

EXECUTIVE SUMMARY

The Stadium hosted 61 events during the year ended 30 June 2014, well ahead of the 46 planned events for the period. Attendance was 439,638 – almost the same as the previous year. The Trust has developed a diverse range of revenue streams which confirms its genuine multi-purpose venue status. Cumulative attendance at the Stadium since its opening in 2000 surpassed 7.7 million visitors with 1.8 million visiting from outside the Wellington region. A recently completed economic impact and community contribution study has calculated 1.8 million visitors to Wellington have contributed an additional \$889 million spending in the region's economy since opening in 2000.

Net surplus for the year was \$2.4m and exceeded the Trust's target by \$854k. Operating cash flow was \$3.6m versus target of \$2.75m, a positive variance of \$857k. This resulted in lower borrowings during the year. At year end, bank debt was \$10.89m (or \$1.1m below forecast) while the Trust still funded \$6.6m in capital expenditure. The main capital projects included the construction and opening of the East Mezzanine Lounge during the year, installation of wet pour systems in part of the stadium, the addition of the external facing window to the Level 3 members lounge and new food carts for the concourse. These areas have been well received by both the public and by Stadium members. They have allowed the Stadium to increase the variety of food items offered in the venue and to improve the service of beer via the wet pour systems.

The Stadium's memberships & corporate box renewals programme has begun and will continue to be a significant strategic focus for the Trust this year. The Trust reports that its Master Plan for the Stadium is flexible and constantly under review to assess any changes in the balance between service improvements and financial capability so that it continues to invest in the Stadium while remaining financially autonomous.

SUMMARY FINANCIALS

FINANCIAL PERFORMANCE						<i>Budget</i>	<i>Variance</i>
(\$'000)	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-14	30-Jun-14
Total Revenue	17,724	16,733	18,715	16,702	16,333	15,720	613
Opex before Interest & Depn	9,279	9,021	10,650	9,504	9,799	9,460	339
Interest & Depn	4,822	4,242	4,152	4,136	4,292	4,680	(388)
Net Surplus	3,623	3,470	3,913	3,062	2,242	1,580	662
FINANCIAL POSITION							
Total Assets	99,303	98,004	96,598	96,950	99,743	99,970	(227)
Bank borrowings	13,500	11,000	7,500	7,930	10,890	12,000	(1,110)
Total Liabilities	31,146	26,377	21,058	18,348	18,899	20,040	(1,141)
Equity	68,157	71,627	75,540	78,602	80,844	79,930	914
CASH FLOWS							
Operating Cash Flow	4,806	4,092	5,345	3,462	3,617	2,790	827
Investment Cash Flow	(778)	(2,770)	(1,213)	(5,364)	(6,602)	(6,450)	152
Financing Cash Flow	(4,800)	(2,500)	(3,500)	430	2,960	3,800	(840)
Net Cash Flow	(772)	(1,178)	632	(1,472)	(25)	140	165
Opening Cash	2,926	2,154	976	1,608	136	870	(734)
Closing Cash On Hand	2,154	976	1,608	136	111	1,010	(899)

Total revenue for the year to 30 June 2014 was \$16.3m and over budget by \$613k. The Trust's net surplus of \$2.2m exceeded budget by \$662k. This outcome was led by the higher revenue and lower than forecast depreciation and interest (which were contained below budget by \$388k). Other operating expenses were above budget by \$339k which moderated the positive variances somewhat to the overall improvement on budgeted net surplus of \$662k.

Operating cash flow was strong at \$3.6m, exceeding budget by \$827k. Capital expenditure was \$6.6m for the year and close to the Trust's forecast. The Trust's strong operating cash flow meant it did not borrow as much as forecast and this translated to an overall \$899 reduction (below budget) in cash on hand at year end.

As noted, the balance sheet records bank debt at \$10.89m (\$1.1m less than budget) due to stronger than forecast operating cash flows.

ISSUES & OUTLOOK

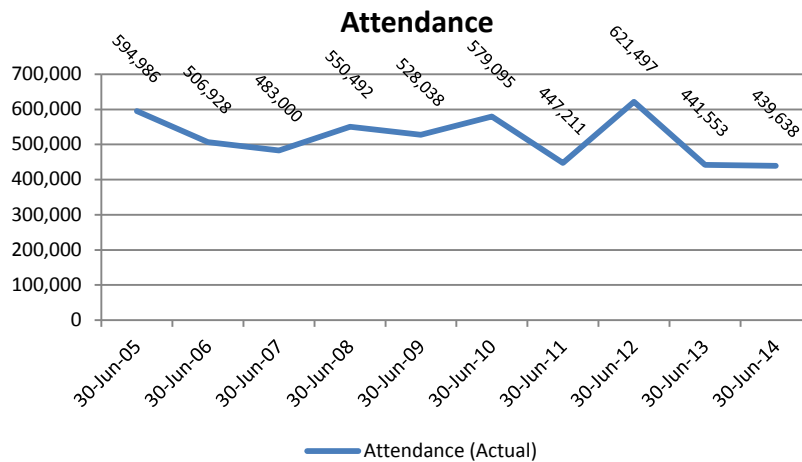
When the Stadium was built 15 years ago (it opened in 2000), it sold 2,600 fixed term memberships and 54 boxes to corporates and individuals which mature (i.e. terminate) at the end of 2014. Membership and corporate box renewals are well underway, and the major redevelopment of the Clubroom on Level 3, has provided a facility with enhanced levels of service to existing members and a major selling point for potential members. The options on offer have varying terms which will create a staggered tail for future expiries and renewals so the cash flow risk is spread in future.

Crowd attendance remains a key focus for the Trust with two diverging trends emerging. On the one hand standalone events such as the Sevens, the All Whites World Cup qualifier and the Bledisloe Cup (among others) have drawn very good crowds. On the other hand crowds at the regular season sporting events for the Stadiums anchor tenants (rugby and football) have been challenging and the shift toward one-off and varied major events is being experienced across New Zealand by other stadiums which exacerbates the challenging proposition for both the venues and the codes in hosting regular season sporting events. The Trust's response (and role) in increasing attendance is to improve the live experience by improving the environment for customers and the level of service. The investment in the Stadium Master Plan reflects this and the recently opened Mezzanine Lounge represents the most significant investment in the fan experience since the Stadium opened. In addition, the Trust is taking a more collaborative and proactive approach with its anchor tenants in developing strategies that attract crowds.

The Trust has developed a number of themes to form the basis of its planning over the next three years. These include: the Stadium to be central in any future regional venues strategy, renewed focus on retaining and attracting domestic and international events, improving the fan experience, maximising existing revenues and exploring new revenue opportunities.

In 2015 the Stadium will host both the ICC Cricket World Cup and the FIFA Under 20 World Cup. This will be one of the Stadium's most active years since opening in 2000 and will leverage the experience of the 2011 Rugby World Cup to the benefit of tournament organisers and fans.

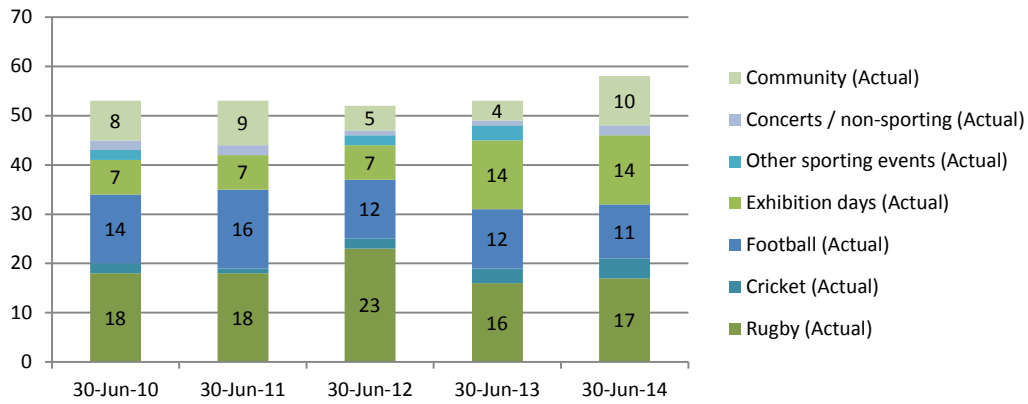
EFFECTIVENESS INDICATORS



In the years ended 30 June 2011, 2013 and 2014 the attendance figures were closely grouped around 440,000 patrons. The exception was 2012 which recorded the 2011 Rugby World Cup event. Aside from the RWC2011, the attendance figures are (at best) static. This highlights both the importance of major sporting events in increasing the utilisation of the Stadium – not to mention other economic benefits for Wellington – and also the importance of a loyal base of supporters that provide a reliable and ongoing level of patronage. It also highlights the importance of a diversified events calendar (next graph).

EFFECTIVENESS INDICATORS

Events Calendar



A diversified calendar of events is important in maintaining the attendance levels at the Stadium, as is the diversified income streams related to these. The Stadium hosted 61 events during the year to 30 June 2014, a number of which were community events, and comfortably exceeded the target of 46 events. The forecast for 30 June 2015 is 52 events.

Rugby (Sevens, All Blacks, ITM Cup and Super Rugby) with 17 events, football (Wellington Phoenix and All Whites) with 11 events and Cricket (HRV Cup and Black Caps) with 4 events are the cornerstone sporting codes for the Stadium.

In terms of community support, during the year the Trust assisted the NZ Fire Service training, Sport Wellington School Sports Day, NZ Army training, the Wellington Marathon, the TV Takeback recycling programme and the PNP Cycle Club Race Day.

Exhibitions have added to the Stadium's reputation as a multi-purpose venue. Beervana, the Home and Garden Show, The Food Show, Better Home and Living and Armageddon have become regular events at the Stadium. During the year, a record 63,134 visitors attended exhibitions over 14 days, up from 60,596 the previous year.



2014
ANNUAL REPORT

WELLINGTON REGIONAL STADIUM TRUST (INC)



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SPONSOR'S MESSAGE

2014 has been another excellent year for Westpac Stadium.

It hosted a record-equalling 51 events, attracted some of the biggest crowds in several years and opened the first stages of an exciting new redevelopment to the public.

Westpac is proud of its sponsorship, which continues to deliver large economic, cultural and community benefits for Wellington and New Zealand.

Highlights of the past year include the Bledisloe Cup rugby test, the One Day International between the Black Caps and India, which drew the largest cricket crowd in several years, and nearly 34,000 people attending the All Whites World Cup qualifier with Mexico.

About 15,000 of the fans attending the Mexico clash were from outside the Wellington region, generating an estimated \$7 million for local businesses. This typifies the benefits Westpac Stadium has for the local economy.

Alongside its economic contribution, Westpac Stadium continued to support the community, more than doubling the number of community events it hosted, including Sport Wellington School Sports Day, the Wellington Marathon and Fire Service and Army training days.

The Stadium also registered record attendance for a range of exhibitions including The Food Show, The Home and Garden Show and Beervana.

Looking ahead there is plenty to be excited about with a varied line up of sporting, community and lifestyle events planned for 2015. Westpac Stadium will also continue with its multi-year redevelopment, which this year featured the opening of a new Mezzanine Lounge to the public.

I'd like to acknowledge and congratulate the Westpac Stadium Board, management and staff for delivering another year of outstanding sport, culture and community events.

Westpac has a strong history in Wellington and has sponsored the Stadium since it opened. We look forward to that relationship continuing and many more world class events at Westpac Stadium in the future.

David McLean
Acting Chief Executive
Westpac New Zealand Limited

ARMAGEDDON EXPO
31 MAY-2 JUNE 2014



CHAIRMAN & CHIEF EXECUTIVE'S REPORT

Fifteen years ago Westpac Stadium opened its doors for the first time. Backed by Greater Wellington Regional Council, Wellington City Council and the Community Trust of Wellington as well as the support of 2,600 Wellingtonians who took out memberships and 60 companies and individuals who committed to corporate boxes, in addition to our principal sponsor, Westpac, we collectively took a leap of faith on building a modern, multi-purpose stadium that would inject new life into the city and region.

Every five years we have conducted an economic impact and community contribution study of the benefits that the Stadium has brought to the region. Our recently completed 15-year study shows that almost 7.8 million visits have been made by people attending events at the Stadium. Of these visits, around 1.8 million have been from people outside the Wellington region spending an additional \$889 million in the region's economy, more than two and half times original estimates. The return on the original investment has been exceptional.

Our fifteenth year has been a very active one in which we achieved the following:

- 51 major event days which is the equal highest since the Stadium opened
- A net surplus of \$2.24m
- The opening of the new Mezzanine Lounge
- Over 400,000 fans attended events at the Stadium for the 15th year in a row
- The launch of our new public food offering
- Commencement of the renewal of memberships and corporate boxes as well as new customer acquisition campaigns.

The upcoming year will be one of the most active since the Stadium opened in 2000. We will host both the ICC Cricket World Cup and the FIFA U20 World Cup which will be an exciting time for the region.

Our experience with Rugby World Cup 2011, in areas of logistics, match day operations, cost management and working with tournament organisers will assist the Cricket and Football World Cups meet their goals for their respective tournaments. We have developed strong working relationships with the Local Organising Committees for both events, and meet regularly.

Crowds remain a key focus. We are seeing two diverging attendance trends emerging. On one hand we have experienced exceptional crowds at standalone major events such as the Sevens, the All Whites World Cup Qualifier, the Bledisloe Cup, the AFL, the NRL and BlackCaps cricket games. On the other hand we recognise the effect of flat crowds on both the Stadium, and our anchor tenants, rugby and football. This market shift towards one-off and varied major events is being experienced across New Zealand and other stadiums, making regular season sporting events an increasingly challenging proposition for both venues and the codes.

The Trust's role in increasing attendance is to improve the live experience by improving the environment for customers and the level of service. Our investment in the Stadium master plan reflects that, in particular the current focus on those aspects that are designed to improve the fan experience. The recently opened Mezzanine Lounge represents the most significant investment in the fan experience since the Stadium opened. In addition, the Trust is taking a more collaborative and proactive approach with its anchor tenants in developing strategies that attract crowds.

Membership and corporate box renewals are well underway, and the major redevelopment of the Clubroom on Level 3, which was completed last year, has provided a facility with enhanced levels of service to existing members and a major selling point for potential members.

The Trust has identified what we believe are going to be the key issues and opportunities over the next few years and how we can position ourselves optimally. The Trust has developed a number of strategic themes that will form the basis of our planning for the next three years. These themes are as follows:

- For Westpac Stadium to be central to a future regional venues strategy
- Renewed focus on retaining and attracting domestic & international events
- Strengthening the stadium's marketing and branding
- Improving the fan experience
- Strengthening relationships with our hirers
- Maximising existing revenue streams and exploring new revenue opportunities
- Ensuring Westpac Stadium remains a world class facility

During the year, we bade farewell to three Trustees with 23 years of collective experience between them; Sir John Anderson, Chris Laidlaw and John Morrison. We are very grateful for the support and expertise each offered over the years. In their place we welcomed in Cr. Simon Marsh, Cr. Nigel Wilson and Rachel Taulelei.

SEVENS TOURNAMENT
7-8 FEBRUARY 2014



EVENTS

WELLINGTON LIONS 2013

vs North Harbour	WIN	35-27
vs Manawatu	WIN	42-15
vs Bay of Plenty	WIN	33-16
vs Canterbury	WIN	25-19
vs Auckland	WIN	38-16
vs Counties Manakau (SF)	WIN	41-10
vs Canterbury (Final)	LOSS	13-29

HURRICANES 2014

vs Highlanders (2013)	LOSS	44-49
vs Brumbies	LOSS	21-29
vs Cheetahs	WIN	60-27
vs Blues	WIN	39-20
vs Reds	WIN	35-21
vs Highlanders	LOSS	16-18
vs Chiefs	WIN	45-8
vs Crusaders	WIN	16-9

Another full calendar year saw 61 events, which included 10 community event days held at the Stadium. The 51 major events were equaled in number only in 2011/12 since the Stadium opened. 439,638 fans streamed through the gates, our 15th successive year of crowds of over 400,000. This figure was on par with the previous financial year. Cumulative attendance at the Stadium surpassed 7.7 million.

RUGBY

ALL BLACKS VS AUSTRALIA, 24 AUGUST 2013

A sell-out crowd of 35,583 saw the All Blacks beat Australia 27-16 in Round 3 of the inaugural Rugby Championship. This was the largest test crowd in five years.

The event took place just eight days after the earthquake on 16 August, and while a subsequent structural engineering assessment gave the Stadium the green light to host the Test, there was still a substantial amount of minor repairs and cleaning to ensure readiness for the match. We are very grateful to our staff and key contractors who pulled out all the stops to make this happen.

ITM CUP

The Wellington Lions had a very successful season, losing just one game in the regular season on their way to hosting Canterbury in a home final, the first in Wellington since 2008. A good crowd of 14,969 saw the Lions fall at the final hurdle. There was an average attendance of 4,281 for the regular season down from 5,018 the previous year.

SUPER RUGBY

In a very even Super Rugby competition, the Hurricanes overcame a slow start to the season to be in a position to compete for a finals berth. Unfortunately this was not to be in 2014. However the foundations are laid for a promising future. The Hurricanes played eight games at the Stadium in the reporting period (one in 2013 and seven in 2014). Average crowds for the 2014 season were 10,884, on par with the previous season's average of 10,938. Pleasingly crowds increased as the season progressed, culminating in an attendance of 15,502 for the Crusaders match; the highest Super Rugby crowd at the Stadium in two years.

We welcome Chris Boyd as new coach of the Hurricanes for the 2015 season, and we bid farewell to Mark Hammett, and wish him well in his future, in particular his new role as coach of the Cardiff Blues.



WELLINGTON VS CANTERBURY
21 September 2013



HURRICANES VS HIGHLANDERS
16 May 2014

EVENTS

WELLINGTON SEVENS

New Zealand recaptured the Wellington Sevens crown, defeating South Africa 21-0 in the final. 52,533 fans attended the Stadium over the two days of the event.

The introduction of the Sale and Supply of Alcohol Act in December as well as the policing of the Act provided a number of well documented challenges this year for the Sevens. These changes have occurred at a time where there is also a wider societal shift in attitudes regarding excess consumption of alcohol.

However, much of the media coverage gave the impression that standards for this year's event have slipped compared to previous years, which from a Stadium perspective is simply not the case.

This year saw a 14% decline in beer consumption per patron year-on-year - and a 50% decline since 2008.

Wellington Free Ambulance's stadium team treated 21 intoxicated patients this year from a crowd of nearly 60,000 - half the number treated in 2013. While we ultimately wish to see this number as zero, there has been a significant downward trend over the past six years in alcohol consumed at the Stadium.

However there is always room for improvement and the Stadium will work closely with police and tournament organisers to achieve the appropriate balance.

CRICKET

Westpac Stadium hosted two BlackCaps matches during the year. New Zealand defeated West Indies by 4 wickets in a Twenty20 international in front of 11,298 fans on 15 January. The BlackCaps returned two weeks later to defeat India by 87 runs in a One Day International in front of 13,811 fans, the largest ODI crowd at the Stadium in six years.

The Stadium also hosted two HRV Cup Twenty20 matches featuring the Wellington Firebirds.

FOOTBALL

WELLINGTON PHOENIX

The Wellington Phoenix had a tough season finishing ninth on the Hyundai A-League table. Average crowds for 2012/13 were 6,694, up slightly from 6,512 the previous year. New coach Ernie Merrick ushered in an exciting brand of football and the Phoenix look forward to next season with some optimism. Although crowds are below what the Stadium and the Phoenix wish to see, it was encouraging to see consistency in crowd numbers.

ALL WHITES

Westpac Stadium hosted the 2014 FIFA World Cup Intercontinental Playoff where the All Whites took on Mexico on Wednesday 20 November 2013. 33,626 fans attended the match, including 15,000 from outside the region, generating an estimated \$7 million for the local economy.

This was arguably the highest profile event ever held at the Stadium with upwards of 400 media in attendance including large crews from Mexico and the USA.

Although the All Whites lost the first leg 5-1, the return leg proved highly entertaining with the home side going down 4-2.

WELLINGTON PHOENIX 2013/14		
vs Brisbane Roar	LOSS	1-2
vs Western Sydney	DRAW	0-0
vs Brisbane Roar	LOSS	1-2
vs Sydney FC	WIN	1-0
vs Central Coast Mariners	DRAW	1-1
vs Melbourne Victory	WIN	5-0
vs Melbourne Heart	LOSS	0-5
vs Perth Glory	DRAW	1-1
vs Adelaide United	LOSS	0-1
vs Melbourne Victory	LOSS	1-4



PHOENIX FC VS BRISBANE ROAR
14 December 2013



BLACKCAPS VS WEST INDIES
15 January 2014



ALL WHITES VS MEXICO
20 NOVEMBER 2013

EVENTS

AFL

Westpac Stadium hosted its second AFL Premiership game this year when St Kilda hosted Brisbane Lions on Anzac Day. In an exciting game the Lions pipped the Saints 82-79.

The crowd of 13,285 fell well short of the 22,183 fans that turned out for the inaugural game in 2013. Two long holiday weekends in a row most likely had an impact on attendance.

The AFL is exploring the possibility of a day game in 2015 which should go a long way towards restoring crowds.

RUGBY LEAGUE

The NZ Warriors are always a major draw card in the capital and 2014 proved no exception. A good crowd of 18,653 saw the Warriors secure their first ever victory in Wellington posting a 54-17 win over Wests Tigers.

The Trust is keen to secure a Warriors match as an annual fixture and believe there is capacity for more rugby league in Wellington.

In 2014 it was announced that Westpac Stadium would host the final of the Rugby League Four Nations tournament. This will take place in November 2014. This is a huge coup for the city and will hopefully see another big crowd with large visitor numbers from outside the region.

EXHIBITIONS

Exhibitions add to Westpac Stadium's reputation as New Zealand's premier multi-purpose venue. Beervana, the Home and Garden Show, The Food Show, Better Home and Living and Armageddon have become regular events at the Stadium. A record of 63,134 visitors attended exhibitions over 14 days this year, up from 60,596 the previous year.

COMMUNITY EVENTS

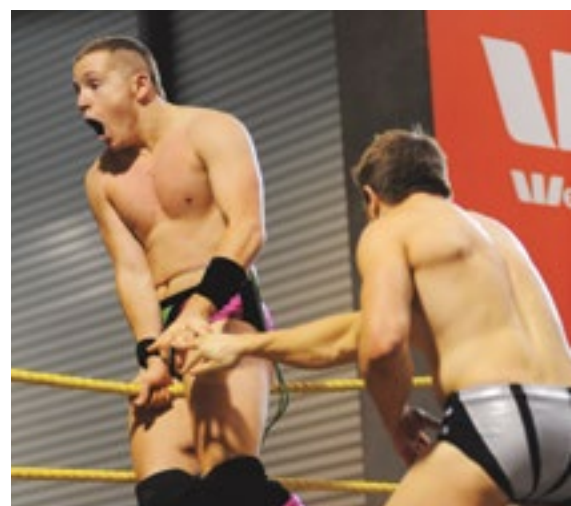
As the manager of a regional community asset, the Trust tries to incorporate as many community events as possible each year. We were delighted to assist with NZ Fire Service training, Sport Wellington School Sports Day, NZ Army training, the Wellington Marathon, the TV Takeback recycling programme and the PNP Cycle Club Race Day.



ST KILDA VS BRISBANE LIONS
25 April 2014



WARRIORS VS WESTS TIGERS
29 March 2014



ARMAGEDDON EXPO
31 May-2 June 2014

EVENTS HELD DURING THE YEAR

DATE	EVENT	ATTENDANCE
6 July 2013	Super Rugby: Hurricanes vs Highlanders	8,409
9-10 August 2013	Exhibition: Beervana	8,347
24 August 2013	Rugby Test: All Blacks vs Australia	35,583
28 August 2013	ITM Cup: Wellington vs North Harbour	2,296
1 September 2013	ITM Cup: Wellington vs Manawatu	4,751
6 September 2013	Paint Party	648
12 September 2013	ITM Cup: Wellington vs Bay of Plenty	2,441
21 September 2013	ITM Cup: Wellington vs Canterbury	4,557
27-29 September 2013	Exhibition: Home & Garden Show	15,000
5 October 2013	ITM Cup: Wellington vs Auckland	7,363
13 October 2013	A League: Phoenix FC vs Brisbane Roar	8,039
18 October 2013	ITM Cup: Wellington vs Counties Manakau Semi Final	6,903
26 October 2013	ITM Cup: Wellington vs Canterbury Final	14,969
20 November 2013	Football: All Whites vs Mexico	33,626
22 November 2013	Cricket: HRV Cup T20 Wellington vs Central Districts	782
23 November 2013	Cricket: HRV Cup T20 Wellington vs Auckland	855
1 December 2013	A League: Phoenix FC vs Western Sydney Wanderers	6,767
14 December 2013	A League: Phoenix FC vs Brisbane Roar	6,127
22 December 2013	A League: Phoenix FC vs Sydney FC	6,132
12 January 2014	A League: Phoenix FC vs Central Coast Mariners	6,651
15 January 2014	Cricket T20: New Zealand vs West Indies	11,298
18 January 2014	A League: Phoenix FC vs Melbourne Victory	6,036
26 January 2014	AFL: NZ Hawks vs AIS-AFL Academy	609
31 January 2014	Cricket ODI: NZ vs India	13,811
7-8 February 2014	Sevens Tournament	52,533
16 February 2014	A League: Phoenix FC vs Melbourne Heart	9,431
7 March 2014	Super Rugby: Hurricanes vs Brumbies	8,066
9 March 2014	A League: Phoenix FC vs Perth Glory	6,312
15 March 2014	Super Rugby: Hurricanes vs Cheetahs	7,666
29 March 2014	NRL: Warriors vs Wests Tigers	18,653
30 March 2014	A League: Phoenix FC vs Adelaide	6,252
12 April 2014	A League: Phoenix FC vs Melbourne Victory	5,197
18 April 2014	Super Rugby: Hurricanes vs Blues	11,232
25 April 2014	AFL: St Kilda vs Brisbane Lions	13,285
26 April 2014	Super Rugby: Hurricanes vs Reds	10,369
2-5 May 2014	Exhibition: Better Home & Living	11,304
9-11 May 2014	Exhibition: The Food Show	12,105
16 May 2014	Super Rugby: Hurricanes vs Highlanders	13,019
24 May 2014	Super Rugby: Hurricanes vs Chiefs	10,334
31 May-2 June 2014	Exhibition: Armageddon	16,378
28 June 2014	Super Rugby: Hurricanes vs Crusaders	15,502
	TOTAL ATTENDANCE	439,638

THE FOOD SHOW
9-11 MAY 2014



FINANCIAL PERFORMANCE

Our net surplus for the year was \$2.24 million which is a decrease from the 2013 surplus of \$3.06m but ahead of our budgeted surplus for the year of \$1.58m.

Annual attendance was very similar to the previous financial year, but the mix of events and associated revenue streams will always vary from year to year. Together with our hirers we continually seek to grow attendance across all events. With the large range of events hosted here, we do have a diverse range of revenue streams which helps to counter changes in attendance.

Insurance remains a significant expense for the Trust, being our single largest expense after personnel costs.

While the Stadium did not suffer structural damage following the two earthquakes in 2013, the quantum of minor repairs across the site did add up. However we were pleased that the building operated as designed, and in particular that we were able to host the Bledisloe Cup match eight days after the August earthquake.

Significant investment of time and resources has been put into the membership and box renewal process and this will continue with the new terms being much shorter than the original 15 years.

The major capital expenditure items during the year have been the construction of the East Mezzanine Lounge, installation of wet pour systems in part of the stadium, the addition of the external facing window to the Level 3 members lounge, and new food carts for the concourse. We are pleased with the operation of all these areas.

MASTER PLAN PROGRESS

Like other stadiums, we face the ongoing challenge to maintain and enhance our facility in order to meet public expectations. There has been substantial local and national government investment in stadiums across Australia in recent years in an effort to compete with the at-home experience. Other New Zealand venues saw significant investment in the lead into Rugby World Cup 2011. The improvements planned in the Stadium's master plan are designed to ensure that the facility remains both competitive and is world class.

A significant component of the master plan, the new Mezzanine Lounge, opened in April 2014. It provides a world class public facility with fantastic views of the harbour. This is the first major investment in the public experience since the Stadium has been built and will be unrivalled in New Zealand. The new lounge features a significantly enhanced food and beverage offering. The Mezzanine Lounge will also be an important new asset for the region for use as a function space on non-events days.

The Trust's master plan is flexible. Projects are constantly reviewed to assess (a) whether priorities have changed and (b) the Trust's financial position and its ability to continue to invest while remaining financially autonomous. This approach however does create its own challenges for the Stadium in being able to meet the market expectations while also being financially prudent.



WELLINGTON PHOENIX



ALL BLACKS VS AUSTRALIA
24 August 2013



DELOITTE CLUBROOM OPENING
July 2013

BASIN RESERVE

The Trust provides the ground management services to the Basin Reserve Trust. The Basin Reserve is once again rated very highly by players and officials.

The ground hosted:

Cricket match days	47
Other events	5
Cricket practice days	57

During the year, Trust staff also provided resources and turf management assistance at the Karori Park cricket ground.

TURF MANAGEMENT

Our turf team continues to do an exceptional job in delivering world class surfaces for our hirers. We received very high praise from the FIFA match commissioner for the All Whites World Cup Qualifier against Mexico.

The team is exploring options for the eventual full replacement of the turf which is expected to take place in 2016.

DELOITTE CLUB MEMBERSHIPS AND CORPORATE BOXES

The original memberships and corporate box programme comes to an end at the end of 2014.

We commenced our renewal programme during the year and have just recently launched a public campaign for new memberships for the first time in 15 years.

We take this opportunity to thank those members and boxholders for the commitment and loyalty over the past fifteen years. Without their initial support the Stadium would not have been possible. This support has enabled Wellington to attract numerous major events which have significantly benefited the city and region.

KEY SPONSORS

We are very grateful to the team at Westpac for the long term support and sponsorship they provide. The partnership is one of the longest in New Zealand sport.

As with Westpac, Deloitte have been a sponsor with the Stadium since it opened in 2000 and we thank them for their support.

CATERING

This year we significantly revamped our public food offering. Stadium caterer Spotless launched a whole new range of food items including Chicken Fillet Burgers, Nasi Goreng, Beef and Yorkshire Pudding, Pulled Pork Rolls, Steak Sandwiches, Pasta and Meatballs and Vegetarian Burritos. Feedback on the new menu has been very positive.

Over the year we also commenced the rollout of a wet pour beer system. This was completed along the Eastern Concourse during the year and work has commenced on the Western Concourse. This will enable breweries to offer a greater range of beverages than in the past and provides a better product experience for our fans.



ALL BLACKS VS AUSTRALIA
24 August 2013



WELLINGTON LIONS
28 August 2013



WELLINGTON FIREBIRDS V CENTRAL DISTRICTS
22 November 2013

ACKNOWLEDGEMENTS



MEZZANINE LOUNGE OPENING
April 2014



SEVENS TOURNAMENT
7-8 February 2014



MEZZANINE LOUNGE OPENING
April 2014

There was substantial change to the Board of Trustees over the year following the retirement of three long standing Trustees.

Sir John Anderson (first appointed July 2006), Chris Laidlaw (first appointed November 2004) and John Morrison (first appointed November 2007) all stepped down during the year. With 23 years of collective experience on the Board between them, we are very grateful for the support and expertise each offered over the years.

We welcomed Paul Eagle on the board as Wellington City Council's representative. Paul stepped aside later in the year to be replaced by Councillor Simon Marsh. We welcomed Councillor Nigel Wilson as the Greater Wellington Regional Council representative.

We also welcome Rachel Taulelei as a new Trustee. As founder and CEO of Yellow Brick Road, Rachel brings rich expertise in the areas of catering and service which will be invaluable as we constantly strive to improve in these areas. In 2015 we will also welcome Therese Walsh onto the Board. Therese is one of New Zealand's leading sports administrators and will join us when her commitments as Head of New Zealand for ICC Cricket World Cup 2015 come to an end.

The Trust strives to provide a diverse and balanced calendar of events and to achieve this we rely on the assistance of both our key stakeholders, the Wellington City Council and Greater Wellington Regional Council. We are very appreciative of the support provided by the Councils in helping us to make a contribution to the lives of the citizens in the region.

With a small team of staff, we are very reliant on our stable and committed group of suppliers and contractors who are often asked to provide services at short notice with tight time frames. We thank them for their professionalism and contributions.

We would not have an operating Stadium if it were not for the events that our clients bring to the venue. We are most appreciative and thank:

- Wellington Rugby Football Union
- New Zealand Rugby Union
- Wellington Phoenix Football Club
- New Zealand Football
- Cricket Wellington
- New Zealand Cricket
- St Kilda Football Club and the AFL
- New Zealand Rugby League
- New Zealand Warriors and the NRL
- Jade Promotions
- North Port Events
- Beervana
- Armageddon

We thank our small dedicated team led by our senior management team of Linda Rieper, Katherine Andersen, Brian Stirton and Mark Nunn.

Most importantly, we thank all of you who attended events during the last year, and we look forward to providing you with memorable experiences in the years ahead.

John Shewan
Chairman

Shane Harmon
Chief Executive

FINANCIAL STATEMENTS



WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	2014 \$'000	2013 \$'000
Revenues			
Event Revenues		5,806	6,097
License Fees and Sponsorship Revenues		5,329	5,685
Amortisation of Membership, Corporate Box and Sponsorship Funding		2,846	2,788
Interest income		10	24
Sundry income	1	2,342	2,108
TOTAL REVENUE		16,333	16,702
Less Operating Expenses			
	2	9,799	9,504
Operating Surplus before Depreciation & Finance costs			
Less:			
Depreciation	7	3,588	3,566
Finance costs	3	704	570
TOTAL COMPREHENSIVE INCOME		2,242	3,062

The accompanying accounting policies and notes form part of these financial statements

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	NOTES	2014 \$000	2013 \$000
TRUST FUNDS			
Accumulated Surplus		80,844	78,602
NON-CURRENT LIABILITIES			
Limited Recourse Loans			
Greater Wellington Regional Council	4	934	781
Wellington City Council	4	560	468
Wellington City Council - Accrued Interest	4	6	5
Total Limited Recourse Loans		1,500	1,254
Other Non-Current Liabilities			
Revenue in Advance		35	1,427
Borrowings	5	10,890	7,930
Total Other Non-Current Liabilities		10,925	9,357
CURRENT LIABILITIES			
Revenue in Advance		5,132	6,302
Payables	6	1,342	1,435
Total Current Liabilities		6,474	7,737
TOTAL FUNDING		99,743	96,950
Represented by:			
NON-CURRENT ASSETS			
Property Plant & Equipment	7	98,535	95,654
Total Non-Current Assets		98,535	95,654
CURRENT ASSETS			
Cash & Cash Equivalents		111	136
Receivables & Prepayments	8	1,097	1,160
Total Current Assets		1,208	1,296
TOTAL ASSETS		99,743	96,950

On behalf of the Trustees:



TRUSTEE

25 August 2014



TRUSTEE

25 August 2014

The accompanying accounting policies and notes form part of these financial statements

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	2014 \$000	2013 \$000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
Cash was provided from:			
Event and operating income		5,781	6,203
License fees and sponsorships		5,681	5,456
Interest received		10	24
Goods and services tax (net*)		32	-
Sundry income		2,278	2,106
		13,782	13,789
Cash was applied to:			
Payments to suppliers and employees		(9,599)	(9,765)
Interest paid		(566)	(498)
Goods and services tax (net*)		-	(64)
		(10,165)	(10,327)
Net cash inflow from operating activities	14	3,617	3,462
CASH FLOWS (USED IN) INVESTING ACTIVITIES			
Cash was provided from:			
Disposal of property, plant & equipment		2	3
Cash was applied to:			
Purchase of property, plant & equipment		(6,604)	(5,367)
Net cash (outflow) from investing activities		(6,602)	(5,364)
CASH FLOWS (USED IN) FINANCING ACTIVITIES			
Cash was provided from:			
Loan drawdown		2,960	430
Net cash inflow from financing activities		2,960	430
NET INCREASE/(DECREASE) IN CASH HELD		(25)	(1,472)
Cash at beginning of the period		136	1,608
CASH AT END OF THE PERIOD		111	136
Composition of cash:			
Cash at bank		111	136
		111	136

* 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 accounting policies and notes form part of these financial statements

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED) NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUNDRY INCOME

	2014 \$000	2013 \$000
Carpark income	1,442	1,252
Tenancy income	394	388
Other sundry income	506	468
TOTAL SUNDRY INCOME	2,342	2,108

2. OPERATING EXPENSES

	2014 \$000	2013 \$000
Event operating expenses	4,038	4,263
Maintenance and facility operation	2,814	2,598
Personnel	1,993	1,903
Trustee Fees	163	154
Loss on disposal of assets	63	145
Bad debt expense	15	-
Audit Fee – annual audit	32	29
Rental expense on operating leases	19	19
Other operating expenses	662	393
TOTAL OPERATING EXPENSES	9,799	9,504

3. FINANCE COSTS

	NOTE	2014 \$000	2013 \$000
Interest on Bank Loan		565	482
Interest on Limited Recourse Loans	4	245	205
Interest rate swaps – fair value adjustment		(117)	(128)
Other financing charges		11	11
TOTAL FINANCE COSTS		704	570

4. LIMITED-RECOURSE LOANS

The development of the stadium was partially funded by the Wellington City Council (\$15 million) and the Greater Wellington Regional Council (\$25 million). The funding was by way of unsecured limited-recourse loans. No interest has been charged on these loans by the Councils.

The Wellington City Council loan also includes an amount for accrued interest (face value \$394,893) which arose under a membership underwrite agreement. The interest component is not payable until both of the original Council limited-recourse loans have been repaid. The underwrite was fully repaid in a previous financial year and no further interest will accrue.

The Trust is required to pay surplus funds to the Wellington City Council and the Greater Wellington Regional Council in reduction of their loans after meeting costs, liabilities, and debt reductions and after allowing for the appropriate capital expenditure and transfers to reserves. No surplus funds are available for repayment in the current year.

Under previous NZ GAAP loans at nil interest rates were recognised at the original loan principal amounts, less any loan repayments made. NZ IAS 39 requires loans to be initially recognised at fair value and subsequently measured at amortised cost. In accordance with NZ IAS 39 the limited recourse loans have been valued at the net present value of expected future repayments, using a discount rate at of 18%. The effect of this has been a reduction in the loan carrying value. An interest charge is then recorded each year, and this is disclosed in note 3.

5. BORROWINGS

	2014 \$000	2013 \$000
Non-Current Borrowings		
Westpac New Zealand Ltd	10,890	7,930

The Westpac borrowing is secured by Composite General Security Agreement and a registered first and exclusive Mortgage over the Stadium property.

The following interest rate swaps have been entered into, effectively fixing interest rates at:

	Interest Rate	Expires
\$2.5 million	5.40%	October 2015
\$2.5 million	6.53%	October 2016
\$2.5 million	6.08%	November 2017

The remainder of the loan is on floating rates that range between 5.03% and 5.30% at balance date.

At balance date the loan limit is \$14 million, and therefore \$3.1 million remains available for drawdown if required. Repayment terms relating to the balance of the loan at 30 June 2016 will be renegotiated at or before that date.

6. PAYABLES

	2014 \$000	2013 \$000
Trade payables	340	864
Accrued expenses	750	283
Employee entitlements	219	138
Fair value of interest rate swaps	33	150
	1,342	1,435

7. PROPERTY PLANT & EQUIPMENT

	COST	ACCUMULATED DEPRECIATION	CARRYING VALUE	DEPRECIATION CHARGE
	\$000	\$000	\$000	\$000
2014				
Land	4,225	-	4,225	-
Pitch	1,186	(125)	1,061	13
Stadium Buildings	86,248	(21,448)	64,800	1,670
Fitout	16,474	(6,746)	9,728	654
Replay Screen & Production equipment	3,849	(2,201)	1,648	302
Fittings	1,591	(1,198)	393	72
Plant, machinery & equipment	26,483	(10,465)	16,018	877
Work in progress	662	-	662	-
	140,718	(42,183)	98,535	3,588
2013				
Land	4,225	-	4,225	-
Pitch	1,202	(115)	1,087	13
Stadium Buildings	83,861	(19,802)	64,059	1,647
Fitout	15,070	(6,092)	8,978	595
Replay Screen & Production equipment	3,801	(1,914)	1,887	299
Fittings	1,342	(1,129)	213	62
Plant, machinery & equipment	22,662	(9,605)	13,057	950
Work in progress	2,148	-	2,148	-
	134,311	(38,657)	95,654	3,566

There is no evidence of impairment in Property Plant and Equipment at balance date. For details of the security held by Westpac over the stadium land and buildings refer to Note 5.

8. RECEIVABLES

	2014 \$000	2013 \$000
Trade receivables	673	752
Prepayments	424	408
	1,097	1,160

9. FINANCIAL INSTRUMENTS RISK

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Trust uses interest rate swaps to manage the interest rate risk on its borrowings. The interest rates on the Trust's borrowings are disclosed in Note 5. The interest rate swaps are recorded at fair value and classified as held for trading.

CREDIT RISK

Financial instruments which potentially expose the Trust to credit risk consist of bank deposits, short term investments, accounts receivable and interest rate swaps. The Trust invests with high credit quality financial institutions. Accordingly, the Trust does not require any collateral or security to support financial instruments with organisations it deals with. There is no concentration of credit risk with respect to accounts receivable.

CURRENCY RISK

The Trust has no exposure to currency risk.

10. RELATED PARTY TRANSACTIONS

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include the settlors of the Trust, the governing body and key management personnel.

SETTLORS OF THE TRUST

Wellington City Council

During the period Wellington City Council's representative on the Board of Trustees has been:

Councillor John Morrison	until October 2013
Councillor Paul Eagle	November 2013 to May 2014
Councillor Simon Marsh	June 2014 onwards

The following transactions took place on normal commercial terms:

	2014 \$000	2013 \$000
Services provided to Council	2	297
Receivables balance outstanding	-	72
Services provided by Council	279	276
Payable balance outstanding	20	8

Details of the Advance from the Wellington City Council are given in Note 4.

The Basin Reserve Trust is a Council Controlled Organisation of the Wellington City Council. During the year the Trust provided turf management services to the Basin Reserve Trust, at no charge, to the value of \$210,989 (2013: \$232,987). Services provided and charged for were \$37,895 (2013: \$16,133) and the receivables balance outstanding was nil (2013: \$nil). Sir John Anderson, John Morrison and Paul Eagle were also trustees of the Basin Reserve Trust.

The Chief Operating Officer of the Trust, Linda Rieper, is a director of Wellington Venues Ltd which is a Council Controlled Trading Organisation of the Wellington City Council. The value of services provided by Wellington Venues to the Trust was nil (2013: \$nil). There were no other transactions with Wellington Venues in the current or prior years.

Greater Wellington Regional Council

Councillor Christopher Laidlaw was the Greater Wellington Regional Council's representative on the Board of Trustees until October 2013, when he was replaced by Councillor Nigel Wilson.

Details of the Advance from the Greater Wellington Regional Council are given in Note 4. Services provided by the Council during the year were \$12,500 (2013: \$nil). There were no other transactions with the Council during the year.

OTHER RELATED PARTIES

Certain trustees also hold governance positions in other entities' that the Trust transacts with. The Trust has written policies regarding conflicts of interests, and it is both policy and practice for Trustees with a conflict of interest to abstain from voting in the rare instances that conflicts arise.

Elizabeth Dawson is a director of Hurricanes GP, New Zealand Cricket and St Kilda Football Club. These entities are all hirers of the Stadium. She and her partner are directors of a company that leases a corporate box at the Stadium. Sue Elliott is a director of Communications Chambers who were a supplier to the Trust in 2013. Mark McGuinness is a shareholder in Welnix LP who hold the A-League license for Wellington Phoenix FC, and a director of Hurricanes GP. Steven Fyfe is on the Board of Cricket Wellington who are a tenant of the Trust. He is also the Chair of Cigna Life who are a customer of the Trust. Sir John Anderson was the Chairman of PGG Wrightson who are a supplier to the Trust.

Use of the Stadium by Wellington Rugby Football Union, Wellington Rugby, the Hurricanes and New Zealand Cricket are governed by long term agreements that were entered into prior to the opening of the Stadium.

The corporate boxes are provided under standard stadium corporate box lease agreements.

The aggregate of transactions with this group is:

	2014 \$000	2013 \$000
Revenues	1,000	2,619
Receivables balance outstanding	6	11
Purchases	428	2,183
Payable balance outstanding	4	168

Transactions and balances have been aggregated for commercial confidentiality reasons. All transactions have been undertaken within the normal course of business under standard terms and conditions.

11. COMMITMENTS

The following amounts have been committed to by the Trust, but not recognised in the financial statements:

	2014 \$000	2013 \$000
Operating leases		
Non cancellable operating lease commitments		
Within one year	19	19
Between one and five years	54	59
More than five years	68	81
	141	159
Capital expenditure		
Amounts committed to capital expenditure	-	4,378

12. CONTINGENCIES

The Trust has no contingent liabilities at 30 June 2014 (2013: Nil).

13. EVENTS AFTER BALANCE DATE

There were no events subsequent to balance date that require adjustment of amounts in the financial statements or additional disclosures.

14. RECONCILIATION OF NET OPERATING SURPLUS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2014 \$000	2013 \$000
Net surplus for the year (total comprehensive income)	2,242	3,062
Impact of changes in working capital items		
(Increase)/Decrease in receivables and prepayments	63	(284)
(Decrease)/Increase in revenue in advance	(1,170)	31
(Decrease) in payables and provisions	(93)	(619)
	(1,200)	(872)
Non operating items in above movements		
Revenue in advance	1,385	218
Payables	123	51
Non cash items in operating surplus		
Depreciation	3,588	3,566
Amortisation	(2,748)	(2,788)
Other	192	225
Movement in non current revenue in advance	35	-
Net cash inflow from operating activities	3,617	3,462

15. SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY AND PERIOD

Wellington Regional Stadium Trust Incorporated (the Trust) is a charitable trust established by the Wellington City Council ('WCC') and Greater Wellington Regional Council ('GWRC').

The Trust is domiciled in New Zealand.

The Trust is responsible for the planning, development, construction, ownership, operation and maintenance of the Westpac Stadium, Wellington, as a multi-purpose sporting and cultural venue.

The financial statements are prepared in accordance with the Charitable Trust Act 1957. The Trust is also a charitable entity under the Charities Act 2005, registration CC10754.

For the purposes of financial reporting the Trust is a public benefit entity.

The financial statements of the Trust are for the year ended 30 June 2014. The financial statements were authorised for issue by the Trustees on 25 August 2014.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice, applying the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and its interpretations as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

The Trust qualifies for Differential Reporting exemptions as it has no public accountability and it does not qualify as large under the criteria set out in the Framework for Differential Reporting.

Differential reporting exemptions as available under the Framework for Differential Reporting have been applied in relation to:

NZ IAS 1	Presentation of Financial Statements
NZ IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
NZ IAS 16	Property Plant & Equipment
NZ IAS 17	Leases
NZ IAS 24	Related Party Transactions
NZ IFRS 7	Financial Instruments: Disclosures

No Statement of Changes in Trust Funds has been prepared as there have been no transactions between the Trust and its settlors in their capacity as settlors during the current or previous period; nor have there been any adjustments to the opening balance of Accumulated Surplus for the current or previous period.

The financial statements are presented in New Zealand dollars. The functional currency of the Trust is New Zealand dollars. The financial statements are prepared on the historical cost basis except for interest rate swaps and the limited recourse loans.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

REVENUE

Revenue is recognised when billed or earned on an accrual basis.

License Fees and Sponsorship Revenues

Corporate box holders and stadium members are required to pay an annual license fee. These items are recorded as revenue in advance, and amortised on a straight line basis over the period covered by the license fee. Signage properties are also sold on an annual basis, with the revenue being recognised on a straight line basis over the term of the contract.

Amortisation of Membership and Corporate Box and Sponsorship Funding

The development of the Stadium was partially funded by the sale of stadium club memberships, corporate boxes and sponsorship properties. The term of the original memberships and corporate box licenses was 15 years and this term expires on 31 December 2014. The terms of the sponsorship agreements range from one year to ten years. Payment for these items has been received and recorded as revenue in advance. This funding is amortised as revenue on a straight-line basis over the term of the agreement.

Interest

Interest income is accrued using the effective interest rate method.

Rental income

Rents are recognised on a straight line basis over the term of the lease.

EXPENSES

Expenses are recognised when the goods or services have been received on an accrual basis.

Interest

Interest expense is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

TAXATION

As a Charitable Trust, the Trust meets requirements for exemption from income tax and accordingly no provision for income tax is recorded in the financial statements.

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive.

FINANCIAL INSTRUMENTS

The Trust classifies its financial assets and financial liabilities according to the purpose for which they were acquired.

The Trust determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Non-derivative Financial Instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

Financial Assets

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity. These are recorded at their nominal value.

Trade and other receivables are stated at their cost less impairment losses.

Financial Liabilities

Financial liabilities comprise trade and other payables and borrowings, and are all classified as other financial liabilities. Financial liabilities with duration more than 12 months are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Amortisation is recognised in the Statement of Comprehensive Income as is any gain or loss when the liability is derecognised.

Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

Derivative Financial Instruments

Derivative financial instruments are recognised at fair value as either assets or liabilities. The Trust does not hold any derivatives that qualify for hedge accounting. Derivatives that do not qualify for hedge accounting are classified as held for trading financial instruments with fair value gains or losses recognised in the Statement of Comprehensive Income. Fair value is determined based on quoted market prices.

EMPLOYEE ENTITLEMENTS

Employee entitlements that the Trust expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These benefits are principally annual leave earned but not yet taken at balance date, and bonus payments.

No provision for sick leave is accrued, as past experience indicates that compensated absences in the current year are not expected to be greater than sick leave entitlements earned in the coming year.

OTHER LIABILITIES & PROVISIONS

Other Liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

LEASES

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under these leases are expensed in the Statement of Comprehensive Income in the period in which they are incurred. Payments made under operating leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Income as an integral part of the total lease payment.

Finance leases transfer to the Trust as lessee substantially all the risks and rewards incident on the ownership of a leased asset. Initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments. The capitalised values are depreciated over the period in which the Trust expects to receive benefits from their use.

PROPERTY, PLANT AND EQUIPMENT

Recognition

Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Costs that do not meet the criteria for capitalisation are expensed.

Measurement

Items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment includes the purchase consideration and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential and that can be measured reliably is capitalised. Borrowing costs are not capitalised.

Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Statement of Comprehensive Income.

Disposal

Gains and losses arising from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income in the period in which the transaction occurs.

Depreciation

Depreciation is provided on all property, plant and equipment, with certain exceptions. The exceptions are land, some aspects of the pitch category and assets under construction (work in progress). Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the major classes of property, plant and equipment are as follows:

Land	indefinite
Pitch	10 years to indefinite
Buildings	8 to 70 years
Replay screen & production equipment	3 to 25 years
Fitout	5 to 50 years
Fittings	3 to 20 years
Plant & machinery & equipment	2 to 70 years

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance date.

Work in progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed, and then depreciated.

STATEMENT OF CASH FLOWS

The statement of cash flows has been prepared using the direct approach. Operating activities include cash received from all income sources of the Trust; record the cash payments made for the supply of goods and services and include cash flows from other activities that are neither investing nor financing activities. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to activities that change the funding structure of the Trust.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies.

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of the Wellington Regional Stadium Trust's financial statements for the year ended 30 June 2014

The Auditor General is the auditor of the Wellington Regional Stadium Trust (the Trust). The Auditor General has appointed me, J R Smail, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust on her behalf.

We have audited:

- the financial statements of the Trust on pages 15 to 23, that comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income and the statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

OPINION

In our opinion:

- the financial statements of the Trust on pages 15 to 23:
 - comply with generally accepted accounting practice in New Zealand; and
 - give a true and fair view of the Trust's:
 - financial position as at 30 June 2014; and
 - financial performance and cash flows for the year ended on that date.

Our audit was completed on 25 August 2014. This 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 our responsibilities, and we explain our independence.

BASIS OF OPINION

We carried out our audit in accordance with the Auditor General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Trust's financial statements that give a true and fair view of the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not

for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Trustees;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also we did not evaluate the security and controls over the electronic publication of the financial statements.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees are responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of the Trust's financial position, financial performance and cash flows.

The Trustees are also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustees are also responsible for the publication of the financial statements, whether in printed or electronic form.

The Trustee's responsibilities arise from clause 15 of the Trust Deed of the Trust.

RESPONSIBILITIES OF THE AUDITOR

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and clause 15.3 of the Trust Deed of the Trust.

INDEPENDENCE

When carrying out the audit we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the External Reporting Board.

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



J R Smail

Audit New Zealand

On behalf of the Auditor General, Wellington, New Zealand



WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)

TRUST PARTICULARS AT 30 JUNE 2014

SETTLORS

Wellington City Council
Greater Wellington Regional Council

TRUSTEES

J B Shewan
Sir John A Anderson (retired 30 June 2014)
E A Dawson
S E Elliott
S M Fyfe
S Marsh
M D McGuinness
N Wilson

DATE OF SETTLEMENT

1 January 1998

AUDITORS

Audit New Zealand, Wellington on behalf
of the Controller and Auditor-General

SOLICITORS

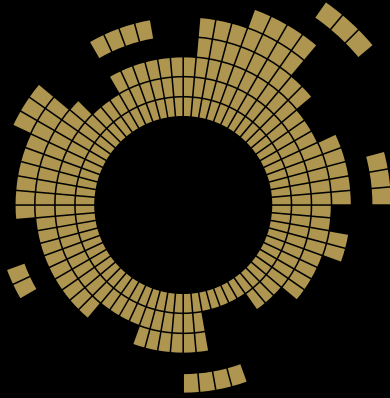
Maude & Miller

BANKERS

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