

Report 99.596
15 October 1999
File: CFO/27/18/1

Report to the Policy and Finance Committee
from Greg Schollum, Chief Financial Officer

Wellington Regional Stadium Trust – 1998/99 Financial Statements

1. Purpose

To receive the financial statements of the Wellington Regional Stadium Trust for the year ended 30 June 1999.

2. Background

The Wellington Regional Stadium Trust became operational on 1 January 1998, pursuant to the Trust Deed signed by Wellington Regional Council, Wellington City Council and the Stadium Development Trust (the previous Trust). All assets and liabilities for the Stadium Development Trust at 31 December 1997 were transferred to the new Trust.

As a joint settlor in the Wellington Regional Stadium Trust, the Council receives the annual financial statements of the Trust once they have been audited.

3. Comment

The financial statements have been audited and the unqualified Audit New Zealand opinion is included as pages 15-16 of **Attachment 1**.

As far as the financial statements go the figures reflect the stage of the project at 30 June 1999.

- The net surplus for the period reflects the development nature of the project so far (the Statement of Financial Performance will really only become truly meaningful once the Stadium becomes operational).
- The Statement of Financial Position (Balance Sheet) records project costs, including land, at \$94 million, compared with the project budget of \$128 million. This is consistent with our understanding of the stage of the project at 30 June 1999. Council's advance of \$25,000,000 is included within the Advances figure of \$40,000,000 shown as a non-current liability of the Trust.
- As expected, the cashflow statement shows the Stadium development primarily being funded from Council advances, memberships and corporate boxes, bank borrowing and other fund raising.
- No provision for taxation has been incorporated into the financial statements, which is consistent with our understanding.

No specific action is required by the Committee, rather the financial statements are provided for the information of Councillors.

4. **Communications**

Not required.

5. **Recommendation**

That the report be received and the contents noted.

GREG SCHOLLUM
Chief Financial Officer

Attachment 1: Wellington Regional Stadium Trust – Financial Statements for the period ended 30 June 1999