



Celebrating **10** years

Westpac | STADIUM

2010 ANNUAL REPORT

WELLINGTON REGIONAL
STADIUM TRUST (INC)

Westpac

STADIUM



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TOP2010

2010 is the 10th anniversary of the opening of Westpac Stadium. Over the last decade the Stadium has developed into a truly international multi-purpose venue.

To celebrate we have selected the top ten events held at the Stadium over the last ten years. Everyone will have their favourites, but you'll find our picks in a pull out centre spread in the middle of the report.

April 2009
May 2009
June 2009
July 2009
August 2009
September 2009
October 2009
November 2009 // **WORLD CUP QUALIFIERS**

ALL WHITES VS BAHRAIN

14 NOVEMBER 2009 // **ATTENDANCE:** 35,179 // **RESULT:** 1 – 0

SPONSOR'S MESSAGE



WESTPAC STADIUM HAS BEEN THE FOCAL POINT FOR AN INCREDIBLE ARRAY OF EVENTS OVER THE PAST YEAR. IT'S BEEN THE PLACE TO BE TO ENJOY SOME OF THE BIGGEST SPORTING AND ENTERTAINMENT HIGHLIGHTS OF THE YEAR – AND AT WESTPAC NEW ZEALAND, WE'VE GREATLY ENJOYED BEING ASSOCIATED WITH THE STADIUM'S SUCCESS.

The most memorable events at the Stadium included the win by a dominating All Blacks team against Australia, a win against Australia by the Black Caps One Day cricket team, and a strong season by the Wellington Lion's rugby team – all giving local fans plenty to cheer about.

But it was the game of football that really delivered the highlight of the year and confirmed Westpac Stadium's reputation as the home of New Zealand football.

It started with the standout event of the year, last November, when the All Whites beat Bahrain to qualify for the 2010 FIFA World Cup in South Africa. What a day – the atmosphere was truly unique, with a sea of white spread around Westpac Stadium. It was simply one of the greatest events in New Zealand sporting history.

The football dream season continued as we witnessed the Wellington Phoenix build an unbeatable home ground record over the 2009-10 A-League competition. Wins over Newcastle and Perth took the Phoenix to the A-League semi-finals.

There is no question that the past 12 months have seen football grow in support and stature to become one of New Zealand's most popular sports.

Westpac Stadium was also the venue for a range of non-sporting events, including home and lifestyle shows, and two huge AC/DC concerts over the summer, all of which demonstrated the variety of events that Westpac Stadium delivers each year.

I would like to pass on my congratulations to the Westpac Stadium management and Board, who have delivered another fine 12 months of world class sport, music, culture and community events.

Westpac has been the major sponsor of the Stadium from day one, and last year marked 10 years of our sponsorship. We know the importance this special facility has for Wellington and New Zealanders everywhere, from an economic, cultural and emotional point of view.

Our recent confirmation as naming sponsor for another 10 years underlines our commitment both to the Stadium and the Wellington region. We look forward to many more highlights at Westpac Stadium over the next 12 months, and beyond.

GEORGE FRAZIS
Chief Executive
Westpac New Zealand

CHAIRMAN + CHIEF EXECUTIVE'S REPORT

TOP 2010

2010 IS THE 10TH ANNIVERSARY OF THE OPENING OF WESTPAC STADIUM. OVER THE LAST DECADE THE STADIUM HAS DEVELOPED INTO A TRULY INTERNATIONAL MULTI-PURPOSE VENUE.

To celebrate we have selected the top ten events held at the Stadium over the last ten years. Everyone will have their favourites, but you'll find our picks in a pull out centre spread in the middle of the report.

If we had been asked in 2000 to predict what would be on the list for 2010, football probably would not have been considered. Over the last 12 months, however, football has been the outstanding success story.

2009/2010 has been dominated by football, with the year capped by an outstanding performance by the All Whites at the 2010 Football World Cup. We are very proud of the performance and development of the Wellington Phoenix and their contribution to kick-starting a huge following in Wellington for football.

THE ECONOMIC BENEFITS

In our first 10 years we have exceeded all of the community's expectations and delivered a much greater number and variety of events. These have generated more economic benefits than predicted in the original feasibility report for the Stadium.

Our latest Economic Impact Report identified that the Stadium contributed \$52.4 million to the Wellington economy in our tenth year. The 1996 projection for 2010 was just, \$19.9 million. The Stadium provided 775 full-time equivalent jobs in 2010. The original projection was 270. The Economic Impact Report is covered in more depth later in the report.

Our latest Economic Impact Report identified that the Stadium contributed \$52.4 million to the Wellington economy in our tenth year.

To maintain our premier position amongst New Zealand stadia and to meet the standards of world's best practice, the Stadium Trust is developing a "Master Plan". This will ensure that we continue with infrastructure investment and operational developments after the Rugby World Cup 2011. This investment will enhance the patron and promoter experience and keep us abreast of developments in leading international stadia.

Nielson-Brand Advantage undertook a sponsorship measurement survey in 2009 which included all of the stadiums in New Zealand. Westpac Stadium was the most highly rated with an 84.5% satisfaction rating.

Equally important as measures of our performance are our net surplus, the measurement of that result against previous years and the economic benefit we bring to the region.

This year's surplus of \$3.62 million is well ahead of the \$2.48 million from the previous year and ahead of our best ever result in 2008 of \$2.98 million.

The record surplus results from a number of exceptional events over the year. These included two AC/DC concerts, where we sold more tickets than Auckland; and three outstanding football events with the All Whites VS Bahrain match, and the two fantastic performances by the Phoenix who secured home play-off games with record attendances.

We are now in a sound financial position producing a consistent level of surpluses and strong cash flows.

We are also pleased to report that we have been able to negotiate a satisfactory settlement to our roof and cladding issues. The settlement means these problems will now be resolved and we can focus on the positive business of running the Stadium. As part of this settlement we will be replacing the entire exterior cladding prior to the Rugby World Cup in 2011.

Heartbreak in the final minutes of the first Bledisloe Cup match when John Eales kicks a penalty to give the Wallabies a win.



November 2009
 December 2009
 January 2010
 February 2010
 March 2010 // ODI

BLACK CAPS VS AUSTRALIA

13 MARCH 2010 // **ATTENDANCE:** 10,991 // **RESULT:** NEW ZEALAND BY 51 RUNS

EVENTS

WE HAD 42 EVENT DAYS AND 8 COMMUNITY EVENT DAYS, GIVING US A TOTAL OF 50 FOR THE YEAR.

This is slightly down on the previous year which was boosted by the four event days associated with the FIFA Under 17 Women's World Cup.

Event days are now at the maximum level that we can host in any one year. Of the 50 events, 34 are regularly scheduled events from our principal tenants, rugby, cricket and football, but that doesn't include any semis or finals we may be fortunate enough to host.

EVENT SCHEDULE CHALLENGES

The Wellington region hosts many events. As a region, we need to manage scheduling carefully so that events are not competing with each other.

We do not expect to host more than two concerts at the Stadium in any year, and while we have achieved that target for the past few years it is the exception, rather than the rule. We will pursue any concert opportunity that is available but in the longer term we expect large outdoor concerts will be less frequent.

The increased number of sporting events does restrict our opportunities to hold exhibitions and functions, both of which are an important part of our business and revenue streams.

We complete this year knowing that we are in a quickly changing and highly competitive sporting events scene.

With Wellington City Council, Wellington Rugby and Positively Wellington Tourism we will endeavour to secure the NZI International Sevens for a further term.

The Super 15 kicks off a new tournament in 2011 starting early in February to accommodate the Rugby World Cup 2011, and with a changed format which features more domestic games.

The domestic rugby competition, the ITM Cup, is also changing. Support over the last year fell to the lowest levels we have experienced since the Stadium opened.

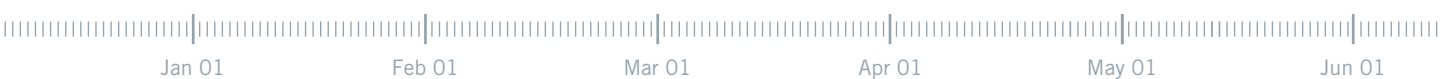
Following the Rugby World Cup, Eden Park will be allocated the first and third Test matches each year, leaving other venues to share the balance of games.

Cricket faces a testing time as they arrange a future tours programme which has to accommodate the growing demand for Twenty/20 cricket and the dominant impact and demands of the Indian Twenty/20 competition.

TOP 2010

COMMUNITY EVENTS HELD DURING THE YEAR

Aug-09	Wellington Phoenix FC Open Day
Sep-09	Police training venue
Sep-09	E-day – computer recycling
Oct-09	NZ Defence Force exercise venue
Mar-10	Junior Sports Day
Apr-10	Wishbone Trust Hip Walk
Jun-10	Wellington Marathon



FOOTBALL

2010 HAS BEEN THE YEAR OF FOOTBALL AND WELLINGTON HAS BECOME THE UNDISPUTED FOOTBALL CAPITAL OF NEW ZEALAND.

WELLINGTON PHOENIX FOOTBALL CLUB

The Phoenix can rightly claim to have been the catalyst for the outstanding success of football in New Zealand. They significantly contributed to the successful qualification of the All Whites for the 2010 Football World Cup in South Africa.

The Phoenix had an outstanding season, building a significant home ground advantage which they used to effect during the season. They are undefeated at Westpac Stadium since 26 October 2008 and in 2009/10 played 11 regular games at the Stadium, winning six and drawing five. They finished fourth in the regular season competition, securing two minor play-off games at home.

The Phoenix fans responded to the home play-off games with an attendance of 24,360 for the game against Perth Glory. In an outstanding game of high drama, going into extra time and with a penalty shoot out, the Phoenix won 4 – 2.

You could not have written a better script. This game caused much excitement amongst the sporting population of the city and the Phoenix earned another home play-off as a result. Over 32,000 attended the game against the Newcastle Jets, and provided passionate support for the Phoenix. The attendance set a new record for club football in New Zealand. The game was a draw at the end of full time and again the Phoenix won 3 – 1 in extra time.

“The attendance set a new record for club football in New Zealand.”

These two games followed the All Whites vs Bahrain game and were a remarkable promotion for a sport that had been achieving crowds of less than 10,000 through the regular season games.

ALL WHITES VS BAHRAIN, 14 NOVEMBER 2009

Immediately following the first leg play-off game in Bahrain the tickets for this game sold out in very short time.

Regular season Phoenix supporters knew what sort of atmosphere could be generated in the Stadium with a crowd of 8,000 – 10,000, but nobody could predict what it would be like, with a full house providing vocal support to an All White team determined to get to the World Cup. The Yellow Fever became the White Noise as the crowd dressed in white and gave full support to the All Whites.

“The Yellow Fever became the White Noise.”

The outcome was the best ever atmosphere we have experienced at the Stadium. The drama on the field with a saved penalty and a New Zealand goal helped cement this game firmly into New Zealand sporting history as the All Whites secured entry to the Football World Cup 2010. This crowd support clearly flowed through to the Phoenix play-off games and established football as a major sport in the capital.

TOP 2010

WELLINGTON PHOENIX FC

vs Perth Glory	Won	2 – 1
vs Adelaide United	Draw	1 – 1
vs Queensland Fury	Draw	1 – 1
vs Central Coast	Draw	0 – 0
vs Gold Coast United	Won	6 – 0
vs Newcastle Jets	Won	3 – 0
vs Perth Glory	Draw	1 – 1
vs Melbourne Victory	Draw	1 – 1
vs Brisbane Roar	Won	3 – 1
vs Queensland Fury	Won	3 – 0
vs Central Coast	Won	3 – 0
vs Perth Glory *	Won	4 – 2 **
vs Newcastle Jets *	Won	3 – 1

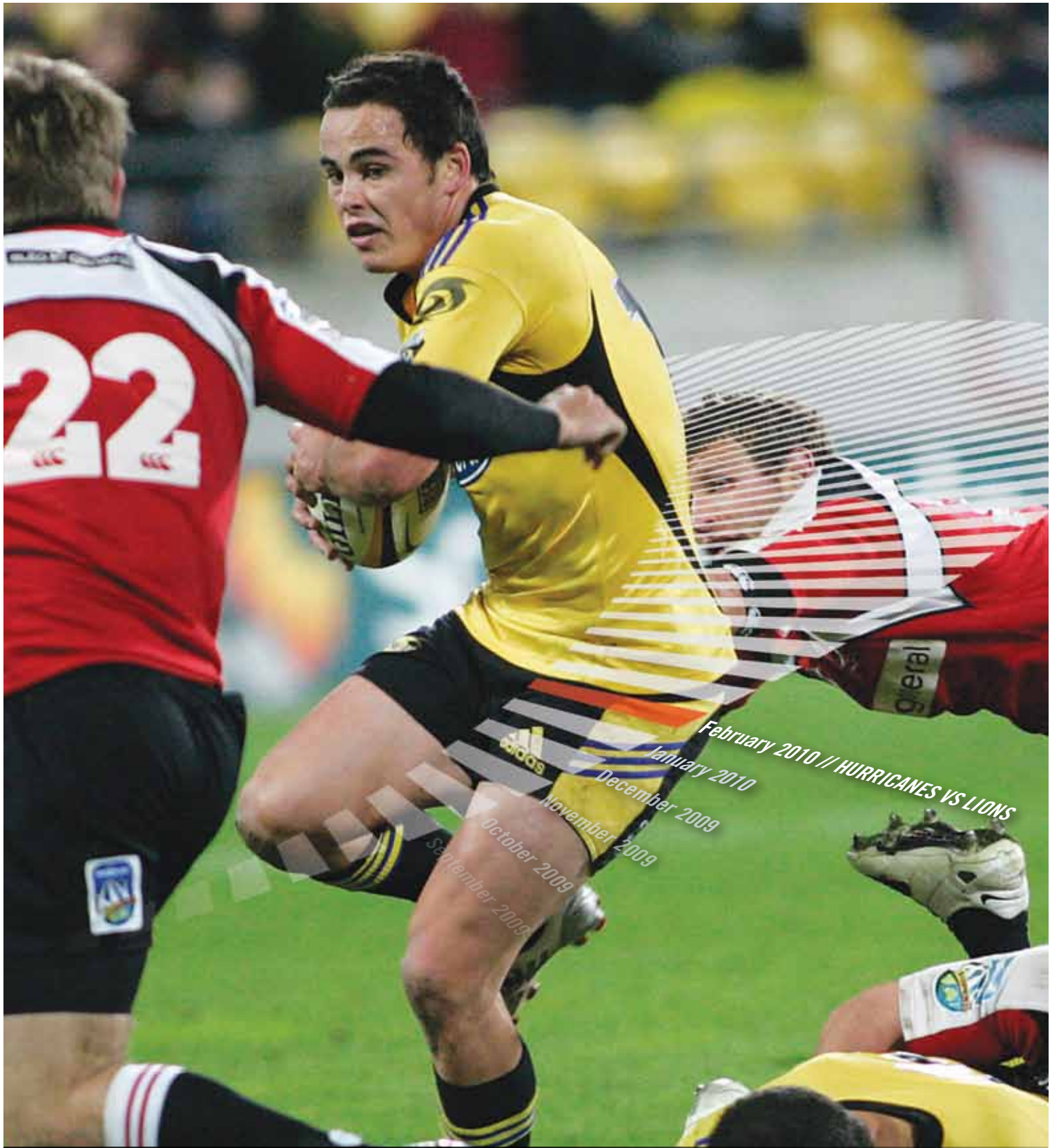
* finals series ** penalty shoot out



ALL WHITES

vs Bahrain	Won	1 – 0
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Robbie Williams entertained 42,000 in the Stadium's first concert.



February 2010 // HURRICANES VS LIONS

January 2010

December 2009

November 2009

October 2009

September 2009

HURRICANES VS LIONS

27 FEBRUARY 2010 // **ATTENDANCE:** 12,550 // **RESULT:** 33 – 18

Peter Jackson uses the crowd attending the ODI Cricket match against England to produce sound effects for Lord of the Rings.

Jan 02

Feb 02

Mar 02

Apr 02

May 02

Jun 02

RUGBY

ALL BLACKS VS AUSTRALIA, BLEDISLOE CUP, 19 SEPTEMBER 2009

This was the first Bledisloe Cup Test match held at the Stadium since 2004, with the All Blacks beating Australia 33 – 6 after leading 16 – 6 at half-time.

The game never rose to any great heights with the All Blacks becoming dominant in the second half scoring 17 unanswered points. The highlights for local fans were their two heroes, Corey Jane and Ma'a Nonu both scoring tries.

NZI SEVENS TOURNAMENT, 5 – 6 FEBRUARY 2010

Again both days of the Sevens were sold out within minutes of going on sale. The party atmosphere rolled on as fans continued to find creative ways to adopt themes or organise fancy dress, adding to the tournament entertainment.

“Again both days of the Sevens were sold out within minutes of going on sale.”

Importantly the tournament is getting more competitive with many teams now capable of winning both the Wellington leg and the series. The entry of Sevens into the Olympics will only improve the rugby competition and the quality of the event in Wellington.

New Zealand lost to Samoa in the semi-finals 24 – 12, Fiji and Samoa battled it out in a pulsating final with Fiji winning 19 – 14, which is their third tournament win in Wellington.

AIR NEW ZEALAND CUP RUGBY

We hosted six games of the 2009 Air New Zealand Cup, plus a semi-final against Southland. We won five games, including the semi-final but we were well beaten in the third game of the season by Canterbury and lost the Ranfurly Shield.

After the loss of the Ranfurly Shield, crowd numbers dropped to a disappointing level and we recorded our lowest ever domestic rugby crowd of 5,301 in the round robin game against Southland.

SUPER 14 RUGBY

We hosted six Hurricanes games for four wins, a draw against the Crusaders, and a loss to the Sharks. The critical point in the season was a disappointing draw to the Crusaders who secured a last minute try. The previous week the Hurricanes had lost to the Sharks 26 – 29 when the Sharks kicked a 50 metre penalty as the last act of the game.

Attendance records confirm that February rugby is not popular with the fans and clearly rugby is better supported in April and May which was reflected by higher attendances at the last four games of the season.

CLUB RUGBY

The Jubilee Cup and Hardham Cup finals were played on 9 August 2009 before a crowd of 3,360. Marist St Pats and Northern United, in a repeat of the previous year's final, fought out the Jubilee Cup with Marist St Pats eventually running out winners 21 – 16. Old Boys University were too good for West Roosters in the Hardham Cup final winning 42 – 8.

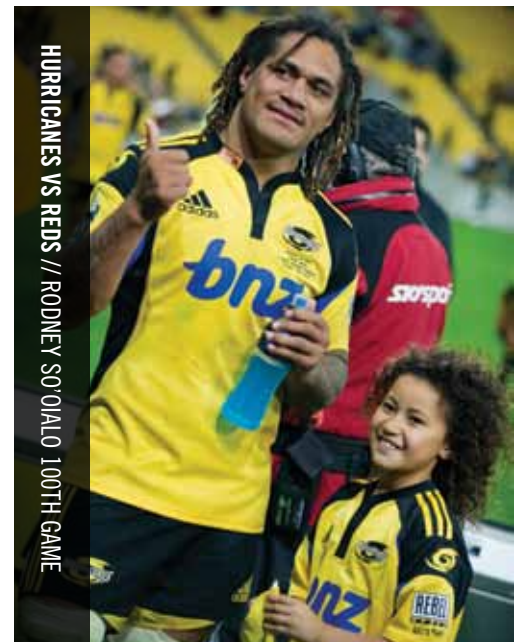
TOP 2010

ALL BLACKS

vs Australia	Won	33 – 6
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WELLINGTON LIONS

vs Otago	Won	23 – 19
vs Auckland	Won	16 – 15
vs Canterbury	Lost	14 – 36
vs Southland	Won	32 – 13
vs Manawatu	Won	43 – 15
vs North Harbour	Won	37 – 13
vs Southland (semi final)	Won	34 – 21



HURRICANES

vs Force	Won	47 – 22
vs Lions	Won	33 – 18
vs Sharks	Lost	26 – 29
vs Crusaders	Draw	26 – 26
vs Chiefs	Won	33 – 27
vs Reds	Won	44 – 21

EVENTS HELD DURING THE YEAR

Date	Event	Attendance
31 Jul 09	Air NZ Cup: Wellington vs Otago	11,261
9 Aug 09	Wellington Club Rugby Finals Jubilee Cup: Marist St Pats vs Northern United Hardham Cup: OBU vs Wests Roosters	3,360
16 Aug 09	A League: Phoenix vs Perth Glory	9,006
22 Aug 09	Air NZ Cup: Wellington vs Auckland	14,335
29 Aug 09	Air NZ Cup: Wellington vs Canterbury	18,511
4 Sep 09	A League: Phoenix vs Adelaide United	7,525
19 Sep 09	Rugby Test: NZ vs Australia	33,056
20 Sep 09	A League: Phoenix vs Queensland Fury	9,219
24 Sep 09	Air NZ Cup: Wellington vs Southland	5,301
27 Sep 09	A League: Phoenix vs Central Coast	6,394
3 Oct 09	Air NZ Cup: Wellington vs Manawatu	8,607
9 Oct 09	Exhibition: Home & Garden Show	13,000
17 Oct 09	Air NZ Cup: Wellington vs North Harbour	10,160
25 Oct 09	A League: Phoenix vs Gold Coast United	6,332
31 Oct 09	Air NZ Cup semi final: Wellington vs Southland	9,120
4 Nov 09	A League: Phoenix vs Newcastle Jets	3,943
8 Nov 09	A League: Phoenix vs Perth Glory	6,696
14 Nov 09	Football: All Whites vs Bahrain	35,179
4 Dec 09	A League: Phoenix vs Melbourne Victory	7,766
9 Jan 10	A League: Phoenix vs Brisbane Roar	8,620
15 Jan 10	A League: Phoenix vs Queensland Fury	7,286
28 Jan 10	AC/DC Concert	36,003
30 Jan 10	AC/DC Concert	24,401
5 – 6 Feb 10	NZI Sevens Tournament	69,000
12 Feb 10	A League: Phoenix vs Central Coast	14,229
20 Feb 10	S14 Hurricanes vs Force	11,880
21 Feb 10	A League: Phoenix vs Perth Glory (finals series)	24,360
26 Feb 10	Cricket: 20/20 NZ vs Australia	19,977
27 Feb 10	S14 Hurricanes vs Lions	12,550
6 Mar 10	Beer Festival	3,290
7 Mar 10	A League: Phoenix vs Newcastle Jets (finals series)	32,941
13 Mar 10	Cricket ODI – NZ vs Australia	10,991
27 Mar 10	S14 Hurricanes vs Sharks	12,235
2 Apr 10	S14 Hurricanes vs Crusaders	20,248
1 May 10	S14 Hurricanes vs Chiefs	15,769
7 May 10	S14 Hurricanes vs Reds	17,044
14 May 10	Exhibition: The Food Show	19,500
TOTAL ATTENDANCE		579,095

AC/DC // 28 & 30 JAN 2010



JUBILEE CUP FINALS // 9 AUG 2009



LIONS VS OTAGO // 31 JUL 2009



Two NRL matches played by the Warriors against the Canterbury Bulldogs and the Canberra Raiders



CRICKET

TWENTY/20 BLACK CAPS VS AUSTRALIA, 26 FEBRUARY 2010

Australia beat New Zealand by 6 wickets in a game watched by 19,997. New Zealand batted first and scored 118. The only local boy, James Franklin, made a real contribution, scoring 43 off 42 balls.

ONE DAY INTERNATIONAL, BLACK CAPS VS AUSTRALIA, 13 MARCH 2010

This was the fifth ODI of the tour, and after three consecutive losses to the Australians it was a dead rubber with New Zealand playing only for pride. They did this successfully by beating Australia by 51 runs.

New Zealand batted first and scored 242, and succeeded in dismissing Australia for 190 off 46.1 overs. The game cemented Westpac Stadium as the Black Caps favourite ODI venue as it was their sixth consecutive ODI victory at the Stadium.

CONCERTS

AC/DC CONCERTS 28 & 30 JANUARY 2010

These were outstanding events, incredibly well supported by Wellington fans and over 28,700 visitors. According to the promoter a Wellington concert outselling the Auckland concert was “unheard of”.

A massive amount of equipment and skills were required to stage the concerts. Staging and concert gear filled 55 containers. A touring crew of 130 was supplemented by a local crew of 380.

The crowd was entertained with a spectacular show which included a huge blow-up doll sitting astride a massive steam engine, rocking in time to the music.

The first night drew a capacity crowd of 36,003. There were strong sales for the second concert in the hours immediately following the first concert, which suggests that many enjoyed the concert so much they came back for the second show.

NZPA Ross Setford



BLACKS CAPS VS AUSTRALIA // 13 MARCH 2010

TOP 2010

BLACK CAPS

Cricket 20/20 – NZ vs Australia	Lost	Australia by 6 wickets
Cricket ODI – NZ vs Australia	Won	NZ by 51 runs



AC/DC // 28 & 30 JAN 2010



PHOENIX VS JETS // 7 MAR 2010

EXHIBITIONS

THE HOME & GARDEN SHOW

This was held in October attracting 13,000 people which was similar to the previous year's crowd. This exhibition has a strong following in Wellington and the patrons look forward to attending every year.

NEW ZEALAND BEER FESTIVAL

The Beer Festival built on its success in Auckland by creating a Wellington festival. This year it shifted from Chaffers Park, which it had outgrown, to the Stadium. With 70 beers from 24 breweries available, fans enjoyed a day of beer tasting, food and music.

“With 70 beers from 24 breweries available, fans enjoyed a day of beer tasting, food and music.”

THE FOOD SHOW

The Food Show has been an important event in the Stadium calendar since 2002. It is held in May and is now so popular that the crowds reach maximum capacity at various times during each of the three days. This year 19,500 attended to hear from 20 celebrity chefs and visit 152 exhibitions.

“...crowds reach maximum capacity at various times during each of the three days.”

COMMUNITY EVENTS

The full event calendar restricts the number of days that the Stadium is available for community events. In spite of this we held eight community events this year compared to five in the previous year. These included the mid winter Wellington Half Marathon, Phoenix Open Day, a schools sport day, recycling of electronic equipment and assistance to the police and armed forces in providing the venue for training.

We are also making the venue available on a regular basis to the Rugby World Cup 2011 organisers to assist in familiarisation, planning and training.

106,000 patrons hosted in 14 days during the wettest February since records began in 1862. (Sevens/David Bowie/ODI)

FINANCIAL PERFORMANCE

OUTSTANDING FINANCIAL RESULT

In 2010 we have achieved the highest net surplus in our 10 year history of \$3.62 million compared to \$2.48 million the previous year.

Most of the increased surplus comes from several outstanding events held during the year. AC/DC are one of the biggest selling bands in the world and to be able to hold two concerts was very special and recognition of Wellington's increasing reputation as a major international outdoor concert venue.

In addition, the bonus of the All Whites game against Bahrain contributed significantly to our surplus and stimulated interest in football in the Capital. This interest carried through to the two bonus play-off games in the A-League, which attracted crowds beyond our expectations.

We do not expect our future profits to continue at the same level as this year as the combination of circumstances that gave rise to the additional events will not be easy to repeat.

DIFFICULT EVENT MARKET ENVIRONMENT

While our net surpluses for the last five years have averaged \$2.68 million, and are now considered to be at a level that ensures that the Stadium remains financially autonomous, the nature of the events industry is that event revenues are volatile and far from secure.

We need to recognise that future surpluses are sensitive to both fluctuations in the number and type of events held and attendance at those events. While 70% of our events come from regular sporting events booked by our major tenants, team performance is important in driving attendance and securing extra events by winning the rights to hold home semis and finals.

The worldwide recession means that there are limitations on the amount of money that the public have available for the purchase of tickets for events and while exceptional events will be supported, some are choosing not to attend smaller events. Corporates are also very selective in their event expenditure.

STRONG DIVERSIFIED REVENUE STREAMS

We are fortunate to have secure revenues from car parking, signage and sponsorship, and licence fees that underwrite our event revenues and meet much of our fixed costs. During the year we reduced our commercial loan by \$4.8 million, bringing total repayments since opening to \$20.15 million. Net debt is now at \$11.35 million which is an excellent achievement.

CONTINUAL INVESTMENT FOR THE FUTURE

Our financial surplus is invested in improvements required to keep the Stadium to international standard.

In the last 12 months our capital expenditure has included:

Machinery and equipment	\$491,000
Building improvements	\$277,000

We are planning to spend \$2 million on improvements in the next 12 months. Some of that expenditure may fall into the following year depending on the urgency, need, and our ability to complete some projects prior to the Rugby World Cup 2011. Major projects planned in the coming year include carpet replacement, an upgrade to the equipment used to manage the replay screens, further improvements to the concourse area and the purchase of turf equipment.

ECONOMIC BENEFIT TO THE REGION

While our bottom line contribution is a very good measure of our success it does not adequately reflect the Stadium's economic contribution to the community which is better reflected by our Economic Impact Report.

The first Economic Impact Report was prepared in 1996 to support the Stadium proposal and was updated in 2005 as an interim report on the first five years. We have completed an update of the Economic Report at the end of the 10 year period which shows the following:

	Projected 1996	Actual Average 2000 – 2004	Actual Average 2005 – 2009
Annual Direct Spending	\$19.9 million	\$42.6 million	\$54.2 million
Total Annual GDP	\$15.4 million	\$36.7 million	\$47.2 million
Annual Employment (FTEs)	270	590	755

Over its ten years of operation, the Stadium has provided, on average an economic benefit of \$48.4 million and 673 full time equivalent jobs to the region.

These returns need to be compared to the original investment by our key stakeholders,

Wellington City Council	\$15 million
Greater Wellington Regional Council	\$25 million
Total	\$40 million

Given that the Stadium has returned over twice the original expected economic benefit during the first 10 years of operation, the Wellington region has had exceptional value from its investment in the Stadium.

Compared to the current level of investments being made by Councils around the country for Rugby World Cup 2011, the region has enjoyed an outstanding and growing return on a relatively small investment.

The Stadium is still obligated to repay the full value of those loans, although they are shown at reduced values in the financial statements, in accordance with the requirements of New Zealand IFRS accounting standards.

MAJOR FUTURE FACILITY ENHANCEMENTS

Resolving the complex issue of the exterior cladding and the roof at a financial cost that the Trust can handle within existing budgets is a very positive outcome to a very difficult problem.

The Trust now has certainty about these outcomes and can plan for the future in a positive manner to ensure the Stadium continues to meet international best practice standards, and provides improvements in line with the expectations of our patrons, users and stakeholders.

The capital expenditure for the next three years is budgeted at \$7 million, though this is subject to the availability of funds and to Trustees' decisions about the priority of projects. During this period the Trust has budgeted for a maintenance programme that will see more than \$3 million spent on building maintenance alone.

As well, the Stadium is developing a long term master plan that will develop design concepts that focus on:

- Enhancing the patron and user experience
- Capitalising on our unique location and engaging with the city and the harbour
- Upgrading members and corporate areas
- Maximising the benefit from technology advancements
- Respecting the environment.

We have engaged internationally recognised stadium architects, Populous, to commence work on a benchmark study and concepts that will continue to maintain us as the premier stadium in New Zealand.

RUGBY WORLD CUP 2011

Our preparation for Rugby World Cup continues as we coordinate our actions with the plans being developed by local councils and with Rugby New Zealand 2011. Some initial work on match accreditation and transport has been trialled at this years' test match and has generally proven to be successful. Much of our work continues with match management staff and hospitality staff from Rugby New Zealand 2011. We have a few projects which need to be completed prior to the event and our plans are well advanced to ensure completion on time.





NZI RUGBY SEVENS // 5 – 6 FEB 2010

ALLIED NATIONWIDE BASIN RESERVE

Our work at the Basin Reserve on the cricket wickets and the outfield is recognised by New Zealand Cricket and New Zealand cricket players who rate the Basin Reserve as the best cricket ground in the country. It is also one of the busiest first class grounds, this year hosting:

	2009/2010	2008/2009
Cricket match days	41	38
Winter sports days	9	6
Concert days	1	4
Cricket practice days	72	54
TOTAL	123	102

TURF

The last 12 months have produced some major challenges for the turf staff at both the Stadium and the Basin Reserve.

We had a five week window in December/January to undertake a major turf renovation which assisted us to get through the busy period. A similar turf renovation period is planned in 2010/11.

In the first quarter of 2010 we held 11 events within 30 days putting a huge strain on the turf. We would like to acknowledge the professional achievement of the staff who produced excellent turf and maintained it in top condition. In particular, we note the effort that went in to get the ground ready for the Sevens tournament in the four days following the AC/DC concerts.

“In the first quarter of 2010 we held 11 events within 30 days.”

RISK MANAGEMENT

During the year Marsh Limited facilitated a full risk management evaluation of our operation. As a consequence we made some procedural changes recommended by that review and we have also substantially upgraded our business continuity plan.

We have completed a review of our health and safety procedures and have completed an update of our Health & Safety Plan.

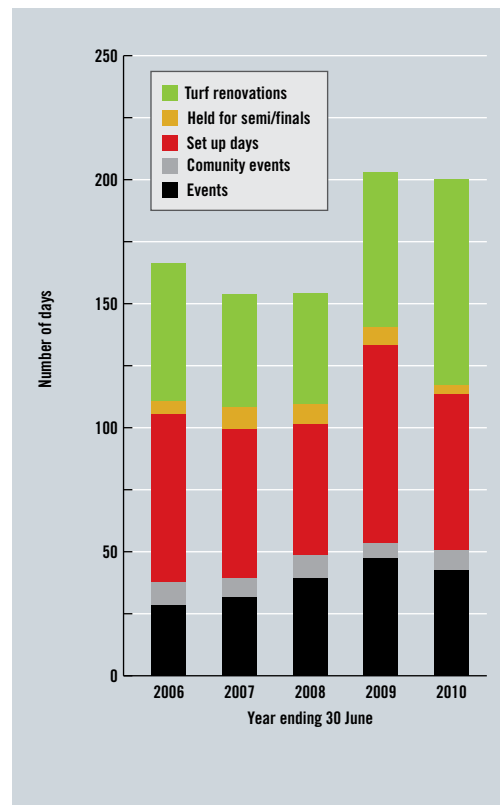
We have had full staff training to implement both plans and we are now satisfied that we meet best practice standards.

ENVIRONMENT

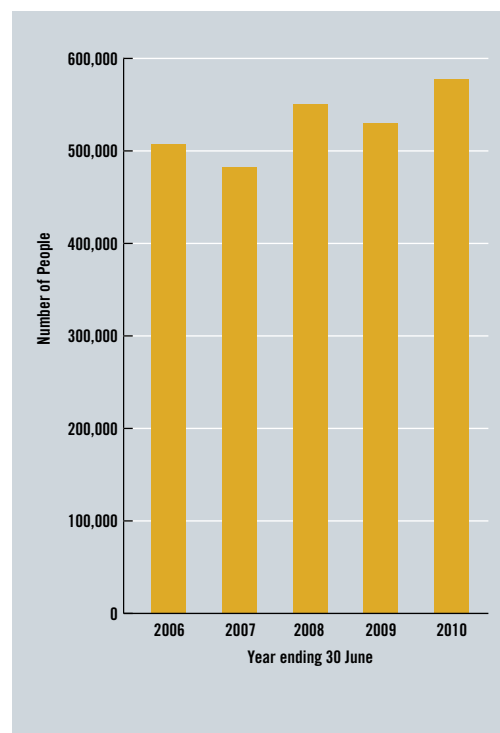
We have had a comprehensive audit of our power usage by an independent consultant. This review showed that we are efficient at managing our power and we have implemented some minor recommendations for change where it makes commercial sense to do so.

We endeavour to use biodegradable products and recycle wherever possible and monitor our recycling achievements.

STADIUM EVENT DAYS



ATTENDANCE



CORPORATE BOXES & MEMBERS

DELOITTE CLUB MEMBERS

We thank the Deloitte Club members for their support for the last 10 years and their support over Rugby World Cup 2011 requirements.

We have also been involved with Rugby New Zealand 2011 in ensuring that members receive their priority booking rights prior to public sale for the Rugby World Cup pool games and quarter finals in Wellington.

With 42 events in the year, plus the ability to book their tickets to the Rugby World Cup, members have had excellent value from their membership.

Over the next few years we will be focusing on developing renewal options for members in 2014 when the current memberships expire.

CORPORATE CLUB MEMBERS

Corporate Club membership comes up for renewal during the coming year, and we will be undertaking some upgrades to the lounge prior to that renewal.

CORPORATE BOXES

We also acknowledge the support from Corporate Box owners for the last 10 years and their support for the Rugby World Cup 2011. Boxholders were able to take up their priority booking rights prior to tickets being offered to the public.

NAMING RIGHTS

The naming rights contract has been renewed with Westpac for a further 10 years. We are delighted to renew this contract and thank Westpac for their continued support.

As part of the contract renewal we have improved signage and Westpac's presence in the Stadium. In particular we have installed signs on the outside of the building that will give the Stadium a much greater presence on the Wellington waterfront.

THANKS

The Stadium is a major asset for the region and the Trust is working closely with both the Wellington City Council and the Greater Wellington Regional Council to achieve the event and economic outcomes that the region has every right to expect.

The Trust is pleased to have been able to contribute to the solution on the location of the Indoor Community Centre. We also acknowledge the support from the Councils as we developed our Rugby World Cup plans and tested those plans around the recent rugby test match.

We also appreciate the willing and enthusiastic assistance provided by Wellington City Council with many event associated activities and approvals for items such as exterior signage.

Our Trustees are an exceptional group and this year have had to deal with extraordinarily difficult and complex problems in relation to the building. Their support and time is always given generously to assist management to resolve issues. This is very much appreciated by management.

This has been the busiest and most challenging of our 10 years, with some complex events to deliver, some at quite short notice. We have highly professional staff, most of whom have been with the Stadium for some years. They continue to be passionate about the Stadium and its role in the region, and they take considerable pride in their work.

However, the Stadium staff cannot do all the work and we have a loyal and supportive group of contractors who share our passion and seek to deliver services to the same standard that we set for ourselves. We are proud of them and every one of them provides us with outstanding service. They include:

Red Badge Group	Ticketek
Spotless Catering	Turflands Palmerston North
Spotless Cleaning	TVNZ (Avalon Studios)
Aquaheat	United Group
Mexted Contractors	Waste Management
PGG Wrightson	Wellington Free Ambulance

We would also like to thank our key users who bring their events to the Stadium and are key to a full events calendar and the delivery of outstanding events:

- Wellington Rugby Football Union
- New Zealand Rugby Union
- Wellington Phoenix Football Club
- New Zealand Football
- Cricket Wellington
- New Zealand Cricket
- Jade Promotions
- North Port Events

This year the Brown Hornet Group brought us the Beer Festival for the first time, and we enjoyed working with Gary van Egmond and his team on delivering the AC/DC concerts.

However, as always the most important people are the 579,095 patrons who attended events at the Stadium, and without whose support we would not exist. We look forward to continuing to share the next 10 years with you.



PAUL COLLINS
Chairman



DAVID GRAY
Chief Executive

The Black Caps played Australia in a Chappell-Hadlee trophy match with 642 runs scored in a game that was won by Australia in the last over.



FINANCIAL STATEMENTS

*Wrestlemania comes to Wellington with
WWE Road to Smackdown*

Jan 06

Feb 06

Mar 06

Apr 06

May 06

Jun 06

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	NOTES	2010 \$'000	2009 \$'000
Revenues			
Event Revenues		8,141	7,427
License Fees and Sponsorship Revenues		4,684	4,630
Amortisation of Membership, Corporate Box and Sponsorship Funding		3,381	3,126
Interest income		78	74
Sundry income	1	1,440	1,332
TOTAL REVENUE		17,724	16,589
Less Operating Expenses	2	9,279	8,624
Operating Surplus before Depreciation & Finance costs		8,445	7,965
Less:			
Depreciation	7	3,541	3,562
Finance costs	3	1,281	1,928
TOTAL COMPREHENSIVE INCOME		3,623	2,475

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 2010

	NOTES	2010 \$'000	2009 \$'000
TRUST FUNDS			
Accumulated Surplus		68,157	64,534
NON-CURRENT LIABILITIES			
Limited Recourse Loans			
Greater Wellington Regional Council	4	457	382
Wellington City Council	4	274	229
Wellington City Council – Accrued Interest	4	3	2
Total Limited Recourse Loans		734	613
Other Non Current Liabilities			
Membership, Corporate Box & Sponsorship Funding		9,658	12,417
Revenue in Advance		100	0
Borrowings	5	13,500	18,300
Total Other Non Current Liabilities		23,258	30,717
CURRENT LIABILITIES			
Revenue in Advance		5,885	5,656
Payables	6	1,269	2,084
Total Current Liabilities		7,154	7,740
TOTAL FUNDING		99,303	103,604
<i>Represented by:</i>			
NON-CURRENT ASSETS			
Property Plant & Equipment	7	96,581	99,443
Total Non-Current Assets		96,581	99,443
Current Assets			
Cash & Cash Equivalents		2,154	2,926
Receivables & Prepayments	8	568	1,235
Total Current Assets		2,722	4,161
TOTAL ASSETS		99,303	103,604

On behalf of the Trustees:



TRUSTEE

1 September 2010



TRUSTEE

1 September 2010

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 2010

	NOTES	2010 \$'000	2009 \$'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES			
<i>Cash was provided from:</i>			
Event and operating income		8,937	7,570
License fees and sponsorships		5,367	4,812
Interest received		78	74
Sundry income		1,426	1,253
		15,808	13,709
<i>Cash was applied to:</i>			
Payments to suppliers and employees		(8,709)	(8,008)
Interest paid		(1,292)	(1,421)
Good and services tax (net*)		(1,001)	(680)
		(11,002)	(10,109)
Net cash inflow from operating activities	13	4,806	3,600
CASH FLOWS (USED IN) INVESTING ACTIVITIES			
<i>Cash was provided from:</i>			
Disposal of property, plant & equipment		15	12
<i>Cash was applied to:</i>			
Purchase of property, plant & equipment		(793)	(456)
Net cash outflow from investing activities		(778)	(444)
CASH FLOWS (USED IN) FINANCING ACTIVITIES			
<i>Cash was applied to:</i>			
Repayment of loans		(4,800)	(1,500)
Net cash outflow from financing activities		(4,800)	(1,500)
NET (DECREASE)/INCREASE IN CASH HELD		(772)	1,656
Cash at beginning of the period		2,926	1,270
CASH AT END OF THE PERIOD		2,154	2,926
<i>Composition of cash:</i>			
Cash at bank		33	212
Money market investments		1,121	1,314
Short term deposits		1,000	1,400
		2,154	2,926

*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.

Wellington Phoenix play their first A-League game against the Melbourne Victory and draw

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 2010

1. SUNDRY INCOME

	2010 \$'000	2009 \$'000
Carpark income	938	866
Tenancy income	318	279
Other sundry income	184	187
TOTAL SUNDRY INCOME	1,440	1,332

2. OPERATING EXPENSES

	2010 \$'000	2009 \$'000
Event operating expenses	4,282	4,052
Maintenance and facility operation	2,265	2,431
Personnel	1,572	1,459
Trustee Fees	135	135
Loss on disposal of assets	100	25
Audit Fee – annual audit	29	28
Rental expense on operating leases	24	110
Other operating expenses	872	384
TOTAL OPERATING EXPENSES	9,279	8,624

3. FINANCE COSTS

	2010 \$'000	2009 \$'000
Interest on ANZ Loan	1,103	1,490
Interest on Limited Recourse Loans	120	100
Interest rate swaps – fair value adjustment	44	324
Other financing charges	14	14
TOTAL FINANCE COSTS	1,281	1,928

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 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

	2010 \$'000	2009 \$'000
Non Current Borrowings		
ANZ National Bank Ltd	13,500	18,300
	13,500	18,300

ANZ NATIONAL BANK LTD FACILITIES

The ANZ has a first mortgage security over the stadium land and buildings and a floating first debenture charge over the assets of the Trust. The following interest rate swaps have been entered into, effectively fixing interest rates at:

	Interest Rate	Expires
\$2.5 million	8.34%	August 2010
\$2.5 million	8.85%	October 2011
\$2.5 million	7.10%	October 2012
\$2.5 million	7.57%	October 2014

The remainder of the loan is on a floating rate of 4.44% at balance date.

At balance date the loan limit is \$17 million, and therefore \$3.5 million remains available for drawdown if required. Repayment terms relating to the balance of the loan at 30 June 2013 will be renegotiated at or before that date.

6. PAYABLES

	2010 \$'000	2009 \$'000
Trade payables	214	508
Accrued expenses	419	1,110
Employee entitlements	269	142
Fair value of interest rate swaps	367	324
	1,269	2,084

7. PROPERTY PLANT & EQUIPMENT

	COST \$000	ACCUMULATED DEPRECIATION \$000	CARRYING VALUE \$000	DEPRECIATION CHARGE \$000
2010				
Land	4,225	–	4,225	–
Pitch	1,202	(75)	1,127	13
Stadium Buildings	82,890	(15,956)	66,934	1,878
Fitout	13,971	(5,049)	8,922	427
Replay Screen & Production equipment	3,653	(1,352)	2,301	251
Fittings	1,452	(1,282)	170	109
Plant, machinery & equipment	20,297	(7,427)	12,870	863
Work in progress	32	–	32	–
	127,722	(31,141)	96,581	3,541
2009				
Land	4,225	–	4,225	–
Pitch	1,202	(62)	1,140	13
Stadium Buildings	82,856	(14,078)	68,778	1,877
Fitout	13,940	(4,634)	9,306	427
Replay Screen & Production equipment	3,653	(1,101)	2,552	250
Fittings	1,450	(1,175)	275	146
Plant, machinery & equipment	19,989	(6,828)	13,161	849
Work in progress	6	–	6	–
	127,321	(27,878)	99,443	3,562

During the year the Trust has reassessed the useful life of its floodlight fittings. This item was originally depreciated over 20 years, which was assessed on the expected number of hours used. The floodlight fittings have not been lasting as long as originally expected due to the their exposed environment. Accordingly, with effect from 1 July 2009, the remaining useful life has been reduced to four years. This change has resulted in an additional depreciation charge of \$89,035 in the current year.

There is no evidence of impairment in Property Plant and Equipment at balance date.

SECURITY

The ANZ National Bank has a first mortgage security over the stadium land and buildings and a floating first debenture charge over the assets of the Trust (see Note 5).

8. RECEIVABLES

	2010 \$000	2009 \$000
Trade receivables	388	1,029
Prepayments	180	206
	568	1,235

There is no evidence of impairment in receivables at balance date.

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.

*FIFA Under-17 Women's World Cup held.
NZ win their match against Columbia 3 – 1*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010 CONTINUED

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

Councillor John Morrison is the Wellington City Council's representative on the Board of Trustees.

The following transactions took place on normal commercial terms.

	2010 \$000	2009 \$000
Services provided to Council	352	296
Receivables balance outstanding	–	–
Services provided by Council	213	148
Payable balance outstanding	8	9

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. The Trust provides turf management services to the Basin Reserve Trust, at no charge, to the value of \$242,259 (2009: \$250,372). Services provided and charged for were \$45,100 (2009: \$1,702) and the receivables balance outstanding was \$17,437 (2009: \$1,915). John Morrison is also a trustee of the Basin Reserve Trust.

Greater Wellington Regional Council

Councillor Christopher Laidlaw is the Greater Wellington Regional Council's representative on the Board of Trustees.

Details of the Advance from the Greater Wellington Regional Council are given in Note 4. There were no other related party transactions with the Greater Wellington Regional Council.

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.

Sir John Anderson is the Chairman of Television New Zealand who provide replay screen services and equipment to the Trust. Television New Zealand were appointed following an open tender process. Sir John Anderson was not a trustee at the time of appointment,

and took no part in the subsequent renewal of the contract. Sir John Anderson is also the Chairman of PGG Wrightson who are a supplier to the Trust.

Paul Collins is a director of Hurricanes Ltd, Wellington Rugby Football Union and Wellington Rugby Ltd. These entities hire the Stadium for events. He also has an interest in a corporate box at the Stadium.

Elizabeth Dawson is a director of Hurricanes Ltd. She and her partner are directors of a company that leases a corporate box at the Stadium.

Christopher Moller is a director of New Zealand Cricket who hire the stadium for events. He is also a director of Sky City Entertainment Group Ltd who have a corporate box at the Stadium.

Paul Collins and Christopher Moller are both directors of Rugby NZ 2011 Ltd. The Trust has entered into a contract with Rugby NZ 2011 for the hire of the venue for Rugby World Cup matches in 2011.

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:

	2010 \$000	2009 \$000
Revenues	2,082	1,879
Receivables balance outstanding	–	–
Purchases	1,965	2,261
Payable balance outstanding	4	95

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:

	2010 \$000	2009 \$000
Operating leases		
Non cancellable operating lease commitments		
Within one year	18	17
Between one and five years	49	54
More than five years	112	122
	179	193
Capital expenditure		
Amounts committed to capital expenditure	63	–

The rare double back-flip is performed by the one of the Crusty Demons moto-x riders

12. CONTINGENCIES & EVENTS AFTER THE REPORTING PERIOD

On 11 August 2010, the Trust completed a negotiated settlement with Fletcher Construction and other parties in respect of the legal proceedings that had previously been commenced by the Trust. This settlement removes the possibility of a contingent asset or liability that may have existed at 30 June 2010.

Both the Trust and Fletcher Construction and associated parties are contributing to the replacement of the exterior cladding and repairs to the roof. This work will take place over the next two financial years and the Trust contribution will be fully funded from existing cashflows.

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

	2010 \$000	2009 \$000
Net surplus for the year (total comprehensive income)	3,623	2,475
Impact of changes in working capital items		
Decrease/(Increase) in receivables and prepayments	667	(682)
Decrease in revenue in advance	230	-
(Decrease)/Increase in payables and provisions	(816)	1,102
	81	420
Non operating items in above movements		
Payables	119	28
Non cash items in operating surplus		
Depreciation	3,540	3,562
Amortisation	(2,921)	(3,126)
Other	264	382
Movement in non current revenue in advance	100	(141)
NET CASH INFLOW FROM OPERATING ACTIVITIES	4,806	3,600

14. 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 2010. The financial statements were authorised for issue by the Trustees on 1 September 2010.

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 memberships and corporate box licenses is 15 years. 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.

Within a seven week period, the Stadium hosts 12 event days and 260,000 patrons

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	15 years to indefinite
Buildings	10 to 70 years
Replay screen & production equipment	3 to 25 years
Fitout	5 to 50 years
Fittings	5 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.

The Trust has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

Presentation of Financial Statements (Revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (Issued 2004). The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a Statement of Comprehensive Income. The Statement of Comprehensive Income will enable readers to analyse changes in trust funds resulting from non-owner changes separately from transactions with owners. The Trust has decided to prepare a single Statement of Comprehensive Income for the year ended 30 June 2010 under the revised standard. No restatement of information for the year ended 30 June 2009 was required. Under the revised standard, items of other comprehensive income are presented in the Statement of Comprehensive Income whereas previously they were recognised directly in the Statement of Changes in Trust Funds. There have been no items of other comprehensive income in the current or previous financial year.

AUDIT REPORT

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

TO THE READERS OF WELLINGTON REGIONAL STADIUM TRUST'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

The Auditor General is the auditor of Wellington Regional Stadium Trust (the Trust). The Auditor General has appointed me, A P Burns, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements in the annual report of the Trust for the year ended 30 June 2010.

UNQUALIFIED 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
 - fairly reflect:
 - the Trust's financial position as at 30 June 2010; and
 - the results of its operations and cash flows for the year ended on that date.

The audit was completed on 1 September 2010, and is the date at which our opinion is expressed.

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

BASIS OF OPINION

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

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

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

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

Audit procedures generally include:

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

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

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

RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR

The Trustees are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Trust as at 30 June 2010 and the results of its operations and cash flows for the year ended on that date. The Trustees' responsibilities arise from clause 15 of the Trust Deed.

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

INDEPENDENCE

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

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



A P BURNS

Audit New Zealand

On behalf of the Auditor General
Wellington, New Zealand



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SETTLORS

Wellington City Council
Greater Wellington Regional Council

TRUSTEES

P D Collins (Chair)
Sir John Anderson
D W Bale
E A Dawson
C R Laidlaw
C J D Moller
J F M Morrison
S E Elliott

DATE OF SETTLEMENT

1 January 1998

AUDITORS

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

SOLICITORS

Maude & Miller

BANKERS

ANZ National Bank Limited
Westpac Banking Corporation

WELLINGTON REGIONAL
STADIUM TRUST (INC)

PO Box 2080, Wellington, New Zealand
Phone: 04 473 3881 Fax: 04 473 3882
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 **estpac** | **STADIUM**