



Basin Reserve Trust

STATEMENT OF INTENT

2012/13

PURPOSE

The purpose of this Statement of Intent is to:

- (a) state publicly the activities and intentions of this council-controlled organisation for the year and the objectives to which those activities will contribute; and
- (b) provide an opportunity for shareholders to influence the direction of the organisation; and
- (c) provide a basis for the accountability of the directors to their stakeholders for the performance of the organisation.

This Statement of Intent covers the year 1 July 2012 to 30 June 2013 and the following two financial years.

BACKGROUND

The Basin Reserve Trust is a charitable trust, and operates on a not-for-profit basis. It was created in February 2005 for the purpose of managing and operating the Basin Reserve. The Trust was established by the Wellington City Council and Cricket Wellington Incorporated (the "stakeholders").

A. OBJECTIVES OF THE TRUST

The objectives of the trust are stated in the Trust Deed as agreed between the Wellington City Council and the Basin Reserve Trust and are highlighted below:

1. to contribute to the Wellington City Council's vision of Creative Wellington - Innovative Capital - positioning Wellington as an affordable, internationally competitive city.
2. to manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreation and leisure 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 value 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 enter into management agreements and other contracts that are necessary or desirable to achieve the objects of the Trust;
5. to promote and co-ordinate the raising of funds to assist the management, administration, maintenance planning, promotion and further development of the Basin Reserve - in a manner consistent with the achievement of council objectives;
6. generally to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the public of Wellington;
7. to operate as a successful undertaking, managed on a not-for-profit basis;
8. to preserve and enhance the significant and recognised heritage value of the Basin Reserve;
9. to comply with all legislative and regulatory provisions relating to its operation and performance including statutory and general Council objectives for Council controlled organisations, and to acknowledge the Councils contribution where appropriate;

B. BOARD'S APPROACH TO GOVERNANCE OF THE TRUST

The Basin Reserve Trust is a Council Controlled Organisation. It was established in February 2002 by the Wellington City Council to manage and develop the Basin Reserve venue.

Role of the Board

The Trustees are responsible for setting the strategic direction for the Trust, and approving the Statement of Intent and Annual Business Plan. The Trustees monitor the organisational performance and ensures that the ongoing viability of the organisation is maintained.

The Trust delegates the daily operation of the Trust to Cricket Wellington Incorporated, pursuant to a Management Agreement between the two parties.

Trust Membership

Mr Douglas Catley (Chair)
Mr Don Neely MBE
Mr John Morrison
Sir John Anderson

Trust Operations

The Trust meets bi-monthly, and considers a Management Report submitted by Cricket Wellington as Manager. Additional meetings are called as required.

Performance Management

The performance of the Trust is measured in part by achievement of agreed KPI's, in regards to operational activities. The Chair of the Board will undertake an annual evaluation of Trustee performance. Further, the individual performance of Trustees is monitored by the Wellington City Council (in respect of the two Council- appointed Trustees), and Cricket Wellington (in regards to the two Cricket Wellington-appointed Trustees).

The Trust acknowledges the need for ongoing professional development opportunities for Trustees, and encourages the undertaking of specialist training for identified needs. The Board will on an annual basis implement a programme that supports the identified needs. This may include programmes such as that offered by the NZ Institute of Directors (or similar) or specialist knowledge building from appropriate agencies.

Formal Requirements

1. This council-controlled organisation is a trust and is governed by the requirements of the Local Government Act 2002.
2. The Board will require the unanimous approval of the Board for:
 - 2.1. significant changes to the trust's structure;
 - 2.2. extraordinary transactions (entering into any contract or transaction except in the ordinary course of business);
 - 2.3. delegation of trustees' powers to any person;
 - 2.4. any decision to diversify business into a business not forming part of or being naturally ancillary to the core business of managing the Basin Reserve;
 - 2.5. major transactions - entering into any transaction greater than \$50,000 or 10% of total asset value (whichever threshold is lower);

- 2.6. disputes (commencing or settling any litigation, arbitration or other proceedings which are significant or material to the trust's business)
 - 2.7. borrowings in a manner that materially alters the trust's banking arrangements, advancing of credit (other than normal trade credit) exceeding \$5,000 to any person except for making deposits with bankers, or giving of guarantees or indemnities to secure any person's liabilities or obligations;
 - 2.8. sale of assets (sell or dispose of fixed assets for a total price per transaction exceeding \$10,000 or a series of aggregated transactions exceeding \$20,000); and
 - 2.9. capital expenditure at a total cost to the trust, per transaction, exceeding \$50,000 or a series of aggregated transactions exceeding \$100,000.
3. The Board will require the agreement of the Basin Reserve Trustees, Council and Cricket Wellington for:
- 3.1. any changes to the trust deed;
 - 3.2. any arrangement, dissolution, reorganisation, liquidation, merger or amalgamation of the trust;
 - 3.3. any "major transactions" as that term is defined in the Companies Act 1993.
- 4 The contribution to Wellington City Council's strategic direction is demonstrated by the alignment of the Trusts objectives with those of the Council.

In particular the Trust will contribute to the Councils strategy in areas of Economic Development by being "more eventful" and in Social and Recreation by actively promoting sporting and recreational activity and the enhancement of the facility thereby increasing its value to the community.

C. THE NATURE AND SCOPE OF THE ACTIVITIES TO BE UNDERTAKEN BY THE GROUP

The principal objective of the trust is long term management of the Basin Reserve and to operate as a successful business, managed on a non-profit basis.

Strategic Direction.

The Basin Reserve Trust's vision for the Basin Reserve is for it to be recognised domestically and internationally as a premier cricketing venue, to be sustainable operationally and financially, and to contribute to the wider Wellington region in terms of provision and promotion of quality events.

To achieve this vision the following strategic goals have been identified:

- 1 To ensure the Basin Reserve is the leading cricket venue in New Zealand
- 2 To enhance the heritage value and character of the Basin Reserve
- 3 To maximise revenues from existing and new event opportunities.
- 4 To develop a close working relationship with the Wellington City Council event and recreation team in order to maximise event opportunities for the city.
- 5 To increase event programmes such that the venue is part of Wellingtons outdoor entertainment and event environment.
- 6 To manage the Basin Reserve and Wellington City Council assets efficiently and effectively.
- 7 To meet all public accountability and regulatory requirements.

Wellington Towards 2040

The Trust is a contributor to Wellington City Council's various strategic initiatives and policies, particularly in the areas of urban development and transport. The recent release of Wellington's strategic vision 2040 provides a framework against which to consider the Trust's alignment with the Council's vision.

The Council highlights a "people-centred city" in the future. As one of the oldest established landmarks in the city, the Basin Reserve has a history that people can connect with, and the Trust will continue to protect and enhance the heritage value of the venue for all Wellingtonians. The Trust acknowledges the need for high quality spaces and places for citizens to gather and engage, and in this regard the continuation of over 100 years of such service to the community remains a priority for the Trust. In addition to the well-known sports events held at the Basin, it has hosted music concerts, Carols by Candlelight, and community-based celebrations in recent years, and will continue to do so.

The Trust's management of the Basin Reserve also supports the Council's objective of a "connected city". The physical location of the Basin Reserve, centrally positioned but also on the fringe of several historic suburbs, means it continues to provide an important 'link' facility for pedestrians and cyclists travelling in and out of the central CBD. In a wider sense the Basin Reserve's international reputation continues to grow and be enhanced through the hosting of international cricket. With, in particular, interest (broadcaster, spectator, and investor) in cricket never higher, the coming years provide a very real opportunity to leverage the Basin Reserve for the overall benefit of the city.

The Council wants an environmentally sustainable and innovative city in the future. The Trust is aware of the role that the venue can play in regards to having a strong infrastructure throughout the city, and is keen to work with the Council to offer the Basin Reserve into any eco-city planning that it wishes to undertake. In particular the Trust will be similarly motivated with Council to ensure that the venue, and its surrounds, remain as natural as possible, giving due regard to the historic and heritage values of the ground.

The Council also has a strategic objective of driving a "dynamic central city". The Trust is acutely aware of the historical significance of the Basin Reserve, and its place within the city landscape, both current and how that might look into the future. The Trust is keen to work with Council to ensure that the heritage value of the ground is maintained in keeping with Council's own strategic initiatives for the inner city, and that the Trust contributes to the ongoing urban development of Wellington.

Economic Climate

Currently the Trust generates approximately 65% of its total income itself, primarily through venue hire (cricket matches, concerts, etc), the rental of the Trust's electronic replay screen, naming rights sponsorship, and the food & beverage concession exclusively granted at the venue. This income is readily invested back into the venue directly, in the form of capital improvements for the betterment of cricket and the wider recreational use of the ground.

The Trust considers that it manages its financial operations in a robust and prudent manner, evidenced by its consistently appropriate cashflow position. The Trust does not have a strategic focus to generate reserves, and indeed such behaviour is likely to be at odds with the Trust Deed objectives, which include "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".

The Trust has been able to operate effectively as a result of, firstly, the collective capabilities of Trustees themselves, and secondly due to the Trust's careful management of funds as against the needs of the venue and the many competing priorities. The Trust has been very proud over the years to not burden the Council with regular,

unsubstantiated requests for further funding. Rather, it has identified its core goals and worked diligently to achieve these of its own volition.

Unfortunately, it now appears that the Trust has arrived at a point in time where its continued operation under current funding levels cannot be sustained. Principally, the Trust is being asked to do more with less. Several factors have converged to exacerbate this situation. The Trust's Annual Operating Grant from the Council stands at \$180K per annum, which the Trust understands has remained unchanged for at least 10 years, and indeed may be more like 20 years.

Operating Costs – Mandatory & Variable

When the basic operating costs of ensuring the Basin simply 'exists' are calculated, these totalled \$332K last financial year. A full breakdown is available, although these figures have previously been supplied to Council officers.

This cost represents the operating expenditure which is mandatory in terms of keeping the ground functioning and operational. It includes basic costs such as fire system tests, cleaning, pest control, rates, and electricity.

These mandatory costs have increased 103% in the past five years. However, the Trusts' operating grant has remained static over this time.

Further expenses are then incurred by the Trust in attending to variable operating tasks on an 'as needs' basis. These costs reflect such items as preventative maintenance, special cleaning jobs, painting of buildings as funds allow, etc. For the last financial year variable operating expenses totalled \$48K.

In combined terms last financial year therefore, the cost of non-discretionary operating expenses associated with the Basin Reserve totalled \$380K. Clearly, the Basin is using funds derived from its own revenue efforts to subsidise the cost of ensuring that the Basin 'exists' as a safe, picturesque, public-access facility. Trustees do not believe such a situation is either equitable, or sustainable.

Increasing Demands

As an international-class test cricket venue the Trust is required to meet certain criteria in order to host test match cricket. These criteria are set by the International Cricket Council, and managed by NZ Cricket. Increasingly the Trust is receiving more demands as regards the facilities, and this is requiring further investment and financial response from the Trust.

These demands extend beyond simply cricket requests, and include requirements to maintain and upgrade public toilet facilities, telecommunications, as well as plumbing and electrical needs. While cricket players and fans will enjoy the result of these investments, they are also valued by other users of the ground, including club rugby, concert patrons, and members of the public whom might visit and avail themselves of the facilities from time to time.

Of course, recent events pertaining to the Museum Stand and the on-field drainage have further elevated the demands placed upon the Trust, and it is currently working with both the Council and others to find cost-effective and appropriate solutions to both these issues.

The increased demands, and not just from cricket, are recorded to further illustrate the difficult and challenging operating environment that the Trust now occupies. As widely acknowledged, the Trust is committed to operating a successful venue for Wellington citizens to enjoy and be proud of, and for the city to celebrate both nationally and internationally. Unfortunately the pressures now being exerted upon the fundamental operations of the Trust make such an objective unrealistic and unlikely.

An increase in operating grant to the levels requested will permit the Trust to manage the venue much more proactively, rather than reactively. This means being able to more readily undertake preventative maintenance, and to respond to vandalism and damage much more speedily than currently it can achieve, due to the limited funding. The overall presentation of the ground would be markedly improved, and many 'small scale' visual impacts (assets requiring painting), improved accessways, lighting, etc, could be attended to in order to delivery a much more presentable venue. It is also likely to afford the Trust a greater ability to market and promote the venue in a more coordinated and proactive manner. Both outcomes very positive results.

Several months ago the Trust formally sought an increase in its operating grant to \$460K. It learned recently that this was request was unsuccessful. While the Trust will continue to use the formal Council mechanisms such as the LTP process and the CCO unit to progress its claim, the level of annual operating grant is now considered of such an urgent and critical nature, that the Basin Reserve faces a very real threat to its viable ongoing operation should the current funding model continue unchanged.

Relationship with Positively Wellington Venues

The Trust has enjoyed a close working relationship with the Events Department of the Council, and looks forward to establishing an equally supportive and beneficial relationship with Positively Wellington Venues. The opportunity for utilisation of the venue beyond cricket or sports events has always been a consideration of the Trust's, as recent annual events such as the Summerset music festival and Carols by Candlelight attest to.

A relationship with Positively Wellington Venues will be established within the first quarter of 2012-13.

Cricket Wellington Management Fee

When first established the Trust negotiated an annual management fee with Cricket Wellington (CW) of \$40K per annum. This fee covered CW's management of all secretariat services to the Trust, including (but not limited to) Trust correspondence, financial management, Council compliance and reporting, Trust meetings and all associated administration, scheduling and promotion of the venue, overview and management of all on-site operational maintenance and repairs, and relationship management with key stakeholders such as the Wellington City Council, NZ Cricket, and suppliers.

In 2007 the Trust removed the financial management from CW's ambit, and contracted those services separately. The management fee was discounted to reflect this change, with a reduction to \$34K per annum.

In 2010 CW signalled an interest in negotiating an increase with the Trust, primarily on the grounds that the workload had increased significantly in both volume and breadth of issues. CW believed that the quality of service provided to the Trust warranted an increase to reflect the resource required. The Trust and CW then negotiated a management fee of \$56K per annum. The arrangement, for two years from 2011 financial year, provides for either party to request a review of the fee, upon presentation of full reasons for seeking such a review. At the conclusion of the two year term there is no guaranteed increase.

Asset Management – Project Management Office

Presently the Trust has a full suite of H&S policies. The Trust, as part of a more comprehensive review of its Asset Management practices, is investigating the possibility of the Council's Project Management Office (PMO) managing the deferred maintenance project on behalf of the Trust.

It is anticipated that under such an arrangement the Trust would have an ongoing close working relationship with the PMO, such that decisions regarding the priorities of

particular deferred maintenance projects would be a result of consultation between the Trust's own priorities and the expert advice of the Council's PMO.

Asset Management – Health & Safety

Were this to happen, then the contractors involved would be covered and managed under existing Council contractor policies.

Asset Management – Timeline

The Trust proposes the following timeline as regards the Asset Condition Survey, Asset Management Plan, and PMO consultation:

1. June 2012: Trust meets with Council PMO to investigate the PMO taking over the management of the deferred maintenance programme;
2. July 2012: Trust and PMO consider and agree the deferred maintenance priorities for the 2012-13 financial year;
3. August – October 2012: PMO, in further consultation with the Trust, develops the Asset Condition Survey into a staged Asset Management Plan over the necessary timespan (up to a possible 20 years).

Cricket World Cup 2015

The Cricket World Cup 2015 (CWC2015) will be jointly hosted between Australia and NZ in February and March 2015. It represents an exciting opportunity to market both cricket and the participating cities both nationally and to a worldwide audience estimated to reach 2.5 billion people.

The Trust has signalled an interest in contributing to the tournament, and awaits further information from CWC2015 organisers. To be considered as a host venue the Trust expects the organisers will require superior quality facilities. While the Basin Reserve enjoys an international reputation as a cricket venue, there remains work to be done on a number of separate facilities within the ground, such as improved drainage, enhanced media facilities, and possibly increased (albeit temporary) seating capacity. The CWC2015 represents a marquee event within Wellington and NZ by which enhancements to the Basin Reserve can be progressively made with a resultant high quality sports stadia as a legacy asset for the city.

Other Events

While the CWC2015 presents as something of a "pinnacle" for cricket in Wellington and NZ in the next four years, there remain several other opportunities to showcase and develop the Basin Reserve up to and beyond that tournament.

The highly ranked England team is set to tour NZ in February and March 2013, and the Basin Reserve is hopeful of staging a test match in March 2013. The England team enjoys strong travelling support, generally complemented by a strong expat supporter base living in NZ. The result is an attractive event from a city marketing and tourism perspective.

Similarly, the following year (March 2014) the Indian team is set to tour. The interest in cricket of course among the Indian population, both locally and overseas, is extremely high, and further profiling and partnership opportunities will exist for the Trust and the city to potentially benefit. The Trust looks forward to developing these conceptual ideas with the Council and other interested stakeholders as planning for these events continues.

The Trust is also aware that Wellington is hosting the FIFA U20 World Cup in June and July 2015 (only some three months following the CWC2015). While there remains much planning and logistical work to undertake, an early indication might be that the Wellington Lions rugby team may not be able to use Westpac Stadium (on account of its use by FIFA). If such a situation were to develop (and the Trust acknowledges that it is nothing more than a long-range possibility), then the Basin Reserve could immediately be activated for the rugby matches.

It is thinking such as this that continues to interest the Trust, as it seeks to develop and position the Basin Reserve as a multi-use recreational facility into the future.

Turf Management Agreement

Modern sports stadia now have much improved turf technology, and indeed the Basin Reserve turf is not of a standard of some modern stadia in New Zealand. This impacts the Basin's desirability for certain events. The issue of the turf standard will be closely investigated by the Trust, particularly as regards the hosting criteria likely to be instigated by the ICC and NZC for the Cricket World Cup 2015.

The Trust receives turf management services from the Westpac Regional Stadium Trust groundstaff (WRST) pursuant to a 10-year contract which expires in April 2014. The terms of the current contract are favourable to the Trust, although the Trust is still not completely shielded from the inevitable rising costs associated with the turf preparation and maintenance. The Trust acknowledges that this contract, which is complex in both the operational detail and the financial formulae, will require some attention within the next year and the early terms of the renegotiation will be set in the first quarter of 2012-13.

Traffic Flyover

The Trust is an interested party in the Transit NZ proposal to construct a traffic flyover at the northern end of the ground. Presently the Trust has contributed to the submission process, and awaits further announcements from Transit as to the future timetable.

Overnight Closure of the Basin Reserve

In June 2011, in response to repeated and persistent episodes of vandalism and anti-social behaviours (including two arsons and an attempted sexual assault within the grounds), the Trust decided to close the venue to pedestrians and cyclists during hours of darkness. A security firm was contracted to lock all gates at 9pm, and open the gates at 6am, each day. In addition, the firm was contracted to undertake two random patrols per evening, between midnight and 6am. The trial closure period was to run until mid November. The Trust notified the Council, and publicly notified the closure in the press.

This closure had an immediate positive impact on the levels of vandalism. These reduced considerably, and the venue presented much cleaner and tidier as a result. Over the five month trial period, the Trust experienced a reduction from vandalism costs of approximately \$2,000 per month, to approximately \$250 per month.

At its meeting in December 2011 the Trust determined to continue the overnight closure practice indefinitely, and corresponded with Council officers as such. Unfortunately, since February 2012 there has been a steadily increased rate of petty vandalism return, which has not been explained by security advisers or CW. The Trust will continue to monitor the damage rates, and discuss possible further mitigation measures with Council officers.

Other Risk Management

The Trust undertakes the following measures to manage identified risks.

Financial and Legal Risks	<ul style="list-style-type: none"> • External audit and review of financial accounts (undertaken by Audit NZ) • Interests Register documented at each Trust meeting • Fraud Policy adopted by the Trust (detailing the Trust's policy for fraud prevention) • The Trust's financial matters are managed by an external Accountant, whom also sits on Trust meetings and partakes in business discussions and decision-making (as a non-voting member of the Trust's Executive)
Health & Safety	<ul style="list-style-type: none"> • Health & Safety policy in place, reviewed bi-annually • Evacuation Procedures in place • Meet all building WOF requirements and act in the

	required manner on IQP reports
Operating Risks	<ul style="list-style-type: none"> • Routine Maintenance Plan in place to ensure facility meets a necessary standard • Comprehensive Asset Management Plan to be initiated in the 20010-11 period, as a matter of urgency • For cricket-specific events, the Trust meets or exceeds NZC and/or ICC set criteria

D. THE RATIO OF CONSOLIDATED SHAREHOLDERS' FUNDS TO TOTAL ASSETS, AND THE DEFINITIONS OF THOSE TERMS

A statement of the ratio of shareholders' funds to assets is not considered appropriate at this time.

E. THE ACCOUNTING POLICIES OF THE GROUP

1. Financial statements will comply with the requirements of the Financial Reporting Act 1993 (FRA). That Act requires the financial statements of a reporting entity to comply with Generally Accepted Accounting Practice (GAAP). Financial statements will also comply with the requirements of the Local Government Act 2002.
2. General Accounting Policies - Accounting policies adopted will be consistent with the Financial Reporting Standards (FRSs) and the Statements of Standard Accounting Practice (SSAPs) issued by the Institute of Chartered Accountants of New Zealand.
3. Particular Accounting Policies -Recognition of Revenue - Revenue will be recognised when an invoice is raised after service is provided. Other transactions that comply with the definition of "Revenue" in the Statement of Concepts issued by the Institute of Chartered Accountants of New Zealand will also be recognised as revenue.
4. Goods and Services Tax -The financial statements will be prepared on a GST exclusive basis except for accounts receivable and accounts payable which are shown GST inclusive.
5. Accounts Receivable -Accounts receivable will be stated at net realisable value.
6. Inventories -Inventories will be stated at the lower of cost or net realisable value.
7. Investments -Investments will be stated at the lower of cost or net realisable value.
8. Consolidation – Consolidation will be in accordance with FRS36, 37 and 38.
9. Leases - Cost of operating leases (if any) will be recognised as expenditure over the term of the lease.

F. THE PERFORMANCE TARGETS AND OTHER MEASURES BY WHICH THE PERFORMANCE OF THE TRUST MAY BE JUDGED IN RELATION TO ITS OBJECTIVES

1. In general, the trust will:
 - 1.1. achieve targets within allocated budgets;
 - 1.2. comply with financial, technical and regulatory standards;
 - 1.3. establish a business plan by 30 June 2011;
 - 1.4. ensure property and asset maintenance is carried out in accordance with asset management plans and to best applicable trade standards and practice;
 - 1.5. meet the performance measures agreed by Council.

2. Specific performance measures for the trust are:
 - 2.1. number of events
 - 2.1.1. cricket
 - 2.1.2. other sports
 - 2.1.3. community (subsidised or free)
 - 2.2. number of event days
 - 2.3. numbers attending events
 - 2.4. hirer satisfaction with venue
 - 2.5. maintain playing surface to international standard
 - 2.6. Percentage of non-event revenues
 - 2.7. Level of Council subsidy per visitor

Performance targets for 2011-12 are as set out in Appendix 1. The KPI's in respect of non-cricket events have been slightly reduced. The winter use is likely to be reduced due to planned drainage installation to take place in April. This will likely mean fewer club rugby matches possible, as additionally the club rugby season is starting earlier to accommodate the RWC2011.

G. AN ESTIMATE OF THE AMOUNT OR PROPORTION OF ACCUMULATED PROFITS AND CAPITAL RESERVES THAT IS INTENDED TO BE DISTRIBUTED TO THE STAKEHOLDERS

There is no intention to pay out reserves to stakeholders.

H. THE INFORMATION TO BE PROVIDED TO THE STAKEHOLDERS BY THE TRUST DURING THE COURSE OF THE FINANCIAL YEAR

1. In each year the trust shall comply with the reporting requirements under the Local Government Act 2002.

2. In particular, it shall provide:
 - 2.1. a statement of intent detailing all matters required under the Local Government Act 2002;
 - 2.2. a strategic plan, to be updated at least every 3 years;
 - 2.3. an annual budget and business plan for the coming financial year, to be presented in accordance with the shareholding Councils' budgeting and planning cycles; and
 - 2.4. an annual report.

3. Within two months after the end of the first half of each financial year, the Trust shall provide, in accordance with section 66 of the Local Government 2002, a report on the operations of the Trust to enable an informed assessment of its performance, including financial statements and a comparison against budget and the statement of intent.

4. Within 3 months after the end of each financial year, the Trust shall provide in accordance with section 67, 68 and 69 of the Local Government 2002:
 - 4.1. a comparison of the performance of the Trust with the statement of intent;
 - 4.2. an explanation of any material variances between that performance and the statement of intent;
 - 4.3. audited consolidated financial statements for that financial year;
 - 4.4. an auditor's report on:
 - 4.4.2. those financial statements, and
 - 4.4.3. performance targets and other measures by which performance was judged in relation to that organisation's objectives
5. Within 1 month after the end of each quarter, the Trust shall provide a management report which will include (for the quarter and year-to-date)
 - 5.1. a Statement of Financial Performance
 - 5.2. a Statement of Financial Position
 - 5.3. a Statement of Cash Flows
 - 5.4. a report on key performance indicators
 - 5.5. an explanation of any material variances between that performance and the statement of intent
6. The information must be presented in such a way as to enable an informed assessment of the operations of the Trust.

I. THE PROCEDURES TO BE FOLLOWED BEFORE THE TRUST SUBSCRIBES FOR, PURCHASES, OR OTHERWISE ACQUIRES SHARES IN ANY TRUST OR OTHER ORGANISATION

There is no intention to subscribe for shares in any other trust or invest in any other organisation.

J. ANY ACTIVITIES FOR WHICH THE BOARD SEEKS COMPENSATION FROM ANY LOCAL AUTHORITY (WHETHER OR NOT THE LOCAL AUTHORITY HAS AGREED TO PROVIDE THE COMPENSATION)

None.

K. THE BOARD'S ESTIMATE OF THE COMMERCIAL VALUE OF THE STAKEHOLDERS' INVESTMENT IN THE TRUST AND THE MANNER IN WHICH, AND THE TIMES AT WHICH, THAT VALUE IS TO BE REASSESSED

The net value of the Stakeholder's investment in the trust is estimated to be valued at \$180,000 as at 31 March 2012.

L. ANY OTHER MATTERS THAT ARE AGREED BY THE STAKEHOLDERS AND THE BOARD.

There are no other matters.

Appendix I: Performance measures and targets

Measure	Frequency	Measurement	Target Q1	Q2	Q3	Q4	FY
Administrative Measures							
Achieve targets within allocated budgets	Annual	Budget forecasts are met					
Comply with financial, technical and regulatory standards	Quarterly	Council reports submitted within stated timeframes					
Asset Management Plan carried out	Quarterly	Planned maintenance activities effected within budget					
Operating Measures							
Number of events	Quarterly						
- cricket		Cricket matches		4	11		15
- other sports		Sports events	2			4	6
- community		Other events			1	1	2
Number of event days	Quarterly						
- cricket		Cricket days		13	21		34
- other sports		Sports days	2			4	6
- community		Other days			1	1	2
Numbers attending events	Quarterly	Attendance figures	400	1,600	32,000	800	34,800
Hirer satisfaction with venue and events	Quarterly	Positive formal feedback received					
Playing surface to be maintained to an international standard	Annual	Based upon NZC and ICC feedback					
Council subsidy per visitor	Quarterly	Subsidy < \$6.00 per visitor					
Financial measures							
Results within budget	Annual						
Capital expenditure – within budget	Annual						
Council % of revenue ratio	Annual	Council revenue < 35% of total revenue					
Event income	Annual	\$100,000					
Non-event income as a % of total income	Annual	75% of total income					
Business Plan developed	Annual	Submission of Business Plan					