



NEW ZEALAND RUGBY UNION

2009 ANNUAL REPORT





CHRISTCHURCH 26.6.09



AUCKLAND 17.7.09



HAMILTON 11.9.09

ILLUSTRATIONS:

Front cover: Former All Blacks form a guard of honour at the Investec Tri Nations Test between the All Blacks and Springboks at Waikato Stadium (Getty Images)

Inside Cover: Former All Blacks and family representatives proudly display the caps they received at six capping ceremonies held across New Zealand in 2009 (Getty Images)

Directory: Patumahoe and Waiuku contest the lineout during the Counties Manukau Club Rugby Final at Pukekohe Stadium (Getty Images)

Throughout: allblacks.com | Getty Images
Photography by Woolf | Photosport
Tangi Waikari

SUPPORTERS

PRINCIPAL PARTNER OF THE NZRU AND PRINCIPAL SPONSOR OF THE ALL BLACKS



OFFICIAL BROADCASTING PARTNER OF THE NZRU



OFFICIAL SPONSORS





DUNEDIN 12.6.09



WELLINGTON 19.6.09



POVERTY BAY 4.9.09

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NZRU SUPPORTERS



DIRECTORY

NZRU PATRON

Sir Wilson Whineray

NZRU LIFE MEMBERS

Fred Allen
Peter Burke
Ron Don
Richie Guy
Colin Meads
Eddie Tonks

NEW ZEALAND REPRESENTATIVES TO THE IRB

Steve Tew
Graham Mourie

NEW ZEALAND REPRESENTATIVES TO SANZAR

Mike Eagle
Steve Tew

NEW ZEALAND REPRESENTATIVE TO THE FEDERATION OF OCEANIA RUGBY UNIONS

Stephen Cottrell

NZRU APPOINTEES TO RUGBY NEW ZEALAND 2011 LIMITED

Jock Hobbs
Steve Tew

NZRU APPEAL COUNCIL

Rob Fisher
John Hansen
John Pringle
Stephen Ward
Richie Guy

NZRU COMPLAINTS REVIEW OFFICER

Roger Drummond

NZRU/SANZAR CITING COMMISSIONERS

David Gray
Dr Martin Harris
Steve Hinds
Jim Meates
Mike O'Leary
John Wootton

NZRU JUDICIAL OFFICERS

Nicholas Davidson
Nigel Hampton QC
Peter Hobbs
Chris Morris
Bruce Squire QC

AUDITORS

Deloitte, Wellington

SOLICITORS

Minter Ellison Rudd Watts, Wellington
AJ Park, Wellington

NEW ZEALAND MAORI RUGBY BOARD

Wayne Peters (Chair)
Moses Cherrington
Peter Goldsmith
Smiley Haua
Dr Farah Palmer
Ron Peters
Don Rangī
Whetu Tipiwai
Walter Waaka

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)

As at 31 December 2009



2009 SCOREBOARD

PERFORMANCE			6 8 / 1 0 0
INCOME			\$ 9 7 . 1 M
EXPENDITURE			\$ 1 0 6 . 7 M
RUGBY WORLD CUP-RELATED LOSSES			\$ 6 . 3 M
RESULT			(\$ 1 5 . 9 M)

2 0 0 9 P E R F O R M A N C E	WEIGHTING	ACHIEVED
STRONG COMMUNITY RUGBY	2 0 %	1 1 / 2 0
WINNING ALL BLACKS	2 5 %	1 7 . 5 / 2 5
OUTSTANDING COMPETITIONS	2 5 %	1 9 . 5 / 2 5
EFFECTIVE STRUCTURES	2 0 %	1 0 / 2 0
POSITIVE GLOBAL PRESENCE	5 %	5 / 5
INSPIRATIONAL RUGBY WORLD CUP	5 %	5 / 5
	1 0 0 %	6 8 / 1 0 0

2 0 0 9 E X P E N D I T U R E	\$ MILLION	ALLOCATION
STRONG COMMUNITY RUGBY	\$ 2 3 . 2	2 2 %
WINNING ALL BLACKS	\$ 2 4 . 5	2 3 %
OUTSTANDING COMPETITIONS	\$ 4 4 . 3	4 2 %
EFFECTIVE STRUCTURES	\$ 1 4 . 7	1 3 %
	\$ 1 0 6 . 7	1 0 0 %

2009 OUTCOMES

STRONG COMMUNITY RUGBY 11/20/100

Implement the Community Rugby Plan	✓
Increase national player retention rate from 61% to 63%	x
Increase players of 5 to 12 years by 2% from 2008 levels	✓
Increase players of 13 to 20 years by 3% from 2008 levels	x
Increase players of 20+ years by 3% from 2008 levels	✓
Increase referee retention rate from 82% to 85%	x
Increase coach retention rate from 55% to 58%	x

WINNING ALL BLACKS 17.5/25/100

Ensure the All Blacks are a winning team:	
■ Retain Investec Tri Nations	x
■ Retain Bledisloe Cup	✓
■ Win two Iveco Series Tests against France	x
■ Win one Iveco Series Test against Italy	✓
■ Win End of Year Tour Tests against Australia, Italy, England, France and Wales	✓
Implement High Performance Plan	✓
Other teams:	
■ Junior All Blacks win IRB Pacific Nations Cup	✓
■ Men's Sevens win IRB Rugby World Cup Sevens	x
■ Women's Sevens win IRB Rugby World Cup Sevens	x
■ New Zealand Under 20 win IRB Junior World Championship	✓

OUTSTANDING COMPETITIONS 19.5/25/100

Complete SANZAR competition redesign project	✓
Drive fan interest in 2009 Air New Zealand Cup	✓
Drive fan interest in 2009 Rebel Sport Super 14	x
Achieve budgeted ground attendance for Inbound and Tri Nations series	x
Maintain intensity of fan support at 2008 levels	✓
Complete Reviews	✓
Ensure referee representation	x
Agree 2011 National Provincial Championship	✓

EFFECTIVE STRUCTURES 10/20/100

Grow new sponsorship revenues	✓
Achieve other budgeted Business Development Revenues	✓
Ensure NZRU expenses do not exceed budget	✓
Achieve Board-approved financial target	x
Obtain relevant Board approvals for Super rugby franchise structures	✓
Achieve an overall rating of 90% or greater in the Staff Climate Survey	x
Ensure CEA renegotiation agreement reached	✓
Develop and implement Stakeholder Communications Plan	x

POSITIVE GLOBAL PRESENCE 5/5/100

Contribute to IRB and SANZAR committees	✓
Provide advice to the IRB June Inbound Tours Working Group	✓
Provide project management expertise to SANZAR during the review of the Super Rugby and Tri Nations competitions	✓
Ensure NZRU meets its obligations under the Memorandum of Understanding with USA Rugby	✓
Provide FORU Secretariat and administrative support	✓

INSPIRATIONAL RWC 2011 5/5/100

Maximise the potential of RWC 2011:	
■ Finalise NZRU/RNZ 2011 Rugby (in New Zealand) Legacy Strategy	✓
■ Ensure all NZRU databases are up-to-date and accurate so as to maximise the ticketing benefits available to the wider rugby community	✓



2010 TARGETS

GAME DEVELOPMENT (20/100)

Implement the Community Rugby Plan
Increase retention rate of players 5-12 to 62%
Increase the number of players in the 13-20 age group to 45,000
Increase the number of players in the 21+ age group to 29,000
Achieve a referee retention rate of 82%
Recruit 325 new referees
Achieve a coach retention rate of 55%

WINNING REPRESENTATIVE TEAMS (20/100)

Ensure the All Blacks are a winning team:

- Regain the Investec Tri Nations
- Retain the Bledisloe Cup
- Win two inbound Tests against Wales
- Win inbound Test against Ireland
- Win End of Year Tour Tests against Scotland, Ireland, Wales and England

Implement the High Performance Plan

Other teams:

- New Zealand Sevens win Commonwealth Games gold medal
- Black Ferns win Women's Rugby World Cup 2010
- New Zealand Under 20 win IRB Junior World Championship

OUTSTANDING COMPETITIONS (25/100)

Implement new Collective Employment Agreement
Drive fan interest in 2010 Test matches
Drive fan interest in 2010 Rebel Sport Super 14
Drive fan interest in 2010 ITM Cup

Reviews:

- Achieve an 85% satisfaction rating for Test match delivery
- Achieve an 85% satisfaction rating across all Domestic Competition and Super Rugby operational reviews
- Complete audit on Minimum Venue Standards for ITM Cup and Heartland Championship Provincial Unions

Ensure New Zealand Maori have a meaningful playing programme

Referees:

- Ensure three New Zealand referees on IRB Test Panel
- Ensure four New Zealand referees on SANZAR Merit Panel

EFFECTIVE STRUCTURES (25/100)

Grow new sponsorship revenues
Build stronger relationships with key stakeholders
Ensure NZRU operating expenses do not exceed original budget
Achieve Board-approved financial target
Maintain a strong team of staff

POSITIVE GLOBAL PRESENCE (5/100)

Contribute and provide advice to the IRB Council, Committees and Working Groups
Undertake SANZAR secretariat responsibilities and lead change within SANZAR
Assist FORU and the Pacific Island Rugby Unions

INSPIRATIONAL RWC 2011 (5/100)

Implement the key initiatives of the NZRU Legacy Programme





NZRU BOARD PROFILES

JOHN STURGEON – PRESIDENT

John Sturgeon served as an NZRU Councillor from 1987 to 1995 and as All Blacks Manager from 1988–1991. He was made an MBE in 1991 for his services to sport. John was previously the NZRU's liaison officer for touring teams and Chairman of the judging panel for New Zealand's annual Steinlager Rugby Awards. The Greymouth resident is a former Chairman and current Life Member of the West Coast RFU, and was elected as NZRU President in 2009 after two years as Vice President.

BRYAN WILLIAMS – VICE PRESIDENT

Bryan Williams played 113 games for the All Blacks between 1970 and 1978, including 38 Tests, and had a lengthy playing career for Auckland. He served as coach of club, provincial and franchise sides from the 1980s, and as national coach for Manu Samoa from 1996–1999. A Life Member, coach and current President of the Ponsonby RFC, Bryan was made an MBE for services to rugby and the community. He was elected Vice President in 2009.

JOCK HOBBS – CHAIRMAN

Jock Hobbs has had a long rugby career. He was All Blacks captain between 1984–1986, coach/selector of the New Zealand Universities team from 1990–1995 and a member of the NZRU Council, the forerunner to the NZRU Board, from 1995–1996. He was elected to the NZRU Board in 2002. He received a MNZM for services to rugby in 1996, followed by a CNZM in 2006. Jock has a variety of business interests and holds a number of directorships.

KEN DOUGLAS – INDEPENDENT MEMBER

Ken Douglas joined the NZRU Board in 2005 after a high-profile career in labour relations. He is currently Deputy Chairman of the Asia–New Zealand Foundation, Chair of Health Care NZ Ltd, Chairman of the Michael Campbell Foundation and Director of Health Care Holdings Ltd. In 1998, Ken received New Zealand's highest honour with his appointment to the Order of New Zealand. He also has a long association with Wellington club rugby as a player and administrator.

MIKE EAGLE – SOUTHERN REPRESENTATIVE

Mike Eagle has had a long rugby career in Canterbury as a player and administrator. He was previously Chairman of the Canterbury RFU and Crusaders Board. He played for Albion RFC and represented Canterbury B. A partner and director of an electrical contracting company, he lives in Christchurch.

IVAN HAINES – NORTHERN REPRESENTATIVE

Ivan Haines is former Chairman of the King Country RFU and Chairman of the Chiefs Board. He is also Chairman of Waitomo Energy Service Customer Trust and has several successful businesses covering tourism, construction and catering. Ivan is also a long-time member of the Waitete Rugby Club. He lives in Cambridge.

GRAHAM MOURIE – CENTRAL REPRESENTATIVE

Graham Mourie has had a long rugby career. He played 61 games for the All Blacks, captaining the team from 1976–1982. He coached Wellington in 1998–1999 and was Hurricanes coach from 2000–2002. He has farming interests in both the Taranaki and Wellington regions and is a long-time member of the Coastal Rugby Club. He lives in Porirua.

MARK PETERS – SOUTHERN REPRESENTATIVE

Mark Peters chaired the Marlborough RFU between 1995–2001 and is a life member of the amalgamated Tasman RU. As a chartered accountant, he holds several directorships and is a member of the New Zealand Institute of Directors. Mark has served in the past on a number of short-term NZRU sub-committees during an extensive career in rugby administration. He lives in Blenheim.

WAYNE PETERS – MAORI REPRESENTATIVE

Wayne Peters joined the NZRU Board in 2009. He was the Chairman of the Northland Union from 2006 to 2008, and served as a director of the Blues Franchise over the same period. Wayne played rugby for Otago, Northland, New Zealand Universities and the New Zealand Juniors. Principal of Wayne W Peters & Associates, Wayne also holds a number of directorships.

BILL THURSTON – INDEPENDENT MEMBER

Bill Thurston joined the NZRU Board in 2007. Bill has broad experience in business and law, having held several senior positions at law firm Bell Gully between 1982 and 2002 and previously was General Counsel to Fletcher Challenge Ltd. He was a Trustee of the New Zealand Academy of Sport (Northern Region) and the Millennium Institute of Sport, and previously served as a Councillor of the New Zealand Universities Rugby Football Council and a Committee member of the Victoria University RFC in Wellington.

GERARD VAN TILBORG – NORTHERN REPRESENTATIVE

Gerard van Tilborg was elected to the New Zealand Rugby Union Board in 2008. A former North Harbour RFU Chairman and a Blues Director, he has a background in banking and business management. He is CEO of Easy Factors International and owns a building company. He also has a number of company directorships.



**LEFT TO RIGHT
FROM TOP:**
JOHN STURGEON
BRYAN WILLIAMS
JOCK HOBBS
KEN DOUGLAS
MIKE EAGLE
IVAN HAINES
GRAHAM MOURIE
MARK PETERS
WAYNE PETERS
BILL THURSTON
GERARD VAN TILBORG

CHAIRMAN'S REPORT

JOCK HOBBS

Looking back on rugby in 2009, there is no doubt that we have had to face some tremendous challenges. These challenges have come from within the game as well as from the extremely demanding financial environment that we have all experienced.

As an organisation we always put rugby and the rugby community first. We had to make a lot of decisions in 2009 to ensure certainty and, sustainability for the future for everyone in the game. There were occasions throughout the year when the Board and the NZRU were criticised as a result of the decisions we made or contemplated and we must acknowledge the impact of some of those decisions on teams and their supporters. We tried hard to listen and talk to members of the rugby community when making tough decisions, and remained aware of their concerns throughout our decision making.

2009 was a year in which some of our national teams had mixed success on the field and off the field was marked by a disappointing financial result, which cannot be ignored. However, we saw resurgence in club and provincial rugby as well as growth in the number of people playing the game. There was strong growth in television audiences for the Air New Zealand Cup and our domestic competitions attracted a lot of positive coverage. Members of the rugby community continued to show commitment and compassion at challenging times and we thank you for your love of the game and your loyalty.

ACHIEVEMENTS

While there were big challenges to contend with, the New Zealand rugby community can take heart from the many positive achievements in 2009:

- Numbers of registered players increased for the second consecutive year, growing four percent from 2008 to 2009. This was matched with three percent growth in coaching numbers and twenty-three percent growth in the number of registered volunteers;
- The NZRU, as part of the SANZAR Joint Venture, made a strategic decision to alter the Super Rugby competition format from 2011 and agreed to extend a conditional invitation to Argentina to join the Investec Tri Nations from 2012 to create a new "Four Nations" Championship;
- Important decisions were made regarding the future of our domestic provincial competitions. A 14-team competition has been retained for 2010, with reduced costs, with an amended structure proposed for 2011 onwards;
- The New Zealand Under 20 team won the IRB Junior World Championship and the Junior All Blacks won the IRB Pacific Nations Cup and maintained New Zealand's unbeaten record in that tournament;
- The New Zealand Womens Sevens team made the Final of the inaugural IRB Rugby World Cup Sevens in Dubai, losing to Australia in extra time;
- The Black Ferns won two out of three matches on their tour of England and played an historic first Test at Twickenham;
- Three New Zealand sides made the semifinals of the Rebel Sport Super 14 and the Chiefs went on to make the Final, for the first time in the team's history;
- Canterbury and Wanganui both repeated their 2008 provincial championship success winning the Air New Zealand Cup and the Meads Cup respectively, while North Otago won the Lochore Cup;
- Southland won the Ranfurly Shield for the first time since 1956 when they beat Canterbury. The celebrations that followed the victory showed that Shield Fever is still very real throughout New Zealand;
- Auckland won the Women's National Provincial Championship for the third year in a row;
- New Zealand maintained a strong presence at the IRB Awards, with Aaron Cruden recognised as the Junior Player of the Year and Richie McCaw winning Player of the Year – the All Blacks captain becoming the first player to win the premier award twice. McCaw also became the first person to be named the Kelvin R. Tremain Memorial Player of the Year for a third time at the 2009 Steinlager Rugby Awards;

- The All Blacks ensured that the Bledisloe Cup would spend its seventh successive summer in New Zealand, winning four out of four Tests against the Wallabies. The team also recorded victories over France, Italy, Wales and England and made an effort to engage positively with the community, increasing the number of public events in order to meet as many of their supporters as possible;
- The All Blacks Capping programme that was launched at the Steinlager Rugby Awards in December 2008 got under way in June and significant progress has been made in the initiative to cap more than 400 former All Blacks, with six memorable ceremonies held around the country;
- Agreement on settlement terms was reached between the NZRU and the New Zealand Rugby Players Association (NZRPA). The proposed new Collective Employment Agreement gives players and unions certainty around the costs and structures of professional rugby for the next three years;
- Even when faced with tough times themselves, members of the rugby community continued to give generously to charities in New Zealand and around the world. The All Blacks and NZRU continued to support their charity partners, KidsCan and Plunket, while members of the rugby community were quick to act when tragedy struck, such as the L'Aquila earthquake in Italy and the Tsunami in Samoa.

CREATING CERTAINTY

There have been a lot of changes in rugby in recent years, some welcome and deliberate and some that resulted from external circumstances. In 2009, the NZRU was determined to establish certainty for the rugby community in a number of key areas. This included the review and re-design of the Rebel Sport Super 14 and Investec Tri Nations, the negotiation of a new broadcasting agreement, the negotiation of the new Collective Employment Agreement with the NZRPA and, at the urgent request of the Provincial Unions, a further review and redesign of New Zealand's domestic competitions.



CHAIRMAN'S REPORT

JOCK HOBBS



The NZRU recognised that while each of these elements linked to and influenced the others, clear objectives were necessary for each of these projects. The first element to be completed was the SANZAR review and re-design. Satisfying the differing objectives of the SANZAR partners proved challenging and required significant effort by the NZRU to ensure an acceptable agreement could be reached within the joint venture. Completing that project meant that we were able to present new and invigorated competitions in the negotiations with potential broadcast partners ahead of the expiration of the existing agreement in 2010.

DOMESTIC COMPETITIONS

In April, nine Provincial Unions approached the NZRU, collectively requesting urgent intervention from the NZRU in relation to the shape of the domestic competitions in 2010. The process and final decisions are detailed elsewhere in this Annual Report but we believe it is important to acknowledge that this was a difficult process for everyone involved and it was with relief that we were able to provide certainty around the future of these competitions in December 2009.

Challenges remain around the future of these competitions and it is important that communities continue to support their teams in 2010.

THE COLLECTIVE EMPLOYMENT AGREEMENT

The previous Collective Employment Agreement between the NZRU and New Zealand's professional rugby players expired at the end of 2009. It was initially agreed in 2005 and ran from 2006 to 2008 with a one-year extension agreed for 2009. Ensuring that a new agreement was reached was an NZRU priority for 2009.

The NZRU went into negotiations seeking to secure an affordable and sustainable player payment model and revised salary cap as key outcomes. This was achieved and sits alongside the introduction of Franchise contracting from 2011. Rugby has achieved a new structure that we believe is sustainable and recognises fairly the contribution of our professional players.

I would like to thank all those involved in the negotiations. Everyone had the best interests of the game at heart. Detailed contract drafting and ratification by the NZRU Board, individual Provincial Unions and Franchises, and the NZRPA Board and professional players continues into 2010.

THE VISION FOR RUGBY IN NEW ZEALAND

For 2009, the NZRU adopted a new Vision for rugby in New Zealand: to inspire and unify New Zealanders. The Vision was an output of the Provincial Union and Franchise Forum in March 2008 and was endorsed by the wider rugby community. It was designed to help rugby organisations at all levels consider the things they could include in their own planning and goals that would enable rugby to inspire and unify New Zealanders. There has been adoption of the Vision throughout New Zealand and we hope to see more Provincial Unions and clubs incorporating it into their planning.

ACKNOWLEDGMENTS

I would like to acknowledge and thank my fellow NZRU Board Members and the Management and Staff of the NZRU for their continued commitment and perseverance in what was an extremely difficult year for all those involved in rugby administration. That you continued to work extremely hard for the game when confronted with significant challenges says much about the pride you have in your work and your passion for the game.

It is also important to recognise the enthusiasm, skill and commitment of our coaches, players, referees and administrators who maintain the game at every level. Thank you for all the work you do on and off the field.

Our major partners have continued to support rugby and we are grateful to adidas and Sky Television, in particular, and to all of our sponsors for performing their important role in funding, promoting and growing rugby in New Zealand and supporting our teams, coaches and officials as they take their places on the world stage.

Special thanks must go to everyone involved in rugby. We do not take the important place that rugby in New Zealand holds or the passion that New Zealand rugby generates for granted. We know that it is due to the efforts and enthusiasm of the people who play the game, run the game and watch the game at every level from club and school through to our international contests. We would particularly like to thank the fans for their loyalty and the thousands of volunteers for the countless hours they put in to ensure that rugby is available across New Zealand. The interest, passion and support of the rugby community continue to inspire me. My sincere thanks to each and every one of you.

We are confident that we have the certainty, stability and strength to head into the future with optimism and enthusiasm and we look forward to joining with you as we look ahead to all that rugby promises in 2010.

JOCK HOBBS CHAIRMAN

CEO'S REPORT

STEVE TEW

2009 was a year in which we aimed to create some certainty for rugby both in the short and medium term. We believe that was largely achieved. We have created a more stable and sustainable platform for the future despite an extremely difficult economic environment and the numerous challenges that face rugby in New Zealand.

As the Chairman has noted, we ended the year with increased certainty about the structure and costs of our international and domestic competitions, a refined player contracting model and a positive relationship with our professional rugby players as well as agreement on our largest source of revenue – broadcasting.

However, we are reporting the largest financial loss in the organisation's history. While not something that we can afford to repeat, the loss reflects a number of carefully considered decisions which were consistent with our financial reserves policy.



2009 STRATEGIC PRIORITIES

The NZRU's 2009 Priorities were developed from the six pillars of rugby that underpin our Vision to "inspire and unify New Zealanders".

Each Priority is reported on in more detail further in this Annual Report but in summary, the key priorities and relevant outcomes in 2009 were:

1: Implement the Community Rugby Plan: The Community Rugby Plan is central to the NZRU's promotion and development of rugby at the community level, providing a single point of reference for everyone involved in the community game.

We continued to introduce new initiatives to support players, referees and coaches and to maintain those introduced in 2008. We ensured that community rugby and provincial union funding was maintained at existing levels. We provided additional financial support to a number of unions and franchises as well as making special grants available to those rugby organisations looking to become more sustainable.

We were delighted to see registered player numbers increase for the second consecutive year and those numbers were matched by appropriate growth in team and coach numbers. Maori rugby continued to thrive ahead of the 2010 New Zealand Maori Centenary celebrations team, with almost 15 percent growth in player numbers from 2008.

2: Re-design and reinvigorate our international competitions for players, fans and commercial partners: The NZRU, as part of the SANZAR joint venture, made a strategic decision to expand the Super Rugby competition format and agreed to extend a conditional invitation to Argentina to join the Tri Nations from 2012 in a potential "Four Nations" competition. The new and innovative competition structure for Super Rugby allows the competition to feature more of the local derby matches that fans want to watch and has the potential to develop further to involve teams from other countries.

3: Ensure the All Blacks are a winning team: Onfield 2009 was a disappointing year by the All Blacks' own high standards. Overall, the team won 10 out of 14 Tests for a 71.4 percentage record compared to 84.4 percent for the current coaching regime. However, it was an important year for building depth, testing combinations and strengthening relationships with supporters and the rugby community. The final Test of 2009, against France in Marseilles, was a highlight of the year, showcasing rugby that was a credit to the players and management after a demanding season.

Our National Teams continued to perform well on other stages: the New Zealand Under 20 team won the IRB Under 20 World Championship; the Junior All Blacks won the IRB Pacific Nations Cup; and the Black Ferns won two out of three matches on their tour of England.

The New Zealand Sevens Mens and Womens teams both took part in the IRB Rugby World Cup Sevens in Dubai in March, making the quarterfinals and Final respectively, and the Mens side finished fourth in the IRB World Sevens Series. The Heartland XV assembled in November and lost a close-fought match against a New Zealand Marist XV.

4: Drive Revenue Generation, Cost Management and Sustainability throughout the Game: During the year the NZRU was able to secure \$2.9 million in additional revenue through new sponsor relationships; the addition of an extra Bledisloe Cup Test in Tokyo; and the sale of broadcasting rights for the Wales Test and Barbarians game. This was less than the targeted revenue of \$5.1 million but, in light of the global economic crisis, was a significant achievement.

The arguably unsustainable business model that underpins professional rugby in New Zealand was put under pressure as a result of the tough economic conditions, with reduced revenue reported by most Provincial Unions and Franchises. Most were able to respond by cutting costs but long term such losses are not sustainable.

5: Finalise and Implement the 2011 Rugby World Cup Legacy Project to cement the benefits of hosting the Rugby World Cup: In October the NZRU confirmed the shape and format of the Legacy Project, which will deliver initiatives that provide enduring benefits from the Rugby World Cup to rugby in New Zealand. All initiatives will align with existing strategies such as the Vision and The Community Rugby Plan. The Project was developed following significant consultation with the rugby community.

SCOREBOARD PERFORMANCE

We are able to report a Scoreboard result of 68 percent and we feel that this is an honest reflection of how we performed as an organisation and the challenges that we faced.

The 68 percent rating reflects a range of important achievements and results across all of our priorities. We achieved above-target results in areas of community rugby, management of our operating expenses and implementing the High Performance Plan and were pleased to record above-target increases in viewership figures and fan interest in the Air New Zealand Cup.

Of the 32 percent of unachieved targets, 10 percent relates to not achieving our governance and finance targets, in particular not achieving the Board-approved financial target for the year. Nine percent relates to Community Rugby where growth in player numbers did not meet targets in certain areas, while retention rates in all areas did not reach the targets set. The All Blacks did not retain the Investec Tri Nations trophy in 2009 and this accounted for five percent.

FINANCIAL PERFORMANCE

The financial loss for 2009 was the largest in the NZRU's history and is not one that the organisation can afford to repeat.

There are two parts to this result. The first is the NZRU's operating deficit of \$9.5 million incurred supporting rugby throughout New Zealand. The second part, comprising around \$6.3 million, is losses specifically related to Rugby World Cup 2011.

There are a number of contributing factors to our operating deficit including the impact of the global financial crisis which placed real pressure on virtually all of our income streams. Interest income alone was down \$3.3 million on the previous year. Both our home and away Test matches failed to meet our revenue targets. We incurred medical related costs that were significantly higher than were budgeted due to an unusually high number of injuries to All Blacks and other professional players.

The result could have been worse if it were not for careful cost management. We were able to affect cost savings of \$2.6 million by cutting activity and programmes. Careful consideration and consultation occurred before each decision was made. However we remain acutely sensitive to the impact these changes can have. Cost control remains a key focus area for 2010.

Rugby World Cup 2011-related losses of \$6.3 million consist of the NZRU's one third share of losses incurred by Rugby New Zealand 2011 Limited (RNZ 2011), which is the company charged with delivering the 2011 Rugby World Cup tournament, and unrealised foreign exchange losses on pounds sterling (GBP) cash reserves specifically held to meet the NZRU's commitments to the IRB at the completion of the tournament.

The NZRU's one third share of losses incurred by RNZ 2011 amounted to \$2.1 million for the year which was in-line with expectations as the tournament nears.

The NZRU is required to pay Rugby World Cup Ltd (a subsidiary of the IRB) tournament and other fees totalling £55.6 million. The NZRU, the Crown and RNZ 2011 have specific arrangements in place to fulfil these obligations and eliminate the foreign exchange risk on these transactions. Accounting standards require that the NZRU's cash reserves held in GBP must be re-valued at the prevailing exchange rate at balance date, however any financial gains on the other specific arrangements in place with the Crown and Rugby New Zealand 2011 Limited to hedge the foreign exchange risk are not able to be recognised until the underlying transactions occur. As the New Zealand dollar strengthened significantly against the GBP during 2009 the NZRU has recorded unrealised foreign exchange losses of \$4.2 million on these cash reserves held in GBP. The losses are a timing variance only and will be offset by foreign exchange gains in 2011 should the New Zealand dollar exchange rate remain at current levels.



Frustratingly the unrealised gains or losses may significantly affect and distort the reported "bottom-line" result of the NZRU over the next two years. Again, it must be noted however that the foreign exchange risk on these transactions has prudently been hedged and foreign exchange gains will be recognised in 2011 (based on current exchange rates) to offset these unrealised losses.

However concerning this result is, it must be placed into context in relation to our Reserves policy and medium to long-term financial projections. Cash reserves remain significant at \$46.8 million. Our Reserves policy states that our cash reserves may be drawn down if any of three conditions apply: extraordinary circumstances affecting cash flow; a one-off event/activity that requires funding; or a one-off global shock event that affects cash flow. We believe that the prevailing economic environment in 2009 was an extraordinary circumstance that justified the prudent use of cash reserves. The use of the reserves was accompanied by a clear analysis and plan showing that all reasonable cost mitigation steps were being taken and the underlying causes of losses addressed.

The view that the economic environment met the exceptional circumstances test is supported by the medium to long-term financial projections that indicate the NZRU will be able to generate modest net operating surpluses from 2012 onwards as the NZRU accrues benefits from the new SANZAR broadcast deal; contracted increases in sponsorship income from Principal Partner adidas; and contracted forward foreign exchange cover for income denominated in foreign currencies.

2010 STRATEGIC PRIORITIES

For 2010, the NZRU has identified six Strategic Priorities, linked to the six pillars of the Vision. They are:

1. Implement the Community Rugby Plan: We will continue to implement approved Community Rugby Plan initiatives and to support those already introduced. We want to increase the retention rate of players in the 5-12 age group as well as retaining more of our coaches and referees and recruiting 325 new referees. We are eager to increase the numbers of teenagers playing rugby to 45,000 and recognise that innovative thinking and planning around how training and matches are delivered to this age group is required. We are also keen to see the growth in the number of players in the over 21 age group for 2009 repeated in 2010.

2. Ensure the All Blacks are a winning team: Although onfield results are the sole measure for All Blacks success in the Scoreboard, we will also ensure that the All Blacks continue in their efforts to attract and engage with fans and commercial partners, and act as ambassadors for rugby in New Zealand and around the world.

3. Drive revenue generation, cost management and sustainability throughout the game: After a substantial loss, revenue generation and sustainability are inarguable priorities for this organisation. While the NZRU budget forecasts a smaller operating loss for 2010, we will continue to look for ways to offset this and develop new revenue opportunities. A new global sponsor will be sought along with a commercial partner for referees. Cost control remains an imperative in 2010 and the NZRU is continuing to tightly manage costs and seek greater efficiency in our day-to-day operations.

4. Implement the RWC 2011 Legacy Programme to cement the benefits of hosting Rugby World Cup: The NZRU is responsible for the leadership and coordination of this project and the development of national initiatives. In 2010 we will ensure that the work already under way is effective and inclusive and particular priorities for the year include ensuring that the rugby community receives priority ticket offers, recruiting and managing volunteers from within the rugby community, developing a RWC education kit and co-ordinating and supporting club involvement.

5. Delivering outstanding competitions for fans, players and commercial partners: The implementation of the new Collective Employment Agreement; the introduction of Franchise contracting ahead of the launch of the 15-team Super Rugby competition in 2011; and enhancing operational systems for all our competitions are all set down for 2010. Driving fan interest at all levels, including continuing to grow attendance and television audiences, remains a priority and we look forward to engaging with the rugby community to ensure that this happens.

6. Building stronger relationships with our partners and stakeholders: The NZRU is proud to work with its partners and stakeholders in growing and supporting rugby in New Zealand. We want those relationships to be even stronger than they are and hope that the development and implementation of a Relationship Plan and new Communications Plan will contribute to improved relationships and common aspirations across the game.

When looking at the events of 2009, it is important to look at the big picture. We incurred a substantial loss, but did so in order to keep the game strong while navigating our way through the worst economic crisis of our generation. By confirming the format of our Domestic Competitions, our International Competitions, our broadcast partner from 2011 onwards and with a new CEA in place, we have created certainty and sustainability for rugby in New Zealand.

There will be challenges in 2010 and there will always be things that we cannot plan for. However, we believe that we are in a strong position and we are committed to tackling those challenges and to harnessing the enthusiasm and deep passion of New Zealand rugby fans for our game.



STEVE TEW CHIEF EXECUTIVE OFFICER

A VISION FOR RUGBY IN NEW ZEALAND

INSPIRING AND UNIFYING NEW ZEALANDERS

STRONG COMMUNITY RUGBY



OUTSTANDING COMPETITIONS



WINNING ALL BLACKS



POSITIVE GLOBAL PRESENCE



EFFECTIVE STRUCTURES



INSPIRATIONAL RWC 2011

VALUES

**COMMUNITY / EXCELLENCE / MATESHIP / SPORTSMANSHIP
GUARDIANSHIP / SELFLESSNESS / LOVE FOR THE GAME**

THE VISION FOR RUGBY IN NEW ZEALAND



The Vision for Rugby in New Zealand is one of inspiring and unifying New Zealanders.

This is a statement of intent, reflecting where rugby has been in the past, including the recent past, and where it can be in the future.

There are six key elements to this vision: strong community rugby; outstanding competitions; winning All Blacks; positive global presence; effective structures; and an inspirational Rugby World Cup 2011. These six "pillars" are seen as vital to supporting a strong and healthy game and are, in turn, supported by a set of values which reflect those aspects which make rugby and the rugby community distinctive in New Zealand.

The new Vision was developed by the rugby community for the rugby community. The need for a vision was raised and discussed at the Provincial Union and Franchise Forum in March 2008. Development continued across 2008, with the final version confirmed in December and the Vision was formally launched at the 2009 Annual General Meeting.

In developing this Vision the Provincial Unions and Franchises talked about what was important to them and their stakeholders and arrived together at these six pillars. It was designed to help rugby organisations at all levels think about the sorts of things they could include in their own planning and goals that would enable rugby to inspire and unify New Zealanders.

The Vision has been promoted in a variety of ways to rugby people the length and breadth of the country. Already many of the Provincial Unions have incorporated the Vision into their strategic plans, with adaptations to suit local conditions and priorities. The NZRU has adopted the Vision throughout the organisation and the 2009 Scoreboard is based on the six pillars. The Vision can also be seen in Small Blacks charters, coaching registrations cards, Test match programmes, at club forums and within the All Blacks camp. The NZRPA provided detailed information on the Vision to all its members. Other Provincial Unions, clubs and schools are continuing to develop their strategic plans, organisational goals and work programmes. They have been encouraged to base these plans on the Vision.

The NZRU will continue to support adoption of the Vision by the rugby community and encourage discussion of the Vision and accompanying values.

NZRU PRIORITIES 2009

1. IMPLEMENT THE COMMUNITY RUGBY PLAN

Strong Community Rugby is a pillar of New Zealand rugby's vision for the game, underlined by the four-year Community Rugby Plan and the associated \$20 million investment over the course of the plan. In 2009 the Plan helped deliver further growth in player coach and referee numbers. However, there is still room for improvement.

Player numbers increased for the second consecutive year, from 140,279 in 2008 to 145,472 in 2009 – an increase of four percent. The increase in player numbers was matched by an increase in coaches from 10,287 in 2008 to 10,557. There was also a pleasing 23 percent increase in the number of registered administrators and volunteers, largely in response to our drive to ensure that the rugby community is registered to receive Rugby World Cup 2011 (RWC 2011) ticketing information and priority offers through the NZRU rugby database, an initiative of the NZRU RWC 2011 Legacy Project. The NZRU rugby database has become a significant tool in allowing the NZRU and Provincial Unions to manage various aspects of the game, such as draws, at all levels and provide accurate statistical data on trends in the game.

Junior rugby continues to thrive, with a seven percent increase in the number of children under 13 playing the game. This growth can be attributed to the success of Rippa Rugby in schools, the Small Blacks development model, Small Blacks TV and the involvement of All Blacks Dan Carter, Richard Kahui and Richie McCaw as Small Blacks Ambassadors. It is also the result of the large amount of positive work being done by the Provincial Unions to attract young players and their families to rugby.

The number of players over 20 has also increased, and rugby people have been talking positively of a revival in club rugby. Teenage playing numbers declined by one percent which was disappointing given the \$750,000 investment to help fund 300 paid part time administrators for Rugby in Secondary Schools. Innovative thinking and planning around how training and matches are delivered to this age group will be required if we are to meet the requirements of this age group given the range of options available to teenagers and so reverse this trend.



The old adage that without coaches and referees we have no game still holds. The growth of active participant numbers in both areas was pleasing. Three Coach Development Manager positions and a referee induction programme were introduced in 2009 as initiatives within the Community Rugby Plan to help ensure that coaches and officials receive the resources and training they need.

Maori rugby remained a focus area ahead of the celebration of the Centenary of the New Zealand Maori team in 2010. Marae-based competitions were run for the second year in 2009, in addition to the existing regional and inter-regional Maori rugby tournaments. The numbers of players identifying as Maori increased by 4398 – almost 15 percent – between 2008 and 2009.

Volunteers around the country play a critical role in ensuring that rugby is available and delivered to local communities. It is important to acknowledge the countless hours of hard work and thank them for all that they do for the love of the game. The NZRU is delighted to host nominated local volunteers at All Blacks Tests, as a way of thanking the many. In 2009 the prestigious Rugby Volunteer of the Year Award, presented annually by the NZRU Chairman or President at the Steinlager Rugby Awards, was renamed the Charles Monro Rugby Volunteer of the Year Award, in honour of the man who introduced rugby to New Zealand and thereby adding to the prestige and value of the award.

The NZRU again worked to avoid making significant cuts to community rugby spending and Provincial Union funding in very trying economic circumstances, recognising that these areas are vital to the future of the game. Financial challenges remain for the NZRU and the Provincial Unions in 2010 but we are doing all we can to protect Community Rugby programmes from the impact of these challenges.

The strength of rugby at its base, supported by the continued implementation of the Community Rugby Plan 2008-2011, remains a priority for 2010.

2. RE-DESIGN AND REINVIGORATE OUR INTERNATIONAL COMPETITIONS FOR PLAYERS, FANS AND COMMERCIAL PARTNERS

The NZRU, as part of the SANZAR Joint Venture with the ARU and SA Rugby, made a strategic decision in 2009 to redesign and expand the Super Rugby competition format from 2011 and also agreed to extend a conditional invitation to Argentina to join the Tri Nations from 2012 to create a new “Four Nations” Championship.

Those changes were the result of a comprehensive and detailed review of Super Rugby and the Tri Nations undertaken by SANZAR during 2008 and 2009. The aim of the review was to ensure that SANZAR stayed at the forefront of world rugby by having the best international interprovincial competition and the most competitive international series in world rugby. For the NZRU the review was an opportunity to grow player, fan and commercial partner enthusiasm for rugby.

Resolution on a new Super Rugby structure was reached in April 2009. This allowed the SANZAR partners to present a new competition to potential broadcasters when negotiations began mid-year. The proposed inclusion of Argentina in the Tri Nations was announced in September.

From 2011, Super Rugby will move away from a traditional round robin to three conferences based around each of the three SANZAR countries. This provides a new and innovative competition structure that emphasises the local aspect of “home derby” matches while still retaining the unique international aspect of Super Rugby and allows for future expansion through the addition of new teams to conferences or through an additional conference. The 15th Super Rugby team will play in the Australian Conference and be based in Melbourne, which will enable SANZAR to derive the maximum commercial benefit available from the expansion and for the local derby aspect to be emphasised.

For New Zealand fans of Super Rugby, the evolved competition structure provides a response to the demand for more matches between the New Zealand Franchises, as well as more opportunities to see our top players live at home. For players, the use of conferences means that they will play more rugby locally while commercial partners' associations with Super Rugby receive increased and improved exposure to a New Zealand audience.

The format will see an increase to 40 matches in New Zealand, from 32 or 33 currently, but more importantly there will be an increase in the local derby matches between New Zealand teams from 10 to 20 of these matches. There is also at least one playoff match in New Zealand guaranteed each year.

The proposed evolution of the Tri Nations provides an exciting opportunity to develop the competition into a truly Southern Hemisphere championship and to support and develop rugby in Argentina. Players will benefit from testing themselves against a relatively unknown opposition and playing in new conditions and venues. Los Pumas play a completely different style of rugby to the All Blacks and have proved themselves formidable foes, as evidenced by their third placing at RWC 2007.

The format for the new Four Nations will see the four teams playing on a home and away basis meaning six matches per team and a total of 12 matches overall. The Four Nations will be played from mid-August (following the end of the new Super Rugby competition) for an eight or nine week period through until early to mid-October. In a Rugby World Cup year an abbreviated format will be played through July and August. New Zealand rugby fans can experience increased variety throughout the rugby season and enjoy the fresh rivalries as they unfold.

These initiatives will bring exciting new dimensions to both competitions and respond to fan research that indicated rugby supporters were ready for a new approach to SANZAR competitions.



3. ENSURE THE ALL BLACKS ARE A WINNING TEAM

After a strong showing in 2008, the All Blacks faced new and varied challenges in 2009 as injuries and a strong Springbok opposition affected results. In total, the All Blacks played 14 Tests and a match against the Barbarians in eight different countries over a seven-month season.

On the field, the All Blacks won 10 of their 14 Tests, for a winning percentage of 74.45 percent; scored 351 Test points for a per Test average of over 25 points; and ended the season with six straight Test victories and a return to the top of the IRB World Rankings.

Forty-three men pulled on the black jersey in 2009 with 13 players making their Test debuts, helping establish and increase depth in many positions. The All Blacks leadership capabilities also continued to grow, with Mils Muliaina captaining the All Blacks in the Iveco Series.

The All Blacks opened their season with a loss and a victory over the French in the Iveco Series followed by a testing win over Italy. Into the Investec Tri Nations, the team retained the Bledisloe Cup with wins over Australia but lost the Investec Tri Nations trophy following three losses to the Springboks. However, the team went from strength to strength on the Telecom Northern Tour which started with a win over Australia in Tokyo, followed by Test victories over Wales, Italy and England, culminating in a Test victory in Marseilles against France, which returned the David Gallaher Cup to New Zealand.

The All Blacks faced the challenge of injuries to key players at various times during the year. Eight All Blacks were not considered for the Iveco Series due to injury, nine players were not considered for the Investec Tri Nations, while six were out for the Telecom Northern Tour.

The run of injuries reinforced that a strong second team is vital to continued All Blacks success and in 2009 the Junior All Blacks retained their unbeaten record in the IRB Pacific Nations Cup. The Junior All Blacks give more New Zealand players experience of international rugby and prepares players in season to step up to the next level if injury or form forces changes to the All Blacks squad and it was great to see players take the step up through the year.

An important step taken to ensure the All Blacks remain a winning team was the re-appointment of the All Blacks coaching trio of Graham Henry, Wayne Smith and Steve Hansen to guide the All Blacks team through until the end of 2011. The coaches had been appointed in December 2007 for a two-year term.

In April 2009, the NZRU Board agreed that the time was right to consider the next two years and in July announced the re-appointment of the coaches through to 2011, reflecting the Board's confidence in them. This move provides certainty and allows the maximum time possible to plan for the Rugby World Cup.

The All Blacks remained innovative in 2009, with a change to the coaching structure ahead of the Telecom Northern Tour. Graham Henry took over as forwards coach, while Wayne Smith was handed defensive coaching responsibilities and Steve Hansen moved into the role of attack coach. The changes were made in consultation with senior players and the NZRU management and Board and were regarded by the coaches as a way to re-energise themselves and the roles after six years working together.

Off-field, the All Blacks continued to focus on their fans, taking part in a wide range of events – from public training sessions, meet and greet autograph sessions and the MasterCard Roadshow, through to Rippa Rugby events, visits to rugby clubs, and calling in on Wellington primary schools where they took part in quizzes, cultural events, games and story-reading.

4. DRIVE REVENUE GENERATION, COST MANAGEMENT AND SUSTAINABILITY THROUGHOUT THE GAME

Revenue generation, cost management and financial sustainability are important objectives for businesses in any year. In 2009 they took on additional importance as rugby stakeholders sought certainty in an uncertain and difficult economic environment.

The business model that has underpinned rugby in New Zealand in the professional era has proved to be unsustainable in recent years. In 2008 rugby, as a whole, was spending \$10 million a year more than it was earning and in 2009 taking the steps to change this received greater attention.

During the year the NZRU sought to generate additional revenue, manage costs and ensure sustainability through to 2012 and beyond. Key activities included confirming SANZAR and domestic competition structures, the negotiation of a new broadcasting agreement and the agreement in principle of a new collective employment agreement with the players.

The NZRU also set itself the task of growing new revenue for 2009 and beyond. New sponsorship agreements were entered with Investec, Telecom, BNZ, Rexona, Barkers and Road Safety

Trust. Extensions were also negotiated with longstanding partners including Lion Nathan, Ford and Iveco. During the year, the NZRU was able to secure significant new revenue through these sponsor relationships, and through playing three additional All Blacks matches: the extra Bledisloe Cup Test in Tokyo; a Test against Wales; and a season-ending game against the Barbarians.

However, despite this, revenue still fell short of target, largely as a result of the global recession's impact on domestic and offshore match revenues, interest income and growth plans of our commercial partners. The very strong New Zealand currency also contributed to the shortfall.

On the positive side: after a period of intense negotiation, the NZRU, as part of the SANZAR Joint Venture, was in a position by the end of June to present a compelling offer to its broadcast partners. By the end of the year, favourable agreements had been reached with broadcasters for Super Rugby, Tests and for New Zealand's domestic rugby. 2010 will see more work done on finalising these agreements, which will, in turn, provide certainty of revenue for the future.

Cost management remains paramount throughout rugby in New Zealand. At the end of 2008, the NZRU identified a loss in 2009 and made substantial cuts to its budgeted costs. Further cuts were made during 2009 as the financial situation worsened and as costs for competitions and representative teams increased.

Cuts were made right across NZRU activities. Many of these decisions were difficult to make and some proved publicly unpopular, but could not be avoided. The organisation's operational expenditure was reduced, NZRU staff and Board remuneration was frozen and head count was carefully managed – unless exceptional circumstances existed, vacancies were not filled.

Cost management is still a priority for the NZRU heading into 2010. The agreement reached in December with the NZRPA provides both the NZRU and the Provincial Unions with more certainty around player costs, which provides a stable platform for planning. However, few of the activities cut in 2009 have been reinstated and further cuts have been made for 2010, underlining the seriousness of the current financial situation.

In summary, while there is still more work to do, 2009 saw some important actions taken and decisions made to put rugby back on the path towards a more sustainable model.

A 14-team national provincial competition has been retained but at reduced cost to the NZRU and Provincial Unions.



Provincial Union costs have been lessened with the NZRU increasing its contribution for professional player payment. The NZRU also sought to assist Provincial Unions on an individual basis, providing resources and support to those Unions that sought to restructure and become more sustainable in 2010. This work will continue into 2010 and beyond.

5. FINALISE AND IMPLEMENT THE RUGBY WORLD CUP 2011 NZRU LEGACY PROJECT TO CREATE ENDURING BENEFITS FOR RUGBY AS A RESULT OF HOSTING THE RUGBY WORLD CUP IN NEW ZEALAND.

Hosting the Rugby World Cup in New Zealand in 2011 is a unique opportunity for rugby in New Zealand. A Legacy Project is essential for ensuring that the rugby community in New Zealand derives the greatest possible benefits from investing in the tournament.

New Zealand won the hosting rights to the 2011 Rugby World Cup in 2005. It was quickly realised that a Legacy Project was needed to define high level initiatives, focus resources and co-ordinate the work already underway. In 2009 work began in earnest on shaping, finalising and implementing the Legacy Project.

It was important that the Legacy Project was consistent with other NZRU planning, including the Vision for Rugby in New Zealand and the Community Rugby Plan.

In February 2009, the NZRU and Rugby New Zealand 2011 jointly completed the Rugby World Cup 2011 "Rugby (in New Zealand) Legacy" Strategy. In July workshops were held with stakeholders from the NZRU, Provincial Unions, clubs and schools to shape the legacy initiatives for the rugby community.

Six key objectives, four focus areas, and 18 initiatives resulted from that extensive consultation. The six key objectives are:

1. Consolidate the support of those New Zealanders already interested and engaged in rugby and use RWC 2011 to inspire significant numbers of others in New Zealand to become interested and engaged in rugby;
2. Increase the number of participants in community rugby in New Zealand, be that players, coaches, referees, administrators and other volunteers;
3. Build and maintain lasting relationships with Provincial Unions, club members and key non-participant stakeholders such as Central Government, Local Government and venue operators;
4. Significantly improve international and domestic rugby match operations and venue management in New Zealand;
5. Significantly improve the quantity and quality of top class rugby match and training facilities in New Zealand; and
6. Showcase Maori rugby to consolidate support, increase Maori participation in rugby and build and maintain lasting relationships with Maori communities.

The four focus areas are Community Rugby; Maori Rugby; Marketing and Commercial; and Operations and Facilities. The 18 initiatives are spread across these areas.

The project is high level and does not dictate how all initiatives are to be delivered, which allows local flexibility. The NZRU will assist in the delivery of initiatives primarily through a support and co-ordination role.

In October 2009 the NZRU Board approved the NZRU Rugby World Cup 2011 Legacy Project, including its proposed budget. Operational work started immediately and projects will be worked upon during 2010 and 2011 to create enduring benefits for Rugby in New Zealand.

DOMESTIC COMPETITIONS UPDATE

In April 2009, nine of the 14 Air New Zealand Cup Provincial Unions requested in writing that the NZRU urgently review the format of the Air New Zealand Cup and offered “to assist the NZRU develop an appropriate NPC for the future that would include the following:

- A meaningful Competition (competitive)
- Super Rugby Players would participate in fully
- Financially sustainable
- NZRU and PUs would invest in
- Televised (100%)
- Operate in a clear window
- Relevant Salary Cap that all participating PUs can afford to pay up to a minimum of 80%
- A review of the future NPC participation principles including the merits of maintaining the Competition at the current 14 or adopting a 3 tier structure with the possibility of promotion, relegation.

This would include a financially supported pathway for teams to go up a division or back down.”

In December 2009, following lengthy consultation with Provincial Unions and the NZRPA, a new 14-team, two-pool competition was announced for 2011 and beyond. This announcement was part of a package of initiatives that the NZRU believes will significantly improve the sustainability of the competition, including agreement on a new contracting model, a reduced salary cap and renewed Collective Employment Agreement with the NZRPA.

Given the importance of this decision and very public debate that accompanied it, it is worth recounting the process that was followed.



A Provincial Union and Franchise workshop reached agreement on a number of principles that would be used by the NZRU to shape the future competition design. Those principles were that the competition would:

- Include Super Rugby players;
- Have a stand-alone window, which also recognises the windows for club rugby and Super Rugby;
- Feature a full round-robin and playoffs;
- Have promotion-relegation;
- Guarantee four or five home games per team;
- Be completed within a 10-12 week window; and
- Be concluded by the end of October.

In June the NZRU Board determined, in principle, that a new Domestic Competition structure would be introduced, featuring a 10-team Premier Division, a six-team Division One competition and a Heartland Championship. That decision was subject to the development of a meaningful, sustainable, attractive and aspirational Division One competition. A Solvency Test and Assessable Criteria that the participating Air New Zealand Cup Provincial Unions had agreed to was to be used to determine the 10 Unions that would participate in the Premier Division in 2010 with the remaining four Unions playing in Division One in 2010 along with two teams to be promoted from the Heartland Championship.

The 2009 Air New Zealand Cup saw strong growth in television audiences and increased visibility of the competition, which were huge positives. The success of the competition underlined its importance in the New Zealand rugby landscape.

A number of developments meant that a re-assessment of the original decision was necessary. These included competition formats becoming a fundamental part of the collective employment negotiations, the strong public support for Unions at risk of being relegated including the presentation of petitions, appeals lodged by the Tasman and Counties Manukau Rugby Unions and threatened legal action from other Unions. The legal challenges, in particular, were not likely to be resolved prior to the first quarter of 2010, and with the need to create certainty for Provincial Unions and teams; it was decided to maintain the current 14-team premier competition and 12-team Heartland Championship in the same formats as the 2009 season for 2010. However, it was decided to continue to press over the final few weeks of the year for a longer lasting solution through discussions with the NZRPA.

In late December, the NZRU and the NZRPA agreed settlement terms for a new Collective Employment Agreement for 2010 to 2012. The settlement terms feature an agreed domestic competition structure as well as a revised contracting model and a reduced salary cap at provincial level. The new competition structure for 2011 onwards will see 14 teams split into two pools of seven teams based on their on-field finishing positions in 2010. It is worth reiterating that the final decision to commit to a 14-team format on a longer term basis was based on the total package of initiatives which together make a sustainable competition more achievable.



ON-FIELD RESULTS

ALL BLACKS

2009 IVECO SERIES

13 June France 22 – 27 Carisbrook, Dunedin
20 June France 14 – 10 Westpac Stadium, Wellington
27 June Italy 27 – 6 AMI Stadium, Christchurch



2009 INVESTEC TRI NATIONS

18 July Australia 22 – 16 Eden Park, Auckland
25 July South Africa 19 – 28 Vodacom Park, Bloemfontein
1 August South Africa 19 – 31 Absa Stadium, Durban
22 August Australia 19 – 18 ANZ Stadium, Sydney
12 September South Africa 29 – 32 Waikato Stadium, Hamilton
19 September Australia 33 – 6 Westpac Stadium, Wellington

OTHER INVESTEC TRI NATIONS RESULTS

8 August South Africa v Australia 29 – 17
Newlands Rugby Stadium, Cape Town
29 August Australia v South Africa 25 – 32
Subiaco Oval, Perth
5 September Australia v South Africa 21 – 6
Suncorp Stadium, Brisbane

TRI NATIONS STANDINGS

	WIN	LOST	FOR	AGAINST	BONUS	POINTS
South Africa	5	1	158	130	1	21
New Zealand	3	3	141	131	1	13
Australia	1	5	103	141	3	7

TELECOM NORTHERN TOUR

31 October Australia 32 – 19 National Stadium, Tokyo
7 November Wales 19 – 12 Millennium Stadium, Cardiff
14 November Italy 20 – 6 San Siro Stadium, Milan
21 November England 19 – 6 Twickenham, London
28 November France 39 – 12 Stade Velodrome, Marseille
6 December Barbarians 18 – 25 Twickenham, London

John Afoa (Auckland, 11 Tests in 2009), Anthony Boric (North Harbour, 4), Dan Carter (Canterbury, 7), Jimmy Cowan (Southland, 13), Wyatt Crockett (Canterbury, 4), Aled de Malmanche (Waikato, 2), Mike Delany (Bay of Plenty, 2), Stephen Donald (Waikato, 11), Tom Donnelly (Otago, 6), Jason Eaton (Taranaki, 6), Andy Ellis (Canterbury, 3), Tamati Ellison (Wellington, 2), Bryn Evans (Hawke's Bay, 2), Corey Flynn (Canterbury, 3), Owen Franks (Canterbury, 9), Hosea Gear (Wellington, 1), Zac Guildford (Hawke's Bay, 3), Andrew Hore (Taranaki, 11), Cory Jane (Wellington, 11), Richard Kahui (Waikato, 0), Jerome Kaino (Auckland, 10), Tanerau Latimer (Bay of Plenty, 6), Brendon Leonard (Waikato, 5), Lelia Masaga (Counties Manukau, 1), Luke McAlister (North Harbour, 9), Richie McCaw (Canterbury, 11), Keven Mealamu (Auckland, 6), Liam Messam (Waikato, 3), Mils Muliana (Waikato, 14), Ma'a Nonu (Wellington, 13), Kieran Read (Canterbury, 13), Joe Rokocoko (Auckland, 8), Isaac Ross (Canterbury, 8), Sitiveni Sivivatu (Auckland, 10), Ben Smith (Otago, 2), Conrad Smith (Wellington, 9), Rodney So'oialo (Wellington, 8), Adam Thomson (Otago, 7), Brad Thorn (Canterbury, 13), Neemia Tialata (Wellington, 10), Isaia Toeava (Auckland, 5), Piri Weepu (Wellington, 6), George Whitelock (Canterbury, 1), Ali Williams (Auckland, 0), Tony Woodcock (North Harbour, 12), Rudi Wulf (North Harbour, 0).

Coach: Graham Henry Assistant Coaches: Steve Hansen and Wayne Smith Manager: Darren Shand

ON-FIELD RESULTS



JUNIOR ALL BLACKS

Winners of the IRB Pacific Nations Cup

12 June Samoa 17 – 16 Apia Park, Apia
18 June Fiji 45 – 17 Churchill Park, Lautoka
23 June Japan 52 – 21 Churchill Park, Lautoka
2 July Tonga 47 – 25 National Park, Suva



IRB PACIFIC NATIONS CUP STANDINGS

TEAM	WON	LOST	FOR	AGAINST	BONUS	POINTS
Junior All Blacks	4	0	161	79	3	19
Fiji	3	1	112	120	2	14
Samoa	2	2	91	64	4	12
Japan	1	3	96	145	2	6
Tonga	0	4	79	131	1	1

Stephen Brett (Canterbury), Callum Bruce (Waikato), Craig Clarke (Taranaki), Ryan Crotty (Canterbury), Israel Dagg (Hawke's Bay), Aled de Malmanche (Waikato), Tom Donnelly (Otago), Jason Eaton (Taranaki), Hikawera Elliot (Hawke's Bay), Jacob Ellison (Wellington), Tamati Ellison (Wellington), Bryn Evans (Hawke's Bay), Ben Franks (Tasman), Owen Franks (Canterbury), Robert Fruean (Wellington), Hosea Gear (Wellington), Sione Lauaki (Waikato), Karl Lowe (Hawke's Bay), Luke McAlister (North Harbour), James McGougan (Bay of Plenty), Jason MacDonald (Otago), Jamie Mackintosh (Southland), Lelia Masaga (Counties Manukau), Alby Mathewson (Wellington), Rene Ranger (Northland), Ged Robinson (Wellington), Sean Romans (Otago), John Schwalger (Wellington), Colin Slade (Canterbury), Chris Smylie (North Harbour), Alando Soakai (Otago), Jeremy Thrush (Wellington), Anthony Tuitavake (North Harbour), George Whitelock (Canterbury), Victor Vito (Wellington).

Coaches: Colin Cooper and Ian Foster **Manager:** Greg O'Brien

NEW ZEALAND UNDER 20

Winners of the IRB Junior World Championship



DATE	OPPONENT	RESULT	VENUE
5 June	Uruguay	75-0	Mizuho Rugby Ground, Nagoya
9 June	Ireland	17-0	Mizuho Rugby Ground, Nagoya
13 June	Argentina	48-9	Mizuho Rugby Ground, Nagoya

SEMIFINAL

17 June Australia 31-17 Prince Chichibu Stadium, Tokyo

FINAL

21 June England 44-28 Prince Chichibu Stadium, Tokyo

Trent Boswell-Wakefield (Hawke's Bay), Hamish Cochrane (Tasman), Aaron Cruden (Manawatu), Elliot Dixon (Canterbury), Shahn Eru (Wellington), Daniel Faleafa (Auckland), Ma'afu Fia (Manawatu), Zac Guildford (Hawke's Bay), Bernie Hall (Canterbury), Willie Ioane (Manawatu), Brayden Mitchell (Southland), Brendon O'Connor (Canterbury), Ken Pisi (North Harbour), Leighton Price (Hawke's Bay), Codey Rei (Taranaki), Robbie Robinson (Southland), Alex Ryan (Southland), Teddy Stanaway (Auckland), Winston Stanley (Auckland), Latu Talakai (Waikato), Shae Tamati (Hawke's Bay), Tom Taylor (Canterbury), Shaun Treeby (Wellington), Gauefa Tuigamala (North Harbour), Nafi Tuitavake (North Harbour), Frae Wilson (Wellington).

Coach: Dave Rennie Assistant Coach: Mark Anscombe **Manager:** Grant Hubbard

NEW ZEALAND SCHOOLS

29 September Waikato Under 20 31 – 0, St Peter's School, Cambridge
5 October Australia Schools A 47 – 7, The Southport School, Gold Coast
9 October Australia Schools 28 – 24, Ballymore, Brisbane



Michael Allardice (Palmerston North BHS, Manawatu), Gareth Ancombe (Rosmini College, North Harbour), Carl Axtens (Reporoa College, Bay of Plenty), Sam Cane (Reporoa College, Bay of Plenty), Chauncy Edwardson (Hamilton BHS, Waikato), Hanipale Galo (Wellington College, Wellington), Norman Goodes (Wellington College, Wellington), Antonio Kiri Kiri (Palmerston BHS, Manawatu), Steven Luatua (Mt Albert Grammar School, Auckland), Otenili Moala (Auckland Grammar School, Auckland), Maritino Nemani (Sacred Heart College, Auckland), Albert Nikoro (Mt Albert Grammar School, Auckland), Ope Peleseuma (St Patrick's Silverstream, Wellington), TJ Perenara (Mana College, Wellington), Charles Piutau (Wesley College, Counties Manukau), Francis Saili (St Peter's College, Auckland), Solomona Sakalia (Wellington College, Wellington), Lima Sopoaga (Wellington College, Wellington), Michael Stewart (St Bede's College, Canterbury), Ben Tameifuna (Hastings BHS, Hawke's Bay), Codie Taylor (Feilding High School, Manawatu), Joseph Tupe (Da La Salle College, Auckland) Ofa Tuungafasi (Mangere College, Auckland), Kaperiere Wharewera (Rotorua BHS, Bay of Plenty).

Coach: Karl Jones Assistant Coach: Andrew Douglas Manager: Sean Joseph

BLACK FERNS

14 November England 16 – 3, Esher RFC, Esher
17 November England A 48 – 3, Esher RFC, Esher
21 November England 3 – 10, Twickenham, London



Kelly Brazier (Otago), Olivia Coady (Canterbury), Kendra Cocksedge (Canterbury), Barbara Chittock (Canterbury), Fiao'o Faamausili (Auckland), Victoria Grant (Auckland), Victoria Heighway (Auckland), Carla Hohepa (Otago), Linda Itunu (Auckland), Emma Jensen (Auckland), Justine Lavea (Auckland), Ruth McKay (Manawatu), Rebecca Mahoney (Wellington), Beth Mallard (Otago), Huriana Manuel (Auckland), Amanda Murphy (Canterbury), Karina Penetito (Auckland), Casey Robertson (Canterbury), Vita Robinson (Auckland), Claire Rowat (Wellington), Amiria Rule (Canterbury), Melissa Ruscoe (Canterbury), Aroha Savage (Auckland), Aimee Sutorius (Wellington), Stephanie TeOhaere-Fox (Canterbury), Anika Tiplady (Canterbury), Kimberly Smith (Canterbury), Renee Wickliffe (Auckland).

Coach: Brian Evans Assistant Coach: Grant Hansen Manager: Jo Coleman

NEW ZEALAND SEVENS

2008-2009 IRB Sevens World Series

DATE	TOURNAMENT	QUARTERFINAL	SEMIFINAL	FINAL
28-29 November 2008	Dubai	Beat Kenya 21-17	Lost to England 19-21	
5-6 December 2008	George	Beat USA 36-7	Beat Argentina 26-5	Lost to South Africa 7-12
6-7 February 2009	Wellington	Beat South Africa 7-0	Beat Argentina 10-7	Lost to England 17-19
14-15 February 2009	San Diego	Lost to South Africa 7-19		
27-29 March 2009	Hong Kong	Lost to Kenya 7-10		
3-5 April 2009	Adelaide	Lost to South Africa 0-17		
23-24 May 2009	London	Beat Fiji 33-14	Beat South Africa 10-5	Lost to England 26-31
30-31 May 2009	Edinburgh	Lost to Fiji 19-26		

Kurt Baker (Manawatu), Tomasi Cama (Manawatu), Jeremy Cave (Otago), Edwin Cocker (Auckland), DJ Forbes (Captain, Counties Manukau), Paul Grant (Otago), Luke Hamilton (North Harbour), Nigel Hunt (Bay of Plenty), Solomon King (Bay of Plenty), Zar Lawrence (Bay of Plenty), Lance MacDonald (Bay of Plenty), Tim Mikkelsen (Waikato), Tim Nanai-Williams (Counties Manukau), Jordan Puletua (Auckland), Lote Raikabula (Manawatu), Willie Rickards (Southland), Julian Savea (Wellington), Ben Souness (Taranaki), Tutu Tairea (Auckland), Save Tokula (Waikato), Chad Tuoro (Counties Manukau), Alex Tulou (Wellington), Nafi Tuitavake (North Harbour), Tu Umaga Marshall (Wellington), Victor Vito (Wellington), Viliame Waqaseduadua (North Harbour).

Coach: Gordon Tietjens Manager: Ross Everiss



ON-FIELD RESULTS



RUGBY WORLD CUP SEVENS

POOL PLAY

- 5 March Italy 42 – 0 The Sevens, Dubai
- 6 March Arabian Gulf 41 – 5 The Sevens, Dubai
- 6 March Tonga 24 – 7 The Sevens, Dubai

QUARTERFINAL

- 7 March Wales 14 – 15

Tomasi Cama (Manawatu), DJ Forbes (Captain, Counties Manukau), Paul Grant (Otago), Nigel Hunt (Bay of Plenty), Zar Lawrence (Bay of Plenty), Tim Nanai-Williams (Counties Manukau), Lote Raikabula (Manawatu), Julian Savea, Ben Souness (Taranaki), Chad Tuoro (Counties Manukau), Tu Umaga Marshall (Wellington), Victor Vito (Wellington), Viliame Waqaseduadua (North Harbour).

Coach: Gordon Tietjens Manager: Ross Everiss

WOMEN'S RUGBY WORLD CUP SEVENS

POOL PLAY

- 6 March Uganda 50 – 0 The Sevens, Dubai
- 6 March Italy 45 – 0 The Sevens, Dubai
- 6 March South Africa 25 – 0 The Sevens, Dubai

QUARTERFINAL

- 7 March Canada 33 – 12 The Sevens, Dubai

SEMIFINAL

- 7 March USA 14 – 12 The Sevens, Dubai

FINAL

- 7 March Australia 10 – 15 The Sevens, Dubai



Exia Edwards (Bay of Plenty), Julie Ferguson (Hawke's Bay) Victoria Grant (Auckland), Carla Hohepa (Otago), Linda Itunu (Auckland), Justine Lavea (Auckland), Huriana Manuel (Auckland), Angela McGregor (Auckland), Hannah Porter (Captain, Auckland), Teresa Te Tamaki (Auckland), Renee Wickliffe (Counties Manukau), Rachel Wikeepa (Waikato), Selica Winiata (Manawatu)

Coach: Darryl Suasua Manager: Kay Goodhue

NEW ZEALAND HEARTLAND XV

- 14 November New Zealand Marist 23 – 11 Memorial Park Masterton

Cole Baldwin (Wanganui), Josh Cornish (West Coast), Cameron Crowley (Wanganui), Jon Dampney (Mid Canterbury), Aarin Dunster (King Country), James Ferguson (West Coast), Jason Forrest (North Otago), Matthew Gilbert (Wanganui), David Gower (Wanganui), Fraser Hammond (Wanganui), Ben Hewitson (South Canterbury), Scott Leighton (Poverty Bay), Lei'ataua Limuloa-Tahafee (North Otago), Kevin Moore (Buller), Sione Ngatu (Poverty Bay), Nick Olson (Wairarapa Bush), Kane Quinlan (King Country), Jason Rickard (Mid Canterbury), Peter Rowe (Wanganui), Aseli Tikoirotuma (Wanganui), Lasa Ulukuta (Wanganui), Fainga'a Savieti (South Canterbury)

Coach: Guy Lennox Assistant Coach: Grainger Haskell Selector: Earle Kirton



REBEL SPORT SUPER 14 2009



SEMIFINALS

Chiefs 14 Hurricanes 10
Bulls 36 Crusaders 23

FINAL

Bulls 61 Chiefs 17

	P	W	D	L	B4	B7	F	A	PD	PTS
1 Bulls	13	10	-	3	4	2	338	271	67	46
2 Chiefs	13	9	-	4	5	4	338	236	102	45
3 Hurricanes	13	9	-	3	6	2	380	279	101	44
4 Crusaders	13	8	1	4	3	4	231	198	33	41
5 Waratahs	13	9	-	4	3	3	241	212	29	41
6 Sharks	13	8	-	5	3	2	282	239	43	38
7 Brumbies	13	8	-	5	5	1	311	305	6	38
8 Force	13	6	1	6	5	4	328	275	53	36
9 Blues	13	5	-	8	6	6	339	369	-30	32
10 Stormers	13	5	-	8	1	6	235	249	-14	27
11 Highlanders	13	4	-	9	4	6	254	269	-15	26
12 Lions	13	4	-	9	4	5	294	419	-125	25
13 Reds	13	3	-	10	3	4	258	380	-122	19
14 Cheetahs	13	2	-	11	1	3	213	341	-128	12

AIR NEW ZEALAND CUP



SEMIFINALS

Wellington 34 Southland 21
Canterbury 20 Hawke's Bay 3

FINAL

Canterbury 28 Wellington 20

TEAM	P	W	D	L	B4	B7	F	A	PD	PTS
Canterbury	13	10	-	3	4	3	369	231	138	47
Wellington	13	9	-	4	5	2	362	237	125	43
Southland	13	9	1	3	2	1	260	181	71	41
Hawke's Bay	13	8	1	4	6	1	372	256	116	41
Auckland	13	8	-	5	3	4	272	223	49	39
Waikato	13	8	-	5	4	-	285	297	-12	36
Bay of Plenty	13	7	-	6	1	3	268	267	1	32
Taranaki	13	6	1	6	1	1	252	251	1	28
Tasman	13	6	-	7	2	2	243	260	-17	28
Otago	13	5	-	8	2	5	260	283	-23	27
Manawatu	13	4	-	9	4	4	305	362	-57	24
North Harbour	13	4	-	9	-	4	244	320	-76	20
Northland	13	3	1	9	-	2	226	341	-115	16
Counties Manukau	13	2	-	11	2	2	235	436	-201	12

HEARTLAND CHAMPIONSHIP

MEADS CUP SEMIFINALS

Wanganui 48 Poverty Bay 13
Mid Canterbury 19 South Canterbury 17

MEADS CUP FINAL

Mid Canterbury 13 Wanganui 34

LOCHORE CUP SEMIFINALS

North Otago 31 King Country 27
West Coast 53 Buller 22

LOCHORE CUP FINAL

West Coast 13 North Otago 21



POOL A	P	W	D	L	B4	B7	F	A	PD	PTS
Wanganui	5	4	-	1	3	1	146	71	75	20
Horowhenua Kapiti	5	4	-	1	2	-	135	74	61	18
Wairarapa Bush	5	3	-	2	-	2	104	66	38	14
West Coast	5	3	-	2	-	-	91	117	-26	12
Buller	5	1	-	4	1	3	100	93	7	8
East Coast	5	-	-	5	-	-	49	204	-155	-

POOL B	P	W	D	L	B4	B7	F	A	PD	PTS
Poverty Bay	5	4	-	1	1	1	111	87	24	18
Mid Canterbury	5	3	-	1	-	1	115	94	21	17
South Canterbury	5	3	-	2	-	1	88	93	-5	13
North Otago	5	2	-	3	2	1	143	87	56	11
King Country	5	2	-	3	2	1	100	111	-11	10
Thames Valley	5	-	-	5	-	3	80	165	-85	3

MEADS CUP	P	W	D	L	B4	B7	F	A	PD	PTS
Mid Canterbury	8	7	-	1	1	1	196	133	63	30
Wanganui	8	6	-	2	5	1	275	108	167	30
Poverty Bay	8	6	-	-	1	1	154	181	-27	26
South Canterbury	8	5	-	3	1	1	169	198	-29	22
Horowhenua Kapiti	8	4	-	4	2	1	193	166	27	19
Wairarapa Bush	8	3	-	5	1	4	155	142	13	17

LOCHORE CUP	P	W	D	L	B4	B7	F	A	PD	PTS
West Coast	8	5	-	3	1	-	166	159	7	21
North Otago	8	4	-	4	3	1	252	144	108	20
King Country	8	4	-	4	2	2	199	158	41	20
Buller	8	3	-	5	2	3	163	156	7	17
East Coast	8	1	-	7	-	-	87	337	-250	4
Thames Valley	8	-	-	8	-	4	110	237	-127	4

RANFURLY SHIELD

DATE	RESULT	VENUE
2 July	Wellington 90 Wairarapa Bush 19	Masterton
9 July	Wellington 61 Wanganui 6	Wanganui
31 July	Wellington 23 Otago 19	Wellington
22 August	Wellington 16 Auckland 15	Wellington
29 August	Canterbury 36 Wellington 14	Wellington
12 September	Canterbury 36 Otago 16	Christchurch
18 September	Canterbury 29 Taranaki 17	Christchurch
26 September	Canterbury 31 Northland 21	Christchurch
9 October	Canterbury 50 Manawatu 28	Christchurch
22 October	Southland 9 Canterbury 3	Christchurch

WOMEN'S CHAMPIONSHIP

SEMIFINALS

Canterbury 55 Hawke's Bay 3
Auckland 19 Wellington 3

FINAL

Canterbury 20 Auckland 24

TEAM	PLAYED	WIN	DRAW	LOSS	B4	B7	PTS
Canterbury	5	5	-	-	3	-	23
Auckland	5	3	1	1	3	1	18
Wellington	5	3	1	1	2	-	16
Hawke's Bay	5	2	-	3	1	-	9
Otago	5	1	-	4	1	1	6
Manawatu	5	-	-	5	-	-	-

INTERNATIONAL REFEREES

KEITH BROWN

Japan v Canada at Sendai

BRYCE LAWRENCE

South Africa v British and Irish Lions at Durban
Australia v South Africa at Perth
England v Australia at London

VINNY MUNRO

Japan v Canada at Tokyo

BEN SKEEN

Niue v Cook Islands at Pukekohe

OFF-FIELD RESULTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009



GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	2009 \$000	2008 \$000
INCOME			
Commercial Income		78,931	71,818
Fixtures and Tours Income		13,967	17,684
Interest Income		991	4,244
Other Income		3,143	4,140
Change in Fair Value of Investments		-	2,455
Foreign Exchange Gains		-	3,723
Equity Accounted Profit of Associates	13	90	-
TOTAL INCOME	3	97,122	104,064
EXPENDITURE			
Game Development		14,945	15,606
Provincial Union Grants		8,296	11,103
Representative Teams		24,504	23,251
Competitions		44,245	42,798
Governance and Financial		6,012	6,026
Interest Expense	3	303	1,944
Change in Fair Value of Investments		2	-
Foreign Exchange Losses		8,351	-
Equity Accounted Loss of Associates	13	-	97
TOTAL EXPENDITURE	3	106,658	100,825
NZRU (LOSS)/PROFIT BEFORE RUGBY WORLD CUP 2011	3	(9,536)	3,239
RUGBY WORLD CUP 2011 RELATED LOSSES			
Equity Accounted Loss of Associates	13	(2,114)	(847)
Change in Fair Value of Investments		(4,350)	(2,118)
Foreign Exchange Gains		126	92
RUGBY WORLD CUP 2011 RELATED (LOSS)/PROFIT		(6,338)	(2,873)
(LOSS)/PROFIT FOR THE YEAR	4	(15,874)	366
OTHER COMPREHENSIVE INCOME			
Cash Flow Hedges:	22		
Gain/(Loss) Taken to Equity		20,339	(6,451)
Transferred to Profit or Loss for the Period		7,552	(7,129)
TOTAL OTHER COMPREHENSIVE INCOME		27,891	(13,580)
TOTAL COMPREHENSIVE INCOME NET OF TAX FOR THE YEAR		12,017	(13,214)

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2009

	NOTE	2009 \$000	2008 \$000
CURRENT ASSETS			
Cash and Cash Equivalents		46,840	22,876
Trade and Other Receivables	7	6,980	4,452
Prepayments		1,215	1,246
Loans and Advances	8	1,246	1,488
Provision for Player Payment Variation	16	-	377
Other Financial Assets	9	5,676	41,871
		61,957	72,310
NON-CURRENT ASSETS			
Loans and Advances	8	194	1,855
Property, Plant and Equipment	10	940	1,150
Intangible Assets	11	10,480	10,313
Investment in Associates	13	7,081	9,179
Other Financial Assets	9	12,645	1,606
		31,340	24,103
TOTAL ASSETS		93,297	96,413
CURRENT LIABILITIES			
Trade and Other Payables	15	6,874	5,692
Provision for Provincial Union Support	17	-	1,200
Income in Advance		5,264	7,175
Other Financial Liabilities	18	33	7,562
		12,171	21,629
NON-CURRENT LIABILITIES			
Provision for Medical Costs	19	2,524	1,707
Benevolent and Welfare Fund	20	942	2,160
Income in Advance		-	1,539
Other Financial Liabilities	18	-	3,735
		3,466	9,141
TOTAL LIABILITIES		15,637	30,770
EQUITY			
Cash Flow Hedge Reserve	22	18,200	(9,691)
Retained Earnings	23	59,460	75,334
TOTAL EQUITY		77,660	65,643
TOTAL LIABILITIES AND EQUITY		93,297	96,413

For and on behalf of the Board



M J B HOBBS Chairman
26 February 2010



M A PETERS Director
26 February 2010

OFF-FIELD RESULTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009



GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	RETAINED EARNINGS \$000	CASH FLOW HEDGE RESERVE \$000	TOTAL \$000
Balance at 1 January 2009	22,23	75,334	(9,691)	65,643
Total Comprehensive Income for the Year	22,23	(15,874)	27,891	12,017
Balance at 31 December 2009		59,460	18,200	77,660
Balance at 1 January 2008	22,23	74,968	3,889	78,857
Total Comprehensive Income for the Year	22,23	366	(13,580)	(13,214)
Balance at 31 December 2008		75,334	(9,691)	65,643

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	2009 \$000	2008 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts		75,770	95,661
Interest Received		1,592	3,776
Other Income		3,143	3,905
Payments to Suppliers and Employees		(93,321)	(98,759)
Interest Payments		(238)	(1,715)
NET CASH FLOW FROM OPERATING ACTIVITIES	28	(13,054)	2,868
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of Loans and Advances		1,556	818
Maturity of Investments		38,430	11,119
Purchase of Property, Plant and Equipment		(186)	(158)
Purchase of Intangible Assets		(282)	(10,211)
Purchase of Investments		(1,512)	(12,182)
NET CASH FLOW FROM INVESTING ACTIVITIES		38,006	(10,614)
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH FLOW FROM FINANCING ACTIVITIES		-	-
Net Increase/(Decrease) in Cash Held		24,952	(7,746)
Effect of Exchange Rate Change on Foreign Currency Balances		(988)	1,099
Cash at Start of the Year		22,876	29,523
CASH AT END OF THE YEAR		46,840	22,876
REPRESENTED BY:			
Cash and Cash Equivalents		46,840	22,876
CASH AT END OF THE YEAR		46,840	22,876

PARENT STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	2009 \$000	2008 \$000
INCOME			
Commercial Income		78,931	71,818
Fixtures and Tours Income		13,967	17,684
Interest Income		991	4,244
Other Income		3,143	4,140
Change in Fair Value of Investments		-	2,455
Foreign Exchange Gains		-	3,723
TOTAL INCOME	3	97,032	104,064
EXPENDITURE			
Game Development		14,945	15,595
Provincial Union Grants		8,296	11,103
Representative Teams		24,504	23,076
Competitions		44,245	42,758
Governance and Financial		6,012	6,008
Interest Expense	3	303	1,944
Funding to Subsidiaries		-	282
Change in Fair Value of Investments		2	-
Foreign Exchange Losses		8,351	-
TOTAL EXPENDITURE	3	106,658	100,766
NZRU (LOSS)/PROFIT BEFORE RUGBY WORLD CUP 2011	3	(9,626)	3,298
RUGBY WORLD CUP 2011 RELATED LOSSES			
Change in Fair Value of Investments		(4,350)	(2,118)
Foreign Exchange Gains		126	92
RUGBY WORLD CUP 2011 RELATED (LOSS)/PROFIT		(4,224)	(2,026)
(LOSS)/PROFIT FOR THE YEAR		(13,850)	1,272
OTHER COMPREHENSIVE INCOME			
Cash Flow Hedges:	22		
Gain/(Loss) Taken to Equity		20,339	(6,451)
Transferred to Profit or Loss for the Period		7,552	(7,129)
TOTAL OTHER COMPREHENSIVE INCOME		27,891	(13,580)
TOTAL COMPREHENSIVE INCOME NET OF TAX FOR THE YEAR		14,041	(12,308)

OFF-FIELD RESULTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009



PARENT BALANCE SHEET

AS AT 31 DECEMBER 2009

	NOTE	2009 \$000	2008 \$000
CURRENT ASSETS			
Cash and Cash Equivalents		46,840	22,876
Trade and Other Receivables	7	6,980	4,452
Prepayments		1,215	1,246
Loans and Advances	8	1,246	1,488
Provision for Player Payment Variation	16	-	377
Other Financial Assets	9	5,676	41,871
		61,957	72,310
NON-CURRENT ASSETS			
Loans and Advances	8	194	1,855
Property, Plant and Equipment	10	940	1,150
Intangible Assets	11	10,480	10,313
Investment in Associates	13	10,455	10,529
Other Financial Assets	9	12,645	1,606
		34,714	25,453
TOTAL ASSETS		96,671	97,763
CURRENT LIABILITIES			
Trade and Other Payables	15	6,881	5,699
Provision for Provincial Union Support	17	-	1,200
Income in Advance		5,264	7,175
Other Financial Liabilities	18	33	7,562
		12,178	21,636
NON-CURRENT LIABILITIES			
Provision for Medical Costs	19	2,524	1,707
Benevolent and Welfare Fund	20	942	2,160
Income in Advance		-	1,539
Other Financial Liabilities	18	-	3,735
		3,466	9,141
TOTAL LIABILITIES		15,644	30,777
EQUITY			
Cash Flow Hedge Reserve	22	18,200	(9,691)
Retained Earnings	23	62,827	76,677
TOTAL EQUITY		81,027	66,986
TOTAL LIABILITIES AND EQUITY		96,671	97,763

For and on behalf of the Board

M J B HOBBS Chairman
26 February 2010

M A PETERS Director
26 February 2010

PARENT STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	RETAINED EARNINGS \$000	CASH FLOW HEDGE RESERVE \$000	TOTAL \$000
Balance at 1 January 2009	22,23	76,677	(9,691)	66,986
Total Comprehensive Income for the Year	22,23	(13,850)	27,891	14,041
Balance at 31 December 2009		62,827	18,200	81,027
Balance at 1 January 2008	22,23	75,405	3,889	79,294
Total Comprehensive Income for the Year	22,23	1,272	(13,580)	(12,308)
Balance at 31 December 2008		76,677	(9,691)	66,986

PARENT STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	2009 \$000	2008 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts		75,770	95,661
Interest Received		1,592	3,776
Other Income		3,143	3,905
Payments to Suppliers and Employees		(93,321)	(98,607)
Interest Payments		(238)	(1,715)
NET CASH FLOW FROM OPERATING ACTIVITIES	28	(13,054)	3,020
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of Loans and Advances		1,556	818
Maturity of Investments		38,430	11,119
Advances to Subsidiaries		-	(146)
Purchase of Property, Plant and Equipment		(186)	(158)
Purchase of Intangible Assets		(282)	(10,211)
Purchase of Investments		(1,512)	(12,182)
NET CASH FLOW FROM INVESTING ACTIVITIES		38,006	(10,760)
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH FLOW FROM FINANCING ACTIVITIES		-	-
Net Increase/(Decrease) in Cash Held		24,952	(7,740)
Effect of Exchange Rate Change on Foreign Currency Balances		(988)	1,099
Cash at Start of the Year		22,876	29,517
CASH AT END OF THE YEAR		46,840	22,876
REPRESENTED BY:			
Cash and Cash Equivalents		46,840	22,876
CASH AT END OF THE YEAR		46,840	22,876

OFF-FIELD RESULTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009



1. STATEMENT OF ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

New Zealand Rugby Union Incorporated (“NZRU”) is an incorporated society registered in New Zealand under the Incorporated Societies Act 1908 and is domiciled at 1 Hinemoa Street, Harbour Quays, Wellington, New Zealand.

The “Group” consists of New Zealand Rugby Union Incorporated (the “Parent”), its subsidiaries, associates and joint ventures.

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (“NZ GAAP”). They comply with New Zealand Equivalents to International Financial Reporting Standards (“NZ IFRS”) as appropriate for public benefit entities. The parent entity financial statements also comply with NZ IFRS.

BASIS OF PREPARATION

The Group financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair value of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of NZ IFRS the NZRU is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects current and future periods, it is reflected in those periods.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Judgements made by the NZRU in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Critical judgements made by the NZRU include:

- (a) Provision for Medical Costs: The NZRU base the carrying value on an annual independent actuarial valuation

which requires the estimation of the effects of uncertain future events at balance date. These estimates involve assumptions about the number of outstanding open injury claims; incurred but not reported claims; the cost of future claims; and the cost of managing future claims.

- (b) Investment in Rugby New Zealand 2011 Limited: The NZRU has considered the carrying value of the investment in Rugby New Zealand 2011 Limited. As at 31 December 2009 the Directors’ believe no impairment of the investment is required as the cash flows from Rugby New Zealand 2011 Limited and to Rugby World Cup Limited (including specific funding arrangements to mitigate the foreign exchange exposure on the transactions) exceed this value using current exchange rates (refer Note 27 for further details).

SPECIFIC ACCOUNTING POLICIES

(A) BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are those entities controlled, directly or indirectly, by the NZRU. The Group financial statements include the parent entity, the NZRU, and its subsidiaries using the purchase method of consolidation. All significant inter-entity transactions are eliminated on consolidation. In the parent entity financial statements investments in subsidiaries are recognised at their cost, less any adjustment for impairment. A list of subsidiaries is disclosed in Note 12.

Associates

These are entities in which the NZRU 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 the Group’s share of profits or losses in the Group Statement of Comprehensive Income and its share of post acquisition increases or decreases in net assets, in the Group Balance Sheet. The investment is carried at cost less impairment in the Parent Balance Sheet. A list of associates is disclosed in Note 13.

Joint Ventures

Joint ventures are contractual arrangements with other parties in which the Group has joint control over an economic activity. The Group’s share of the assets, liabilities, income and expenditure of joint ventures are incorporated into the Group financial statements on a line-by-line basis using the proportionate method. A list of joint ventures is disclosed in Note 14.

(B) PROPERTY, PLANT AND EQUIPMENT

The Group has four classes of property, plant and equipment, as disclosed below.

Property, plant and equipment is initially recorded at cost. Cost includes the original purchase consideration and those

costs directly attributable to bring the item of property, plant and equipment 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.

When an item of property, plant and equipment is disposed of, any gain or loss is recognised in the Statement of Comprehensive Income and is calculated as the difference between the sale price and the carrying value of the item.

Depreciation is provided on a straight line basis on all property, plant and equipment 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.

Major classes of property, plant and equipment and their depreciation periods are:

Computer Equipment	3 years
Office Equipment	5 years
Office Alterations and Fixtures	10 years
Coaching Equipment	5 years

(C) INTANGIBLE ASSETS

Intangible assets comprise computer software, computer software under development and a contribution to the redevelopment of Eden Park.

Computer software is stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight line basis over the useful life of the asset (3 years). The estimated useful life, residual values and amortisation method is reviewed at the end of each annual reporting period.

Computer software under development is stated at cost less impairment losses. Amortisation is on the same basis as other computer software and commences when the intangible asset is completed for its intended use.

The contribution to Eden Park is stated at cost. Amortisation will be calculated on a straight line basis over the term of the agreement between the NZRU, Eden Park Trust and the Auckland Rugby Football Union when the benefits will accrue to NZRU. The term of the agreement is 20 years.

(D) IMPAIRMENT OF ASSETS

At each reporting date, the Group reviews the carrying amounts of its non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

(E) LEASES

Group entities lease certain office equipment and premises. Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term. The NZRU has no finance leases.

(F) TAXATION

The NZRU is exempt from income tax as a promoter of amateur sport under section CW 39 of the Income Tax Act 2004. A subsidiary of the Group, New Zealand Rugby Promotions Limited is subject to income tax.

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or 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.

(G) INCOME RECOGNITION

Broadcasting, Sponsorship and Licensing Income

Broadcasting, sponsorship and licensing income is recognised over the period of the contract as the benefits are supplied by the Group under the contracts.

Fixtures and Tours

Fixtures and tours income is recognised in the period of the event.

Government Grants

Government grants are recognised as income when the conditions of those grants are met.

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Interest Income

Interest income is recognised using the effective interest rate method.

(H) FOREIGN CURRENCY

Functional and Presentation Currency

The Group financial statements are presented in New Zealand dollars, which is the Parent and subsidiaries' functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies are converted at the New Zealand rate of exchange in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Foreign currency non-monetary assets and liabilities which are carried at cost are translated at the rates prevailing at the date when the cost was determined.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the Statement of Comprehensive Income.

(I) GOODS AND SERVICES TAXATION

Income, expenditure and assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST.

(J) FINANCIAL INSTRUMENTS

Cash and Cash Equivalents

Cash and cash equivalents comprise short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade Receivables, Loans and Other Receivables

Trade receivables, loans and other receivables are measured at amortised cost less impairment. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that an asset is impaired.

Trade and Other Payables

Trade payables and other payables are recognised when the Group 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.

Offsetting

Assets and liabilities have not been offset except when offsetting is required or permitted by a Financial Reporting Standard.

(K) DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into foreign currency forward exchange contracts to manage its exposure to foreign exchange rate risk. The Group also enters into short-term foreign currency basis swaps to manage its New Zealand dollar cash requirements. Further details of derivative financial instruments are disclosed in Note 24.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the Statement of Comprehensive Income immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in the Statement of Comprehensive Income depends on the nature of the hedge relationship. The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges).

(L) ESTIMATION OF FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments is determined on a hierarchical basis that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and;
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assumptions for valuation models are based on management's judgements and estimates. Changes in the assumptions used in these models and projections of future cash flows could affect the reported fair value of financial instruments (refer to Note 24).

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to any ineffective portion is recognised immediately in the Statement of Comprehensive Income.

Amounts recognised in equity are transferred to the Statement of Comprehensive Income in the periods when the underlying hedged item is recognised in the Statement of Comprehensive Income. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and

losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Comprehensive Income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the Statement of Comprehensive Income.

Derivatives that do not qualify for Hedge Accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the Statement of Comprehensive Income.

(M) FINANCIAL ASSETS

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned and are initially measured at fair value, plus transaction costs.

All funds invested by NZRU have been accounted for at fair value through profit or loss. Interest revenue is separately recognised using the effective interest method, and the fair value gain or loss is adjusted accordingly, to take this into account. Funds are denominated in New Zealand dollars, pound Sterling and United States dollars and were managed by AllianceBernstein New Zealand Limited until November 2009 and were then invested in cash and cash equivalents. The financial asset is classified as fair value through profit or loss because the asset is managed and its performance is evaluated on a fair value basis, in accordance with documented risk management and investment strategies, and information about the asset is reviewed internally on that basis.

(N) PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

Provision for Player Payment Variation

A provision for Player Payment Variation is recognised for the difference between the players' share of agreed revenue ("Player Generated Revenue") earned during the term of the Collective Employment Agreement and benefits provided to the players during the same year. Player costs are recognised in the year in which the Player Generated Revenue is earned.

Provision for Medical Costs

The provision for medical costs is based on an annual independent actuarial valuation as the central estimate of the present value of expected future payments for claims.

Provision for Provincial Union Support

A one-off provision for Provincial Union Support was established in 2008 to fund a percentage of All Black player payments contained in Provincial Union contracts. The provision was fully utilised during 2009.

(O) BENEVOLENT AND WELFARE FUND

The Benevolent and Welfare Fund is recognised for funds unpaid at balance date attributable for the benefit of players employed under the Collective Employment Agreement who are unable to play professional rugby or are suffering other hardship. The fund is payable to the New Zealand Rugby Players Association.

(P) EMPLOYEE ENTITLEMENTS

Provision is made for benefits accruing to employees in respect of salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured using the remuneration rate expected to apply at the time of settlement.

(Q) CASH FLOW STATEMENTS

Cash flows are inflows and outflows of cash and cash equivalents.

Operating Activities are the principal income-producing activities of the entity and other activities that are not investing or financing activities.

Investing Activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing Activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

(R) COMPARATIVES

When the presentation or classification of items is changed, comparative amounts are reclassified unless the reclassification is impracticable.

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(S) CHANGES IN ACCOUNTING POLICIES

The same accounting policies, presentation and methods of computation are followed in these financial statements as were applied in the preparation of the Parent and Group's financial statements for the year ended 31 December 2008, except for the adoption of NZIAS 1 (revised): Presentation of Financial Statements, effective for annual periods beginning on or after 1 January 2009, and the additional new Standards as listed below. The revised Standard has introduced a number of terminology changes (including revised titles for the financial statements) and has resulted in a number of changes in presentation and disclosure. However, the revised Standard has had no impact on the reported results or financial position of the Parent and Group. The additional new Standards, that have also had no impact on the reported results or financial position of the Parent and Group, are as follows:

- Amendments to NZ IFRS 7 'Financial Instruments' – effective 1-Jan-09
- NZ IAS 23 'Borrowing Costs' – effective 1-Jan-09
- Amendments to NZ IFRS 2 'Share Based Payments' – effective 1-Jan-09

- NZ IFRS 8 'Operating Segments' – effective 1-Jan-09
- Amendments to NZ IFRS 4 'Insurance Contracts' – effective 1-Jan-09
- NZ IFRIC 15 'Agreements for the Construction of Real Estate' – effective 1-Jan-09
- Improvements to New Zealand Equivalents to International Reporting Standards 2008 – effective various dates
- Omnibus Amendments (2008) – effective 1-Jan-09
- Revised Amendments to NZ IAS 32 'Financial Instruments: Presentation of Financial Statements' – effective 1-Jan-09

The following are the new or revised Standards or Interpretations on issue that are not yet required to be adopted by entities preparing financial statements for periods ending on 31 December 2009. These Standards are not expected to have an impact on the reported results or financial position of the Parent and Group.

STANDARD/INTERPRETATION	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER	EXPECTED TO BE INITIALLY APPLIED IN THE FINANCIAL YEAR ENDING
NZ IFRIC 17 'Distributions of Non-Cash Assets to Owners'	1-Jul-09	31-Dec-10
NZ IFRIC 18 'Transfers of Assets from Customers'	1-Jul-09	31-Dec-10
NZ IFRS 3 'Business Combinations' – revised 2008	1-Jul-09	31-Dec-10
NZ IAS 27 'Consolidated and Separate Financial Statements' – revised 2008	1-Jul-09	31-Dec-10
Amendments to NZ IAS 39 'Financial Instruments: Recognition and Measurement' – Eligible Hedged Items	1-Jul-09	31-Dec-10
Omnibus Amendments (2009)	1-Jul-09	31-Dec-10
Improvements to New Zealand Equivalents to International Financial Reporting Standards 2009	*	31-Dec-10
Amendments to NZ IFRS 2 'Share-Based Payment' – Group Cash-Settled Share-Based Payment Transactions	1-Jan-10	31-Dec-10
Amendment to NZ IAS 32 'Financial Instruments: Presentation' – Classification of Rights Issues	1-Feb-10	31-Dec-11
NZ IFRIC 19 'Extinguishing Financial Liabilities with Equity Instruments'	1-Jul-10	31-Dec-11
Amendments to NZ IAS 24 'Related Party Disclosures'	1-Jan-11	31-Dec-11
Amendments to NZ IFRIC 14 'Prepayments of a Minimum Funding Requirement'	1-Jan-11	31-Dec-11
NZ IFRS 9 'Financial Instruments'	1-Jan-13	31-Dec-13

*The effective date and transitional provisions vary by Standard. Most of the improvements are effective for annual periods beginning on or after 1 January 2010, with earlier adoption permitted.

2. PRINCIPAL ACTIVITIES

The Group operates in one industry and geographical location. The Group's principal activity is the promotion and administration of rugby in New Zealand.

3. (LOSS)/PROFIT FOR THE YEAR

	NOTE	GROUP		PARENT	
		2009 \$000	2008 \$000	2009 \$000	2008 \$000
(A) Income					
Income from Operations consisted of the following items:					
Income from the Rendering of Services		91,356	87,342	91,356	87,342
Income from Government Grants		1,542	2,160	1,542	2,160
		92,898	89,502	92,898	89,502
Interest Income:					
Bank Deposits at amortised cost		300	2,390	300	2,390
Investments		613	1,767	613	1,767
Related Parties at amortised cost		78	87	78	87
		991	4,244	991	4,244
Other Income		3,143	4,140	3,143	4,140
Change in Fair Value of Investments		-	2,455	-	2,455
Foreign Exchange Gains		-	3,723	-	3,723
Equity Accounted Profit of Associates		90	-	-	-
TOTAL OPERATING INCOME		97,122	104,064	97,032	104,064
(B) Expenditure					
(Loss)/Profit before Income Tax has been arrived at after charging the following Expenses:					
Expenditure from the Rendering of Services		52,379	55,493	52,379	55,434
Finance Costs:					
Bank Interest		65	229	65	229
Basis Swap Interest		223	1,715	223	1,715
Other Interest		15	-	15	-
		303	1,944	303	1,944
Change in Fair Value of Investments		2	-	2	-
Foreign Exchange Losses		8,351	-	8,351	-
Net Bad and Doubtful Debts	21	211	5	211	5
Movement in Provision for Medical Costs	19	817	461	817	461
Depreciation of Property, Plant and Equipment	10	396	493	396	493
Amortisation of Intangible Assets	11	115	110	115	110
Operating Lease Rental Expenses		627	572	627	572
Employee Benefits		43,319	41,737	43,319	41,737
Defined Contribution Plan Expenses		138	10	138	10
TOTAL EXPENDITURE		106,658	100,825	106,658	100,766
NZRU (LOSS) / PROFIT BEFORE RUGBY WORLD CUP 2011		(9,536)	3,239	(9,626)	3,298

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4. TAXATION

	GROUP	
	2009 \$000	2008 \$000
INCOME TAX		
(Loss)/Profit before Tax	(15,874)	366
Prima Facie Tax @ 30%	(4,762)	110
Tax Effect of Permanent Differences (exempt activities)	4,762	(108)
Benefit of Tax Losses not Previously Recognised	-	(2)
INCOME TAX EXPENSE	-	-

The Group has accumulated tax losses of \$5,348,000 (2008: \$5,348,000) available to be carried forward and offset against future assessable income. The \$1,604,000 (2008: \$1,604,000) 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 2009 result (2008: Nil).

The Parent is exempt from income tax as a promoter of amateur sport under section CW 39 of the Income Tax Act 2004.

Imputation Credits

Imputation credits are not disclosed as the Parent has no shareholders able to utilise such credits.

5. KEY MANAGEMENT PERSONNEL COMPENSATION

	GROUP & PARENT	
	2009 \$000	2008 \$000
Compensation		
Short-Term Employee Benefits	2,218	2,251
TOTAL KEY MANAGEMENT PERSONNEL COMPENSATION	2,218	2,251

Directors' Fees paid or payable to Directors for services as a Director during the year totalled \$325,000, (2008: \$325,000) and were paid as follows:

		TOTAL \$000
Mr M. J. B. Hobbs	Chairman	65
Mr K. G. Douglas	Director	33
Mr M. T. Eagle	Director	33
Mr I. C. Haines	Director	33
Mr G. N. K. Mourie	Director	33
Mr M. A. Peters	Director	33
Mr W. W. Peters	Director	24
Mr B. P. Quinn	Director	8
Mr W. G. Thurston	Director	33
Mr G. P. van Tilborg	Director	33

The balance of Directors' fees outstanding at balance date was Nil (2008: Nil).

6. REMUNERATION OF AUDITORS

	GROUP & PARENT	
	2009 \$000	2008 \$000
Auditor of the Parent Entity (Deloitte)		
Audit of the Financial Statements	33	32
Audit Related Services from Adoption of NZ IFRS	-	12
TOTAL REMUNERATION OF AUDITORS	33	44

7. TRADE AND OTHER RECEIVABLES

	NOTE	GROUP & PARENT	
		2009 \$000	2008 \$000
Trade Receivables		1,920	1,939
Trade Receivables Accruals		4,675	2,184
Provision for Doubtful Debts	21	(50)	(9)
		6,545	4,114
Goods and Service Tax (GST) Receivable		359	300
Other Receivables		76	38
TOTAL TRADE AND OTHER RECEIVABLES		6,980	4,452

Trade receivables are non-interest bearing and generally on monthly terms.

An allowance of \$212,000 (2008: \$9,000) has been made for estimated irrecoverable receivables and loans and advances (refer Note 8). The movement in the allowance of \$203,000 in the Group and the Parent is split between a write-off to bad debts of \$8,000 and an increase in the allowance of \$211,000 which was recognised in the loss for the current financial year.

Included in the Group and Parent trade receivables are debtors with a carrying value of \$918,000 (2008: \$248,000) which are past due at 31 December for which the Group has not provided as there has not been any significant change in credit quality and the amounts are still considered recoverable.

	GROUP & PARENT	
	2009 \$000	2008 \$000
Aging of past due but not impaired trade receivables		
60 - 90 days	168	204
90 - 120 days	1	10
120+ days	749	34
TOTAL	918	248

There is nothing to indicate that there has been a decline in the credit worthiness of receivables that are neither past due nor impaired.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009



8. LOANS AND ADVANCES

	NOTE	GROUP & PARENT	
		2009 \$000	2008 \$000
Current Portion			
Provincial Unions		17	22
Franchises		162	-
Local Body Authorities		1	1
SANZAR Europe s.a.r.l.		1,228	1,465
Provision for Doubtful Debts	21	(162)	-
		1,246	1,488
Non-Current Portion			
Provincial Unions		192	202
Franchises		-	162
Local Body Authorities		2	3
SANZAR Europe s.a.r.l.		-	1,488
		194	1,855
TOTAL LOANS AND ADVANCES		1,440	3,343

9. OTHER FINANCIAL ASSETS

	GROUP & PARENT	
	2009 \$000	2008 \$000
Investments in Foreign Currency Deposits	-	39,711
Investments in New Zealand Dollar Deposits	-	2,160
Foreign Currency Forward Contracts	18,312	1,606
Basis Swap Contract	9	-
TOTAL OTHER FINANCIAL ASSETS	18,321	43,477
Current	5,676	41,871
Non-Current	12,645	1,606
TOTAL OTHER FINANCIAL ASSETS	18,321	43,477

10. PROPERTY, PLANT AND EQUIPMENT

	GROUP AND PARENT				TOTAL \$000
	COMPUTER EQUIPMENT AT COST \$000	OFFICE EQUIPMENT AT COST \$000	OFFICE ALTERATIONS AND FIXTURES AT COST \$000	COACHING EQUIPMENT AT COST \$000	
Gross Carrying Amount					
Balance at 1 January 2008	1,139	786	1,887	142	3,954
Additions	126	13	17	3	159
Disposals	(3)	-	-	-	(3)
Balance at 31 December 2008	1,262	799	1,904	145	4,110
Additions	129	2	21	36	188
Disposals	(56)	-	(1)	-	(58)
Balance at 31 December 2009	1,335	801	1,924	181	4,240
Accumulated Depreciation					
Balance at 1 January 2008	(806)	(750)	(866)	(46)	(2,468)
Disposals	1	-	-	-	1
Depreciation Expense	(253)	(21)	(190)	(30)	(493)
Balance at 31 December 2008	(1,058)	(771)	(1,056)	(76)	(2,960)
Disposals	53	-	3	-	56
Depreciation Expense	(161)	(11)	(191)	(33)	(396)
Balance at 31 December 2009	(1,166)	(782)	(1,244)	(109)	(3,300)
Net Book Value					
Balance at 1 January 2008	333	36	1,021	96	1,486
Balance at 31 December 2008	204	28	848	69	1,150
Balance at 31 December 2009	169	19	680	72	940

There are no contractual commitments at 31 December 2009 (2008: Nil).

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11. INTANGIBLE ASSETS

	GROUP & PARENT		
	CONTRIBUTION TO EDEN PARK \$000	COMPUTER SOFTWARE \$000	TOTAL \$000
Gross Carrying Amount			
Balance at 1 January 2008	-	770	770
Additions	10,000	217	10,217
Disposals	-	(7)	(7)
Balance at 31 December 2008	10,000	980	10,980
Additions	-	335	335
Disposals	-	(53)	(53)
Balance at 31 December 2009	10,000	1,262	11,262
Accumulated Amortisation			
Balance at 1 January 2008	-	(557)	(557)
Amortisation Expense	-	(110)	(110)
Balance at 31 December 2008	-	(667)	(667)
Amortisation Expense	-	(115)	(115)
Balance at 31 December 2009	-	(782)	(782)
Net Book Value			
Balance at 1 January 2008	-	212	212
Balance at 31 December 2008	10,000	313	10,313
Balance at 31 December 2009	10,000	480	10,480

There are no contractual commitments at 31 December 2009 (2008: Nil).

12. SUBSIDIARIES

	COUNTRY OF INCORPORATION	2009	2008
Parent Entity			
New Zealand Rugby Union			
Subsidiaries			
New Zealand Rugby Promotions Limited	New Zealand	100%	100%
Computerised Match Ticketing Limited	New Zealand	100%	100%
Rugby World Cup Limited	New Zealand	100%	100%
World Cup Rugby Limited	New Zealand	100%	100%

All subsidiaries have a balance date of 31 December.

New Zealand Rugby Promotions Limited previously contracted certain referees, players and team management for New Zealand teams and ceased trading in April 2008.

Computerised Match Ticketing Limited, Rugby World Cup Limited and World Cup Rugby Limited are non-trading subsidiaries. The financial position and results of these entities have not been recorded as there is no impact on the Group financial statements.

13. INVESTMENT IN ASSOCIATES

	COUNTRY OF INCORPORATION	2009	2008
Associates			
Rugby New Zealand 2011 Limited	New Zealand	50%	50%
SANZAR Pty Limited	Australia	33%	33%
SANZAR Europe s.a.r.l.	Luxembourg	33%	33%

All associates have a balance date of 31 December.

Rugby New Zealand 2011 Limited is responsible for delivering NZRU's obligations in respect of hosting the 2011 Rugby World Cup tournament (refer to Note 27).

SANZAR Pty Limited acts as the agent for the joint venture outlined below. The financial position and results of SANZAR Pty Limited have not been recorded in these financial statements as the amounts are insignificant.

SANZAR Europe s.a.r.l. is a licensing vehicle to facilitate the sale of broadcasting rights into European markets.

	GROUP		PARENT	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Carrying Value of Associates				
Carrying Value at Beginning of the Year	9,179	10,076	10,529	10,482
Investment During the Year	4	7	4	7
Share of Net (Loss)	(2,024)	(944)	-	-
Change in Translation of Foreign Currency Investment	(78)	40	(78)	40
TOTAL INVESTMENTS IN ASSOCIATES	7,081	9,179	10,455	10,529

NZRU's share of contingent liabilities, capital commitments or other commitments contracted for at balance date is Nil (2008: Nil), outside the commitments set out on Note 27 regarding Rugby World Cup 2011.

The financial results of Rugby New Zealand 2011 Limited and SANZAR Europe s.a.r.l. have been accounted for using the equity method in these financial statements. The results above incorporate the results of each associate for the year ended 31 December 2009.

The following table summarises the total aggregate reported balances of all associate entities included in the Group:

	GROUP	
	2009 \$000	2008 \$000
Current Assets	21,067	19,146
Non-Current Assets	7,319	20,168
	28,386	39,314
Current Liabilities	6,850	2,510
Non-Current Liabilities	-	8,809
	6,850	11,319
Net Assets	21,536	27,995
Revenue	5,779	7,959
Net Loss	(6,344)	(2,638)

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14. JOINT VENTURE

NZRU has a one-third share in an unincorporated joint venture, SANZAR, which promotes and administers certain rugby tournaments and the associated broadcasting rights.

The following amounts are included in the Group financial statements under their respective asset categories as a result of the proportionate consolidation of SANZAR:

	GROUP	
	2009 \$000	2008 \$000
Current Assets	-	-
Non-Current Assets	-	-
	-	-
Current Liabilities	666	342
Non-Current Liabilities	-	-
	666	342
Net Assets	(666)	(342)
Income	-	-
Expenditure	696	541

NZRU's share of contingent liabilities, capital commitments or other commitments contracted for at balance date is Nil (2008: Nil).

15. TRADE AND OTHER PAYABLES

	GROUP		PARENT	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Trade Payables	1,112	1,442	1,119	1,449
Employee Entitlements	1,262	1,253	1,262	1,253
Goods and Service Tax (GST) Payable	-	-	-	-
Other Payables and Accruals	4,500	2,997	4,500	2,997
TOTAL TRADE AND OTHER PAYABLES	6,874	5,692	6,881	5,699

16. PROVISION FOR PLAYER PAYMENT VARIATION

Under the players' Collective Employment Agreement 32.41% of Player Generated Revenue recognised during the year is set aside and applied for the benefit of players contracted under this Agreement. Where payments made to players during the term of the Agreement differ from the players' share of Player Generated Revenue, the difference is recognised in the Balance Sheet. The current players' Collective Employment Agreement expired as at 31 December 2009.

During 2009 the NZRU and New Zealand Rugby Players Association ("NZRPA") reached a Heads of Agreement for a new players' Collective Employment Agreement for the three year period 2010 to 2012. As part of the Heads of Agreement the NZRU and the NZRPA have agreed that upon finalisation of the new players' Collective Employment Agreement the players will contribute \$1 million towards the variation ledger deficit, with the NZRU to meet any amount in excess of \$1 million. The NZRU has written-off \$1.449 million to the Statement of Comprehensive Income.

	GROUP & PARENT	
	2009 \$000	2008 \$000
Carrying Value of Provision		
Carrying Value at Beginning of the Year	377	(85)
Movement in Provision	2,072	462
NZRPA Contribution to Variation Ledger Deficit	(1,000)	-
Write-off of Variation Ledger	(1,449)	-
TOTAL PROVISION FOR PLAYER PAYMENT VARIATION	-	377

17. PROVISION FOR PROVINCIAL UNION SUPPORT

In December 2008 the Board of the NZRU approved a one-off assistance package to aid New Zealand's 26 Provincial Unions in response to the worsening economic conditions. During 2009 this assistance was paid to the Provincial Unions. No further assistance has been provided for.

	GROUP & PARENT	
	2009 \$000	2008 \$000
Carrying Value of Provision		
Carrying Value at Beginning of the Year	1,200	-
Movement in Provision	(1,200)	1,200
TOTAL PROVISION FOR PROVINCIAL UNION SUPPORT	-	1,200

18. OTHER FINANCIAL LIABILITIES

	GROUP & PARENT	
	2009 \$000	2008 \$000
Foreign Currency Forward Contracts	-	11,297
Basis Swap Contract	33	-
TOTAL OTHER FINANCIAL LIABILITIES	33	11,297
Current	33	7,562
Non-Current	-	3,735
TOTAL OTHER FINANCIAL LIABILITIES	33	11,297

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19. PROVISION FOR MEDICAL COSTS

The NZRU provides injury and illness benefits to employees and players. There are two components of the provision, being the medical retirement benefit and the ACC Partnership Programme.

The terms of the players' contract changed effective 31 December 2005 and no medical retirement benefit is provided from this date. There does though remain a liability for medical retirement benefits prior to this date.

NZRU is an accredited employer under the ACC Partnership Programme. Whilst this limits the levy payable to ACC, the NZRU remains liable for all medical costs for any future work injury.

A provision is made for liabilities 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 Mark Weaver, Fellow of the Institute of Actuaries of Australia of Melville Jessup Weaver, Consulting Actuaries. The Actuary has confirmed that the data provided by the NZRU was sufficient for the purposes of their report.

The actuarial calculation is based on a central estimate of the present value of expected future payments for claims. The estimate is based upon assumptions about the number of outstanding open injury claims; incurred but not reported claims ("IBNR"); the cost of future claims; and the cost of managing future claims which is estimated at 7.5% of the cost of future claims. The IBNR and reopen claim factors are set by ACC and take into account inflation of claim costs and discounting for the time value of money.

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. There has been no discounting of open claim future costs as these are not expected to last longer than one year.

	GROUP & PARENT	
	2009 \$000	2008 \$000
Carrying Value of Provision		
Carrying Value at Beginning of the Year	1,707	1,246
Payments made During the Year	(75)	-
Revaluation of Provision	892	461
TOTAL PROVISION FOR MEDICAL COSTS	2,524	1,707

20. 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 funds allocated by the NZRU together with the investment returns are payable for the benefit of the players. The purpose of the fund is to provide payments to players employed under the 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 balance of \$942,000 (2008: \$2,160,000) which is held in cash or term deposits, classified as cash and cash equivalents on the Balance Sheet, is held solely for the purpose of meeting the NZRU's obligations for the Benevolent and Welfare Fund.

21. PROVISION FOR DOUBTFUL DEBTS

	GROUP & PARENT	
	2009 \$000	2008 \$000
Carrying Value of Provision		
Carrying Value at Beginning of the Year	9	8
Increase in Provision	212	15
Decrease in Provision	(1)	(10)
Write-off to Bad Debts	(8)	(4)
TOTAL PROVISION FOR DOUBTFUL DEBTS	212	9
Trade and Other Receivables	50	9
Loans and Advances	162	-
TOTAL PROVISION FOR DOUBTFUL DEBTS	212	9

The provision for doubtful debts largely relates to amounts owing from two entities. The balances have been impaired due to the known financial position of the two entities which may affect the collectability of the amounts owed.

22. CASH FLOW HEDGE RESERVE

	GROUP & PARENT	
	2009 \$000	2008 \$000
Balance at Beginning of the Year	(9,691)	3,889
Gains/(Losses) on Cash Flow Hedges taken to Equity	20,339	(6,451)
Transferred to Profit or Loss for the period	7,552	(7,129)
TOTAL CASH FLOW HEDGE RESERVE	18,200	(9,691)

The hedge reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in foreign exchange gains or losses in the Statement of Comprehensive Income when the hedged transaction impacts the profit or loss, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy. The cash flows will occur over the period 2010 to 2019. Refer to the maturity table in Note 24 for the expected maturities of foreign exchange contracts.

The NZRU has elected to hedge account its forward foreign exchange contracts. NZ IFRS requires the value of those contracts that are recognised as effective cash flow hedges be marked against the market rate of those contracts at balance date. The mark-to-market adjustment can be either favourable or unfavourable and is shown as an unrealised reserve in equity. The actual profit or loss on the cash flow hedge is realised in the Statement of Comprehensive Income in the year the hedged item affects the Statement of Comprehensive Income which is typically when the cash flow is received on the hedging instrument. The movement in equity is therefore unrealised until the hedged transaction occurs in future periods. The Cash Flow Hedge Reserve of \$18,200,000 (2008: (\$9,691,000)) represents the unrealised favourable variance between the contracted rate and the market rate at balance date.

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23. RETAINED EARNINGS

	GROUP		PARENT	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Balance at Beginning of the Year	75,334	74,968	76,677	75,405
Net (Loss)/Profit for the Year	(15,874)	366	(13,850)	1,272
TOTAL RETAINED EARNINGS	59,460	75,334	62,827	76,677

24. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives. Compliance with policies and exposure limits is reviewed on a regular basis.

The Group's operations expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into forward exchange rate contracts to hedge the exchange rate risk arising from revenue streams denominated in foreign currencies.

SIGNIFICANT ACCOUNTING POLICIES

Details of the significant accounting policies and methods adopted, including the criteria for recognition, and the basis of measurement applied in respect of each class of financial asset and financial liability, are disclosed in Note 1 to the financial statements.

FAIR VALUE ASSUMPTIONS

Cash and cash equivalents, trade and other receivables, loans and advances, other financial assets, trade and other payables, other financial liabilities and Benevolent and Welfare Fund are recorded at either fair value or approximate fair value on the Balance Sheet. The fair value for assets and liabilities at amortised cost (including cash, trade and other receivables, loans and advances, trade and other payables and Benevolent and Welfare Fund) is determined by using discounted cash flow models incorporating market observable data for similar instruments. The fair value of other financial assets and liabilities is also determined using discounted cash flow models incorporating market observable data for similar instruments. Forward foreign exchange contracts are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted exchange rates.

Fair value measurements recognised in the Balance Sheet

Under NZ IFRS 7 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. All financial instruments recognised on NZRU's Balance Sheet at fair value have been valued within level 2 of the valuation methodology hierarchy.

FOREIGN CURRENCY RISK MANAGEMENT

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Group held the following monetary assets and liabilities denominated in foreign currencies at balance date:

CURRENCY	GROUP		PARENT	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Assets				
United States Dollars	1,451	3,991	1,451	3,991
Pounds Sterling	38,927	40,083	38,927	40,083
Euros	6,553	5,555	6,553	5,555
Hong Kong Dollars	-	972	-	972
Australian Dollars	3	3	3	3
Japanese Yen	182	-	182	-
Liabilities				
United States Dollars	707	989	707	989
Euros	-	136	-	136
South African Rand	666	249	666	249

Forward Foreign Exchange Contracts

It is the policy of Group to enter into forward foreign exchange contracts to cover specific foreign currency receipts when certain criteria are met.

OUTSTANDING CONTRACTS	AVERAGE EXCHANGE RATE		FOREIGN CURRENCY		CONTRACT VALUE		FAIR VALUE	
	2009	2008	2009 FC'000	2008 FC'000	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Sell USD								
Less than 1 year	0.6096	0.6690	20,000	25,000	32,809	37,371	4,575	(6,668)
1 - 2 years	0.5437	0.6096	4,000	20,000	7,357	32,809	1,549	(3,141)
2 - 3 years	-	0.5437	-	4,000	-	7,357	-	10
3 - 4 years	-	-	-	-	-	-	-	-
4 - 5 years	-	-	-	-	-	-	-	-
Maturity thereafter	-	-	-	-	-	-	-	-
Sell EUR								
Less than 1 year	0.4303	0.4749	3,550	2,400	8,251	5,053	1,092	(883)
1 - 2 years	0.3941	0.4303	1,600	3,550	4,060	8,251	736	(605)
2 - 3 years	0.3874	0.3941	5,373	1,600	13,868	4,060	2,156	42
3 - 4 years	0.3800	0.3874	5,408	5,373	14,230	13,868	1,857	178
4 - 5 years	0.3741	0.3800	5,443	5,408	14,548	14,230	1,580	254
Maturity thereafter	0.3661	0.3676	22,331	27,773	60,998	75,546	4,767	1,122

These foreign exchange contracts are all designated as cash flow hedges and relate to the Parent entity.

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24. FINANCIAL INSTRUMENTS (CONTINUED)

Basis Swap Contracts

Under basis swap contracts, the Group agrees to exchange specified principal and interest foreign currency amounts at an agreed future date at a specified fixed exchange rate. Such contracts enable the consolidated entity to borrow New Zealand dollar funds without realising foreign exchange gains or losses. At balance date the Group had two basis swap contracts outstanding totalling \$9,000,000. The fair value of one basis swap contract is an asset of \$9,000 (2008: nil) and the other is a liability of \$33,000 (2008: nil). Both will mature in less than 1 year.

INTEREST RATE RISK MANAGEMENT

Interest rate risk is the risk that the value of the Group's assets will fluctuate due to the changes in market interest rates. The Group 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.

Maturity Profile

The following table details the Group's exposure to interest rate and liquidity risk. This table is based on contractual maturity dates.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	FIXED MATURITY DATES						TOTAL \$000
		LESS THAN 1 YEAR \$000	1 - 2 YEARS \$000	2 - 3 YEARS \$000	3 - 4 YEARS \$000	4 - 5 YEARS \$000	5 + YEARS \$000	
GROUP AND PARENT 2009								
Financial Assets								
Cash and Cash Equivalents	0.97%	46,840	-	-	-	-	-	46,840
Trade and Other Receivables	-	6,980	-	-	-	-	-	6,980
Loans and Advances	1.71%	1,246	19	20	21	23	111	1,440
Other Financial Assets	-	5,676	2,285	-	2,156	1,857	6,347	18,321
Total Financial Assets		60,742	2,304	20	2,177	1,880	6,458	73,581
Financial Liabilities								
Trade and Other Payables	-	6,874	-	-	-	-	-	6,874
Benevolent and Welfare Fund	-	-	942	-	-	-	-	942
Other Financial Liabilities	-	33	-	-	-	-	-	33
Total Financial Liabilities		6,907	942	-	-	-	-	7,849
GROUP AND PARENT 2008								
Financial Assets								
Cash and Cash Equivalents	3.92%	22,876	-	-	-	-	-	22,876
Trade and Other Receivables	-	4,452	-	-	-	-	-	4,452
Loans and Advances	2.60%	1,489	1,674	24	22	22	112	3,343
Provision for Player Payment Variation	-	377	-	-	-	-	-	377
Other Financial Assets	4.71%	41,871	5	52	178	254	1,117	43,477
Total Financial Assets		71,065	1,679	76	200	276	1,229	74,525
Financial Liabilities								
Trade and Other Payables	-	5,692	-	-	-	-	-	5,692
Benevolent and Welfare Fund	-	2,160	-	-	-	-	-	2,160
Other Financial Liabilities	-	7,562	3,735	-	-	-	-	11,297
Total Financial Liabilities		15,414	3,735	-	-	-	-	19,149

The accompanying notes form part of these financial statements.

CATEGORISATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	GROUP		PARENT	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Financial Assets				
Cash, Loans and Receivables at amortised cost	55,260	30,672	55,260	30,672
Other Financial Assets designated at Fair Value through Profit and Loss	-	41,871	-	41,871
Provision for Player Payment Variation at amortised cost	-	377	-	377
Other Financial Assets at Fair Value through Profit and Loss	18,321	1,606	18,321	1,606
TOTAL FINANCIAL ASSETS	73,581	74,526	73,581	74,526
Financial Liabilities				
Trade and Other Payables at amortised cost	6,874	5,692	6,881	5,699
Benevolent and Welfare Fund at amortised cost	942	2,160	942	2,160
Other Financial Liabilities at Fair Value through Profit and Loss	33	11,297	33	11,297
TOTAL FINANCIAL LIABILITIES	7,849	19,149	7,856	19,156

CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. Financial instruments which potentially subject the Group to credit risk consist principally of bank balances, accounts receivable, loans and advances, other financial assets and derivative financial instruments. The Group 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 plus the guarantee in Note 30.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Group may be unable to meet its financial obligations as they fall due. The Group manages this risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows matching the maturity profiles of financial assets and liabilities.

CAPITAL RISK MANAGEMENT

The Group 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 (Note 22) and retained earnings (Note 23), which includes cash and other financial instruments. The NZRU reviews the capital structure annually whilst updating the Group's Investment Policy. The Group's overall strategy remains unchanged from the prior year.

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 the Group and Parent reported profit or loss and equity if there was a deviation in either the interest rate by +/-100 basis points (2008: +/- 10%) or the exchange rate by +/- 10%.

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24. FINANCIAL INSTRUMENTS (CONTINUED)

		GROUP AND PARENT				
		INTEREST RATE			EXCHANGE RATE	
		2009	2008		2009	2008
		\$000	\$000		\$000	\$000
Impact on Profit	+/-100 bps	480	296	+/-10%	4,897	5,262
Impact on Equity	+/-100 bps	480	296	+/-10%	22,513	24,339

25. OPERATING LEASE COMMITMENTS

		GROUP & PARENT	
		2009	2008
		\$000	\$000
Not later than one year		598	578
Later than one year and not later than two years		594	594
Later than two years and not later than five years		198	792
Later than five years		-	-
TOTAL OPERATING LEASE COMMITMENTS		1,390	1,964

All operating leases expire in 2012 with no right of renewal or purchase of asset.

26. CONTINGENT LIABILITIES

The Parent has a contingent liability of \$10,000 (2008: \$10,000) relating to the uncalled capital of New Zealand Rugby Promotions Limited.

27. RUGBY WORLD CUP 2011

In November 2005, the NZRU signed a contract with Rugby World Cup Limited, a wholly owned subsidiary of the International Rugby Board, to host the 2011 Rugby World Cup tournament. Upon signing the contract, the NZRU committed to pay a tournament fee of GBP £48 million on completion of the tournament and participation/qualification fees of GBP £7.6 million. The NZRU, Crown and Rugby New Zealand 2011 Limited have specific arrangements to fulfil these obligations. The contract also requires that the NZRU meets specified tournament costs and entitles the NZRU to retain certain specified tournament revenues.

On 30 June 2006 Rugby New Zealand 2011 Limited was established as a company jointly owned by the NZRU and the New Zealand Government. The company is responsible for delivering the NZRU's requirements under the Host Union Agreement with Rugby World Cup Limited in respect of hosting the 2011 Rugby World Cup tournament.

Rugby New Zealand 2011 Limited has committed to deliver a world class tournament. The NZRU is liable for one-third of any financial losses and entitled to one-half of financial profits (if any) of the tournament. Rugby New Zealand 2011 Limited completed a full tournament budget during 2009 which forecasts a loss of \$39.3 million based on current assumptions. The actual tournament result is however unknown and may vary materially from this budget either positively or negatively largely depending on tournament ticket sales. There is a shareholder commitment to provide further funding as required.

The NZRU has considered the carrying value of the investment in Rugby New Zealand 2011 Limited, which after equity accounting the NZRU's share of the 2009 loss is \$6.7 million as at 31 December 2009. The Directors' believe no impairment of the investment is required as the cash flows from Rugby New Zealand 2011 Limited and to Rugby World Cup Limited (including specific funding arrangements to mitigate the foreign exchange exposure on the transactions) exceed this value using current exchange rates.

In the Group 2009 financial statements the NZRU has recognised \$6.3 million (2008: \$2.9 million) of losses related to Rugby World Cup 2011. In the Parent 2009 financial statements the NZRU has recognised \$4.2 million (2008: \$2.0 million) of losses related to Rugby World Cup 2011. This balance includes \$2.1 million (2008: \$0.9 million) of equity accounted losses and \$4.2 million (2008: \$2.0 million) of unrealised foreign exchange losses on GBP reserves held specifically to eliminate the foreign exchange exposure of cash flows to Rugby World Cup Limited at the completion of the tournament.

28. RECONCILIATION OF NET PROFIT WITH CASH INFLOW FROM OPERATING ACTIVITIES

GROUP	2009 \$000	2008 \$000
Net (Loss)/Profit	(15,874)	366
Items Classified as Investing/Financing Activities	(36,784)	(1,198)
Add Non-Cash Items		
Depreciation	396	493
Amortisation	115	110
Change in Doubtful Debts Provision	211	(1)
Change in Bad Debts	(8)	(4)
Share of Associate Loss	2,024	944
Impairment Loss Recognised on Loans	-	137
Foreign Exchange (Losses)/Gains	1,072	(1,139)
Net Income Recognised directly in Equity	27,891	(13,580)
	31,701	(13,040)
Movement in Working Capital		
Decrease/(Increase) in Trade Receivables	(2,528)	7,179
Decrease/(Increase) in Prepayments	31	(450)
Decrease/(Increase) in Other Financial Assets	25,156	1,815
Increase/(Decrease) in Trade Payables	1,182	75
Increase/(Decrease) in Provisions	(1,224)	325
Increase/(Decrease) in Other Financial Liabilities	(11,264)	11,297
Increase/(Decrease) in Income In Advance	(3,450)	(3,501)
	7,903	16,740
NET CASH FLOWS FROM OPERATING ACTIVITIES	(13,054)	2,868

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28. RECONCILIATION OF NET PROFIT WITH CASH INFLOW FROM OPERATING ACTIVITIES

PARENT	2009 \$000	2008 \$000
Net (Loss)/Profit	(13,850)	1,272
Items Classified as Investing/Financing Activities	(36,784)	(1,052)
Add Non-Cash Items		
Depreciation	396	493
Amortisation	115	110
Change in Doubtful Debts Provision	211	(1)
Change in Bad Debts	(8)	(4)
Impairment Loss Recognised on Loans	-	137
Foreign Exchange (Losses)/Gains	1,072	(1,139)
Net Income Recognised directly in Equity	27,891	(13,580)
	29,677	(13,984)
Movement in Working Capital		
Decrease/(Increase) in Trade Receivables	(2,528)	7,179
Decrease/(Increase) in Prepayments	31	(450)
Decrease/(Increase) in Other Financial Assets	25,156	1,815
Increase/(Decrease) in Trade Payables	1,182	119
Increase/(Decrease) in Provisions	(1,224)	325
Increase/(Decrease) in Other Financial Liabilities	(11,264)	11,297
Increase/(Decrease) in Income In Advance	(3,450)	(3,501)
	7,903	16,784
NET CASH FLOWS FROM OPERATING ACTIVITIES	(13,054)	3,020

29. TRANSACTIONS WITH RELATED PARTIES

PROVINCIAL UNIONS AND FRANCHISES

During the year the Group received \$33,400 (2008: \$79,000) repayments of loans and advances from rugby Provincial Unions.

During the year the Group paid grants to the Provincial Unions and Franchises of \$8,296,000 (2008: \$11,103,000) in accordance with the criteria set out in the Provincial Union Funding Review. In addition the Group provided funding to Provincial Unions and Franchises during the year of \$8,371,000 (2008: \$9,035,000) for other specific game development and competition initiatives.

During the year the Group paid a grant to the Highlanders Franchise of \$294,000 (2008: Nil) representing an underwrite of the Franchise's deficit for the year ended 30 June 2009.

The balances outstanding of loans and advances at the end of the year are stated in Note 8 to these financial statements.

The Group charged interest of Nil (2008: \$5,000) during the year on these loans.

SUBSIDIARIES

New Zealand Rugby Promotions Limited

New Zealand Rugby Promotions Limited previously acted as an employer or contractor of coaches, referees and team management for certain New Zealand representative teams and the teams competing in Super Rugby who are paid to play or participate in the game of rugby union. New Zealand Rugby Promotions Limited ceased trading in April 2008.

Value of key transactions with New Zealand Rugby Promotions Limited

Funding for salary, contract and bonus payments Nil (2008: \$244,000)

Funding for overheads allocation by NZRU Nil (2008: \$35,000)

ASSOCIATES

Rugby New Zealand 2011 Limited

The Group incurred transactions on behalf of Rugby New Zealand 2011 Limited. The appropriate costs are then on charged to the entity. In addition, the Group received payments for services provided to Rugby New Zealand 2011 Limited of \$59,000 (2008: \$139,000).

SANZAR Pty Limited

The Group had no transactions with SANZAR Pty Limited during the year (2008: Nil) as the company did not trade during the year.

SANZAR Europe s.a.r.l.

The Group earned interest income of \$60,000 (2008: \$87,000) from SANZAR Europe s.a.r.l. during the year as a result of loans provided to the associate to purchase broadcasting rights which have been sold into the European markets.

JOINT VENTURES

NZRU has a one-third share in an unincorporated joint venture, SANZAR, which promotes and administers certain rugby tournaments and the associated broadcasting rights.

NZRU's share of contingent liabilities, capital commitments or other commitments contracted for at balance date is Nil (2008: Nil).

Value of key transactions with SANZAR

Funding for professional services \$696,000 (2008: \$541,000)

30. COMMITMENTS

In December 2008 the NZRU entered into Forward Foreign Exchange Contracts to hedge a percentage of known and contracted future cash flows for a period of up to 11 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 exceeds an out-of-the-money position for the NZRU of \$20 million, the NZRU must transfer title of cash or securities of an amount at least equal to the difference between the actual NZRU out-of-the-money position and \$20 million. The mark-to-market value of Forward Foreign Exchange Contracts at 31 December 2009 is in-the-money by \$18.3 million.

The NZRU has agreed to underwrite the financial result of the Highlanders Franchise for the year ended 30 June 2010 to a maximum of \$250,000 subject to a number of agreed terms and conditions being met.

The NZRU has provided a guarantee of \$275,000 for the Taranaki Community Rugby Trust, a registered charitable trust for the promotion of community rugby within Taranaki.

31. SUBSEQUENT EVENTS

No subsequent event has occurred since balance date that would materially impact the financial statements as at 31 December 2009.

OFF-FIELD RESULTS

AUDITOR REPORT TO THE MEMBERS OF NEW ZEALAND RUGBY UNION INCORPORATED



Deloitte.

We have audited the financial statements on pages 32 to 61. The financial statements provide information about the past financial performance and financial position of the New Zealand Rugby Union Incorporated (NZRU) and group as at 31 December 2009. This information is stated in accordance with the accounting policies set out on pages 38 to 42.

BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors is responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of financial statements which give a true and fair view of the financial position of the NZRU and group as at 31 December 2009 and of the results of operations and cash flows for the year ended on that date.

AUDITORS' RESPONSIBILITIES

It is our responsibility to express to you an independent opinion on the financial statements presented by the Board of Directors.

BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board of Directors in the preparation of the financial statements, and
- whether the accounting policies are appropriate to the company and group circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain

reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor, we have no relationship with or interests in the NZRU or any of its subsidiaries.

UNQUALIFIED OPINION

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the NZRU as far as appears from our examination of those records; and
- the financial statements on pages 32 to 61:
 - comply with generally accepted accounting practice in New Zealand;
 - give a true and fair view of the financial position of the NZRU and group as at 31 December 2009 and the results of their operations and cash flows for the year ended on that date.

Our audit was completed on 26 February 2010 and our unqualified opinion is expressed as at that date.

CHARTERED ACCOUNTANTS

WELLINGTON, NEW ZEALAND

This audit report relates to the financial statements of the New Zealand Rugby Union (NZRU) and group for the year ended 31 December 2009 included on the NZRU's website. The NZRU's Board of Directors is 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 financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these 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 financial statements and related audit report dated 26 February 2010 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STEINLAGER RUGBY AWARDS

The 2009 Steinlager Rugby Awards were held at the SkyCity Convention Centre in Auckland on 17 December 2009.

The judges for the 2009 Steinlager Rugby Awards were Andy Leslie, former NZRU President and former All Blacks captain; Graham Mourie, NZRU Board member and former All Blacks captain; Grant Nisbett, SkySport rugby commentator; and Brent Anderson, NZRU General Manager Community and Provincial Union rugby and former All Black.

THE NOMINEES AND WINNERS WERE:

NZRU Age Grade Player of the Year

Winner: Aaron Cruden (New Zealand Under 20, Wellington)
Nominees: Sam Cane (New Zealand Schools), Zac Guildford (All Blacks, New Zealand Under 20, Hurricanes, Hawke's Bay)
Winston Stanley (New Zealand Under 20, Blues, Auckland)

Richard Crawshaw Memorial Sevens Player of the Year

Zar Lawrence (New Zealand Sevens, Bay of Plenty)

NZRU Referee of the Year

Bryce Lawrence (Bay of Plenty)

Women's Player of the Year

Winner: Victoria Heighway (Black Ferns, Auckland)
Nominees: Kelly Brazier (Black Ferns, Otago), Carla Hohepa (Black Ferns, Otago)

New Zealand Rugby Volunteer of the Year

Winner: Blair Crawford (Otago)
Nominees: David Hickey (Auckland), Peter Te Tai (Southland)

Rebel Sport Super 14 Player of the Year

Winner: Mills Muliaina (Chiefs)
Nominees: Aled de Malmanche (Chiefs), Ma'a Nonu (Hurricanes)

Tom French Memorial Maori Player of the Year

Winner: Zac Guildford (Ngati Kahungunu, All Blacks, New Zealand Under 20, Hurricanes, Hawke's Bay)
Nominees: Cory Jane (Ngati Kahungunu, All Blacks, Hurricanes, Wellington), Isaac Ross (Kai Tahu, All Blacks, Crusaders, Canterbury)

Heartland Championship Player of the Year

Winner: Asaeli Tikoirotuma (Wanganui)
Nominees: Jon Dampney (Mid Canterbury), Sione Ngatu (Poverty Bay)

Air New Zealand Cup Player of the Year

Winner: Mike Delany (Bay of Plenty)
Nominees: Josh Bekhuis (Southland), Zac Guildford (Hawke's Bay)

adidas Team of the Year

Winner: Canterbury (Air New Zealand Cup)
Nominees: New Zealand Under 20 (IRB Junior World Championship), Wanganui (Heartland Championship)

New Zealand Rugby Coach of the Year

Winner: Dave Rennie (New Zealand Under 20, Manawatu)
Nominees: Ian Foster (Chiefs), Guy Lennox (Wanganui), Rob Penney (Canterbury)

Steinlager Salver for an Outstanding Contribution to New Zealand Rugby

DJ Graham

Kelvin R. Tremain Memorial Player of the Year

Richie McCaw



From the earliest days of All Blacks rugby, a player's first appearance in a Test match was rewarded with a Test cap. However, the tradition of capping lapsed after the Second World War and was not re-introduced until 1997.

As announced at the 2008 Steinlager Rugby Awards, the New Zealand Rugby Union is working to present the more than 400 former players who did not receive their Test cap on their Test debut with their cap, with the aim of having all All Blacks presented with their Test cap by 2011. The NZRU believes that it is important to recognise the contribution that all these former

players made to rugby in New Zealand and the esteem with which the All Blacks are regarded.

In 2009, six capping ceremonies were held, as well as a number of individual cappings where a player's health prevented him from joining a local ceremony. Where a player had passed away, family representatives were invited to receive the cap on his behalf and many wives, children and grandchildren were involved in the ceremonies. Players were also given the opportunity to be sent their caps or to have their caps sent to a nominated rugby club or organisation.

The first of the 2009 capping ceremonies was held in Dunedin on 12 June at the NZRU Reunion. Further ceremonies were held in Wellington, Christchurch, Auckland and Hamilton on the Friday

ALL BLACKS WHO RECEIVED THEIR CAPS IN 2009

FRED ALLEN	IAN CLARKE	BRIAN FITZPATRICK	CRAIG INNES	LAURIE MAINS
BULL ALLEN	ADRIAN CLARKE	JOHN FLEMING	IAN IRVINE	JEFF MATHESON
BUCK ANDERSON	SNOW COCKERILL	STU FORSTER	MARK IRWIN	FRANK MCATAMNEY
ALBERT ANDERSON	JOHN COLLINS	BERNIE FRASER	LYN JAFFRAY	FERGIE MCCORMICK
ROBIN ARCHER	MARK COOKSLEY	BLAIR FURLONG	RON JARDEN	JOHN MCCULLOUGH
WALLY ARGUS	MATT COOPER	PHIL GARD	ANDY JEFFERD	BRIAN MCGRATTAN
KEITH ARNOLD	GREG COOPER	BRUCE GEMMELL	PETER JOHNSTONE	MAURICE MCHUGH
BLUEY ARNOLD	WAYNE COTTRELL	SID GOING	HOWARD JOSEPH	DON MCINTOSH
JOHN ASHWORTH	THOMAS COUGHLAN	STEVE GORDON	JAMIE JOSEPH	DON MCKAY
GRAEME BACHOP	PAT CROWLEY	JOHN GRAHAM	GERALD KEMBER	BRIAN MCKECHNIE
STEPHEN BACHOP	SIMON CULHANE	WAYNE GRAHAM	ROD KETELS	JON MCLACHLAN
RAY BELL	GARY CUNNINGHAM	RICHIE GUY	IAN KIRKPATRICK	HUGH MCLAREN
MARTY BERRY	CLIVE CURRIE	ANDY HADEN	EARLE KIRTON	JACK MCLEAN
BILL BIRTWISTLE	RAY DALTON	JAMES HAIG	LAWRIE KNIGHT	SCOTT MCLEOD
NEVILLE BLACK	ANDY DALTON	LAURIE HAIG	GARY KNIGHT	JACK MCNAB
ALAN BLAKE	NELSON DALZELL	PERRY HARRIS	ANTHONY KREFT	ALAN MCNAUGHTON
ERIC BOGGS	MURRAY DAVIE	BRETT HARVEY	CHRIS LAIDLAW	BRUCE MCPHAIL
NOEL BOWDEN	LYN DAVIS	JACK HAZLETT	JULES LE LIEVRE	COLIN MEADS
GUY BOWERS	ROBBIE DEANS	ROD HEEPS	BOB LENDRUM	STAN MEADS
MICK BREMNER	RED DELAMORE	RON HEMI	ANDY LESLIE	BILL MEATES
MARK BROOKE-COWDEN	TUPPY DIACK	SAMMY HENDERSON	TERRY LINEEN	KEVIN MEATES
OLO BROWN	MALCOLM DICK	PAUL HENDERSON	THOMAS LISTER	GRAHAM MEXTED
DOUG BRUCE	MARK DONALDSON	MACKIE HEREWINI	COLIN LOADER	MURRAY MEXTED
BILLY BUSH	JOHN DRAKE	NORM HEWITT	BRIAN LOCHORE	BUFF MILNER
JOHN CALLESEN	MICK DUNCAN	ALLAN HEWSON	RICHARD LOE	RAY MORETON
KEN CARRINGTON	ANDY EARL	GRAEME HIGGINSON	JONAH LOMU	TREVOR MORRIS
MARK CARTER	ALLAN ELSOM	TINY HILL	DAVE LOVERIDGE	TERRY MORRISON
ADRIAN CASHMORE	RON ELVIDGE	GEOFF HINES	WILLIAM LUNN	JOHN MORRISSEY
HAS CATLEY	PERCY ERCEG	RON HORSLEY	HAMISH MACDONALD	JAZZ MULLER
RALPH CAULTON	KIT FAWCETT	JOHN HOTOP	NEV MACEWAN	KEITH NELSON
WILLIAM CLARK	JACK FINLAY	BRUCE HUNTER	GORDON	STEPHEN NESBIT
DON CLARK	BRIAN FINLAY	IAN HURST	MACPHERSON	TANE NORTON

night before Test matches in those cities, with many capped players featuring in guards of honour at the Test venues. In early September a capping ceremony was also held in Gisborne for 10 All Blacks with ties to the Poverty Bay and East Coast provinces.

At each ceremony, All Blacks or family representatives of All Blacks from each decade were presented with their caps, with an emphasis on capping the All Blacks from the 1940s and 1950s. Over 200 All Blacks or their family representatives have so far received their caps, celebrating their debuts against some of the All Blacks most respected opponents and in some of the biggest matches and series of the twentieth century.

Further events are planned for 2010, and if required, for 2011.



- | | |
|--------------------|------------------|
| GEOFF OLD | SAM STRAHAN |
| REX ORR | BOB STUART |
| BILL OSBORNE | ALAN SUTHERLAND |
| MIKE PARKINSON | JOHN TANNER |
| ARRAN PENE | MURRAY TAYLOR |
| SHAYNE PHILPOTT | WARWICK TAYLOR |
| REX PICKERING | PERCY TETZLAFF |
| MURRAY PIERCE | NEIL THIMBLEBY |
| JON PRESTON | BARRY THOMAS |
| NEIL PURVIS | JOHN TIMU |
| HUD RICKIT | LINDSAY TOWNSEND |
| BRUCE ROBERTSON | KELVIN TREMAIN |
| ERIC RUSH | IAN UTLEY |
| LEICESTER RUTLEDGE | IVAN VODANOVICH |
| LARRY SAVAGE | RUSSELL WATT |
| BOB SCOTT | BRUCE WATT |
| GARY SEEAR | WILSON WHINERAY |
| MARK SHAW | ROY WHITE |
| BUCK SHELFORD | TINY WHITE |
| JOHNNY SIMPSON | SNOW WHITE |
| VICTOR SIMPSON | GRAHAM WHITING |
| KEVIN SKINNER | POLE WHITING |
| PETER SLOANE | GRAHAM WILLIAMS |
| IAN SMITH | BRYAN WILLIAMS |
| BRUCE SMITH | MICK WILLIMENT |
| WAYNE SMITH | NORMAN WILSON |
| JOHN SPIERS | HECTOR WILSON |
| JOE STANLEY | RICHARD WILSON |
| TONY STEEL | STU WILSON |
| BRIAN STEELE | BEVAN WILSON |
| KEN STEWART | DENNIS YOUNG |
| ARTHUR STONE | |



RUGBY WORLD CUP LEGACY PROJECT

Rugby World Cup 2011 (RWC 2011) will be held in New Zealand in September and October 2011. The Tournament provides a wonderful opportunity to secure a stronger future for the game in New Zealand and produce long term benefits for the clubs, schools, Provincial Unions and NZRU beyond the seven weeks and 48 matches of the tournament.

The Legacy Project provides a co-ordinated framework for all organisations. The objectives of the project are detailed elsewhere in this report but the overall success of the Legacy Project is dependent on the entire rugby community getting involved and performing their roles and responsibilities to the standard that rugby in New Zealand has become known and respected for.

The plan, signed off by the NZRU Board in October of 2009, focuses on four key areas:

- o Community Rugby;
- o Maori Rugby;
- o Marketing and Commercial; and
- o Operations and Facilities.

Eighteen separate initiatives have been developed within these four areas in order to drive the long lasting benefits for our game.

Nine of these initiatives relate directly to Community Rugby. These will focus on retaining and attracting participants to the game, including players, coaches, referees, volunteers and administrators. They include a priority ticket offer, registration drives, education units for our schools, a club passport scheme for touring visitors and a Pass the Ball Olympic Torch-style relay. The Community Rugby initiatives aim to provide positive experiences to all participants; reward the rugby community; and strengthen the connections between the rugby community and other New Zealanders.

Maori rugby is a key part of what makes rugby in New Zealand unique. There are opportunities to sustain the enthusiasm for Maori rugby generated during the New Zealand Maori Centenary in 2010. Three initiatives will strive to stimulate international and local interest in Maori rugby and generate participation in, and enthusiasm for, rugby among Maori.

The NZRU has already invested significantly in hosting the Rugby World Cup. While our ability to directly benefit commercially from hosting is restricted, significant commercial opportunities still exist. The tournament provides an opportunity to grow equity in the game and make rugby in New Zealand, at all levels, more attractive to sponsors. The aim will be to convert the popularity rugby has earned through hosting RWC 2011 into support for New Zealand-based teams and competitions. Legacy Project initiatives in this area include the development of marketing and sponsorship acquisition plans and establishing a rugby database that allows Provincial Unions, Super Rugby teams and the NZRU to communicate with people who have a proven enthusiasm for rugby and what it can offer.

Many of New Zealand's stadia, and the areas and infrastructure supporting those stadia, are being developed and improved by local and national government in time for the tournament. These new and improved facilities will provide enhanced viewing for the New Zealand Rugby fan for years to come. The Operations component of the Legacy Project focuses specifically on incorporating relevant key learnings from the tournament into the New Zealand domestic environment to ensure games at all levels are run to the highest standards.

Hosting the tournament gives rugby in New Zealand a fantastic opportunity to inspire and unify New Zealanders. The Legacy Project will provide avenues to capture the benefits for the long term good of the game.



NEW ZEALAND MAORI CENTENARY

The New Zealand Maori side has its origins in the New Zealand Natives team that toured New Zealand, Australia and the United Kingdom in 1888 and 1889. The Natives was originally conceived of as a wholly-Maori team, and the final travelling side comprised just five non-Maori players. The Natives' uniform of black with a silver fern on the breast was adopted by the then New Zealand Rugby Football Union (NZRFU) at its first Annual General Meeting in 1893.

In 1910, Wiremu Teihokia ("Ned") Parata conceived of a New Zealand Maori team and took the idea to George Dixon, the 1905 Originals Manager and then Chairman of the NZRFU. The NZRFU agreed, with a condition that the players not be paid, and Parata was appointed as Manager of the team. One of Parata's key reasons for proposing the team was to counter the growing involvement of Maori in rugby league.

The original New Zealand Maori tour comprised of 19 matches against New Zealand, Australian and American sides in New Zealand and Australia. The first game was held in Rotorua, against the Rotorua Sub-Union and the New Zealand Maori were victors 25-5. In their first season the New Zealand Maori won 12 matches, drew three and scored 316 points with only 160 let in. Since 1910, the New Zealand Maori side has played almost every provincial side in New Zealand as well as numerous national sides and has toured extensively overseas. The team has a proud record, including victories in the professional era over England, Argentina, Scotland and Fiji, and an historic win over the 2005 British and Irish Lions.

In 2009, the NZRU Board and New Zealand Maori Rugby Board began work on establishing a suitable programme of on-field contests and off-field events and memorabilia to commemorate that first New Zealand Maori side. Te Puni Kokiri and iwi also indicated their support and desire to be involved in the celebrations.

As announced in March 2010, New Zealand Maori will play three matches around New Zealand, including internationals against Ireland in Rotorua and England in Napier. Events will be held around each of these matches, involving the local Maori and rugby communities. It is hoped that as many former and current New Zealand Maori players will be involved in the events as is possible so that they can be honoured for their contribution.





Noel Bowden Noel James Gordon Bowden
Born 19 March 1926 in Whangarei
Died 9 October 2009 in Albany
All Black No 544 – 1952

Rugby in New Zealand was well served by Noel Bowden. As well as playing at the highest level and for Auckland, Waikato, Taranaki and Wanganui, Bowden was a coach and administrator whose involvement with the NZRU continued into the 1990s.

Bowden served in the Navy during World War II and on his return to New Zealand began a life-long association with education and coaching. He made his first-class debut for Auckland in 1947 before moving south. His versatility saw him play in almost every backline position but it was his performances at fullback that saw him earn selection for the Bledisloe Cup Test in Wellington. In the mid-1950s he moved overseas and played rugby in California and Scotland. Back in New Zealand he coached school, club and provincial rugby and promising player clinics for the NZRU, and served on the NZRU sports medicine and medical advisory committees.



Kevin Briscoe Kevin Charles Briscoe
Born 20 August 1936 in New Plymouth
Died 1 April 2009 in New Plymouth
All Black No 599 – 1959-1964

Kevin Briscoe enjoyed a lengthy career in the black jersey beginning with his debut against the British and Irish Lions in Wellington in 1959. He played 43 matches for the All Blacks, including nine Tests and three games as captain.

A robust and competitive halfback, Briscoe made his first class debut in 1957 for Taranaki, where he stayed until 1965; and he was part of the Ranfurly Shield-winning team of the early 1960s. Courageous on the field, he was a popular All Blacks tourist off it, with teammates fondly recalling his jokes and his guitar-playing.



Jack McNab John Ronald McNab
Born 26 March 1924 in Owaka
Died 23 May 2009 in Dunedin
All Black No 489 – 1949-1950

The Owaka Rugby Football Club's only All Black, Jack McNab, was a player who was required to combine the demands of top level rugby with those of the family farm.

McNab played for Otago between 1945 and 1953 alongside his two brothers. He was selected to tour South Africa in 1949 after a series of impressive loose forward performances that contributed to Otago's defence of the Ranfurly Shield. He played 14 matches on that tour, including three Tests. In 1950 he played three Tests against the British and Irish Lions.

After his retirement, he continued to contribute to community and Provincial Union rugby as a coach and administrator with his club, the South Otago sub-union Otago Country and the Otago Rugby Football Union (ORFU). He was President of ORFU in 1980 and 1981.



Graham Mexted Graham George Mexted
Born 3 February 1927 in Greytown
Died 9 March 2009 in Wellington
All Black No 520 – 1950-1951

A tireless number 8, Mexted was a player whose time in the All Blacks was brief, but whose association with rugby was lifelong. As a coach, administrator and supporter, he made an invaluable contribution to Tawa and Wellington rugby.

Graham Mexted made his Test debut against the British and Irish Lions in 1950 and was part of the side that defeated the Lions 11-8 in Auckland. In 1951, he went on tour to Australia where he scored five tries in five matches. He continued to appear for Wellington until 1955, including lifting the Ranfurly Shield off Waikato in 1953.



Mike Parkinson Ross Michael Parkinson
Born 30 May 1948 in Wairoa
Died 17 January 2009 in Matauri Bay
All Black No 709 – 1972-1973

Mike Parkinson made the All Blacks from Poverty Bay and went on to play 20 All Blacks matches, including seven Tests, and five New Zealand Maori matches as part of an impressive first class career.

The midfield back was a solid and aggressive tackler and his talent was recognised early with a New Zealand Juniors trial in 1967, before he had even played for a Provincial Union. He played initially for Poverty Bay and then moved to Auckland where he played for two seasons; in 1971 he returned to Gisborne and earned All Blacks selection.



Paul Sapsford Herbert Paul Sapsford
Born 8 September 1949 in Invercargill
Died 29 December 2009 in Lake Ohau
All Black No 760 – 1976

Paul Sapsford was a rare player in that he officially and successfully combined his rugby with dentistry. While studying, he represented New Zealand Universities and upon playing his final match for the All Blacks joined his brother's practice in London, where he also played for Harlequins, the London New Zealand club and Middlesex.

Sapsford was a versatile player who from secondary school onward played halfback, first five-eighths, number 8 and lock before settling in the front row. He made his first class debut for Otago in 1973 after making the South Island Universities side for the first time the previous year. He went on to make 85 appearances for Otago; his last appearance was in 1982 after returning from London. He played four seasons in New Zealand Universities and captained the team. In 1976 he was selected for the All Blacks tour of Argentina and Uruguay, playing seven games including two against Argentina and he scored a try against Uruguay in Montevideo.



Percy Tetzlaff Percy Laurence Tetzlaff
Born 14 July 1920 in Taupiri
Died 30 August 2009 in Auckland
All Black No 475 – 1947

Recognised as part of the powerful Ponies presence in All Blacks history, Percy Tetzlaff played one season of representative rugby for Waikato before heading up the road to Auckland and the Ponsonby RFC.

An outstanding halfback, noted for his accurate passing and defensive play, Tetzlaff played all seven of his matches for the All Blacks on the 1947 tour of Australia, including two Tests. Tetzlaff captained Ponsonby and Auckland as well as North Island and also played for the Barbarians and Olympians clubs. After retiring from top-level rugby he continued to contribute to Ponsonby as a coach and committee member and served as President and Patron.



Len Wilson Alfred Leonard Wilson
Born 15 June 1947 in Dunfermline
Died 26 August 2009 in Invercargill
All Black No 530 – 1951

Len Wilson was a popular figure in Southland, with 58 appearances for the provincial side. On the field, he was noted for his speed, strength and skilful footwork as well as his ability to kick off either foot.

Originally a wing, Wilson moved into first five-eighths after one match and into second five-eighths and centre for the final season of his representative career. He played seven games at first five-eighths for the All Blacks on the 1951 tour of Australia and New Zealand and scored 20 points, including four tries. Although not selected again for the All Blacks, he continued to play for Collegiate and Southland until 1956 as well as making appearances for South Island.



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KING COUNTRY RFU



MANAWATU RFU



MID CANTERBURY RFU



NORTH HARBOUR RFU



NORTH OTAGO RFU



NORTHLAND RFU



OTAGO RFU



POVERTY BAY RFU



RUGBY SOUTHLAND



SOUTH CANTERBURY RFU



TARANAKI RFU



TASMAN RU



THAMES VALLEY RFU



WAIKATO RU



WAIRARAPA BUSH RFU



WANGANUI RFU



WELLINGTON RFU



WEST COAST RFU

PROVINCIAL UNIONS

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)