see a number of exciting initiatives rolled out in 2017.



HISTORIC WEEK IN CHICAGO EXCITES OUR FANS

Rugby is a global game and The Rugby Weekend in Chicago, which saw the All Blacks and Māori All Blacks play in a historic doubleheader, enabled our teams to expand their international appeal and connect with fans and partners on a truly international scale.

While the All Blacks lost to Ireland at Soldier Field, result aside, the occasion was an absolute success for New Zealand Rugby. The match was a great opportunity for NZR to further promote our teams, brands and style of rugby and we were delighted to be able to build on what was achieved in Chicago in 2014.

The Māori All Blacks also returned to America for the first time since 2013 and beat USA 54-7 on the Friday night before the All Blacks v Ireland match. Having two teams playing in the third largest city in America enabled us to reach a larger group of fans and to provide a range of exciting activations and promotions with our Principal Partner adidas and Major Global Sponsor AIG, including the announcement of an extension of our partnership with the latter. A number of other NZR partners also ran activations and events in Chicago.

It was a historic week in Chicago, with the local Cubs baseball team winning their first World Series since 1908 and the Presidential Election just days after the match. Both teams were great ambassadors for New Zealand and we were pleased with the coverage and profile that The Rugby Weekend received, particularly on social media.

Innovations in technology and exclusive content are keys to bringing people together. We were delighted to be able to offer fans in countries without access to televised broadcasts the opportunity to livestream both the All Blacks and Māori All Blacks matches. The number of live views was just under 20,000, which provided NZR with additional revenue. We appreciated the support of SKY Television who provided the broadcast feed to be shared in offshore markets.

Team All Blacks members, meanwhile, received special offers for tickets and tour packages, as well as exclusive news and content relating to the matches which helped increase anticipation for this very special occasion and drove recruitment for our online community.



Māori All Blacks perform their haka to the USA team in Chicago



HETĀNGATA

STRATEGIC FOCUS UNDERPINS WIDER AUCKLAND GROWTH

PRIORITY 5

RUGBY IS THE SPORT OF CHOICE IN WIDER AUCKLAND

There were some significant highlights for rugby in the Wider Auckland region, which saw registrations grow by over four per cent. Having not achieved the targets we set for ourselves in 2015, we were pleased to report a positive score that reflected the scope and nature of the activity undertaken in this region as well as the efforts of a broad range of organisations and individuals.

Our commitment – set out in the Wider Auckland Strategy – is to assist the unions to grow participation at all levels. The Strategy focuses on supporting the growth in our women's game and reaching out to non-traditional rugby communities, adopting new forms of the game to meet the changing needs of the Wider Auckland population, creating greater connections with our communities broadening the fan base and ensuring rugby matches are positive experiences for all.

Technology is key to growth in Wider Auckland and it was great to see many clubs launch online registration for the first time, making it easy for people to sign up to play.

Consultation and engaging with people across Wider Auckland will help us to deliver meaningful outcomes and improve our chances of successfully making rugby the preferred sport of wider Aucklanders. We worked closely with

secondary schools and communities to better understand the changing needs of their young men and women. As a result, we are seeing a greater level of cooperation and innovation. There are some exciting initiatives in the pipeline for 2017, including greater alignment in secondary school grades and innovative cross-boundary competitions. A further example of innovation was the formation of the Club Chairman's Group, in Auckland with this group of leaders focused on improving the club rugby experience.

We reached out to our traditional and non-traditional rugby audiences, providing playing opportunities and discovering how rugby can become more inclusive. Initiatives including an international student Rippa Rugby tournament and a community sevens pilot, run with Indian students at Pukekohe High School, were among the highlights.

As our player numbers grow, the need for coaches and volunteers also grows. In 2016, Wider Auckland had a slightly higher coach to player ratio than other Provincial Unions, so more coaches are required. Recruitment and retention will be a focus for us, with events like *Thanks Coach* and *The Best Coach Conference* central to providing positive experiences and recognition to coaches.



RUGBY WANTS TO BE A GAME FOR EVERYONE

New Zealand is a diverse society. Making everyone feel included in our game is a real and important priority for us because we know that if we get this right then rugby really will be the best it can be.

In May 2016, New Zealand Rugby joined with New Zealand Football, New Zealand Cricket, New Zealand Rugby League, Netball New Zealand and Hockey New Zealand to establish a framework for diversity and inclusion within the individual organisations, agree focus areas and build a programme of work by 31 December 2016.

The statement of commitment, signed by the six organisations set out that each organisation is committed to establishing and maintaining programmes that seek to increase diversity and inclusivity across their sport and will work collaboratively to share information, experiences and understanding of related areas of focus for the wider benefit.

In working alongside those other major sports, we recognised that rugby is not unique in the challenges it faces to be considered truly inclusive in terms of gender, ethnicity, sexual orientation and ability and that there has to be a broad range of solutions. NZR has started promoting the message that every New Zealander should be encouraged and be able to participate and enjoy sport without prejudice and in welcoming environments.

This was seen at its brightest during Investec Super Rugby, when the #ForEveryone campaign was launched, with players all donning multi-coloured boot laces to show their support for a more inclusive game.

Throughout 2016, we also focused on encouraging greater participation by all New Zealanders in the leadership of our game. In April at the 2016 Annual General Meeting, the NZR Chair called on Members of NZR to look at encouraging a broader range of skills and insights within their Boards and leadership groups by involving people from different backgrounds, with a particular emphasis on involving more women in leadership.

After that meeting, a panel headed by Dame Therese Walsh was convened to look at practical ways in which this inclusiveness could be further enabled on NZR's Board. Four out of the five recommendations of that panel's report were achieved, while constitutional review remains a priority for 2017.



New Zealand sports people support #sportforeveryone



HETĀNGATA

PLANS ARE IN PLACE TO WELCOME THE BRITISH & IRISH LIONS

PRIORITY 6

DHL NEW ZEALAND LIONS SERIES 2017 IS SUCCESSFUL ON AND OFF THE FIELD

The DHL New Zealand Lions Series 2017 will be one of the biggest sporting events ever delivered in New Zealand. It is a massive project and 2016 saw important steps taken to ensure that what is delivered is a world-leading experience for the fans, officials, partners, media, stakeholders and, most importantly, the players.

The specially-designed match day trophies - unique carved Taiaha - were unveiled at an event to mark one year to go. Following the launch of the *OUTROAR* campaign, which called on New Zealanders to get to games to literally out roar the visiting Lions fans, tickets went on sale in October. NZR launched a new ticketing platform and we were pleased at the successful integration with our Team All Blacks database, which saw loyal fans and rugby members rewarded with increased access to tickets. Demand proved high, with the Test match allocations at that time quickly exhausted.

The Lions Series provides a number of exciting opportunities for sponsors and government organisations, with a high level of exposure to international audiences and increased local focus. It was great to welcome DHL back to the New Zealand Rugby sponsor community as naming rights sponsors of the Series and to evolve some existing partnerships to better leverage off the Series.

Hosting a Lions Series does require significant investment and careful planning and detailed budgets have been essential. Work was undertaken to ensure the best possible financial result for the Series, which will ultimately benefit all of rugby. Ticketing, hospitality, travel and other key commercial suppliers were all appointed in 2016.

As with Rugby World Cup 2011 and other recent international sporting events, the New Zealand Government, local government bodies and regional tourism organisations have a substantial role to play in ensuring that the Lions Series goes beyond each match and is enjoyable for locals and all travelling visitors. The Government has committed funding to a Rugby Festival and other activities, while local authorities developed plans to welcome fans and energise their communities.

“ HOSTING A LIONS SERIES DOES REQUIRE SIGNIFICANT INVESTMENT ”



DOING THINGS THE RIGHT WAY GETS THE RIGHT RESULTS

NEW ZEALAND RUGBY 2020 GUIDING PRINCIPLES

- *Keep all parts of the rugby system in New Zealand working well and led by the right people.*
- *Be agile and challenge ourselves to be modern and ready for the future through innovation and research.*
- *Align our daily operations so that we deliver on our strategic plan with financial prudence.*

The Guiding Principles set out in *New Zealand Rugby 2020* describe who we are and what we do. For the first time, New Zealand Rugby is reporting on its performance in line with these Principles alongside our traditional Priority Reports.

As set out in the Chair and CEO's Report, we continue to manage our financial commitments in a prudent manner. In 2016, we delivered a financial result under budget and we continue to monitor and put in place measures to ensure our future expenditure is sustainable. We also secured a number of our key broadcasting and sponsorship partnerships, such that over 70 per cent of our income is now contracted to at least 2020, reducing our financial risk and giving greater certainty. This enabled us to make commitments to our players and programmes that benefit the wider rugby community.

The signing of the Collective Employment Agreement (CEA) with the Rugby Players Collective represented by the New Zealand Rugby Players Association, was a highlight of the year. The CEA provided NZR with certainty about our financial commitments to players and has also seen the introduction of new player welfare initiatives (detailed on page 16). We are proud of the work that went into this from both sides.

Healthy partnerships are key to achieving success and our strong relationship with the Accident Compensation Corporation (ACC) has delivered some great outcomes for our game. We were delighted to reach agreement on expansion of RugbySmart's focus on player safety and wellbeing (for more information go to rugbysmart.co.nz). We were also proud to retain Tertiary Level through the ACC Workplace Safety Audit, which allows us to optimise the rehabilitation of our players.

The importance of people is a recurring theme within this Annual Report and we were proud that the people who work at NZR have very strong staff engagement through formal and informal feedback processes. As an organisation we are also committed that our culture remains one that attracts and develops top talent, in an inclusive environment.

These Principles will continue to play an important part in NZR's planning and measuring of achievement and we will regularly and honestly review our performance of them.

HIGH BAR SET TO DELIVER A BRIGHT FUTURE

ENSURING A GREAT FUTURE FOR RUGBY

At the end of the first year of *New Zealand Rugby 2020*, we can see that we have set a high bar for ourselves and we are committed to delivering that for rugby. We also know that there's more to be done.

New Zealand Rugby 2020 helps us prioritise so we can ensure we have the right people, plans and resources. It is a deliberate, research-based strategy. As part of NZR's annual business planning we use this strategy to identify our key priorities each year and agree our scorecard, which measures success and helps us review progress.

It is also a living document, by which we mean that it evolves and responds to changes, challenges and opportunities. What we thought 2020 might look like has already shifted from when we were developing this strategy in 2015 and there will be a comprehensive mid-term review in 2017, which will allow us to consult with our stakeholders and assess our priorities. Areas like respect and responsibility have already been identified as issues we need to consider in our planning and allocation of resources.

In 2016, we made a 79 per cent contribution towards our medium-term goals and have identified some of the challenges we face in areas like technology transformation, participation, player welfare and generating revenue. Many of these are international challenges and we are better-placed than many of our counterparts to respond because of *New Zealand Rugby 2020*. Our 2017 Scorecard, set out on pages (25-27) will drive further achievement of those goals with the DHL NZ Lions Series 2017 a year-defining event.

To view a copy of *New Zealand Rugby 2020* go to nzrugby.co.nz/about-us/governance



2017 SCOREBOARD

PRIORITY 1

All Blacks and other national teams winning pinnacle events

- 🕒 Win the DHL New Zealand Lions Series 2017.
- 🕒 Win Investec Rugby Championship.
- 🕒 Retain Bledisloe Cup.
- 🕒 Win matches on End of Year Tour against France, Scotland, Wales and other match.
- 🕒 40 per cent of new player inductees to Investec Super Rugby to have come from U20s programme (wider squad).
- 🕒 All Blacks Sevens win the 2016-17 HSBC World Sevens Series (WSS).
- 🕒 Positive feedback from All Blacks/ Investec Super Rugby coaches on sevens integration.
- 🕒 The Black Ferns Sevens win at least two tournaments in the 2016-17 WSS.
- 🕒 The Black Ferns Sevens environment has delivered a single aligned team as evidenced by at least an 80 per cent mark in the review of the 2016-17 WSS.
- 🕒 Win 2017 Women's Rugby World Cup.
- 🕒 Retain at least 80 per cent of players off contract at end of 2017 who the NZR seek to retain.
- 🕒 At least three NZ referees selected to World Rugby's WSS panel.
- 🕒 At least three NZ referees officiating Test matches in 2017.

PRIORITY 2

More players and more communities playing

- 🕒 Increase five-year-old to U13 male players by 2,500 (3 per cent).
- 🕒 Increase U14 to U20 male player registrations by 500 (1.2 per cent).
- 🕒 Increase female player registrations by 2,000 (9 per cent).
- 🕒 Coach retention rate to be 55 per cent.
- 🕒 Referee retention for all referees under 45 years of age to be 80 per cent.
- 🕒 Blue Card initiative introduced in all 14 Mitre 10 Cup Provincial Union adult rugby competitions.
- 🕒 50 new alternate game format competitions introduced.
- 🕒 Survey satisfaction ratings for volunteers coaches and referees above 80 per cent.



Lee Jeffrey refing a club game

2017 SCOREBOARD

PRIORITY 3

Fans are engaged and numbers growing

- 🕒 Exceed an average of 800,000 NZ viewers for All Blacks home matches across pay and free to air channels.
- 🕒 Exceed an average of 180,000 live viewers for domestic Investec Super Rugby regular season matches.
- 🕒 All Blacks home Test matches achieve Test Match budget sales.
- 🕒 Crowd attendance at Investec Super Rugby regular season matches to exceed 2016's average of 15,332.
- 🕒 Crowd attendance at Mitre 10 Cup full season matches to exceed 2016's average of 4,637.
- 🕒 Total digital audience of 12.5m (1 per cent if achieve 12.0m).
- 🕒 Achieve an engagement (bounce) rate of less than 65 per cent across All Blacks, Investec Super Rugby and Mitre 10 Cup websites.
- 🕒 Interest in All Blacks to remain above 81 per cent.
- 🕒 Investec Super Rugby, Provincial Unions and Venues Test matches run well.
- 🕒 42/45 score for operational KPIs for DHL NZ Lions Series 2017 Test matches in Auckland and Wellington.
- 🕒 40/45 score for operational KPIs for all other DHL NZ Lions Series 2017 matches and remaining 2017 Test matches.
- 🕒 World Rugby operational delivery score to be higher than 2016 score.
- 🕒 To achieve or better Wellington Sevens budget.

PRIORITY 4

Positive global presence

- 🕒 All Blacks to become one of the Top 75 sports clubs based on Facebook fans.
- 🕒 Community Investment (in the form of cash, time, inkind and management costs) - exceed current benchmark.
- 🕒 Contract \$6.0m of new and renewal revenue across NZR's commercial portfolio.
- 🕒 Secure \$4.0m in contracted future revenue above Long Term Financial Projections.
- 🕒 Sign three international commercial partners leveraging offshore.
- 🕒 Gain approval for at least two new alternative revenue initiatives that grow the commercial revenue budget.
- 🕒 Hold seat on World Rugby Committee, Executive Committee, Regulations, Audit and Risk and relevant working parties.
- 🕒 New SANZAAR strategy and competition structure in place with leadership from NZR.
- 🕒 Additional fixtures for All Blacks and other national teams confirmed.

2017 SCOREBOARD

PRIORITY 5

Rugby is the sport of choice in Wider Auckland

- Score will be based on the percentage of KPIs that the Provincial Unions attain.

PRIORITY 6

DHL New Zealand Lions Series 2017 is successful on and off the field

- Projected Surplus for DHL New Zealand Lions Series 2017 meets or exceeds overall NZR 2017 Budget.
- All 10 Matches in the DHL New Zealand Lions Series 2017 achieve sell out.
- Host Regions and Government deliver city activations and festival to delivered to level contemplated.
- Operational delivery of Series rated as positive by The British & Irish Lions team and British Lions Limited.

GUIDING PRINCIPLES

From New Zealand Rugby 2020 strategy Guiding Principles

- Ensure NZR meets or exceeds 2017 budget.
- Develop and initiate an acceptable cost management project. Achieve 2017 targets.
- 100 per cent delivery of 2017 RugbySmart objectives.
- An overall engagement result that better NZR's 2016 result (82.4) and reflects a respectful, progressive and world class culture.
- Respect and Responsibility Review approved by the Board for implementation, and recommendations started to be implemented by the end of 2017.
- Implement findings of diversity working group.
- NZR to continue to provide effective leadership of the cross sport working group as measured by the other National Sports Organisation members.



Bay of Plenty waits for the signal at the Jock Hobbs Memorial National Under 19 Tournament

NEW ZEALAND RUGBY BEREAVEMENTS 2016



Walter Garland Argus

All Blacks No. 450 (1946 to 1947)



Died in Christchurch on 21 October 2016



Raymond Henry Bell

All Blacks No. 533 (1951 to 1952)



Died in Dunedin on 19 July 2016



Neville Wyatt Black

All Blacks No. 485 (1949)



Died in Rotorua on 24 January 2016



Michael Martin Burgoyne

All Blacks No. 800 (1979)



Died in Yanuca Island, Fiji on 22 November 2016



Jules Mathew Le Lievre

All Blacks No. 626 (1962 to 1964)



Died in Christchurch on 17 January 2016



Raymond Claude Moreton

All Blacks No. 629 (1962 to 1965)



Died in Auckland on 20 July 2016



Ernest Arthur Rex Pickering

All Blacks No. 589 (1957 to 1960)



Died in Cambridge on 5 July 2016



Hallard Leo White

All Blacks No. 558 (1953 to 1955)
New Zealand Rugby President (1990)



Died in Auckland on 14 July 2016

2016 ASB NEW ZEALAND RUGBY AWARDS

WINNERS AND NOMINEES

New Zealand Rugby Age Grade Player of the Year

Jordie Barrett (NZ Under 20/Canterbury)

Luke Jacobson (Waikato)

Shaun Stevenson (Waikato)

Charles Monro Rugby Volunteer of the Year

Gary Donovan (Auckland)

Mark Andersen (Manawatu)

Mike Woollett (Wellington)

New Zealand Rugby Referee of the Year

Glen Jackson (Bay of Plenty)

Richard Kelly (Taranaki)

Rebecca Mahoney (Wairarapa Bush)

Mitre 10 Heartland Championship Player of the Year

Te Rangatira Waitokia (Wanganui)

James Lash (Buller)

Willie Paia'aua (Horowhenua/Kapiti)

Mitre 10 Cup Player of the Year

Jordie Barrett (Canterbury)

Rieko Ioane (Auckland)

Michael Little (North Harbour)

Richard Crawshaw Memorial

All Blacks Sevens Player of the Year

Rieko Ioane (Auckland)

Sam Dickson (Canterbury)

Tim Mikkelsen (Waikato)

Sky Television Fans Try of the Year

Isaiah Punivai (Christ's College)

Dan Pryor (Highlanders)

Selica Winiata (Black Ferns)

Black Ferns Sevens Player of the Year

Sarah Goss (Manawatu)

Niall Williams (Auckland)

Portia Woodman (Counties Manukau)

Investec Super Rugby Player of the Year

Beauden Barrett (Hurricanes)

Damian McKenzie (Chiefs)

Ardie Savea (Hurricanes)

Tom French Memorial Māori Player of the Year

Dane Coles (Ngāti Porou)

Rieko Ioane (Ngāpuhi / Te Whānau ā Apanui)

TJ Perenara (Te Arawa)

New Zealand Rugby Women's Player of the Year

Selica Winiata (Manawatu)

Kendra Cocksedge (Canterbury)

Fiao'o Faamausili (Auckland)

ASB Rugby Coach of the Year

Steve Hansen (All Blacks)

Chris Boyd (Hurricanes)

Steve Jackson (North Harbour)

Scott Robertson (Canterbury)

adidas Team of the Year

All Blacks

Black Ferns

Hurricanes

Kelvin Tremain Memorial Player of the Year

Beauden Barrett (Taranaki/Hurricanes)

Dane Coles (Wellington/Hurricanes)

Sam Whitelock (Canterbury/Crusaders)

NZRPA Kirk Medal

Justin Collins

Steinlager Salver for an Outstanding Contribution to New Zealand Rugby

Gavin Service



Black Ferns Sevens Player of the Year Sarah Goss

OTHER RECOGNITION

2016 World Rugby Awards

World Rugby Player of the Year

Beauden Barrett, All Blacks

World Rugby Women's Sevens Player of the Year

Nominee: Portia Woodman, Black Ferns Sevens

World Rugby Team of the Year

New Zealand

World Rugby Coach of the Year

Steve Hansen, All Blacks

World Rugby Breakthrough Player of the Year

Nominee: Anton Lienert-Brown, All Blacks

Nominee: Ardie Savea, All Blacks

IRPA Try of the Year:

Nominee: TJ Perenara (New Zealand, v Argentina)

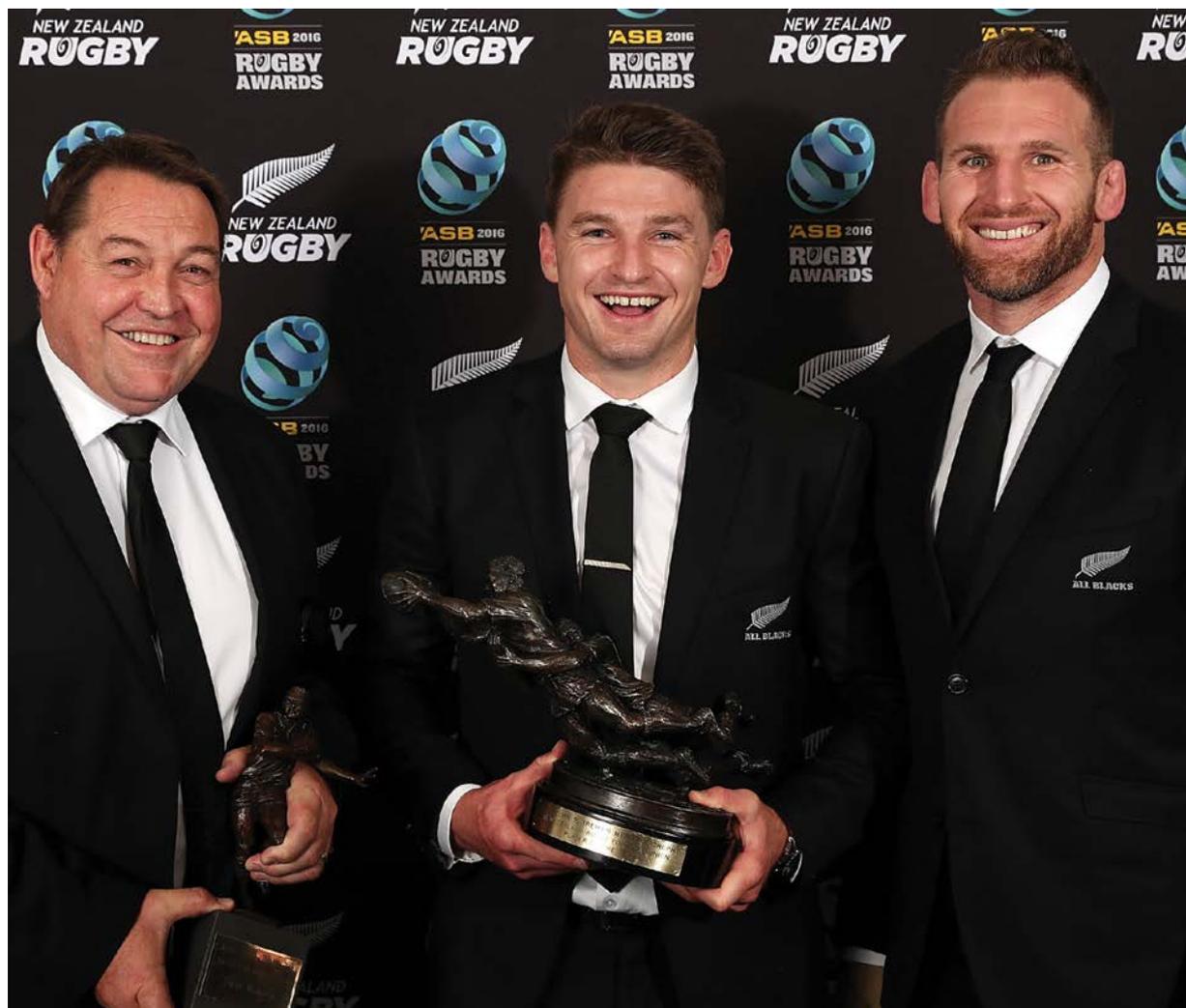
2017 54th Halberg Awards

Buddle Findlay Coach of the Year

Finalists: Steve Hansen (Rugby)

New Zealand's Favourite Sporting Moment

Finalists: All Blacks (Rugby)



World Rugby Coach of the Year Steve Hansen, World Rugby Player of the Year Beauden Barrett and All Blacks Captain Kieran Read at the ASB New Zealand Rugby Awards

ALL BLACKS



STEINLAGER SERIES

11 June, All Blacks 39 - 21 Wales, Auckland

18 June, All Blacks 36 - 22 Wales, Wellington

25 June, All Blacks 46 - 6 Wales, Dunedin

INVESTEC RUGBY CHAMPIONSHIP

20 August, All Blacks 42 - 8 Australia, Sydney

27 August, All Blacks 29 - 9 Australia, Wellington

10 September, All Blacks 57 - 22 Argentina, Hamilton

17 September, All Blacks 41 - 13 South Africa, Christchurch

1 October, All Blacks 36 - 17 Argentina, Buenos Aires

8 October, All Blacks 57 - 15 South Africa, Durban

THIRD BLEDISLOE PRESENTED BY AMERICAN EXPRESS

22 October, All Blacks 37 - 10 Australia, Auckland

VISTA NORTHERN TOUR

5 November, All Blacks 29 - 40 Ireland, Chicago

12 November, All Blacks 68 - 10 Italy, Rome

19 November, All Blacks 21 - 9 Ireland, Dublin

26 November, All Blacks 24 - 19 France, Paris



The All Blacks and Welsh scrums pack down during the Steinlager Series

Beauden Barrett Taranaki, **Scott Barrett** Canterbury, **Sam Cane** Bay of Plenty, **Dane Coles** Wellington, **Liam Coltman** Otago, **Wyatt Crockett** Canterbury, **Ryan Crotty** Canterbury, **Aaron Cruden** Manawatu, **Israel Dagg** Hawke's Bay, **Elliot Dixon** Southland, **Charlie Faumuina** Auckland, **Malakai Fekitoa** Auckland, **Owen Franks** Canterbury, **Kane Hames** Tasman, **Nathan Harris** Bay of Plenty, **Rieko Ioane** Auckland, **Jerome Kaino** Auckland, **Tawera Kerr-Barlow** Waikato, **Anton Lienert-Brown** Waikato, **Steven Luatua** Auckland, **Damian McKenzie** Waikato, **George Moala** Auckland, **Joe Moody** Canterbury, **Waisake Naholo** Taranaki, **James Parsons** North Harbour, **TJ Perenara** Wellington, **Kieran Read** Canterbury, **Brodie Retallick** Hawke's Bay, **Luke Romano** Canterbury, **Ardie Savea** Wellington, **Julian Savea** Wellington, **Aaron Smith** Manawatu, **Ben Smith** Otago, **Lima Sopoaga** Southland, **Liam Squire** Tasman, **Seta Tamanivalu** Taranaki, **Codie Taylor** Canterbury, **Matt Todd** Canterbury, **Patrick Tuipulotu** Auckland, **Ofa Tu'ungafasi** Auckland, **Samuel Whitelock** Canterbury.

HEAD COACH: Steven Hansen, **ASSISTANT HEAD COACH:** Ian Foster, **SELECTOR:** Grant Fox, **MANAGERS:** Darren Shand, Gillbert Enoka.

BLACK FERNS



BLACK FERNS®

LAURIE O'REILLY MEMORIAL TROPHY

22 October, Black Ferns 67 - 3 Australia, Auckland

26 October, Black Ferns 29 - 3 Australia, Albany

NORTHERN TOUR

19 November, Black Ferns 25 - 20 England, London

23 November, Black Ferns 20 - 10 Canada, Dublin

27 November, Black Ferns 38 - 8 Ireland, Dublin



New Zealand Rugby Women's Player of the Year Selica Winiata makes a break for the Black Ferns against Australia

Chelsea Alley North Harbour, **Eloise Blackwell** Auckland, **Kelly Brazier** Otago, **Kendra Cocksedge** Canterbury, **Kiritapu Demant** Auckland, **Rawinia Everitt** Counties Manukau, **Fiao'o Faamausili** Auckland, **Jackie Fereiti nee Patea** Wellington, **Sarah Goss** Manawatu, **Charlene Gubb nee Halapua** Auckland, **Honey Hireme** Waikato, **Carla Hohepa** Waikato, **Aldora Itunu** Auckland, **Pip Love** Canterbury, **Charmaine McMenamin** Auckland, **Aotearoa Mata'u** Counties Manukau, **Toka Natua** Waikato, **Aleisha Nelson** Auckland, **Te Kura Ngata-Aerengamate** Counties Manukau, **Aroha Savage** Counties Manukau, **Angelene Sisifa** Otago **Charmaine Smith** North Harbour, **Victoria Subritzky-Nafatali** Counties Manukau, **Kristina Sue** Manawatu, **Sosoli Talawadua** Waikato, **Hazel Tubic** Counties Manukau, **Janna Vaughan** Manawatu, **Renee Wickliffe** Counties Manukau, **Selica Winiata** Manawatu, **Portia Woodman**, Counties Manukau, **Sharnita Woodman** Counties Manukau.

COACH: Glenn Moore, **ASSISTANT COACHES:** Wesley Clarke, Grant Keenan, **MANAGER:** Lauren Cournane.

MĀORI ALL BLACKS



**MAORI
ALL BLACKS®**

NORTHERN TOUR

4 November, Māori All Blacks 54 - 7 USA, Chicago

11 November, Māori All Blacks 14 - 27 Munster, Limerick

6 November, Māori All Blacks 26 - 10 Harlequins, London



The Māori All Blacks perform the Haka before the match against Munster.

Leni Apisai Wellington, Ngāti Awa, **Tim Bateman** Canterbury, Ngāi Tahu, **Otere Black** Manawatu, Ngai Tuhoe / Te Whanau-ā-Apanui / Ngati Tuwharetoa, **Shane Christie** Tasman, Te Atihaunui a Paparangi, Ngāti Kurawhatia, **Ash Dixon** Hawke's Bay, Ngāti Tahinga, **Elliot Dixon** Southland, Ngāpuhi, **Whetu Douglas** Waikato, Ngāti Porou / Ngāti Whakaue, **Jason Emery** Manawatu, Ngāti Haua / Ngāti Maniapoto **Chris Eves** Manawatu, Waikato / Tainui, **Tom Franklin** Otago, Ngāti Maniapoto, **Billy Guyton** Tasman, Ngāpuhi / Ngāti Pikiāo / Ngāti Raukawa, **Kane Hames** Tasman, Ngāi Tuhoe / Ngāti Porou, **Akira Ioane** Auckland, Te Whanau-ā-Apanui, **Rieko Ioane** Auckland Te Whanau-ā-Apanui, **Tawera Kerr-Barlow** Waikato, Ngati Maniapoto, **Mike Kainga** Taranaki Ngāti Kahungunu, **James Lowe** Tasman, Ngāpuhi / Ngāi Te Rangi, **Ben May** Hawke's Bay, Ngāti Maniapoto, **Damian McKenzie** Waikato, Ngāti Tuwharetoa, **Marty McKenzie** Taranaki Ngāti Tuwharetoa, **Declan O'Donnell** Taranaki Ngāti Tūwharetoa / Ngāti Porou, **Leighton Price** Taranaki, Waikato / Ngāti Maniapoto, **Reed Prinsep** Canterbury Te Rārawa, **Matt Proctor** Wellington Ngāi te Rangi/Ngāpuhi **Kara Pryor** Northland Ngāti Awa / Ngāti Pikiāo / Ngāti Rangitihi, **Marcel Renata** Auckland, Ngāti Whānaunga / Te Aupouri, **Joe Royal** Bay of Plenty, Te Arawa / Ngāti Whātua I Orakei **Jacob Skeen** Waikato, Ngāpuhi, **Sean Wainui** Taranaki, Ngai Tuhoe / Ngati Porou, **Brad Weber** Waikato, Ngāti Porou, **Ihaia West** Hawke's Bay, Ngāti Kahungunu / Ngāti Porou

COACH: Colin Cooper, **ASSISTANT COACH:** Tana Umaga, **MANAGER:** Tony Ward

NEW ZEALAND UNDER 20



OCEANIA TOURNAMENT

3 May, NZ U20 30 - 10 Australia, Gold Coast

7 May, NZ U20 24 - 25 Australia, Gold Coast

WORLD RUGBY U20 CHAMPIONSHIP 2016

7 June, NZ U20 55 - 0 Georgia, Salford

11 June, NZ U20 24 - 33 Ireland, Manchester

15 June, NZ U20 18 - 17 Wales, Salford

21 June, NZ U20 71 - 12 Wales, Manchester

25 June, NZ U20 55 - 24 Australia, Salford



Stephen Perofeta of New Zealand Under 20 runs the ball.

Caleb Aperahama Bay of Plenty, **Leni Apisai** Wellington, **Ausafo Aumua** Wellington, **Jordie Barrett** Canterbury, **Sam Caird** Waikato, **Hamish Dalzell** Canterbury, **Mason Emerson** Hawke's Bay, **Ereatara Enari** Canterbury, **Alex Fidow** Wellington, **Fin Hoeata** Taranaki, **Luke Jacobson** Waikato, **Mitchell Jacobson** Waikato, **Ayden Johnstone** Waikato, **Sefo Kautai** Waikato, **Orbyn Leger** Counties Manukau, **Jonah Lowe** Hawke's Bay, **Lui Luamanu** Wellington, **Joshua McKay** Canterbury, **Caleb Makene** Canterbury, **Marino Mikaele-Tu'u** Hawke's Bay, **Hapakuki Moala-Liava'a** North Harbour, **Sam Nock** Northland, **Dalton Papali'i** Auckland, **Sean Paranihi** Canterbury, **Stephen Perofeta** Taranaki, **Pouri Rakete-Stones** Hawke's Bay, **Shaun Stevenson** Waikato, **Shaun Stodart** Otago, **Quinten Strange** Tasman, **Jonathan Taumateine** Counties Manukau, **Patelesio Tompkinson** Otago, **Jordan Trainor** Waikato, **Malo Tuitama** Wellington, **Peter Umaga-Jensen** Wellington, **TJ Va'a** Wellington, **Isaia Walker-Leawere**, Wellington.

COACH: Scott Robertson, **ASSISTANT COACHES:** Leon MacDonald, Tana Umaga, **MANAGER:** Paul Galleta.

NEW ZEALAND HEARTLAND XV NEW ZEALAND SCHOOLS



NEW ZEALAND HEARTLAND XV 2016

5 November, NZ Heartland XV 35 - 14 NZ Marist, Papakura

8 November, NZ Heartland XV 26 - 19 Nadi, Nadi

11 November, NZ Heartland XV 22 - 26 Nadroga, Sigatoka

Scott Cameron, Horowhenua Kapiti, **Nete Caucau**, Mid Canterbury, **Kieran Coll**, South Canterbury, **Eddie Cranston**, Wairarapa Bush, **Ralph Darling**, North Otago, **Jackson Donlan**, Mid Canterbury, **Aarin Dunster**, King Country, **James Hemara**, King Country, **Lindsay Horrocks**, Wanganui, **Daniel Hytongue**, Buller, **John Koko**, King Country, **Aaron Lahmert**, Horowhenua Kapiti, **James Lash**, Buller, **Joshua Manning**, West Coast, **Lemisio Masoe**, North Otago, **Siosua Moala**, Poverty Bay, **Sam Monaghan**, Wairarapa Bush, **Willie Paia'aua**, Horowhenua Kapiti, **Everard Reid**, Poverty Bay, **Peter Rowe**, Wanganui, **Maleli Sau**, Mid Canterbury, **Timaru Tafa**, South Canterbury, **Zayn Tipping**, King Country, **Viki Tofa**, Wanganui, **Te Rangatira Waitokia**, Wanganui, **Hayden Wisniewski**, Thames Valley.

COACH: Barry Matthews

ASSISTANT COACH: Mutu Ngarimu

MANAGER: Tony Harrison



NEW ZEALAND SCHOOLS 2016

3 October, NZ Schools 45 - 19 Fiji, Auckland

8 October, NZ Schools 32 - 22, Australia, Auckland

Damon Abraham, Sacred Heart College, **Caleb Clarke**, Mt Albert Grammar, **Robb Cobb**, Mt Albert Grammar, **Mosese Dawai**, Feilding HS, **Sam Dickson**, Otago BHS, **Leicester Fainga'anuku**, Nelson College, **Tim Farrell**, Napier BHS, **Scott Gregory**, Whangarei BHS, **Sione Havili**, Auckland Grammar, **Tim Hogan**, Otago BHS, **Brayden Iose (capt)**, Palmerston North BHS, **Vilimoni Koroi**, Feilding HS, **Lincoln McClutchie**, Hastings BHS, **Laghan McWhannell**, St Peter's School, **Ciarahn Matoe**, King's College, **Ajay Mua**, King's College, **Xavier Numia**, St Patrick's College, Wellington, **Harry Plummer**, St Peter's College, **Carlos Price**, St Kentigern College, **Billy Proctor**, St Patrick's College, Wellington, **Ngane Punivai**, Christ's College, **Waimana Riedlinger-Kapa**, Mt Albert Grammar, **Paul Roache**, Mt Albert Grammar, **Bradley Slater**, New Plymouth BHS, **Hoskins Sotutu**, Sacred Heart College, **Flynn Thomas**, Southland BHS, **Naera Tipoki**, Gisborne BHS.

COACH: Jason Holland

ASSISTANT COACH: Tom Cairns

MANAGER: Nick Reid



New Zealand Schools after victory over Fiji.

ALL BLACKS SEVENS



ALL BLACKS[®] SEVENS

NEW ZEALAND SEVENS

31 January, South Africa (Cup final), won 24–21

AUSTRALIA SEVENS

7 February, Australia (Cup final), won 27–24

USA SEVENS

6 March, Japan (Plate final), won 27–7

CANADA SEVENS

13 March, South Africa (Cup final), won 19–14

HONG KONG SEVENS

10 April, Fiji (Cup final), lost 7–21

SINGAPORE SEVENS

17 April, Samoa (Plate final), lost 21–26

FRANCE SEVENS

14 May, South Africa (Plate semifinal), lost 19–29

ENGLAND SEVENS

22 May, Argentina (Plate final), won 29–14

OLYMPIC GAMES

11 August, Argentina (for 5th place), won 17–14

DUBAI SEVENS

3 December, Australia (for 5th place), lost 12–20

SOUTH AFRICA SEVENS

11 December, Scotland (for 3rd place), won 24–19



All Blacks Sevens player Joe Webber tackles hard

Pita Ahki, North Harbour, **Kurt Baker**, Taranaki, **Dylan Collier**, Waikato, **Scott Curry**, Bay of Plenty, **Sam Dickson**, Canterbury, **DJ Forbes**, Counties Manukau, **Akira Ioane**, Auckland, **Rieko Ioane**, Auckland, **Iopu Iopu-Aso**, Taranaki, **Gillies Kaka**, Hawke's Bay, **Rocky Khan**, Auckland, **Antonio Kiri Kiri**, Manawatu, **Ben Lam**, Auckland, **Liam Messam**, Waikato, **Tim Mikkelson**, Waikato, **Sione Molia**, Counties Manukau, **Junior Ngaluafe**, Southland, **Lewis Ormond**, Taranaki, **Augustine Pulu**, Counties Manukau, **Billy Ropiha**, Hawke's Bay, **Jonathan Ruru**, Otago, **Ardie Savea**, Wellington, **Teddy Stanaway**, Bay of Plenty, **Sherwin Stowers**, Counties Manukau, **Isaac Te Aute**, Bay of Plenty, **Isaac Te Tamaki**, Waikato, **Josh van Lieshout**, Counties Manukau, **Beaudein Waaka**, Taranaki, **Regan Ware**, Waikato, **Joe Webber**, Waikato, **Sonny Bill Williams**, Counties Manukau.

COACH: Sir Gordon Tietjens (until conclusion of Olympics)

COACH: Tomasi Cama, Scott Waldrom (after Olympics)

MANAGER: Ross Everiss

BLACK FERNS SEVENS



BLACK FERNS SEVENS

BRAZIL SEVENS

21 February, USA (for 3rd place), won 28–0

USA SEVENS

9 April, Australia (Cup final), lost 19–24

CANADA SEVENS

17 April, England (Cup final), lost 14–31

FRANCE SEVENS

29 May, England (for 3rd place), won 22–5

OLYMPIC GAMES

8 August, Australia (final, for gold), lost 17–24

DUBAI SEVENS

2 December, Australia (Cup final), won 17–5



Black Ferns Sevens on the podium at the 2016 Rio Olympics

Shakira Baker, Waikato, **Michaela Blyde**, Taranaki, **Kelly Brazier**, Bay of Plenty, **Gayle Broughton**, Taranaki, **Theresa Fitzpatrick**, Auckland, **Sarah Goss (capt)**, Manawatu, **Kayla McAlister**, Auckland, **Huriana Manuel**, Auckland, **Tyla Nathan-Wong**, Auckland, **Shiray Tane**, Waikato, **Terina Te Tamaki**, Waikato, **Hazel Tubic**, Counties Manukau, **Rebekah Tufuga**, Manawatu, **Ruby Tui**, Canterbury, **Janna Vaughan**, Manawatu, **Stacey Waaka**, Waikato, **Jordon Webber**, Waikato, **Katarina Whata-Simpkins**, Wellington, **Renee Wickliffe**, Counties Manukau, **Niall Williams**, Auckland, **Tenika Willison**, Waikato, **Selica Winiata**, Manawatu, **Portia Woodman**, Counties Manukau

COACH: Sean Horan (until conclusion of Olympics.) Allan Bunting (after Olympics)

ASSISTANT COACH: Stu Ross (in USA and Canada) Cory Sweeney (after Olympics)

MANAGER: Jenelle Strickland; Tony Philp (in France)

2016 COMPETITION RESULTS



INVESTEC SUPER RUGBY FINAL

August 6, Hurricanes 20-3, Lions, Wellington

INVESTEC SUPER RUGBY SEMIFINALS:

July 30, Hurricanes 25-9, Chiefs, Wellington

July 30, Lions 42-30 Highlanders, Johannesburg

Team	Played	Win	Draw	Loss	F	A	BP4	BP7	Points
Hurricanes	15	11	–	4	458	314	7	2	53
Lions	15	11	–	4	535	349	7	1	52
Stormers	15	10	1	4	440	274	5	–	51
Brumbies	15	10	–	5	425	326	3	–	43
Highlanders	15	11	–	4	422	273	4	4	52
Chiefs	15	11	–	4	491	341	6	1	51
Crusaders	15	11	–	4	487	317	5	1	50
Sharks	15	9	1	5	360	269	2	3	43
Bulls	15	9	1	5	399	339	4	1	41
Waratahs	15	8	–	7	413	317	4	4	40
Blues	15	8	1	6	374	380	2	3	39
Rebels	15	7	–	8	365	486	2	1	31
Jaguars	15	4	–	11	376	427	1	5	22
Cheetahs	15	4	–	11	377	425	1	4	21
Reds	15	3	1	11	290	458	–	3	17
Force	15	2	–	13	260	441	–	5	13
Sunwolves	15	1	1	13	293	627	–	3	9
Kings	15	2	–	13	282	684	1	–	9



Hurricanes players celebrate winning their first Investec Super Rugby title

2016 COMPETITION RESULTS



MITRE 10 CUP PREMIERSHIP FINAL:

29 October, Canterbury 43- 27, Tasman, Christchurch

MITRE 10 CUP PREMIERSHIP SEMIFINALS:

23 October, Canterbury 22-7, Counties Manukau Christchurch

23 October, Tasman 41-29 Taranaki, New Plymouth



FARAH PALMER CUP FINAL:

2 October, Counties Manukau 41-22 Auckland, Pukekohe

FARAH PALMER CUP SEMIFINALS:

24 September, Auckland 33-3 Canterbury, Auckland

24 September, Counties Manukau 60-7 Wellington, Pukekohe

Team	Played	Win	Draw	Loss	F	A	BP4	BP7	Points
Canterbury	10	8	–	2	397	219	7	1	40
Taranaki	10	7	1	2	338	259	5	2	37
Tasman	10	7	1	2	306	234	3	1	34
Counties Manukau	10	6	–	4	284	234	6	4	34
Waikato	10	5	1	4	269	259	6	2	30
Auckland	10	5	–	5	335	302	7	3	30
Hawke's Bay	10	2	–	8	253	385	4	3	15

MITRE 10 CUP CHAMPIONSHIP FINAL:

28 October, North Harbour 17-14 Otago, Dunedin

MITRE 10 CUP CHAMPIONSHIP SEMIFINALS:

21 October, Otago 27-20 Bay of Plenty, Dunedin

22 October, North Harbour 40-37 Wellington, Wellington

Team	Played	Win	Draw	Loss	F	A	BP4	BP7	Points
Otago	10	7	–	3	290	267	5	1	34
Wellington	10	6	–	4	302	298	7	1	32
North Harbour	10	5	1	4	262	263	3	1	26
Bay of Plenty	10	3	–	7	300	316	7	4	23
Manawatu	10	4	–	6	259	266	4	3	23
Southland	10	2	–	8	201	396	2	1	11
Northland	10	1	–	9	280	378	5	2	11

Team	Played	Win	Draw	Loss	F	A	BP4	BP7	Points
Counties Manukau	6	6	–	–	218	33	5	–	29
Auckland	6	5	–	1	220	84	5	1	26
Canterbury	6	5	–	1	229	108	4	1	25
Wellington	6	4	–	2	149	128	3	1	20
Manawatu	6	3	–	3	153	122	4	3	19
Waikato	6	2	–	4	108	121	2	1	11
North Harbour	6	2	–	4	116	161	2	1	11
Otago	6	–	–	6	66	300	1	–	1
Bay of Plenty	6	–	–	6	26	228	–	–	0



Counties Manukau victorious in their first Farah Palmer Cup Final

2016 COMPETITION RESULTS



MEADS CUP FINAL:

29 October, Wanganui 20-18 Buller, Wanganui

MEADS CUP SEMIFINALS:

22 October, Buller 16-6, South Canterbury, Timaru

22 October, Wanganui 58-26 Wairarapa Bush, Wanganui

LOCHORE CUP FINAL:

29 October, North Otago 44-22 King Country, Te Kuiti

LOCHORE CUP SEMIFINALS:

22 October, King Country 48, Poverty Bay 26, Taupo

22 October, North Otago 36-24 Mid Canterbury, Ashburton

Team	Played	Win	Draw	Loss	F	A	BP4	BP8	Points
Wanganui	8	8	0	0	362	110	6	0	38
South Canterbury	8	7	0	1	324	162	7	1	36
Buller	8	6	0	2	258	190	5	1	30
Wairarapa Bush	8	6	0	2	240	174	4	2	30
Mid Canterbury	8	5	0	3	278	198	6	1	27
King Country	8	4	2	2	236	170	4	1	25
Poverty Bay	8	3	0	5	296	268	6	2	20
North Otago	8	2	2	4	230	246	5	1	18
Horowhenua Kapiti	8	2	1	5	224	260	4	1	15
West Coast	8	2	0	6	188	400	3	0	11
Thames Valley	8	0	1	7	158	324	1	2	5
East Coast	8	0	0	8	166	458	2	1	3



North Otago and All Blacks legend Sir Brian Lochore with the latter's namesake cup

2016 COMPETITION RESULTS



MEN'S CUP FINAL

16-17 January, Counties Manukau, 54-14 North Harbour, Rotorua

WOMEN'S CUP FINAL:

16-17 January, Manawatu 26-19 Wellington, Rotorua



GRAHAM MOURIE CUP FOR THE PREMIERSHIP FINAL

15-21 September, Canterbury 41-35 Waikato, Taupo

MICHAEL JONES TROPHY FOR THE CHAMPIONSHIP FINAL

15-21 September, Counties Manukau 32-28 Tasman, Taupo

RANFURLY SHIELD RESULTS

6 June, Waikato 83 - 13 Thames Valley, Paeroa
30 July, Waikato 55 - 0 King Country, Matamata
6 August, Waikato 32 - 12 Wanganui, Cambridge
27 August, Waikato 26 - 15 North Harbour, Hamilton
4 September, Waikato 19 - 10 Manawatu, Hamilton
18 September, Waikato 20 - 20 Taranaki, Hamilton
28 September, Waikato 23 - 29 Canterbury, Hamilton
7 October 7, Canterbury 47 - 18 North Harbour, Christchurch

INTERNATIONAL REFEREES

Test match referees: Jessica Beard, Nick Briant, Glen Jackson, Rebecca Mahoney, Ben O'Keeffe, and Paul Williams.

Test match assistant referees and television match officials: Nick Briant, Mike Fraser, Glen Jackson, Lee Jeffrey, Glenn Newman, Ben O'Keeffe, Brendon Pickerill, Ben Skeen, Paul Williams.

World Sevens Series referees: Jessica Beard, Nick Briant, James Doleman, Richard Kelly.

Rio Olympics 2016 referees: Jessica Beard, Nick Briant, Richard Kelly.



Canterbury Captain Luke Whitelock receives the Log O'Wood from Waikato

INCOME STATEMENT

for the year ended 31 December 2016

	NOTE	GROUP	
		2016 \$000	2015 \$000
Income			
Broadcast rights		73,126	37,527
Sponsorship and licensing		55,015	53,883
Matchday		17,576	4,190
Other income	A1	5,773	28,886
Interest income	A1	2,919	3,094
Foreign exchange gains		7,292	6,123
Equity accounted profit of associates	D2	-	115
Total income	A1	161,701	133,818
Expenditure			
Game development		27,909	21,087
National teams		48,467	42,198
Competitions		82,364	62,728
Administration		10,160	8,219
Interest expense		31	49
Equity accounted loss of associates	D2	243	-
Total expenditure	A2	169,174	134,281
Net loss before tax		(7,473)	(463)
Income tax	A3	-	-
Net loss after tax		(7,473)	(463)

COMPREHENSIVE INCOME STATEMENT

for the year ended 31 December 2016

	NOTE	GROUP	
		2016 \$000	2015 \$000
Net loss after tax		(7,473)	(463)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Net gain on cash flow hedges	B2	6,949	933
Exchange differences arising from translation of foreign operations	B3	(62)	33
Total comprehensive income, net of tax		(586)	503

The accompanying notes form part of these financial statements.

BALANCE SHEET

as at 31 December 2016

	GROUP		
	NOTE	2016 \$000	2015 \$000
Current assets			
Cash and cash equivalents	B4	84,123	51,868
Trade and other receivables	B5	45,759	48,911
Prepayments		2,802	2,134
Loans and advances	B6	383	1,004
Financial instruments	C1	14,111	7,939
Total current assets		147,178	111,856
Non-current assets			
Term investments		-	7,213
Loans and advances	B6	384	208
Property, plant and equipment	E1	3,879	2,402
Intangible assets	E2	7,532	8,283
Investment in associates	D2	1,398	2,270
Financial instruments	C1	24,154	20,863
Total non-current assets		37,347	41,239
Total assets		184,525	153,095
Current liabilities			
Trade and other payables	B7	11,775	8,610
Income in advance		68,987	44,708
Benevolent and welfare fund	E3	2,424	1,427
Provision for medical costs	E3	529	494
Player payment variation account	E3	972	76
Financial instruments	C1	1,212	1,549
Total current liabilities		85,899	56,864

	GROUP		
	NOTE	2016 \$000	2015 \$000
Non-current liabilities			
Provision for medical costs	E3	3,101	3,078
Income in advance		-	312
Financial instruments	C1	3,895	1,419
Total non-current liabilities		6,996	4,809
Total liabilities		92,895	61,673
Net assets		91,630	91,422
Equity			
Cash flow hedge reserve	B2	32,784	25,835
Foreign currency translation reserve	B3	(152)	(90)
Retained earnings	B1	58,204	65,677
Attributable to non-controlling interests	D1	794	-
Total equity		91,630	91,422

For and on behalf of the Board who authorised the issue of the financial statements on 23 February 2017,



Brent Impey, Chair



Richard Dellabarca, Chair - Audit and Risk Committee

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2016

	NOTE	CASH FLOW HEDGE RESERVE \$000	FOREIGN CURRENCY TRANSLATION RESERVE \$000	RETAINED EARNINGS \$000	ATTRIBUTABLE TO NON CONTROLLING INTERESTS \$000	TOTAL EQUITY \$000
Balance as at 1 January 2015		24,902	(123)	66,140	-	90,919
Net loss for the 2015 year	B1	-	-	(463)	-	(463)
Other comprehensive income						
Net gain on cash flow hedges	B2	933	-	-	-	933
Exchange differences from translation of foreign operations	B3	-	33	-	-	33
Total other comprehensive income, net of tax		933	33	-	-	966
Total comprehensive income, net of tax		933	33	(463)	-	503
Balance as at 31 December 2015		25,835	(90)	65,677	-	91,422
Net loss for the 2016 year	B1	-	-	(7,473)	-	(7,473)
Business investment	D1	-	-	-	794	794
Other comprehensive income						
Net gain on cash flow hedges	B2	6,949	-	-	-	6,949
Exchange differences from translation of foreign operations	B3	-	(62)	-	-	(62)
Total other comprehensive income, net of tax		6,949	(62)	-	-	6,887
Total comprehensive income, net of tax		6,949	(62)	(7,473)	-	(586)
Balance as at 31 December 2016		32,784	(152)	58,204	794	91,630

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

for the year ended 31 December 2016

	NOTE	GROUP	
		2016 \$000	2015 \$000
Operating activities			
Receipts from broadcasting, sponsorship and licensing and matchday		174,678	91,826
Interest received		2,254	3,576
Other income		7,244	28,789
Payments to suppliers and employees		(158,509)	(128,515)
Operating cash flows	B4	25,667	(4,324)
Investing activities			
Sale/(purchase) of term investments		7,213	(6,690)
Investment in associates		(227)	(750)
Repayments of loans and advances		430	1,946
Purchase of property, plant and equipment		(587)	(525)
Purchase of intangible assets		(209)	(526)
Cash from business investments	D1	197	-
Proceeds from sale of property, plant and equipment		-	4
Investing cash flows		6,817	(6,541)
Net increase/(decrease) in cash held		32,484	(10,865)
Effect of exchange rate change on foreign currency balances		(229)	644
Cash and cash equivalents at start of the year		51,868	62,089
Cash and cash equivalents at end of the year		84,123	51,868

ABOUT THIS REPORT

The notes to the financial statements include information that is considered relevant and material to assist the reader in understanding changes in New Zealand Rugby's financial position or performance. Information is considered relevant and material if;

- **the amount is significant because of its size and nature;**
- **it is important for understanding the results of New Zealand Rugby;**
- **it helps explain changes in New Zealand Rugby's business; or**
- **it relates to an aspect of New Zealand Rugby's operations that is important to future performance.**

New Zealand Rugby Union Incorporated ("New Zealand Rugby") is an incorporated society registered in New Zealand under the Incorporated Societies Act 1908. Its principal activity is to promote and administer the sport of rugby union in New Zealand. The registered office of New Zealand Rugby is Level 4, 100 Molesworth Street, Thorndon, Wellington, New Zealand.

These financial statements have been prepared;

- in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity Standards ("PBE Standards") as appropriate for Tier 1 Not-For-Profit entities. New Zealand Rugby is a Tier 1 entity as its annual expenses are greater than \$30m;
- on the basis of historical cost, except for the revaluation of certain assets and liabilities;
- in New Zealand dollars, with all values rounded to thousands (\$000) unless otherwise stated.

KEY JUDGEMENTS AND ESTIMATES

In the process of applying the Group's accounting policies and the application of accounting standards, New Zealand Rugby has made a number of judgements and estimates. The estimates and underlying assumptions are based on historical experience and various other matters that are considered to be appropriate under the circumstances. Actual results may differ from these estimates.

Judgements and estimates that are considered material to understand the performance of New Zealand Rugby are found in the following notes

Note E3 Provision for medical costs Page 61

OTHER ACCOUNTING POLICIES

Other accounting policies that are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

Basis of Consolidation

The Group financial statements comprise the financial statements of New Zealand Rugby Union Incorporated, its subsidiaries and investments in associates as contained in note D1 Subsidiaries and D2 Associates.

In preparing the Group financial statements, all material intra-group transactions, balances, income and expenses have been eliminated.

Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rates at the dates of the transactions. Foreign currency monetary assets and liabilities are translated at the rate prevailing at balance date 31 December 2016.

The assets and liabilities of international subsidiaries are translated to New Zealand dollars at the closing rate at balance date. The income and expenses of these subsidiaries are translated at rates approximating the exchange rates at the date of the transactions.

Exchange differences arising on the translation of subsidiary financial statements are recorded in the foreign currency translation reserve (equity). Cumulative translation differences are recognised in the income statement in the period in which any international subsidiary is disposed of.

Good and services tax

Income, expenditure and assets and liabilities are recognised exclusive of goods and services tax ("GST"), except for receivables and payables which are recognised inclusive of GST where invoiced.

Changes in accounting policies

This is the first set of financial statements of New Zealand Rugby that is presented in accordance with Public Benefit Entity (PBE) Standards. New Zealand Rugby has previously reported in accordance with NZ International Financial Reporting Standards (IFRS) PBE. The accounting policies adopted in these financial statements are consistent with those of the previous financial year, except for instances when the accounting or reporting requirements of a PBE standard are different to requirements under NZ IFRS PBE. There were no material adjustments resulting from the transition.

There have been a number of classification changes in the current year as a result of reviewing the allocation basis of some expense items. Comparative numbers have been adjusted to ensure consistency between years.

Standards adopted not yet effective

There are no standards that are issued not yet effective that will have a material impact on New Zealand Rugby's financial statements.

A. FINANCIAL PERFORMANCE

This section explains the financial performance of New Zealand Rugby, providing additional information about individual items in the Income Statement, including

- accounting policies that are relevant for understanding items recognised in the Income Statement; and
- analysis of New Zealand Rugby's performance for the year by reference to key areas including income, expenditure and taxation.

A1 INCOME

Broadcasting and Sponsorship and licensing income is recognised over the period of the contract as the benefits are supplied by New Zealand Rugby. Matchday income is recognised in the period of the event. Interest income is recognised on an accruals basis using the effective interest method.

	NOTE	GROUP	
		2016 \$000	2015 \$000
Income from operations comprises of the following items			
Income from broadcasting, sponsorship and licensing, and matchday *		145,717	95,600
Other income			
Income from government grants *	A1	3,329	3,323
Income from gaming trusts *	A1	29	90
Rugby World Cup 2015 compensation grants from World Rugby*		432	20,954
Other income *		1,983	4,519
		5,773	28,886
Interest income			
Bank deposits		2,893	3,010
Related parties		26	84
		2,919	3,094
Foreign exchange gains		7,292	6,123
Equity accounted profit of associates	D2	-	115
Total income		161,701	133,818

* These balances include non-exchange income which is shown in more detail in the table below.

The table below separates income between exchange and non-exchange. Exchange income is whereby New Zealand Rugby receives income for services, and gives approximately equal value to another entity in exchange. Non-exchange income is where New Zealand Rugby receives value from another entity without giving approximately equal value in exchange.

	GROUP	
	2016 \$000	2015 \$000
Exchange income	154,777	106,742
Non-exchange income		
Sponsorship and licensing	1,400	-
Matchday	580	-
Other income	4,944	27,076
Total non-exchange income	6,924	27,076
Total income	161,701	133,818

Income from government and gaming trust grants

Government and gaming trust grant income is recognised when the conditions of those grants are met.

	GROUP	
	2016 \$000	2015 \$000
GOVERNMENT AND GAMING TRUST GRANTS		
Government grants		
Accident Compensation Corporation	405	300
High Performance Sport New Zealand	2,298	2,310
Ministry of Business, Innovation and Employment	-	96
Ministry of Foreign Affairs and Trade	33	-
Sport New Zealand	593	617
Total income from Government grants	3,329	3,323
Gaming trust grants		
New Zealand Community Trust	29	90
Total income from gaming trust grants	29	90

A2 EXPENDITURE

	NOTE	GROUP	
		2016 \$000	2015 \$000
Expenditure from operations comprises of the following items			
Expenditure from operating activities		82,392	57,176
Finance costs			
Bank interest		32	49
Other interest		-	-
		32	49
Net movement in doubtful debts provision	B5	5	(156)
Write-off to bad debts	B6	(15)	(153)
Movement in provision for medical costs	E3	58	147
Depreciation of property, plant and equipment	E1	524	505
Amortisation of intangible assets	E2	960	961
Operating lease rental expenses		1,190	1,086
Employee benefits		79,418	73,217
Defined contribution plan expenses		4,367	1,449
Equity accounted loss of associates		243	-
Total expenditure		169,174	134,281

Provincial Union Funding

Included in operating activities expenditure on the previous table is Provincial Union funding. New Zealand Rugby provides various forms of funding to Provincial Unions for game development, competition, and other initiatives. Provincial Union Funding is recognised when paid or when a liability arises.

PROVINCIAL UNION	GROUP	
	2016 \$000	2015 \$000
Mitre 10 Cup Provincial Unions		
Auckland	2,868	1,620
Bay of Plenty	2,027	1,499
Canterbury	2,406	1,653
Counties Manukau	1,949	1,321
Hawke's Bay	1,676	984
Manawatu	1,706	1,197
North Harbour	1,803	1,303
Northland	1,866	1,349
Otago	1,733	1,062
Southland	1,550	833
Taranaki	1,671	1,031
Tasman	1,619	1,122
Waikato	1,890	1,020
Wellington	1,974	1,200
Total Mitre 10 Cup Provincial Union funding	26,738	17,194

Provincial Union Funding (continued)

PROVINCIAL UNION	GROUP	
	2016 \$000	2015 \$000
Mitre 10 Heartland Championship Provincial Unions		
Buller	346	243
East Coast	322	248
Horowhenua Kapiti	565	410
King Country	438	272
Mid Canterbury	444	286
North Otago	393	271
Poverty Bay	481	321
South Canterbury	447	303
Thames Valley	450	283
Wairarapa Bush	465	312
Wanganui	455	354
West Coast	328	249
Total Mitre 10 Heartland Championship Provincial Union funding	5,134	3,552
Total Provincial Union funding	31,872	20,746

Super Rugby Club funding

Included in operating activities expenditure on page 47 is funding to Super Rugby clubs. New Zealand Rugby provides funding to Super Rugby clubs for competition and professional development initiatives. Funding is recognised as paid or when a liability arises.

SUPER RUGBY CLUB	2016 \$000	2015 \$000
Blues	581	186
Chiefs	727	234
Crusaders	527	172
Highlanders	717	192
Hurricanes	742	226
Total Super Rugby club funding	3,294	1,010

Associate Member Funding

Included in operating activities expenditure on page 47 is funding to Associate Members. New Zealand Rugby provides funding to Associate Members which is recognised when paid or when a liability arises.

ASSOCIATE MEMBER	2016 \$000	2015 \$000
New Zealand Deaf Rugby Football Union	15	15
New Zealand Marist Rugby Football Federation	-	3
New Zealand Rugby Foundation	400	300
New Zealand Schools Rugby Council	210	295
New Zealand Universities	18	18
Rugby Museum Society of New Zealand	35	65
Total Associate Member funding	678	696

A3 TAXATION

New Zealand Rugby is exempt from income tax as a promoter of amateur sport under section CW 46 of the Income Tax Act 2007. A subsidiary of the Group, New Zealand Rugby Promotions Limited is subject to income tax.

For Subsidiaries, Associates and Joint Ventures

- Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).
- Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.
- Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

INCOME TAX EXPENSE	2016 \$000	2015 \$000
Loss before income tax	(7,473)	(463)
Prima facie tax @ 28%	(2,092)	(130)
Tax effect of permanent differences (exempt activities)	2,092	130
Benefit of tax losses not previously recognised	-	-
Income tax expense	-	-

The Group has accumulated tax losses of \$5,225,000 (2015 \$5,225,000) available to be carried forward and offset against future assessable income. The \$1,463,000 (2015 \$1,463,000) future tax benefit of these losses has not been recognised as it is not probable that they will be realised. There was no tax effect of other temporary differences on the 2016 result (2015 Nil).

B. MANAGING FUNDING

This section explains New Zealand Rugby's reserves and working capital. In this section there is information about

- equity and reserves;
- cash and cash equivalents;
- loans and advances;
- receivables and payables.

B1 RETAINED EARNINGS

	GROUP	
	2016 \$000	2015 \$000
RETAINED EARNINGS		
Balance at the start of the year	65,677	66,140
Loss for the year	(7,473)	(463)
Retained earnings	58,204	65,677

B2 CASH FLOW HEDGE RESERVE

The cash flow hedge reserve represents the unrealised favourable variance between the contracted rate and the market rate of unexpired foreign currency forward contracts designated as hedges as at 31 December 2016.

	GROUP	
	2016 \$000	2015 \$000
CASH FLOW HEDGE RESERVE		
Balance at the start of the year	25,835	24,902
Gains on cash flow hedges taken to equity	13,713	8,774
Transferred to profit or loss for the period	(6,764)	(7,841)
Cash flow hedge reserve	32,784	25,835

B3 FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences arising on the translation of associate financial statements are recorded in the foreign currency translation reserve (equity).

	GROUP	
	2016 \$000	2015 \$000
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the start of the year	(90)	(123)
(Loss)/gain arising from translation of foreign operations	(62)	33
Foreign currency translation reserve	(152)	(90)

B4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are made up of cash on hand, on-demand deposits and other short-term deposits that are readily convertible to a known amount of cash and are not subject to a significant risk of change in value.

	GROUP	
	2016 \$000	2015 \$000
CASH AND CASH EQUIVALENTS		
Current and money market accounts	12,878	14,676
Short-term bank term deposits	71,245	37,192
Total cash and cash equivalents	84,123	51,868

	GROUP	
	2016 \$000	2015 \$000
RECONCILIATION OF NET PROFIT AFTER TAX TO CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss after income tax	(7,473)	(463)
<i>Adjustments for operating activities non-cash items</i>		
Depreciation and amortisation	1,484	1,466
Movement in doubtful debts provision	5	(156)
Write-off to bad debts	(15)	(153)
Share of associates losses/(profit)	243	(115)
Foreign exchange losses	(146)	(699)
	1,571	343
Items classified as investing activities	400	126
<i>Changes in working capital items</i>		
Decrease/(increase) in trade and other receivables	3,152	(10,138)
(Increase)/decrease in prepayments	(668)	807
Increase in trade and other payables	3,684	917
Increase/(decrease) in provisions and player payment variation account	1,951	(457)
Increase in income in advance	23,448	4,541
	31,567	(4,330)
(Increase) in financial instruments	(398)	-
Cash flow from operating activities	25,667	(4,324)

Cash flows are inflows and outflows of cash and cash equivalents. Operating activities are the principal income producing activities of New Zealand Rugby. Investing activities are the acquisition and disposal of long-term assets or other investments not included in cash equivalents.

B5 TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured at amortised cost less impairment. Allowances for estimated unrecoverable amounts are recognised in profit or loss when there is objective evidence that the receivable is impaired. An allowance of \$53,000 (2015 \$48,000) has been made for estimated unrecoverable trade receivables.

Included in trade receivables are debtors with a carrying value of \$209,000 (2015 \$320,000) which are past due at 31 December which have not been provided for as there has not been any significant change in the credit quality and the amounts are still considered recoverable.

Trade receivables written off during the year were nil (2015 \$153,000).

	GROUP	
	2016 \$000	2015 \$000
TRADE AND OTHER RECEIVABLES		
Trade receivables *	33,673	43,753
Trade receivable accruals	11,957	4,875
Less Provision for doubtful debts	(53)	(48)
Total trade receivables	45,577	48,580
Other receivables	182	331
Total trade and other receivables	45,759	48,911
MOVEMENT IN PROVISION FOR DOUBTFUL DEBTS		
Opening provision	(48)	(357)
Provision created during the year	(7)	(48)
Provision released during the year	2	204
Write-offs to bad debts during the year	-	153
Closing provision for doubtful debts	(53)	(48)
AGING OF PAST DUE BUT NOT IMPAIRED TRADE RECEIVABLES		
60 - 90 days	136	138
91 - 120 days	57	133
121+ days	16	49
Total past due but not impaired trade receivables	209	320

* Included in trade receivables are receivables from non-exchange income of \$785,000 (2015 \$658,000)

B6 LOANS AND ADVANCES

Loan and advances are measured at cost less impairment. Allowances for estimated unrecoverable amounts are recognised in profit or loss when there is objective evidence that the loan is impaired. An amount of \$15,000 (2015 Nil) was written-off to bad debts during the year for an unrecoverable loan from SANZAR Europe s.a.r.l. No allowance has been made for estimated unrecoverable loans and advances as at 31 December 2016.

LOANS AND ADVANCES	GROUP	
	2016 \$000	2015 \$000
Current loans		
Provincial Unions	383	952
SANZAR Europe s.a.r.l.	-	52
Total current loans and advances	383	1,004
Non-current loans		
Provincial Unions	384	208
Total non-current loans and advances	384	208
Total loans and advances	767	1,212

New Zealand Rugby received \$393,000 (2015\$87,000) of repayments and charged interest of \$26,000 (2015 \$35,000) on all loans to Provincial Unions during the year.

B7 TRADE AND OTHER PAYABLES

Trade payables and other payables are recognised when New Zealand Rugby becomes obliged to make future payments resulting from the purchase of goods and services. Subsequent to initial recognition, trade payables and other payables are recorded at amortised cost.

TRADE AND OTHER PAYABLES	GROUP	
	2016 \$000	2015 \$000
Trade payables	1,309	681
Employee entitlements	5,156	3,262
Goods and services tax (GST) payable	1,571	1,335
Other payables and accruals	3,739	3,332
Total trade and other payables	11,775	8,610

C. FINANCIAL INSTRUMENTS USED TO MANAGE RISK

This section explains the financial risks New Zealand Rugby faces, how these risks affect New Zealand Rugby's financial position and performance and how New Zealand Rugby manages these risks. In this section of the notes there is information

- *outlining New Zealand Rugby's approach to financial risk management; and*
- *analysing financial (hedging) instruments used to manage risk.*

C1 FINANCIAL RISK MANAGEMENT

New Zealand Rugby's activities expose it to a variety of financial risks, primarily the risk of unfavourable movements in foreign currency exchange rates and interest rates. The Board approves policies including foreign exchange and investment policies that set appropriate principles and risk tolerance levels to guide management in carrying out financial risk management activities to minimise potential adverse effects on the financial performance and position of New Zealand Rugby. Compliance with policies and exposure limits is reviewed on a regular basis. New Zealand Rugby does not enter into or trade financial instruments for speculative purposes.

Foreign currency risk management

New Zealand Rugby is exposed to foreign currency risk primarily due to receiving income from broadcasting, sponsorship and licensing, matchday, and grants from World Rugby denominated in foreign currencies (primarily United States dollars, Euros, British pounds and Australian dollars). The exposure is managed with foreign currency forward exchange contracts that hedge the known foreign currency exposure.

It is the policy of New Zealand Rugby to enter into foreign currency forward exchange contracts to cover known and contracted foreign currency receipts or payments. The fair value of all forward exchange contracts at year end are set out in the following table.

FINANCIAL INSTRUMENTS FAIR VALUE	GROUP	
	2016 \$000	2015 \$000
Assets		
Current foreign currency forward contracts	14,111	7,939
Non-current foreign currency forward contracts	24,154	20,863
Total assets	38,265	28,802
Liabilities		
Current foreign currency forward contracts	1,212	1,549
Non-current foreign currency forward contracts	3,895	1,419
Total liabilities	5,107	2,968
Total fair value of financial instruments	33,158	25,834

All foreign currency forward contracts in place at year end are set out in the table below.

OUTSTANDING CONTRACTS	FORWARD FOREIGN EXCHANGE CONTRACTS							
	AVERAGE EXCHANGE RATE		FOREIGN CURRENCY		CONTRACT VALUE		FAIR VALUE	
	2016	2015	2016 FC'000	2015 FC'000	2016 \$000	2015 \$000	2016 \$000	2015 \$000
Sell US dollar								
< 1 year	0.6662	0.6717	50,945	58,506	76,475	87,095	2,179	584
1 - 2 years	0.6378	0.6534	40,489	38,616	63,479	59,097	3,585	912
2 - 3 years	0.6415	0.6276	46,654	34,710	72,725	55,302	2,700	2,021
3 - 4 years	0.6283	0.6191	40,911	30,867	65,117	49,856	2,675	1,661
4 - 5 years	0.6813	0.6105	9,800	30,950	14,384	50,697	(580)	1,386
5+ years	0.6618	-	17,500	-	26,444	-	(1,086)	-
Sell Euro								
< 1 year	0.4591	0.4508	10,015	8,415	21,814	18,665	6,442	5,186
1 - 2 years	0.4403	0.4304	8,947	7,750	20,318	18,007	6,001	5,016
2 - 3 years	0.4237	0.4203	8,598	7,325	20,295	17,430	5,802	4,558
3 - 4 years	0.5731	0.4024	6,847	6,975	11,946	17,334	184	4,440
4 - 5 years	0.5689	-	5,425	-	9,535	-	(114)	-
5+ years	0.5415	-	7,750	-	14,311	-	(316)	-
Sell British pound								
< 1 year	0.4653	0.4334	12,864	426	27,647	983	4,278	60
1 - 2 years	0.4322	0.4470	800	9,600	1,851	21,475	328	2
2 - 3 years	0.4278	0.4332	2,900	700	6,779	1,616	1,080	7
3 - 4 years	-	0.4251	-	2,800	-	6,587	-	1
4 - 5 years	-	-	-	-	-	-	-	-
5+ years	-	-	-	-	-	-	-	-
Total forward foreign exchange contracts					453,120	404,144	33,158	25,834

In 2008 New Zealand Rugby entered into certain forward foreign exchange contracts to hedge a percentage of known and contracted future cash flows for a period of up to eleven years. The banking facility covenant requires that if at any time the aggregate of the mark-to-market values (expressed in New Zealand dollars) of all foreign exchange and interest rate transactions with this bank exceeds an out-of-the-money position for New Zealand Rugby of \$20m, New Zealand Rugby must transfer title of cash or securities of an amount at least equal to the difference between the actual out-of-the-money position and \$20m. New Zealand Rugby are currently within the terms of this covenant.

Interest rate risk management

Interest rate risk is the risk that the value of New Zealand Rugby's assets will fluctuate due to the changes in market interest rates. New Zealand Rugby is exposed to interest rate risk primarily through its cash balances, loans and advances and investments. The interest reset date for cash and cash equivalents is less than 1 year. The interest reset date for loans and advances is the same as the contractual maturity dates.

The following table details New Zealand Rugby's exposure to interest rate and liquidity risk. This table is based on an analysis of the contractual undiscounted cash flows based and maturity dates.

MATURITY PROFILE	2016 GROUP (\$000)					TOTAL \$000
	WEIGHTED AVERAGE EFFECTIVE INTEREST %	DUE WITHIN 1 YEAR	DUE IN 1 TO 2 YEARS	DUE IN 3 TO 5 YEARS	DUE AFTER 5 YEARS	
Financial assets						
Cash and cash equivalents	3.08%	87,441	-	-	-	87,441
Term investments	-	-	-	-	-	-
Trade and other receivables	-	45,759	-	-	-	45,759
Loans and advances	2.41%	393	350	43	-	786
Financial instruments	-	14,203	10,560	14,940	-	39,703
Total financial assets		147,796	10,910	14,983	-	173,689
Financial liabilities						
Trade and other payables	-	11,775	-	-	-	11,775
Benevolent and welfare fund	1.45%	2,053	-	-	-	2,053
Player payment variation account	-	966	-	-	-	966
Financial instruments	-	1,222	361	2,449	1,813	5,845
Total financial liabilities		16,016	361	2,449	1,813	20,639

MATURITY PROFILE	2015 GROUP (\$000)					TOTAL \$000
	WEIGHTED AVERAGE EFFECTIVE INTEREST %	DUE WITHIN 1 YEAR	DUE IN 1 TO 2 YEARS	DUE IN 3 TO 5 YEARS	DUE AFTER 5 YEARS	
Financial assets						
Cash and cash equivalents	3.54%	54,104	-	-	-	54,104
Term investments	4.23%	-	7,783	-	-	7,783
Trade and other receivables	-	48,911	-	-	-	48,911
Loans and advances	3.25%	1,036	172	43	-	1,251
Financial instruments	-	7,988	14,369	8,143	-	30,500
Total financial assets		112,039	22,324	8,186	-	142,549
Financial liabilities						
Trade and other payables	-	8,610	-	-	-	8,610
Benevolent and welfare fund	2.00%	1,456	-	-	-	1,456
Player payment variation account	-	76	-	-	-	76
Financial instruments	-	2,143	905	2	-	3,050
Total financial liabilities		12,285	905	2	-	13,192

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to New Zealand Rugby. Financial instruments which potentially subject New Zealand Rugby to credit risk consist principally of bank balances, accounts receivable, other receivables, loans and advances, other financial assets and financial instruments. New Zealand Rugby has a credit policy which is used to manage its exposure to credit risk. Reputable financial institutions are used for investing and cash handling purposes. No collateral is required on these financial instruments. The maximum credit risk exposure equates to the Balance Sheet position.

Liquidity risk management

Liquidity risk is the risk that New Zealand Rugby may not be able to meet its financial obligations as they fall due. New Zealand Rugby manages this risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows matching the maturity profiles of financial assets and liabilities.

Capital risk management

New Zealand Rugby manages its capital to ensure that entities in the Group will be able to continue as a going concern. The capital structure comprises of reserves and retained earnings, which includes cash and other financial instruments. The Board reviews the capital structure annually whilst updating New Zealand Rugby's Investment Policy. New Zealand Rugby's overall strategy remains unchanged from the prior year.

C2 FINANCIAL INSTRUMENTS

Financial instrument recognition

New Zealand Rugby designates or classifies financial hedging instruments as cash flow hedges which are hedges of a particular cash flow associated with a recognised asset or liability or a highly probable forecast transaction.

Hedging instruments are initially recognised at fair value on the date the contracts are agreed and are subsequently re-measured to their fair value at each reporting date.

Cash flow hedge

Changes in fair value of hedges that are designated and qualify as cash flow hedges and are considered effective for accounting purposes are recognised in the cash flow hedge reserve (equity) and in other comprehensive income in net gain on cash flow hedges. The gain or loss relating to any ineffective element is recognised immediately in the income statement in foreign exchange gains.

Amounts accumulated in other comprehensive income are released in the income statement in the periods when the forecast transactions take place.

Fair value of hedging financial instruments

The recognition and measurement of hedging financial instruments require management estimation and judgement.

Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The fair value hierarchy is

- Level 1 inputs Derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs Either directly (i.e. as prices) or indirectly (i.e. derived from prices) observable inputs other than quoted prices included in Level 1.
- Level 3 inputs Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments recognised on New Zealand Rugby's balance sheet at fair value have been valued within Level 2 of the valuation methodology hierarchy. The method of valuation uses Bloomberg data by an external treasury specialist. There have been no transfers between Level 1 and Level 2 of the fair value hierarchy during the year ended 31 December 2016 (2015 Nil).

Foreign currency monetary assets and liabilities

New Zealand Rugby held the following New Zealand dollar equivalent monetary assets and liabilities which are denominated in foreign currencies at balance date

MONETARY ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCY	GROUP	
	2016 \$000	2015 \$000
Assets		
United States dollars	30,184	35,495
Euros	1,769	22,844
British pounds	1,491	2,649
Australian dollars	1,465	990
Total monetary assets denominated in foreign currency	34,909	61,978
Liabilities		
British pounds	65	106
Euros	-	36
Total monetary liabilities denominated in foreign currency	65	142

Sensitivity analysis

A sensitivity analysis has been performed based upon the financial instrument balances as classified in the maturity profile table. The sensitivity analysis calculates the impact on New Zealand Rugby's reported profit or loss and equity if there was a deviation in either the interest rate by +/- 100 basis points or the exchange rate by +/- 10%.

	Sensitivity	Interest rate		Sensitivity	Exchange rate	
		2016 \$000	2015 \$000		2016 \$000	2015 \$000
Impact on profit	+/- 100 bps	837	518	+/- 10%	3,630	4,258
Impact on equity	+/- 100 bps	837	518	+/- 10%	42,864	39,834

D. GROUP STRUCTURE

This section provides information to help readers understand the New Zealand Rugby Group structure and how it affects the financial position and performance of the Group. In this section there is information about

- subsidiaries; and
- investments in associates.

D1 SUBSIDIARIES

The consolidated financial statements include the financial statements of New Zealand Rugby Union Incorporated and the subsidiaries listed below. Subsidiaries are entities controlled, directly or indirectly, by New Zealand Rugby.

NAME OF ENTITY	COUNTRY OF INCORPORATION	INTEREST HELD	
		2016	2015
New Zealand Rugby Union Incorporated			
— All Blacks Experience Limited Partnership	New Zealand	50%	0%
— New Zealand Rugby Promotions Limited	New Zealand	100%	100%
— Computerised Match Ticketing Limited	New Zealand	100%	100%
— All Blacks Legacy Fund Limited	New Zealand	0%	100%

All Blacks Legacy Fund Limited was a non-trading subsidiary and was deregistered on 21 October 2016.

Business investments

All Blacks Experience Limited Partnership

In December 2016, the partners of All Blacks Experience Limited Partnership agreed to restructure the limited partnership agreement. The changes effectively see New Zealand Rugby assuming control of the All Blacks Experience Limited Partnership. New Zealand Rugby is committed to raise or provide \$7m which is the balance of capital required under the limited partnership agreement.

	\$000
Recognition amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	197
Property, plant and equipment	1,414
Trade and other payables	(23)
Total identifiable net assets	1,588
Less non-controlling interests' share of acquisition	(794)
Total identifiable net assets attributable to the Group	794

D2 ASSOCIATES

Associates are entities in which New Zealand Rugby has significant influence, but not control, over the operating and financial policies. The financial statements of all associates, where material, have been reflected in the Group financial statements on an equity accounting basis which shows New Zealand Rugby's share of profits or losses in the income statement and its share of post acquisition increases or decreases in net assets, in the balance sheet. A list of associates is disclosed below

NAME OF ENTITY	COUNTRY OF INCORPORATION	INTEREST HELD	
		2016	2015
All Blacks Experience Limited Partnership	New Zealand	0%	50%
Highlanders Rugby Club Limited Partnership	New Zealand	10%	10%
SANZAR Europe s.a.r.l.	Luxembourg	33%	33%
SANZAR Pty Limited	Australia	33%	33%

Highlanders Rugby Club Limited Partnership owns the license to operate the Highlanders Super Rugby team in the Investec Super Rugby competition. The Highlanders Rugby Club Limited Partnership has a balance date of 31 August.

SANZAR Europe s.a.r.l. is a company used to facilitate the sale of broadcast rights into European markets in a tax efficient manner. SANZAR Europe s.a.r.l. is jointly owned by New Zealand Rugby and the Australian and South African Rugby Unions. SANZAR Europe s.a.r.l. has a balance date of 31 December. New Zealand Rugby had transaction, of \$3.793m (2015 \$6.200m) with SANZAR Europe s.a.r.l. during the year.

SANZAR Pty Limited acts as the agent for the SANZAAR joint venture which administers The Rugby Championship and Super Rugby competitions. The company is jointly owned by New Zealand Rugby and the Australian and South African Rugby Unions. SANZAR Pty Limited has a balance date of 31 December. New Zealand Rugby had transactions of \$1.432m (2015 \$1.328m) with SANZAR Pty Limited during the year and at balance date had a receivable balance from SANZAR Pty Limited of \$0.277m (2015 receivable balance of \$1.546m).

CARRYING VALUE OF ASSOCIATES	GROUP	
	2016 \$000	2015 \$000
Carrying value at beginning of the year	2,270	1,172
Investment	227	950
Share of net (loss)/profit for the year	(243)	115
Change in translation of foreign currency investment	(62)	33
Associate becoming subsidiary	(794)	-
Total investments in associates	1,398	2,270

E. OTHER

This section includes the remaining information relating to New Zealand Rugby's financial statements that is required to comply with financial reporting standards.

E1 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially recorded at cost. Cost includes the original purchase consideration and those costs directly attributable to bring the item to the location and condition for its intended use. After recognition as an asset, property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment is provided on a straight-line basis at depreciation rates calculated to allocate the cost less estimated residual value, over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The classes of property, plant and equipment and their useful lives are computer equipment (3 years); office equipment (5 years); office alterations and fixtures (10 years); coaching equipment (5 years).

GROUP (\$000)	NOTE	COMPUTER EQUIPMENT	OFFICE EQUIPMENT	OFFICE ALTERATIONS & FIXTURES	COACHING EQUIPMENT	TOTAL
Cost or fair value		1,069	512	2,529	447	4,557
Less accumulated depreciation		(873)	(507)	(470)	(305)	(2,155)
Net book value at 31 December 2014		196	5	2,059	142	2,402
Additions		262	91	78	94	525
Disposals		(2)	-	(18)	-	(20)
Depreciation expense		(177)	(3)	(246)	(79)	(505)
Net book value at 31 December 2015		279	93	1,873	157	2,402
Additions		318	-	166	103	587
Business investment	D1	-	-	1,414	-	1,414
Asset class reclassification		-	(91)	91	-	-
Depreciation expense		(192)	(1)	(265)	(66)	(524)
Net book value at 31 December 2016		405	1	3,279	194	3,879
Cost or fair value		929	176	4,232	560	5,897
Less accumulated depreciation		(524)	(175)	(953)	(366)	(2,018)
Net book value at 31 December 2016		405	1	3,279	194	3,879

E2 INTANGIBLE ASSETS

New Zealand Rugby uses its judgement in determining the remaining useful lives and residual values of intangible assets. These are reviewed, and if appropriate, adjusted at each balance date. Computer software assets' useful lives are estimated to be up to three years. Amortisation of intangible assets is calculated on a straight-line basis.

GROUP (\$000)	CONTRIBUTION TO EDEN PARK	COMPUTER EQUIPMENT	TOTAL
Cost or fair value	10,000	2,927	12,927
Less accumulated amortisation	(2,000)	(2,208)	(4,208)
Net book value as at 31 December 2014	8,000	719	8,719
Additions	-	526	526
Disposals	-	(1)	(1)
Amortisation expenses	(500)	(461)	(961)
Net book value as at 31 December 2015	7,500	783	8,283
Additions	-	209	209
Disposals	-	-	-
Amortisation expenses	(500)	(460)	(960)
Net book value as at 31 December 2016	7,000	532	7,532
Cost or fair value	10,000	2,572	12,572
Less accumulated amortisation	(3,000)	(2,040)	(5,040)
Net book value as at 31 December 2016	7,000	532	7,532

Contribution to Eden Park

In 2008, New Zealand Rugby contributed \$10m towards the redevelopment of Eden Park in return for certain benefits. The contribution to Eden Park is stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight line basis over the term of the agreement between the New Zealand Rugby, Eden Park Trust and the Auckland Rugby Football Union when the benefits will accrue to New Zealand Rugby. The term of the agreement is 20 years and the benefits started accruing to the New Zealand Rugby in 2011 at which time amortisation commenced.

E3 PROVISIONS

Provision for medical costs

New Zealand Rugby provides injury and illness benefits to employees and players. The provision is based on New Zealand Rugby's obligations under the ACC Accredited Employer Programme ('AEP'), split between short-term open claims and long-term reopened claims. Due to a change in the ACC cover from 1 April 2014 the long-term provision only relates to injuries that occurred prior to this date.

Until 1 April 2014, New Zealand Rugby was enrolled in the Full Self Cover Programme (FSCP) of the AEP. Under this programme, New Zealand Rugby pays a lower levy but is responsible for managing and compensating all costs arising from injuries in each cover year. After a number of years, any remaining open claims are passed back to ACC, along with a residual payment that is expected to cover the costs of the claim. New Zealand Rugby may also be liable for reopened claims if it can be demonstrated that the medical costs relate to an injury during the period of cover.

With effect from 1 April 2014, New Zealand Rugby has moved to the Partnership Discount Programme ('PDP'). The levy that is charged is higher under this programme, but the New Zealand Rugby's future liability is limited only to the cost of claims arising in the 2 years following the cover year in which the claim occurred.

A provision is made for liabilities for short-term open claims and longer term and reopened claims that extend beyond the end of the financial year. The provision for medical and income costs is based on an annual independent actuarial valuation prepared by Craig Lough (FIAA, FNZSA), Fellow of the New Zealand Society of Actuaries of Melville Jessup Weaver, Consulting Actuaries. The Actuary has confirmed that the data provided by New Zealand Rugby was sufficient for the purposes of their report.

Short-term provision assumptions

The Bornhuetter-Ferguson ("BF") actuarial method is used to determine the short-term open claims provision. The BF method uses the weighted average of past claims development applied to an estimate of the ultimate claims costs to project future claims development. The estimated ultimate claims costs are derived as a percentage of liable earnings based on past New Zealand Rugby claims experience. The graduated weighted average BF development factors were derived from the New Zealand Rugby's own past payments pattern.

The principal assumptions used by the Actuary, Craig Lough were

- The assumed loss ratio of 3 percent of liable earnings was determined by considering the observed loss ratios for developed loss quarters;
- The projected future payments were discounted for the time value of money based on secondary market Government bond yields as at 4 December 2016.

Long-term provision assumptions

The key assumptions that underpin the long-term medical provision calculation relate to the likelihood of players requiring surgery or treatment later in life based on injuries sustained during the period of cover and are derived from information provided by the New Zealand Rugby Medical Director. Other inputs into the model are costs associated with surgery, consultations, rehabilitation and average weekly compensation which have been established using input from ACC and New Zealand Rugby. Economic assumptions were sourced from ACC and are consistent with their valuation basis as at 31 March 2016. A key factor in the model is the number of serious knee injuries sustained over the period of cover as these are believed to be a strong indicator of the need for surgery in later life. The model allows for the possibility of multiple operations to be required over a player's lifetime. The model was constructed to illustrate the potential range of outcomes.

The actuarial calculation is a central estimate of the present value of expected future payments for claims and consistent with the prior year a prudential margin liability has not been included in the calculation as the actuary has determined that an additional risk margin is not required. New Zealand Rugby will remain in the ACC Partnership Programme for the foreseeable future.

	GROUP	
	2016 \$000	2015 \$000
PROVISION FOR MEDICAL COSTS		
Provision for medical costs at the start of the year	3,572	3,425
Payments made during the year	(389)	(399)
Revaluation of provision	(52)	93
Outstanding costs incurred in the current year	499	453
Provision for medical costs at the end of the year	3,630	3,572
Current	529	494
Non-current	3,101	3,078

Player payment variation account

The player payment variation account represents the difference between the players' share of agreed revenue (Player Generated Revenue) earned during the term of the players' Collective Employment Agreement and the benefits paid to the players during the same period. Player costs are recognised in the year in which the Player Generated Revenue is earned.

	GROUP	
	2016 \$000	2015 \$000
PLAYER PAYMENT VARIATION ACCOUNT		
Player payment variation account at the start of the year	76	169
Movement in player payment variation account	896	(93)
Player payment variation account at the end of the year	972	76

Benevolent and Welfare Fund

The Benevolent and Welfare Fund was established in conjunction with the New Zealand Rugby Players' Association in 2006 in accordance with the players' Collective Employment Agreement. The purpose of the fund is to provide payments to players employed under the players' Collective Employment Agreement who are no longer able to play professional rugby due to sickness, injury, accident or death or to players who are suffering hardship. The funds allocated by New Zealand Rugby together with the investment returns are payable for the benefit of the players.

The Fund is held in cash and cash equivalents on the Balance Sheet and is held solely for the purpose of meeting New Zealand Rugby's obligations for the Benevolent and Welfare Fund.

	GROUP	
	2016 \$000	2015 \$000
BENEVOLENT AND WELFARE FUND		
Benevolent and Welfare Fund at the start of the year	1,427	1,938
New Zealand Rugby contribution to the Fund	1,000	200
Payments from the Fund	(34)	(760)
Interest received	31	49
Benevolent and Welfare Fund at the end of the year	2,424	1,427

E4 RELATED PARTIES

Compensation of key management personnel

The remuneration of Board members and other key management during the year was as follows:

	GROUP	
	2016 \$000	2015 \$000
Board member fees	520	451
Chief Executive Officer and Executive Team		
Salaries and short-term benefits	3,012	2,918
Total key management personnel compensation	3,012	2,918

The Chief Executive Officer and Executive team consists of eight full-time equivalent employees (2015 seven).

Fees paid or payable to Board members for services as Board members during the year totalled \$520,000 (2015 \$451,000) and were paid as per the table below. The balance of Board member fees outstanding at 31 December 2016 was \$127,446 (2015 \$122,500).

NAME	POSITION	TOTAL \$000
Brent Impey	Chair	121
Graham Cooney	Board member - Retired April 2016	17
Richard Dellabarca	Board member	50
Andrew Golightly	Board member	49
Peter Kean	Board member	54
Stewart Mitchell	Board member	54
Steve Morris	Board member - Appointed April 2016	34
Farah Palmer	Board member - Appointed December 2016	2
Wayne Peters	Board member - Retired October 2016	40
Mark Robinson	Board member	52
Glenn Wahlstrom	Board member	49

Board Members

Peter Kean is Chairman of BNZ Partners Programme for the Otago/Southland region. New Zealand Rugby received sponsorship income in 2015 from Bank of New Zealand. Peter Kean is also a director of All Blacks Experience General Partnership.

Andrew Golightly replaced Wayne Peters as a director of Associate Member New Zealand Rugby Foundation Incorporated.

Mark Robinson is a member of the World Rugby Executive Committee.

Employees

Steve Tew (Chief Executive Officer) is a director of New Zealand Rugby Travel Limited trading as All Blacks Tours. New Zealand Rugby received royalties on rugby tour packages sold. Steve Tew is also a director of All Blacks Experience General Partnership and a member of the World Rugby Council

E5 AUDITORS REMUNERATION

AUDITOR'S REMUNERATION TO DELOITTE FOR	GROUP	
	2016 \$000	2015 \$000
Audit of the financial statements	56	41
Non-assurance services *	41	9
Total auditor's remuneration	97	50

* Non-assurance services includes assistance with Provincial Unions transition to new reporting financial reporting standards, test match audits and other agreed upon procedures.

E6 COMMITMENTS

Operating leases

New Zealand Rugby leases certain office equipment and premises. Operating leases are leases where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items. Operating lease payments are recognised in profit or loss in equal instalments over the term of the lease.

OPERATING LEASE COMMITMENTS	GROUP	
	2016 \$000	2015 \$000
Less than 1 year	1,310	833
Later than 1 year and not later than 2 years	1,227	800
Later than 2 years and not later than 5 years	3,626	1,830
More than 5 years	6,624	4,218
Total operating lease commitments	12,787	7,681

E7 SUBSEQUENT EVENTS

No subsequent event has occurred since balance date that would materially impact the financial statements as at 31 December 2016.

E8 CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2016.

AUDITOR'S REPORT



To the Members of the New Zealand Rugby Union Incorporated

Opinion

We have audited the consolidated financial statements of the New Zealand Rugby Union Incorporated and its subsidiaries (the 'NZRU'), which comprise the balance sheet as at 31 December 2016, and the income statement, comprehensive income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, on pages 42 to 63, present fairly, in all material respects, the consolidated financial position of the NZRU as at 31 December 2016, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards ('PBE Standards').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the NZRU and its subsidiaries in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners*

issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, the provision of other accounting advisory services and agreed upon procedures in relation to test match reviews, we have no relationship with or interests in the NZRU or any of its subsidiaries. These services have not impaired our independence as auditor of the entity or group.

Directors' responsibilities for the consolidated financial statements

The directors are responsible on behalf of the NZRU for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the NZRU for assessing the NZRU's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the NZRU or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements

as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on at the External Reporting Board's website at:

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

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the NZRU's members, as a body. Our audit has been undertaken so that we might state to the NZRU's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the NZRU's members as a body, for our audit work, for this report, or for the opinions we have formed.



Wellington, New Zealand
23 February 2017

This audit report relates to the consolidated financial statements of the New Zealand Rugby Union Incorporated and its subsidiaries (the 'NZRU') for the year ended 31 December 2016 included on the NZRU's website. The Directors are responsible for the maintenance and integrity of the NZRU's website. We have not been engaged to report on the integrity of the NZRU's website. We accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website. The audit report refers only to the consolidated financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these consolidated financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited consolidated financial statements and related audit report dated 31 December 2016 to confirm the information included in the audited consolidated financial statements presented on this website.

New Zealand Provincial Unions



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