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Committee       Policy, Finance and Strategy  
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## Wellington Regional Stadium Trust - 2006/07 Business Plan and Final Statement of Corporate Intent

### 1. Purpose

To receive the 2006/07 Business Plan and final Statement of Corporate Intent from the Wellington Regional Stadium Trust.

### 2. Significance of Decision

The matters in this report do not trigger the Significance Policy of the Council or otherwise trigger section 75(3)(b) of the Local Government Act 2002.

### 3. Comment

The Business Plan is the prime responsibility of the Trustees of the Stadium.

The key features of the Business Plan are (refer **Attachment 1**):

- continued surplus's with a forecast of \$1.71 million in 2006/07
- continued sound financial position and reducing debt as planned
- high utilisation over the period in question.

The major issues facing the Stadium over the next three years are:

- continued high utilisation of the Stadium
- ongoing maintenance and Stadium upgrades including reviewing requirements for additional enhancements to the Stadium for the Rugby World Cup 2011
- the new indoor Vector Arena in Auckland providing additional competition for concerts
- achieving sufficient net surplus's to meet their financial obligations

#### 4. Financial Results

\$ million			
	2006/07	2007/08	2008/09
Revenue	14.80	14.15	14.37
Expenses	7.20	7.09	7.78
Depreciation	3.20	3.22	3.25
Interest	2.07	2.04	1.92
<b>Net surplus</b>	<b>1.71</b>	<b>1.80</b>	<b>1.42</b>
Increase/(decrease) in cash	1.72	(0.45)	(0.35)
Bank debt	24.85	23.35	22.35

Included in each of the three years are revenues from unconfirmed events.

#### 5. Statement of Corporate Intent

This is the final Statement of Corporate Intent (SCI) for the Stadium Trust. A full copy is attached (refer **Attachment 2**). Unfortunately the draft SCI has been mislaid in our system and as such the Councillors did not have any opportunity to comment on it. I have discussed this matter with the Chief Executive of the Stadium and he will take any matters raised on the SCI to the Trustees for consideration.

The key responsibilities of the Trustees as specified in the Stadium Trust's Deed, are clearly articulated, namely:

- own, operate and maintain the Stadium as a high quality multi purpose sporting and cultural venue
- provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users including sponsors, event and fixture organisers and promoters so as to attract to the Stadium high quality and popular events for the benefit of the public of the region
- administer the Stadium Trust assets and the Stadium on a prudent commercial basis so that it is a successful, financially autonomous community asset

The SCI is similar in content to the previous year.

## **6. Letter of Expectations, Wellington City Council**

Wellington City Council (WCC) has as in previous years written to the Stadium Trust outlining their expectations. A copy of this letter is attached (refer **Attachment 3**).

The comments we have made to WCC as in the past are:

- a) The staging of additional community events should not put at risk the meeting of the Stadium Trust's financial obligations.
- b) The objectives of the Stadium Trust cannot be compromised.
- c) The Stadium Trust is not a Council Controlled Organisation.

## **7. Communications**

No communications are necessary.

## **8. Recommendation**

*That the Committee recommend to Council that it:*

- (1) *receives the report*
- (2) *notes its contents.*

Report prepared by:

**Barry Turfrey**  
Chief Financial Officer

**Attachment 1:** Stadium Trust – 2006/07 Business Plan

**Attachment 2:** Stadium Trust – Statement of Trustees Intent

**Attachment 3:** Wellington City Council letter of expectations