

Wellington Regional Stadium Trust
Half yearly report to settlers
For six months ending 31 December 2011

The Trustees are pleased to present this report of operations for the six months ending 31 December 2011.

EVENTS

We have had a busy six months, with the highlight being the eight games hosted for Rugby World Cup 2011. We received positive feedback from both patrons and organisers on their experiences at Westpac Stadium.

We have had a good variety of events over the six month period, with total event days of 26, and attendance of 359,670.

<i>Event</i>	<i>Month</i>	<i>Attendance</i>
<i>Rugby</i> All Blacks v South Africa	July	28,895
ITM Cup Rugby: 5 round robin games	July & August	3,816 (avg)
Rugby World Cup – 8 games including 2 quarter finals	September & October	250,000 +
<i>Football</i> A-League: Phoenix 6 Regular season games	October to December	6,610(avg)
<i>Exhibitions</i> Italian Festival	September	2,500
Home & Garden Show	October	15,000

The Rugby World Cup proved to be an outstanding event for the region and the Trust worked closely with Councils and organisers to ensure our guests had a memorable experience inside and outside the Stadium. We were pleased to be able to make such a positive contribution to the Wellington experience.

ITM Cup Rugby attendances were the lowest average attendance we have had since opening. Due to Rugby World Cup the games were scheduled across a compressed time frame, and included 3 mid-week games.

The A-League season commenced later this year in October (previously it started in August). Attendances for the first six games have been lower than in the previous season, but they have improved as the season has progressed and team performance has improved.

The timing of both our exhibitions were affected by Rugby World Cup and were held later than in previous years.

Rugby World Cup also affected the availability of the venue for community events, and only two were held during the period – the NZ Secondary Schools Road Race, and a training day for defence staff.

CUSTOMER SATISFACTION

During the six month period we completed our annual members and corporate box surveys.

The members' survey was conducted in August 2011 following the All Blacks test match. We received responses from 193 members, which is about the average for the last six years. The low response rate possibly indicates a reasonable level of satisfaction amongst members.

Overall there was a slight drop in ratings with the average for the overall membership experience decreasing from 7.1 to 6.7 (out of 10). It was pleasing to see there was an improvement in rating of food and beverage services across all three members' lounges. Members also recognised the improvement in bar service

We acknowledge that some members were unhappy that they were asked to give up their right to the lounges for the Rugby World Cup. However we were pleased that after a lot of persistent work, lounge access was available to members and box holders for all but one pool game and the two quarter finals. Those who used the lounges were very grateful for the opportunity.

The corporate box survey was completed in December and January. The result was a good rating of 7.4 compared to 7.5 in the previous year. Again the relatively small response probably indicates that there is a reasonable level of satisfaction with our box service.

The Trust acknowledges that both members and box holders gave up rights to access lounges or their boxes for the Rugby World Cup and we thank them for that support.

We also continue to monitor food and beverage queues at most events, and these generally comply with the minimum operating KPI standards.

MAINTAINING AND ENHANCING THE FACILITY

Asset Management Plan & Stadium Master Plan

The contractors have completed their work on the exterior cladding and the roof.

International sports architects, Populous, have finalised design concepts. We are now identifying project costs, assessing options and preparing an implementation plan for approval by the Trustees. The initial focus is on benefits we need to provide members, boxes and the public, by 2014, when membership and box licences come up for renewal. Further consultation will take place in 2012 and plans will be communicated to the public in late 2012.

Capital Expenditure

Capital expenditure during the period has included upgrading the Pavilion Bar on the concourse, a new people mover capable of carrying wheelchairs, new irrigation at the turf farm and various other smaller items.

Turf

The turf came through the eight games of Rugby World Cup in very good condition and was used for an A-League game the week after the tournament. There was no concern about the state of the turf. Further renovations will take place during the summer.

The construction of transporter wheels for the portable wicket has commenced and we expect to take delivery of these in the next few months. Previously we hired these from Eden Park.

FINANCIAL RESULTS

The net surplus for the six months ending 31 December 2011 is \$2.3 million compared to a budget of \$1.9m.

Event revenues are \$1.64m ahead of budget, offset by event expenditure being \$1.67m ahead of budget. This occurs because Rugby World Cup was budgeted for on a net basis, but the reported results include gross revenues received, and associated costs incurred.

The positive variance on sundry income largely arises from carpark income being ahead of budget.

During the period we transferred our term loan from ANZ to Westpac. The Trust is very appreciative of the funding support it has received from ANZ since prior to the opening of the Stadium. We look forward to building this aspect of our relationship with Westpac.

The value of turf management services provided at no cost to the Basin Reserve Trust during the six months was \$153,869.

INSURANCE

We completed the renewal of insurance during this period. We are pleased to be able to arrange full cover to the levels of previous years, though the premium has increased by over 100% in line with the market place movement following the Canterbury earthquakes.

OTHER MATTERS

Risk Management

During the period we undertook another business continuity training exercise with all our staff.

CONCLUSION

The Trust was very pleased to be able to be part of the successful delivery of Rugby World Cup 2011, as well as numerous other events during the period. We look forward to another busy six months ahead.

Paul Collins
Chairman
February 2012