

# Wellington Regional Stadium Trust Annual Report 2005/06 Review

## 1. Introduction

The trustees of Wellington Regional Stadium Trust (WRST) have submitted their audited annual report for the year to 30 June 2006.

## 2. Performance

### 2.1 Highlights

WRST has had another positive year, with positive performance on the key indicators i.e. event numbers, revenue and profits. The expanded Super 14 and revised NPC rugby competitions have presented challenges in scheduling other events at the stadium. The Trust is continuing to work through these issues.

Many sporting and non-sporting events previously held at the Westpac Stadium were again successfully hosted during the year. Some of the highlight events and decisions during the year have been:

- The British and Irish Lions tour, in which two matches, i.e. Wellington Lions and the second All Black Test match were successfully hosted at Westpac Stadium.
- The IRB and NZRFU confirmed Wellington as the New Zealand venue for the IRB International Sevens for the next five years.
- The Rolling Stones concert was successfully held with a crowd of 40,000. The Trust hosted other event promoters event for the concert with positive feedback received.
- A WWF Wrestling event was well attended in March. This event introduced a new type of Stadium event, and supports the Council objective of broadening community use of the stadium facility.
- The Court of Appeal confirmed the tax status of the Trust as a Charitable Trust with tax-exempt status, under its own empowering legislation.

### 2.2 Financial results

#### Statement of Financial Performance

<i>\$'000</i>	FY Actual	FY Budget	2004/05 Actual
Income	16,129	14,463	15,656
Expenditure	13,850	12,490	13,120
Net surplus	2,279	1,874	2,536
Operating margin	14%	13%	16%
Return on equity	4%		5%

For the second consecutive year, the Trust has achieved a net surplus of more than the \$2m required to service its debt and maintain the stadium to international standards. Event revenue exceeded \$8.0m for the first time. Continuing loan repayments has enabled the interest cost to be reduced by \$0.4m p.a.

### Statement of Financial Position

<i>\$'000</i>	FY Actual	FY Budget	2004/05 Actual
Current assets	1,775		2,692
Non-current assets	107,863		111,582
Current liabilities	6,862		7,928
Non-current liabilities	45,510		51,359
Equity <sup>1</sup>	57,266		54,987
Current ratio	0.26		0.34
Equity ratio	52%		48%

<sup>1</sup> Including limited recourse loans

The Trust has continued to be able to make its scheduled loan repayments and also has been able to commit \$0.505 million (cashflow impact) towards stadium enhancements.

### Statement of Cash Flows

<i>\$'000</i>	FY Actual	FY Budget	2004/05 Actual
Operating	3,386		2,865
Investing	(506)		(589)
Financing	(2,931)		(3,254)
Net	(48)		(978)
Closing balance	1,173		1,221

### 2.3 KPI's

The following operating targets are specified in the Trust's SOI.

Measure	2005/06 Target	2005/06 Actual	Comment
Work within approved budget and business plan	To be achieved	Achieved	
Work within and report on the approved strategic plan and Statement of	To be achieved	Achieved	

intent			
Number of events	28	22	Below target
Number of attendees	No target set. This compares with 544,900 average for the last 5 years.	506,928	
Event Income	\$6.146m	\$8m	Achieved
Net Surplus (deficit)	\$1.87m	\$2.28m	Achieved
Bank borrowing to total assets	<=24.7%	22%	Achieved

### 3. Significant changes in activities

There are no significant changes to report. Due to the nature of its business the Trust works closely with the Council events team.

#### 3.1 Governance

During the year, John Hunn retired as trustee in June 2006. Sir John Anderson was appointed in July 2006. The current trustees are:

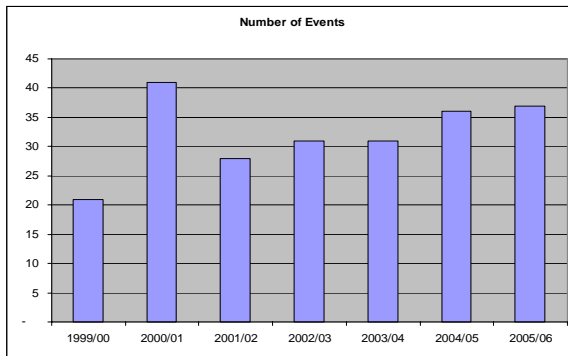
P D Collins (Chair)  
R A Armstrong (WCC Councillor)  
D W Bale  
P R F Biggs  
E A Dawson  
M J Egan  
Chris Laidlaw (GWRC Councillor)  
Sir John Anderson

### 4. Discussion

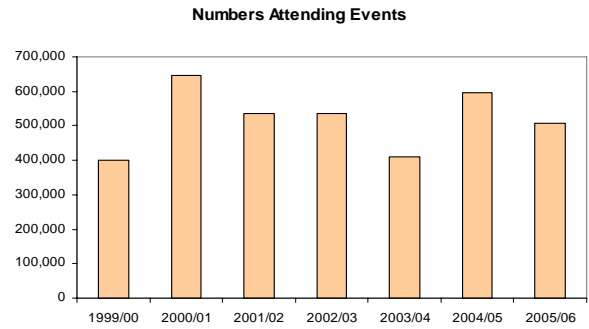
#### 4.1 Trends

Events and event attendance has been maintained with key major events occurring in the year. The ability to host the range of events from the All Blacks Lions test, a Super 14 semi final, the Black Caps test against Australia, Rolling Stones concert, WWF Wrestlemania, and the International Rugby Sevens were key in this result.

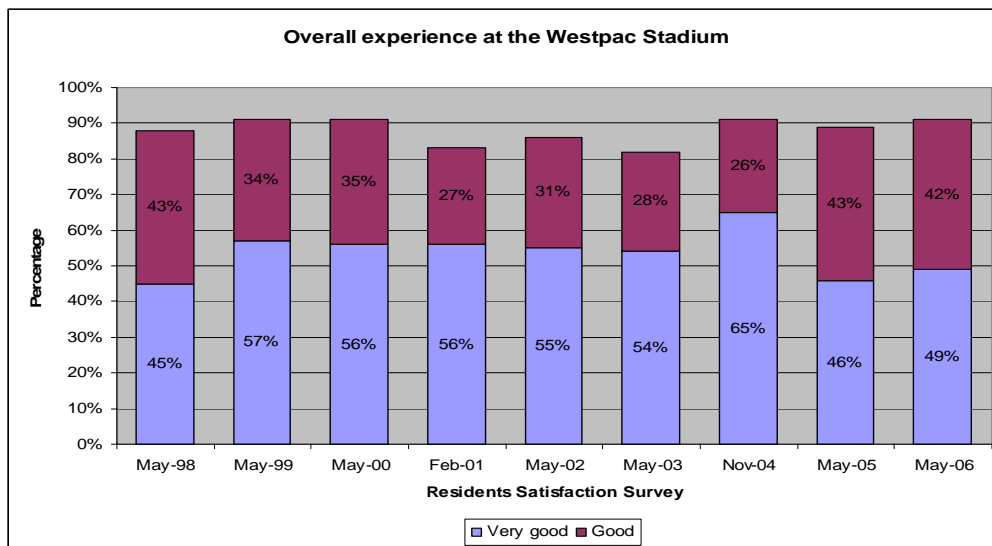
**Number of Event days**



**Numbers Attending Events**



The Council resident satisfaction survey shows that patron experience continues to be maintained at a high level. Westpac Stadium patrons have continued to rate their experience highly with 91% of those surveyed describing their experience as good or very good.



Contact Officer: *Warren Ulusele, Portfolio Manager, Council Controlled Organisations*