

BASIN RESERVE TRUST (INCORPORATED)

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2009

BASIN RESERVE TRUST (INCORPORATED)

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**BASIN RESERVE TRUST (INCORPORATED)
TRUST DIRECTORY AS AT 30 JUNE 2009**

SETTLORS	Wellington City Council ("WCC") Cricket Wellington Incorporated ("CW")
TRUSTEES	Douglas Catley (Chairman) Don Neely John Morrison Glenn McGovern
MANAGER	Cricket Wellington Incorporated
DATE OF SETTLEMENT	24 February 2005
AUDITORS	Audit New Zealand on behalf of the Auditor-General Wellington
SOLICITOR	Paul Westbury
BANKERS	Westpac Banking Corporation
ADDRESS	Brierley Pavilion, Basin Reserve Rugby Street Wellington
POSTAL ADDRESS	P O Box 578 Wellington

BASIN RESERVE TRUST (INCORPORATED)
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Actual 2009 \$	Budget 2009 \$	Actual 2008 \$
Income				
Grant income - Wellington City Council	2	180,000	180,000	550,000
Grant income - other	2	50,000	-	300,000
Vested assets	3	45,362	-	-
Interest income		4,097	6,000	15,957
Revenue from operations	4	347,803	344,000	435,677
Total Income		627,262	530,000	1,301,634
Expenditure				
Operating expenses	5	350,818	349,000	464,831
Finance Costs		14	-	3,362
Depreciation	7	236,490	262,000	134,690
Total Expenditure		587,322	611,000	602,883
Net Surplus (Deficit) for the Year		39,940	(81,000)	698,751

BASIN RESERVE TRUST (INCORPORATED)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

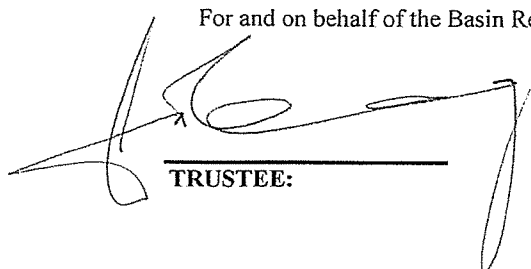
	Note	Actual 2009 \$	Budget 2009 \$	Actual 2008 \$
Net surplus (deficit) for the year		39,940	(81,000)	698,751
Total Recognised Income and Expense		39,940	(81,000)	698,751
Equity at beginning of year		1,801,171	1,759,000	1,102,420
Equity at End of Year	6	1,841,111	1,678,000	1,801,171

The accompanying notes form part of these financial statements.

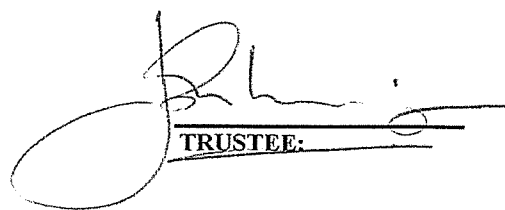
BASIN RESERVE TRUST (INCORPORATED)
BALANCE SHEET
AS AT 30 JUNE 2009

	Note	Actual 2009 \$	Budget 2009 \$	Actual 2008 \$
Current Liabilities				
Trade payables		59,782	130,000	183,392
Unsecured loan	8	21,693	-	-
Customer deposits & income received in advance		5,671	-	2,030
GST payable		-	3,000	2,007
Current account - Cricket Wellington	10	380	5,000	33,395
		<u>87,526</u>	<u>138,000</u>	<u>220,824</u>
Trust Funds	6	<u>1,841,111</u>	<u>1,678,000</u>	<u>1,801,171</u>
Total Trust Funds and Liabilities		<u>1,928,637</u>	<u>1,816,000</u>	<u>2,021,995</u>
Non Current Assets				
Property Plant & Equipment	7	<u>1,752,043</u>	<u>1,708,000</u>	<u>1,805,374</u>
Current Assets				
Cash & cash equivalents		73,198	108,000	90,555
Trade receivables		99,006	-	124,041
GST receivable		3,315	-	-
Prepayments		1,075	-	2,025
		<u>176,594</u>	<u>108,000</u>	<u>216,621</u>
Total Assets		<u>1,928,637</u>	<u>1,816,000</u>	<u>2,021,995</u>

For and on behalf of the Basin Reserve Trust (Incorporated) on 14 August 2009:



TRUSTEE:



TRUSTEE:

The accompanying notes form part of these financial statements.

BASIN RESERVE TRUST (INCORPORATED)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Actual 2009 \$	Budget 2009 \$	Actual 2008 \$
Cash flows from operating activities				
Cash was provided from:				
Grants from related party - Wellington City Council		180,000	180,000	550,000
Grants other		50,000	-	300,000
Ground hireage - cricket		57,500	55,000	100,000
Other operations		273,161	281,500	273,609
Interest received		4,097	6,000	15,957
Sundry income		1,722	7,500	9,678
GST		(5,322)	3,000	1,693
Cash was disbursed to:				
Payments to suppliers		(318,636)	(312,000)	(371,872)
Payments to related party - Cricket Wellington		(60,000)	(40,000)	(20,000)
Net cash flows from operating activities	11	<u>182,522</u>	<u>181,000</u>	<u>859,065</u>
Cash flows from investing activities				
Cash was disbursed to:				
Purchase of property plant & equipment		(166,864)	(150,000)	(1,142,644)
Net cash flows from investing activities		<u>(166,864)</u>	<u>(150,000)</u>	<u>(1,142,644)</u>
Cash flows from financing activities				
Cash was provided from:				
Increase in current account - Cricket Wellington		-	-	21,028
Cash was disbursed to:				
Decrease in current account - Cricket Wellington		(33,015)	-	-
Net cash flows from financing activities		<u>(33,015)</u>	<u>-</u>	<u>21,028</u>
Net increase (decrease) in cash held		(17,357)	31,000	(262,551)
Cash at the beginning of year		90,555	77,000	353,106
Cash at the end of year		<u>73,198</u>	<u>108,000</u>	<u>90,555</u>
Comprising:				
Cash and cash equivalents		73,198	108,000	90,555
Cash at the end of year		<u>73,198</u>	<u>108,000</u>	<u>90,555</u>

All cash balances are available to the Trust without restriction

The accompanying notes form part of these financial statements.

BASIN RESERVE TRUST (INCORPORATED)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

The GST (net) component of operating activities reflects the net Gst paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes form part of these financial statements.

**BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

Note 1: Summary of Significant Accounting Policies

Reporting Entity

These financial statements are for the Basin Reserve Trust ("the Trust"), a charitable trust established by the Wellington City Council ("WCC") and Cricket Wellington ("CW") and registered under the Charitable Trusts Act 1957 and also registered with the Charities Commission. The trust has designated itself as a public benefit entity.

The Trust is a Council Controlled Organisation (CCO) as defined by Part 1, section 6 of the Local Government Act 2002.

The Trust operates under the Basin Reserve Trust Deed dated 24 February 2005. The parties to the Deed are WCC, CW and the Trustees.

The WCC holds the Basin Reserve as a reserve and upon trust to be used for the purposes of a cricket and recreation ground by the citizens of Wellington pursuant to a Deed of Trust dated 17 October 1884. The purpose of the Basin Reserve Trust is the management and operation of the Basin Reserve.

The Trust is reliant on the WCC for a significant portion of its income, being \$180,000 in this financial year and \$550,000 in the last financial year. The terms under which this funding is provided are contained in a Management Deed dated 16 March 2005. This Deed provides that normal funding from the WCC, to a maximum of \$180,000 p.a, will continue in future years subject to the approval by the WCC in its annual planning process. Following enquiry, the WCC have advised that funding for the Trust is provided for in the 2008/09 Annual Plan and in the Long Term Community Plan up to and including 2016, at the current funding level.

Basis of Preparation

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

The financial statements have also been prepared in accordance with the requirements of the Charitable Trusts Act 1957.

The information is presented in New Zealand dollars.

Statement of Compliance with International Financial Reporting Standard

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

**BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

Note 1: Summary of Significant Accounting Policies (continued)

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

NZ IAS 1 Presentation of Financial Statements (revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The revised standard gives the Trust the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income). The Trust intends to adopt this standard for the year ending 30 June 2010, and is yet to decide whether it will prepare a single statement of comprehensive income or a separate income statement followed by a statement of comprehensive income.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and the financial position have been applied.

Revenue recognition

All revenue is measured at the fair value of consideration received.

Grants Revenue

Grants received from the WCC are a primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its obligations as specified in the trust deed. The Trust also receives other assistance for specific purposes, and these grants or donations, usually contain restrictions on their use.

Grants and Donations are recognised as revenue when they become receivable, unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such an obligation the grant or donation, are initially recorded as income received in advance and are recognised as revenue when the conditions of the grant or donation are satisfied.

Taxation

The Trust is registered with the Charities Commission and is thus exempt from income tax under the Income Tax Act 2007. The Trust is not exempt from the need to comply with indirect tax obligations such as Goods and Services, Fringe Benefit and Entertainment and accordingly complies with those obligations that are applicable.

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Summary of Significant Accounting Policies (continued)

Goods and services tax (GST)

All revenue and expense transactions are recorded exclusive of GST. Assets and liabilities are similarly stated exclusive of GST, with the exception of receivables and payables, which are stated with GST included.

Cash and cash equivalents

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

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Property, plant, and equipment

The Trust has the following broad categories of property, plant and equipment:

- Leasehold improvements
- Drainage works
- Furniture & fittings
- Plant
- Capital work in progress

All property, plant and equipment is initially recorded at cost. The assets are carried at cost less depreciation.

Depreciation is provided for on a straight line basis on all tangible property, plant and equipment other than capital work in progress, at depreciation rates calculated to allocate the assets' cost less estimated residual value, over their estimated useful lives.

Major depreciation periods are:

Leasehold improvements	2.20 - 66.70% SL
Drainage works	5.50 - 7.20% SL
Furniture & fittings	12.00 - 48.00% SL
Plant	16.20% SL

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Summary of Significant Accounting Policies (continued)

Budget figures

The budget figures are those approved by the Trustees and published in the annual plan. They have been prepared using the same accounting policies as are employed in preparing these financial statements.

Impairment

If the recoverable amount of an item of property, plant and equipment is less than its carrying amount, the item is written down to its recoverable amount. The write down of an item is recognised as an expense in the income statement.

The carrying amount of an item of property, plant and equipment that has previously been written down to recoverable amount is increased to its current recoverable amount if there has been a change in the estimates used to determine the amount of the write down.

The increased carrying amount of the item will not exceed the carrying amount that would have been determined if the write down to recoverable amount had not occurred. The reversal of a write down of an item is recognised in the income statement.

Critical accounting estimates and assumptions

In preparing these financial statements the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, plant and equipment useful lives and residual values

At each balance date the Trust reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the income statement, and carrying amount of the asset in the balance sheet. The Trust minimises the risk of this estimation uncertainty by:

- physical inspection of assets; and
- asset replacement programs.

The Trust has not made significant changes to past assumptions concerning useful lives and residual values. The Carrying amounts of property, plant and equipment are disclosed in note 7.

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Summary of Significant Accounting Policies (continued)

Critical judgements in applying the Trust's accounting policies

The Trustees must exercise their judgement when recognising grant and donation income to determine if conditions of the grant or donation contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant or donation contract.

Note 2: Grant Income

Of the Grant income received from the WCC, \$180,000 (2008 \$180,000) was an operational grant that was used to pay occupancy costs and make repairs and maintain the Basin Reserve. The other \$0 (2008 \$370,000) received from the WCC was a special grant and was used to replace the irrigation system, and to construct new media facilities at the Basin Reserve.

The Grant income - other, in this financial year was a grant payment to the Trust from the Lion Foundation to assist with the costs associated with the upgrade of the Long Room. These monies were used to acquire hard fit-out in the Long Room, whose ownership lies with the Trust. In the previous financial year the grant comprised a sponsorship payment to the Trust from the supplier of the electronic scoreboard screen.

Note 3: Vested Assets

During the financial year under review the Trust entered into a contractual arrangement with Scarlet Limited. As part of this contractual arrangement the Trust contributed \$50,000 of its own funds and also obtained a grant from the Lion Foundation of \$50,000, which was paid as a contribution for the upgrade of the Long Room at the Basin Reserve. The total value of the assets that vest with the Trust total \$145,362. The difference being 45,362, over and above what the Trust has spent on these assets has been treated in this financial year as a Vested Asset.

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 4: Revenue from Operations	Actual 2009 \$	Budget 2009 \$	Actual 2008 \$
Ground hire - NZ Cricket	57,500	55,000	100,000
Ground hire - other	39,100	37,000	43,650
Function centre hireage	3,670	20,000	11,859
Concessions	19,818	18,000	63,823
Signage	120,448	156,500	156,667
Screen hireage	105,545	50,000	50,000
Sundry revenue	1,722	7,500	9,678
Total Revenue from Operations	347,803	344,000	435,677

Note 5: Operating Expenses	Actual 2009 \$	Budget 2009 \$	Actual 2008 \$
Audit fee	11,180	11,000	11,070
Auditor - other services	-	-	-
Building repairs & maintenance	12,825	25,000	14,922
Casual staff	9,022	25,000	23,203
Cleaning costs	3,377	18,400	13,236
Donation	-	-	2,000
Grounds repairs & maintenance	35,696	57,500	135,520
Insurance	9,350	10,300	9,675
Management fee - Cricket Wellington	40,000	36,600	40,000
Other building costs	20,394	42,600	78,804
Power & gas	23,520	24,500	23,603
Rates & water rates	40,192	34,500	35,293
Rubbish removal	9,467	12,000	11,798
Security	9,756	7,500	7,477
Other operating expenses	126,039	44,100	58,230
Total Operating Expenses	350,818	349,000	464,831

BASIN RESERVE TRUST (INCORPORATED)
BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6: Trust Funds	Actual 2009 \$	Actual 2008 \$
Settlement on Trust		
Balance at start of year	100	100
Balance at end of year	<u>100</u>	<u>100</u>
Accumulated Funds		
Balance at start of Year	1,801,071	1,102,320
Surplus (Deficit) for the year	39,940	698,751
Balance at end of Year	<u>1,841,011</u>	<u>1,801,071</u>
	<u>1,841,111</u>	<u>1,801,171</u>

Note 7: Property, Plant & Equipment

Certain assets, totalling \$155,716 that related to the Basin Reserve, were transferred from the Wellington Regional Stadium Trust to the Trust. These assets were transferred for nil consideration, but were taken up in the accounts of the Trust at the book values in the accounts of the Wellington Regional Stadium Trust as at 1 July 2004. The value of the donated assets was recognised in the income statement for the for the year ending 30 June 2005.

Ownership of the Basin Reserve buildings remains with the WCC.

Ownership of the assets required to maintain the Basin Reserve playing surfaces remains with the Wellington Regional Stadium Trust.

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 7: Property, Plant & Equipment (continued)

	Leasehold Improvements	Drainage Works	Furniture & Fittings	Plant	Capital Work in Progress	Total
1 July 2007						
Cost	182,082	4,742	10,430	-	582,900	780,154
Accumulated depreciation	(17,089)	(784)	(5,093)	-	-	(22,966)
Carrying Amount	164,993	3,958	5,337	-	582,900	757,188
Year ended 30 June 2008						
Carrying amount at 1 July 2007	164,993	3,958	5,337	-	582,900	757,188
Additions	570,336	105,715	-	1,075,000	14,725	1,765,776
Depreciation	(25,184)	(5,970)	(1,948)	(101,588)	-	(134,690)
Transfers	-	-	-	-	(582,900)	(582,900)
Carrying amount at 30 June 2008	710,145	103,703	3,389	973,412	14,725	1,805,374
30 June 2008						
Cost	752,418	110,457	10,430	1,075,000	14,725	1,963,030
Accumulated depreciation	(42,273)	(6,754)	(7,041)	(101,588)	-	(157,656)
Carrying Amount	710,145	103,703	3,389	973,412	14,725	1,805,374
Year ended 30 June 2009						
Carrying amount at 1 July 2008	710,145	103,703	3,389	973,412	14,725	1,805,374
Additions	145,362	-	19,751	-	18,046	183,159
Depreciation	(51,716)	(7,872)	(2,752)	(174,150)	-	(236,490)
Carrying amount at 30 June 2009	803,791	95,831	20,388	799,262	32,771	1,752,043
30 June 2009						
Cost	897,780	110,457	30,181	1,075,000	32,771	2,146,189
Accumulated depreciation	(93,989)	(14,626)	(9,793)	(275,738)	-	(394,146)
Carrying Amount	803,791	95,831	20,388	799,262	32,771	1,752,043

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 8: Unsecured Loan

The unsecured loan is from New Zealand Cricket (Incorporated), and is interest free. The funds from the loan were used to paint the Museum Stand seating prior to the English test held at the Basin Reserve Trust.

Note 9: Trustee Disclosures

The Trustees of the Trust are:

Douglas Catley (Chairman)	- appointed by CW
Don Neely	- appointed by CW
Glenn McGovern	- appointed by WCC
John Morrison	- appointed by WCC

In the year to 30 June 2009, the Trustees did not receive any remuneration in regard to their duties as trustees (30 June 2008 Nil).

Note 10: Related Parties

The settlors of the Trust are WCC and CW and therefore they are deemed to be related parties of the Trust. Because both the Trust and the Wellington Regional Stadium Trust ("the Stadium Trust") are members of the Wellington City Council Group, there is deemed to be common outside control or significant influence. Consequently, the Stadium Trust is also a related party of the Trust. During the year the following material transactions took place with these related parties.

- 1 WCC made a grant of \$180,000 (2008 \$550,000) to the Trust as a contribution towards the costs of operating the Trust.
- 2 WCC paid the Trust \$0 (2008 \$5,529) for the hireage of the ground and other facilities.
- 3 CW was paid \$40,000 (2008 \$40,000) by the Trust for the provision of management and secretarial services.
- 4 CW was paid \$32,319 (2008 \$33,932) by the Trust for casual labour and event set up costs. These transactions were all completed on normal commercial terms.
- 5 CW paid the Trust \$4,740 (2008 \$9,715) to re-imburse it for various administrative expenditure incurred.
- 6 The Stadium Trust provided turf maintenance services to the Trust at a cost of \$0 (2008 \$7,632). This transaction was also completed on normal commercial terms.
- 7 CW was paid \$17,000 (2008 \$0) by the Trust for the provision of corporate entertainment during events. This expense of the Trust was pursuant to the terms and conditions of a sponsorship agreement that the Trust was a party to.
- 8 CW was paid \$1,379 (2008 \$0) as a 50% re-imbursement for the aifares to the United Kingdom incurred by the Chief Executive, Gavin Larsen. During his trip to the United Kingdom Mr Larsen investigated possible sightscreen options for use at the Basin Reserve.

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 10: Related Parties (continued)

- 9 Pursuant to an arrangement between the Trust and CW, CW were due \$1,106 (2008 \$4,849), being their share of net revenue from function centre hireage, for administering and managing the function centre operation for the Trust.
- 10 Pursuant to an arrangement between the Trust and CW, CW were due \$956 (2008 \$6,397), being their share of net revenue from picket fence plaque sales, for administering, marketing and managing this process on behalf of the Trust.
- 11 Douglas Catley was re-imbursed \$0 (2008 \$1,464) for costs, whilst on Trust business.
- 12 Don Neely (a Trustee of the Trust) was paid \$0 (2008 \$50) for the sale of copies of his book, A History of the Basin Reserve, to the Trust. This transaction was completed on normal commercial terms.
- 13 An amount of \$380 (2008 \$33,395) was owed to CW by the Trust at balance date. This advance was interest free, repayable on demand and unsecured.

No related party debts have been written off or forgiven during the year (2008 Nil).

Note 11: Reconciliation of Reported Surplus with Cash Flows from Operating Activities

	Actual 2009 \$	Actual 2008 \$
Net surplus for the year	39,940	698,751
Adjustments:		
Add non-cash items:		
Depreciation	236,490	134,690
Delete non-cash items:		
Vested assets	(45,362)	-
Movement in working capital:		
Decrease/(increase) in receivables & sundry debtors, prepayments, income tax refund due & GST receivable	22,670	(93,791)
(Decrease)/increase in accounts payable & accruals & customer deposits, income received in advance & GST payable	(71,216)	119,415
	<u>(48,546)</u>	<u>25,624</u>
Net Cash Flows from Operating Activities	<u>182,522</u>	<u>859,065</u>

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 12: Financial Instruments

The Trust's financial instruments include financial assets (cash and cash equivalents, derivative financial instruments, loans and receivables, available-for-sale financial instruments, investments in subsidiaries and associates), and financial liabilities (payables that arise directly from operations and borrowings). The main purpose of the Trust's financial instruments is to raise finance for the Trust's operations.

As part of its normal operations, the Trust is exposed to credit risk, interest rate risk and liquidity risk. The Trust's exposure to these risks and the action that the Trust has taken to minimise the impact of these risks is outlined below:

Fair Value

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arms length transaction. The fair values and carrying amounts of all financial instruments are detailed below by class:

	2009		2008	
	Fair Value	Carrying Amount	Fair Value	Carrying Amount
	\$	\$	\$	\$
<i>Financial Assets</i>				
Cash and cash equivalents	73,198	73,198	90,555	90,555
Trade receivables	99,006	99,006	124,041	124,041
<i>Financial Liabilities</i>				
Payables	59,782	59,782	183,392	183,392
Unsecured loan	21,693	21,693	-	-

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Trust, therefore causing a loss. The Trust is not exposed to any material concentrations of credit risk. Receivables balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is not significant. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

The Trust's maximum exposure to credit risk at balance date is:

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 12: Financial Instruments (continued)

<i>Financial Assets</i>	2009 \$	2008 \$
Cash and cash equivalents	73,198	90,555
Trade receivables	99,006	124,041
	172,204	214,596

The status of trade receivables at the reporting date is as follows:

	2009		2008	
	Gross Receivable \$	Impairment \$	Gross Receivable \$	Impairment \$
Trade receivables				
Not past due	31,043	-	88,346	-
Past due 0-3 months	67,963	-	35,100	-
Past due 3-6 months	-	-	595	-
Past due more than 6 months	-	-	-	-
Total trade receivables	99,006	-	124,041	-

Liquidity Risk

Liquidity risk is the risk arising from unmatched cash flows and maturities.

On a cash flow basis, the Trust maintains sufficient funds to cover all obligations as they fall due.

The following table sets out the contractual cash flows for all financial liabilities that are settled on a gross cash flow basis. Contractual cash flows for financial liabilities comprise the notional amount and interest payment.

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 12: Financial Instruments (continued)

	Balance Sheet	Total Contractual Cashflows	2009 0-12 months	1-2 years	2-5 years
	\$	\$	\$	\$	\$
Trade payables	59,782	59,782	59,782	-	-
Unsecured loan	21,693	21,693	21,693		
Total financial liabilities settled on a gross basis	81,475	81,475	81,475	-	-
	Balance Sheet	Total Contractual Cashflows	2008 0-12 months	1-2 years	2-5 years
	\$	\$	\$	\$	\$
Trade payables	183,392	183,392	183,392	-	-
Unsecured loan	-	-	-	-	-
Total financial liabilities settled on a gross basis	183,392	183,392	183,392	-	-

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Trust's financial instruments will fluctuate due to changes in market interest rates. The Trust is exposed to interest rate risk from its interest-earning financial assets. The Trust is risk averse and seeks to minimise exposure arising from its treasury activities. It does not undertake unnecessary investment or borrowing activity, nor is it speculative in the activity it undertakes, with the overall intention being to avoid placing the capital value of individual investment and borrowing facilities at risk.

The effective interest rates and contractual re-pricing or maturity periods (whichever is earlier) of financial instruments are as follows:

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 12: Financial Instruments (continued)

	Balance Sheet	Total Contractual Cashflows	2009 0-12 months	1-2 years	2-5 years
Variable rate instruments	\$	\$	\$	\$	\$
Cash and cash equivalents	73,198	73,198	73,198	-	-
Total variable rate instruments	73,198	73,198	73,198	-	-
	Balance Sheet	Total Contractual Cashflows	2008 0-12 months	1-2 years	2-5 years
Variable rate instruments	\$	\$	\$	\$	\$
Cash and cash equivalents	90,555	90,555	90,555	-	-
Total variable rate instruments	90,555	90,555	90,555	-	-

Equity Management

The Trust's equity includes accumulated funds and retained earnings, revaluation reserves and settlements made on the Trust.

The Local Government Act 2002 requires the Trust to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Note 13: Contingent Liabilities & Contingent Assets

There were no Contingent Liabilities or Assets as at 30 June 2009 (2008 Nil).

BASIN RESERVE TRUST (INCORPORATED)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 14: Capital Commitments

	2009	2008
	\$	\$
Commitments for the acquisition of assets approved and contracted for at balance date:		
Within one year	-	-
Greater than one year	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

Note 15: Concession Agreement

During the financial year under review the Trust entered into a contractual arrangement with Scarlet Limited. Under the terms of this arrangement the Trust granted to Scarlet Limited an exclusive right to provide all food and beverage facilities at the Basin Reserve until 31 March 2013. Scarlet also have a right of renewal under this arrangement for two further terms of three years. In consideration for granting this concession the Trust receives 4.5% of all gross revenues generated from Scarlet Limited under this contractual arrangement.

Note 16: Variance Against Budget

The major variances are the grant received from the Lion Foundation relating to the capital expenditure on the upgrade of the Long Room, totalling \$50,000, the increased useage of the portable screen for hire totalling \$55,500 and the the reduction in the Function Centre hireage, due to the new concession agreement entered into with Scarlet Limited totalling \$16,300 and the reduction in revenue from the signage arrangement in November 2008 from \$150,000 per annum to \$90,000 per annum. Expenditure was mainly down on budget due to the depreciation charge being \$25,510 below budget and also expenditure on building repairs, casual staff and other building electrical work, painting and and plumbing being less than anticipated. However the costs of consultants and marketing were over budget, due to some timing differences in the previous financial year and also greater legal fees incurred relating to the new concession arrangement entered into in this financial year.

Trade recievables were higher than budgetted for due to collections not being as timely as budgetted for.

Note 17: Events After Balance Date

There are no events after balance date that effect the financial statements or the notes to the financial statements (2008 Nil).

BASIN RESERVE TRUST (INCORPORATED)
STATEMENT OF SERVICE PERFORMANCE

- The Trust's Statement of Intent for the year ended 30 June 2009 was adopted in May 2008
- The main objectives of the Trust are as follows:
 1. To contribute to the Wellington City Council's vision of Creative Wellington - Innovative Capital, by continuing to attract national and international sporting events to Wellington.
 2. To manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreational activities and for the playing of cricket, for the benefit of the inhabitants of Wellington.
 3. To establish a long term policy for the further development of the Basin Reserve as a recreational facility and as a facility for the playing of cricket, other sports and as a venue for other community based activities.
 4. To preserve and enhance the significant and recognised heritage value of the Basin Reserve.
 5. To comply with all legislative and regulatory provisions relating to its operation and performance, including statutory and general Council objectives for Council controlled organisations.

PERFORMANCE MEASURES

12 months to 30 June 2009

	Target	Actual
Number of Events		
Cricket	11	21
Other Sports	12	9
Other Cultural	3	0
Community	5	4
Number of Event Days		
Cricket	33	39
Other Sports	12	9
Other Cultural	3	0
Community	5	4
Playing surface to international standard	Annual	Achieved
Financial		
Results within Budget	Annual	Achieved
Capital Expenditure - within Budget	Annual	Not Achieved
Event Income	80,000	116,418
Non-Event Income	355,000	506,747
Business Plan developed	Annual	Achieved

**BASIN RESERVE TRUST (INCORPORATED)
STATEMENT OF COMPLIANCE AND RESPONSIBILITY
FOR THE YEAR ENDED 30 JUNE 2009**

VARIANCES TO TARGET

The major variances are in the number of Cricket Events and Event Days, the number of Other Cultural Events and Event Days and the amounts of Event Income and Non-Event Income. The number of Cricket Events and Event Days is due to there being far more State Shield Twenty Twenty games this season, than was anticipated. It was also budgetted to have 3 Other Cultural Events and Event Days. Unfortunately these did not occur. Event Income was higher than targetted for due to not budgetting for any concession revenue and also budgetting for lower Ground-hire Other usage than was actually achieved. Non-Event income was higher than budgetted for due to the increase in revenue received from the screen hireage and also the grant received from the Lion Foundation for the upgrade of the Long Room.

COMPLIANCE

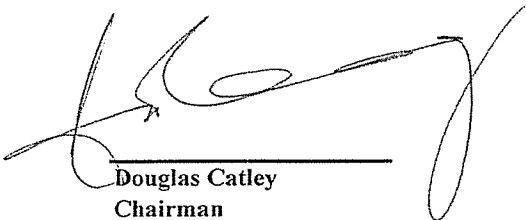
The Board and management of the Basin Reserve Trust ("the Trust") confirm that all statutory requirements of the Local Government Act 2002 regarding financial and operational management have been complied with.

RESPONSIBILITY

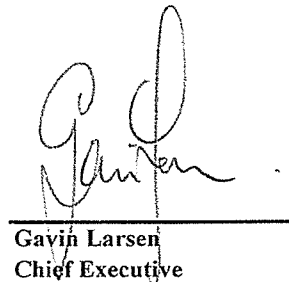
The Board and management of the Trust accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Trust.

In the opinion of the Board and management, the annual Financial Statements for the year ended 30 June 2009 fairly reflect the financial position, results of operations and service performance achievements of the Trust.



Douglas Catley
Chairman
Date: 14 August 2009



Gavin Larsen
Chief Executive
Cricket Wellington Inc.
Date: 14 August 2009

Audit Report

To the readers of The Basin Reserve Trust's financial statements and performance information for the year ended 30 June 2009

The Auditor-General is the auditor of the Basin Reserve Trust (the Trust). The Auditor-General has appointed me, AP Burns, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust, on his behalf, for the year ended 30 June 2009.

Unqualified Opinion

In our opinion:

- The financial statements of the Trust on pages 2 to 20:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Trust's financial position as at 30 June 2009; and
 - the results of its operations and cash flows for the year ended on that date.
- The performance information of the Trust on page 21 fairly reflects the achievements measured against the performance targets adopted for the year ended 30 June 2009.

The audit was completed on 14 August 2009, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Trustees and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and performance information did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and performance information. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance information.

We evaluated the overall adequacy of the presentation of information in the financial statements and performance information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Trustees and the Auditor

The Trustees are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Trust as at 30 June 2009 and the results of its operations and cash flows for the year ended on that date. The Trustees are also responsible for preparing performance information that fairly reflects service performance achievements for the year ended 30 June 2009. The Trustees' responsibilities arise from the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Trust.

A handwritten signature in black ink, consisting of a stylized 'A' and 'B' followed by a long, wavy horizontal line.

AP Burns
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

