

**Wellington Regional Stadium Trust
(Incorporated)**

Annual Financial Statements

For the year ended 30 June 2003

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)

TRUST PARTICULARS

AT 30 JUNE 2003

SETTLORS:	Wellington City Council Wellington Regional Council
TRUSTEES	P D Collins (Chair) Sir Ronald S Scott (Deputy Chair) Dame Margaret C Bazley P R F Biggs I M Buchanan M J Egan J M Hunn C W Parkin
DATE OF SETTLEMENT:	1 January 1998
AUDITORS :	Audit NZ, Wellington on behalf of the Controller and Auditor General
SOLICITORS:	Maude & Miller
BANKERS:	ANZ Banking Group (NZ) Limited Westpac Banking Corporation

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE

	Notes	2003 \$	2002 \$
Operating revenue			
Event Revenues		6,185,154	4,928,183
License Fees and Sponsorship Revenues		3,592,436	3,484,151
Amortisation of Membership, Corporate Box and Sponsorship Funding		3,108,128	3,137,340
Sundry income		897,921	598,546
		<u>13,783,639</u>	<u>12,148,220</u>
Investment revenue	3	<u>181,924</u>	<u>119,027</u>
TOTAL REVENUE		13,965,563	12,267,247
Less Operating Expenses	4	<u>6,673,750</u>	<u>5,724,223</u>
OPERATING SURPLUS BEFORE DEPRECIATION & INTEREST		7,291,813	6,543,024
<i>Less:</i>			
Depreciation		2,995,131	2,996,158
Interest		<u>2,378,146</u>	<u>2,400,551</u>
NET OPERATING SURPLUS		<u>1,918,536</u>	<u>1,146,315</u>

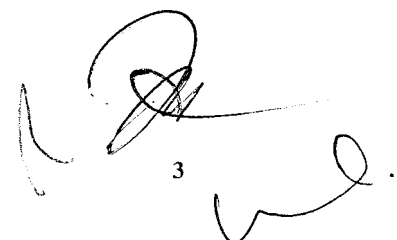
WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)

STATEMENT OF MOVEMENTS IN TRUST FUNDS

FOR THE YEAR ENDED 30 JUNE

	2003	2002
	\$	\$
FUNDS AT BEGINNING OF THE YEAR	9,764,048	8,617,733
Operating surplus	<u>1,918,536</u>	<u>1,146,315</u>
Total recognised revenue and expenses	<u>1,918,536</u>	<u>1,146,315</u>
FUNDS AT END OF THE YEAR	<u>11,682,584</u>	<u>9,764,048</u>

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



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WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE

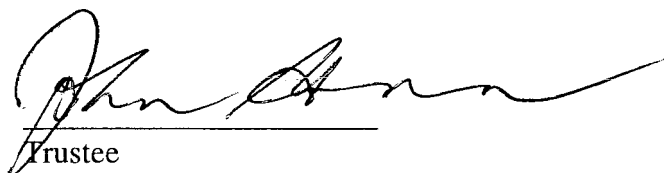
	Notes	2003 \$	2002 \$
TRUST FUNDS			
Accumulated surplus		11,682,584	9,764,048
NON-CURRENT LIABILITIES			
Limited-Recourse Loans			
Wellington Regional Council	7	25,000,000	25,000,000
Wellington City Council	7	<u>15,000,000</u>	<u>15,000,000</u>
		<u>40,000,000</u>	<u>40,000,000</u>
Total Trust Funds & Limited-Recourse Loans		<u>51,682,584</u>	<u>49,764,048</u>
Other Non-Current Liabilities			
Membership, Corporate Box & Sponsorship Funding		30,116,957	33,092,440
Borrowings	8	<u>30,134,845</u>	<u>31,549,254</u>
Total other non-current liabilities		<u>60,251,802</u>	<u>64,641,694</u>
CURRENT LIABILITIES			
Revenue in Advance		5,119,350	5,825,113
Payables and Accruals	10	1,391,972	1,456,337
Borrowings	8	<u>1,361,142</u>	<u>501,576</u>
Total current liabilities		<u>7,872,464</u>	<u>7,783,026</u>
TOTAL FUNDING		<u>119,806,850</u>	<u>122,188,768</u>
<i>Represented by:</i>			
NON-CURRENT ASSETS			
Fixed Assets	11	<u>117,167,023</u>	<u>119,646,635</u>
Total non-current assets		<u>117,167,023</u>	<u>119,646,635</u>
CURRENT ASSETS			
Cash and money market investments		1,370,404	1,329,429
Receivables and prepayments		<u>1,269,423</u>	<u>1,212,704</u>
Total current assets		<u>2,639,827</u>	<u>2,542,133</u>
TOTAL ASSETS		<u>119,806,850</u>	<u>122,188,768</u>

On behalf of the trustees:



Trustee

Date: 11 September 2003



Trustee

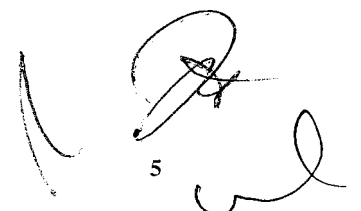
WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE

	Note	2003 \$	2002 \$
CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES			
<i>Cash was provided from:</i>			
Event and operating income		6,259,241	4,974,783
Corporate box fees & sponsorships		3,587,813	3,394,486
Interest received		58,003	39,763
Donations and other sundry income		<u>226,979</u>	<u>883,631</u>
		<u>10,132,036</u>	<u>9,292,663</u>
<i>Cash was applied to:</i>			
Payments to suppliers and employees		(6,669,254)	(4,939,065)
Interest paid		<u>(2,448,475)</u>	<u>(2,363,117)</u>
		<u>(9,117,729)</u>	<u>(7,302,182)</u>
Net cash inflow from operating activities	16	1,014,307	1,990,481
CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES			
<i>Cash was applied to:</i>			
Fixed asset additions		<u>(488,725)</u>	<u>(3 59,956)</u>
Net cash outflow from investing activities		<u>(488,725)</u>	<u>(3 59,956)</u>
CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES			
<i>Cash was provided from:</i>			
Membership, Corporate Box Fees & Sponsorships		235,975	155,270
Loans		<u>179,418</u>	<u> </u>
		<u>415,393</u>	<u>155,270</u>
<i>Cash was applied to:</i>			
Repayment of loans		<u>(900,000)</u>	<u>(1,428,120)</u>
Net cash outflow from financing activities		(484,607)	(1,272,850)
NET INCREASE IN CASH HELD		40,975	357,675
Cash at beginning of the period		<u>1,329,429</u>	<u>971,754</u>
CASH AT END OF THE YEAR		<u>1,370,404</u>	<u>1,329,429</u>
<i>Composition of cash:</i>			
Cash at bank		(85,026)	(43,224)
Money market investments		<u>1,445,430</u>	<u>1,372,653</u>
		<u>1,370,404</u>	<u>1,329,429</u>

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



1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

These financial statements are for the Wellington Regional Stadium Trust ('the Trust'), a charitable trust established by the Wellington City Council ('WCC') and Wellington Regional Council ('WRC') and registered under the Charitable Trusts Act 1957.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. The financial statements have also been prepared in accordance with the requirements of the Charitable Trusts Act 1957.

Measurement base

The financial statements have been prepared on a historical cost basis.

Membership, Corporate Box and Sponsorship Funding

The development of the Stadium was partially funded by the sale of stadium club memberships, corporate boxes and signage and sponsorship properties. The term of the memberships and corporate box licenses is 15 years. The terms of the signage and 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. Amortisation of revenue from memberships and corporate boxes commenced from 1 January 2000. Where signage and sponsorship agreements were entered into prior to the opening of the Stadium, amortisation of revenue commenced from 1 January 2000.

Donations and Grants

Donations and Grants are recognised as revenue on receipt.

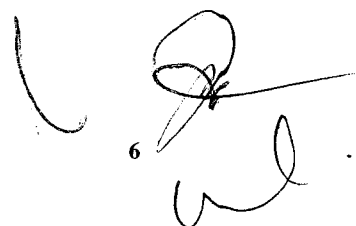
Income tax

The income tax expense charged against the net surplus for the year is the estimated liability in respect of that surplus and is calculated after allowance for permanent differences. The Trust uses the liability method of accounting for deferred taxation and applies this on a comprehensive basis. Future tax benefits attributable to tax losses or timing difference are only recognised when there is virtual certainty of realisation.

Because of the uncertainty over the tax status of the Trust (refer to Note 2), any deferred tax liability has not been recognised in the financial statements.

Goods and Services Tax (GST)

The financial statements have been prepared exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included.



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WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

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Fixed Assets

Fixed assets are stated at cost. Cost includes the purchase consideration, or fair value in the case of a donated asset, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Finance Leases

Leases where the Trust assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance lease are stated initially at an amount equal to the present value of the future minimum lease payments, and are depreciated as described below.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

Depreciation

Depreciation is calculated on a straight line basis to allocate the cost or revalued amount of an asset, less any residual value, over its useful life. The estimated useful lives of fixed assets are as follows:

Pitch	Indefinite – 15 years
Stadium Buildings	50 - 70 years
Replay screen & production equipment	15 -25 years
Fitout	5-50 years
Fittings	5-10 years
Plant & machinery & equipment	3-50 years

Receivables

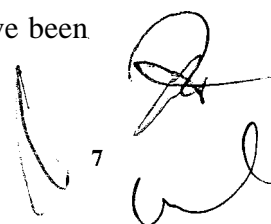
Receivables are valued at net realisable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at year end. Bad debts are written off during the period in which they are identified.

Financial Instruments

The Trust is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, money market deposits, debtors, creditors, loans and interest rate swaps. The Trust has interest rate swap instruments with off-balance sheet risk for the primary purpose of reducing its exposure to interest rates. For interest rate swap agreements the differential to be paid or received is effectively accrued as interest rates change and is recognised as a component of interest expense over the life of the agreement. Apart from interest rate swaps, all financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the statement of financial performance. Except for interest rate swaps, all financial instruments are stated at fair values.

Changes in accounting policies

All policies have been applied on a consistent basis during the year. There have been no changes in accounting policies.

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**WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2003**

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2. STATUS OF TRUST

During 1999, the New Zealand Government passed amendments to the Local Government Act and the Income Tax Act, which had the effect of bringing some trusts controlled by local bodies within the Local Authority Trading Enterprise (“LATE”) definition. The Inland Revenue Department subsequently deemed that the Wellington Regional Stadium Trust was a LATE for tax purposes and withdrew the Trust’s tax-exempt status with effect from 1 April 1999. With the enactment of the Local Government Act 2002, LATE’s have been replaced by Council Controlled Organisations (“CCO”) and Council Controlled Trading Organisations (“CCTO”)

During the previous financial year, the Trust made submissions on the Local Government Bill but the final enactment as the Local Government Act 2002 did not resolve the status of the Trust. The Trust is now continuing, in conjunction with the Wellington Regional and Wellington City Councils, the process of obtaining a declaratory judgment from the High Court to confirm its status.

The obligations of the WRC and WCC to fund the Trust are defined under a Funding Deed dated 30 January 1998. Under the terms of this deed, any interest charged on the limited-recourse loans is accrued and added to the loans. It is not repayable until after all other debts are extinguished. If the Trust is a CCTO it will be a taxpayer and will be required to pay interest on its limited-recourse loans at a market rate. Because of the uncertainty over the status of the Trust, this interest has not been charged by the WRC and WCC, and accordingly has not been accrued in the financial statements of the Trust.

If the Trust is deemed not to be a CCTO, the Trust will then seek reinstatement of the previous tax-exempt status.

3. INVESTMENT REVENUE

	2003	2002
	\$	\$
Interest received	57,610	40,138
Tenancy rentals	<u>124,314</u>	<u>78,889</u>
	<u>181,924</u>	<u>119,027</u>

4. OPERATING EXPENSES

	2003	2002
	\$	\$
Event operating expenses	3,163,333	2,297,312
Maintenance and facility operation	1,980,906	1,817,779
Personnel	1,043,859	980,971
Trustee Fees	107,000	106,000
Fees paid to Auditors - external audit	14,774	16,250
- other services	3,838	
Rental expense on operating leases	8,212	12,660
Other operating expenses	<u>351,828</u>	<u>493,251</u>
Total operating expenses	<u>6,673,750</u>	<u>5,724,223</u>

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

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5. DEPRECIATION

	2003	2002
	\$	\$
Pitch	9,446	9,206
Stadium Buildings	1,365,138	1,367,895
Fitout	474,793	466,606
Replay screen and production equipment	246,729	246,729
Fittings	130,036	123,885
Owned plant machinery and equipment	729,312	700,470
Leased plant machinery and equipment	36,590	78,280
Leasehold improvements	3,087	3,087
Total	<u>2,995,131</u>	<u>2,996,158</u>

6. TAXATION

	2003	2002
	\$	\$
Accounting net surplus before tax	<u>1,918,536</u>	<u>1,146,315</u>
Tax at 33%	633,117	378,284
Tax effect of permanent differences	4,996	1,122
Tax loss benefit not recognised	784,849	697,016
Timing differences not recognised	<u>(1,422,962)</u>	<u>(1,076,422)</u>
Tax expense	<u>0</u>	<u>0</u>
Unrecognised tax losses carried forward	8,752,257	6,355,485
Tax saving thereon	2,888,245	2,097,310
Deferred tax liability (tax effected) not recognised on accumulated timing differences	4,314,611	2,897,735

7. LIMITED-RECOURSE LOANS

The development of the stadium was partially funded by the Wellington City Council and the Wellington Regional Council. The funding was by way of unsecured limited-recourse loans. No interest has been charged on these loans.

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.

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WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
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8. BORROWINGS	Note	2003	2002
		\$	\$
Non Current Borrowings			
ANZ Banking Group (NZ) Ltd		29,650,000	31,150,000
Wellington Rugby Football Union Incorporated			
- Deferred Membership reimbursement		479,143	3 13,405
New Zealand Cricket Incorporated			30,000
Lease & hire purchase obligations	9	<u>5,702</u>	<u>55,849</u>
		<u>30,134,845</u>	<u>31,549,254</u>
Borrowings due within 12 months			
ANZ Banking Group (NZ) Ltd		950,000	350,000
Hunter Premium Funding		240,994	
New Zealand Cricket Incorporated		120,000	90,000
Lease & hire purchase obligations	9	<u>50,148</u>	<u>61,576</u>
		<u>1,361,142</u>	<u>501,576</u>

ANZ Banking Group (NZ) 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
\$5 million	7.41%	July 2003
\$7.5 million	7.22%	January 2004
\$8.1 million	5.97%	May 2004
\$10 million	7.48%	April 2005

Repayments on the Cash Advance facility are as follows:

30 June 2004	\$1.5 million
30 June 2005	\$1.5 million
30 June 2006	\$1.5 million
30 June 2007	\$6 million and renegotiation of the terms relating to the balance

At 30 June 2003, \$0.55 million of the repayment due on 30 June 2004 had been repaid early.

Wellington Rugby Football Union Incorporated

The deferred membership reimbursement is repayable at the end of the NPC seasons in the years 2005-2007. The current interest rate is 6.99%.

New Zealand Cricket Incorporated

New Zealand Cricket Incorporated advanced the Basin Reserve Trust \$150,000 for the construction of a new toilet block at the Basin Reserve. This debt was assumed by the Wellington Regional Stadium Trust when it took over the operations of the Basin

WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
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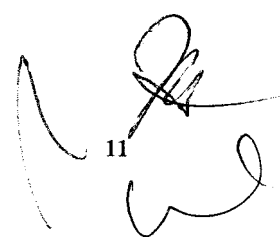
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Reserve Trust on 1 July 1999. The debt is repayable by the Trust at \$30,000 per annum over a period of five years. The payments due in the years ending 30 June 2001, 30 June 2002 and 30 June 2003 have been deferred. The loan is interest free and is deemed to be a prepayment of the Gate share which will become payable by New Zealand Cricket for fixtures held at the Stadium or Basin Reserve.

Hunter Premium Funding

The Trust obtained funding of its insurance premium, which is repayable in monthly instalments ceasing on 1 September 2003. The interest rate is 7.47%

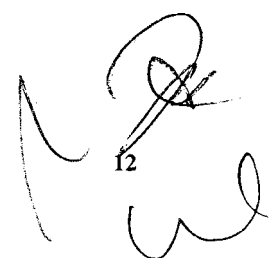
9. FINANCE LEASE LIABILITIES	2003	2002
	\$	\$
Total minimum lease payment due:		
Not later than one year	53,455	70,000
Later than one year but not later than two years	<u>5,817</u>	<u>59,272</u>
	<u>59,272</u>	<u>129,272</u>
Future lease finance charges:		
Current	3,307	8,424
Non Current	115	<u>3,423</u>
	<u>3,422</u>	<u>11,847</u>
Net Finance lease liability		
Current	50,148	61,576
Non Current	<u>5,702</u>	<u>55,849</u>
	<u>55,850</u>	<u>117,425</u>
 Financing charges related to finance leases included in Interest expense	 8,425	 15,717
 10. PAYABLES AND ACCRUALS	 2003	 2002
	\$	\$
Trade creditors	1,092,285	884,323
Employee entitlements	53,341	45,314
Accrued expenses	<u>246,346</u>	<u>526,700</u>
	<u>1,391,972</u>	<u>1,456,337</u>



WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
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11. FIXED ASSETS	2003 \$	2002 \$
Freehold Land	<u>4,225,000</u>	<u>4,225,000</u>
Pitch		
At cost	1,314,289	1,309,044
Accumulated depreciation	<u>(63,011)</u>	<u>(53,565)</u>
	<u>1,251,278</u>	<u>1,255,479</u>
Stadium Buildings		
At cost	83,022,508	82,996,342
Accumulated depreciation	<u>(5,214,986)</u>	<u>(3,849,849)</u>
	<u>77,807,522</u>	<u>79,146,493</u>
Fitout		
At cost	13,830,630	13,642,693
Accumulated depreciation	<u>(1,733,980)</u>	<u>(1,259,187)</u>
	<u>12,096,650</u>	<u>12,383,506</u>
Replay Screen & Production Equipment		
At cost	5,232,583	5,232,583
Accumulated depreciation	<u>(1,014,422)</u>	<u>(767,693)</u>
	<u>4,218,161</u>	<u>4,464,890</u>
Fittings		
At cost	1,324,740	1,247,211
Accumulated depreciation	<u>(456,820)</u>	<u>(326,784)</u>
	<u>867,920</u>	<u>920,427</u>
Owned Plant and Machinery and Equipment		
At cost	18,798,056	18,554,541
Accumulated depreciation	<u>(2,282,224)</u>	<u>(1,566,710)</u>
	<u>16,515,832</u>	<u>16,987,831</u>
Leased Plant and Machinery and Equipment		
At cost	257,859	257,859
Accumulated depreciation	<u>(216,273)</u>	<u>(165,885)</u>
	<u>41,586</u>	<u>91,974</u>
Leasehold improvements		
At cost	154,396	154,396
Accumulated depreciation	<u>(11,322)</u>	<u>(8,234)</u>
	<u>143,074</u>	<u>146,162</u>
Construction work in progress		<u>24,873</u>
Total net carrying amount	<u>117,167,023</u>	<u>119,646,635</u>



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12 FINANCIAL INSTRUMENTS

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.

Fair value

Except for interest rate swaps, the fair value of financial instruments is equivalent to the carrying amount disclosed in the statement of financial position. The estimated fair values of the interest rate swaps at balance date are (\$379,142) (2002, (\$115,692)) and the carrying amount is \$41,669 (2002, \$47,026).

Interest rate risk

Interest rate risk is the risk that interest rates will fluctuate due to changes in the market interest rates. The interest rates on the Trust's borrowings are disclosed in Note 8. The Trust does not consider that there is any significant interest exposure on either its investments or borrowings.

Currency Risk

The Trust has no exposure to currency risk.

13. RELATED PARTY TRANSACTIONS

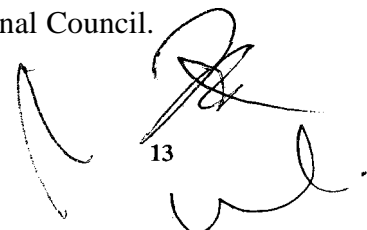
Wellington City Council	2003	2002
	\$	\$
Services provided to Council	124,699	85,005
Receivable balance outstanding	23,350	427
Services provided by Council	280,863	55,828
Payable balance outstanding	5,276	2,050

These transactions took place on normal commercial terms.

Details of the Advance from the Wellington City Council are given in Note 7. The Wellington City Council has also provided an underwrite of unsold Stadium Memberships. The balance of this underwrite at 30 June 2003 was \$331,507 (2002 \$936,133). The remaining unsold memberships were sold under a deferred payment arrangement with the final payment due on 30 June 2003.

Wellington Regional Council

Details of the Advance from the Wellington Regional Council are given in Note 7. There were no other related party transactions with the Wellington Regional Council.



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WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

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14. COMMITMENTS

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




	2003 \$	2002 \$
Operating leases		
Non-cancellable operating lease commitments:		
Within one year	4,308	6,814
One to two years	4,308	3,720
Two to five years	196	3,720
Beyond five years	<u>8,812</u>	<u>14,254</u>
Capital Expenditure		
Amounts committed to capital expenditure	Nil	400,000

15. CONTINGENCIES

The Trust has no contingent liabilities at 30 June 2003 (2002: Nil)

16. RECONCILIATION OF NET OPERATING SURPLUS TO NET CASHFLOWS FROM OPERATING ACTIVITIES

	2003 \$	2002 \$
Net surplus for the year	1,918,536	1,146,315
Impact of changes in working capital items		
(Increase)/decrease in receivables	(56,719)	18,135
(Increase)/decrease in other current assets		70,925
Increase/(decrease) in revenue in advance	(705,764)	459,307
Increase/(decrease) in payables	<u>(64,364)</u>	<u>192,984</u>
	(826,847)	741,351
Non Operating items in above movements:		
Receivables	(120,160)	60,682
Revenue in advance	81,801	(13,349)
Payables	(9,106)	59,018
Increase/(decrease) in Non Current Revenue in Advance	79,795	(5,759)
Non Cash Items in Operating Surplus		
Depreciation	2,995,131	2,996,158
Amortisation	(3,212,081)	(3,137,340)
Other	<u>107,238</u>	<u>143,405</u>
Net cash inflow from operating activities	<u>1,014,307</u>	<u>1,990,481</u>



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**REPORT OF THE AUDITOR-GENERAL
TO THE READERS OF THE FINANCIAL STATEMENTS OF
WELLINGTON REGIONAL STADIUM TRUST (INCORPORATED)
FOR THE YEAR ENDED 30 JUNE 2003**

We have audited the financial statements on pages 2 to 14. The financial statements provide information about the past financial performance of Wellington Regional Stadium Trust (Incorporated) (the Trust) and its financial position as at 30 June 2003. This information is stated in accordance with the accounting policies set out on pages 6 and 7.

Responsibilities of the Trust

The Trust is responsible for the preparation of the financial statements in accordance with generally accepted accounting practice in New Zealand that fairly reflect the financial position of Wellington Regional Stadium Trust (Incorporated) as at 30 June 2003 and the results of its operations and cash flows for the year ended on that date.

Auditor's responsibilities

Section 15 of the Public Audit Act 2001 requires the Auditor-General to audit the financial statements presented by the Trust. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and report that opinion to you.

The Auditor-General has appointed R Tomlinson of Audit New Zealand, to undertake the audit.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- ▲ the significant estimates and judgements made by the Trust in the preparation of the financial statements; and
- ▲ whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have performed an assignment in relation to asset management planning. Other than this assignment and in our capacity as auditor acting on behalf of the Auditor-General, we have no relationship with or interests in the Wellington Regional Stadium Trust (Incorporated).

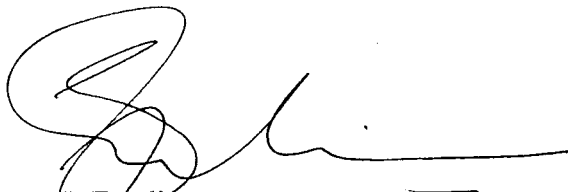
Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion:

- ▲ the financial statements of Wellington Regional Stadium Trust (Incorporated) on pages 2 to 14:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Trust's financial position as at 30 June 2003; and
 - the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 15 September 2003 and our unqualified opinion is expressed as at that date.



R Tomlinson
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand