

**BASIN RESERVE TRUST**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2017**



**BASIN RESERVE TRUST**  
**ANNUAL REPORT**  
**For the year ended: 30 June 2017**

**Contents**

	Page
<b>Non-Financial Information:</b>	
Entity Information	1
Statement of Service Performance	2-6
Statement of Compliance and Responsibility	7-8
 <b>Annual Financial Statements:</b>	
Statement of Financial Performance	9
Statement of Financial Position	10
Statement of Cash Flows	11
Statement of Accounting Policies	12-14
Notes to the Financial Statements	15-19
 <b>Independent Auditor's Report</b>	 20-22

1/1/17





**BASIN RESERVE TRUST**  
**ENTITY INFORMATION**  
**For the year ended: 30 June 2017**

**Legal name**

Basin Reserve Trust ("the Trust").

**Type of entity and legal basis**

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957 and also registered with the Charities Commission, registration number CC29029. The Trust was established by the Wellington City Council ("WCC") and Cricket Wellington ("CW") and is a Council Controlled Organisation ("CCO") as defined by Part 1, section 6 of the Local Government Act 2002.

**The Trust's purpose or mission**

The primary objective of the Trust is to manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreational activities and for the playing of cricket, for the benefit of the inhabitants of Wellington.

**Structure of the Trust's operations, including governance arrangements**

The Trust comprises a Board of four Trustees who oversee the governance of the Trust. The Trustees delegated the daily operation of the Trust to CW pursuant to a Management Agreement dated 13 August 2013. The Trust's financial affairs are managed by an external Accountant, who also attends Trustee meetings and partakes in financial discussions.

**Main sources of the Trust's cash and reserves**

Operating grants received from the WCC are the primary sources of funding to the Trust. The terms under which this funding is provided are contained in a Management Deed dated 16 March 2005.

**Contact details**

Physical Address: Brierley Pavilion, Basin Reserve  
Rugby Street  
Wellington

Postal Address: P O Box 578  
Wellington

Phone (04) 384-3171

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2017**

The Basin Reserve hosted two high profile international cricket matches, a Test Match against Bangladesh in early January, which resulted in New Zealand winning in the final session of Day 5 in front of over 5,000 spectators. The other one was against South Africa in March, which unfortunately resulted in a loss. Outside of cricket, the Trust has been actively working with several key partners to make the ground available in a way that is complimentary to the very busy cricket season. In February 2017, this saw the ground host the Winery Tour Concert, which was met very favourably by the public. Looking ahead to 2017-18, the venue will host a Wine and Food Festival in December and we are currently working towards hosting more events in early 2018.

The playing surface continues to receive excellent reviews from New Zealand Cricket and the International Cricket Council. Overall the New Zealand Cricket Players Association continues to rank the Basin Reserve at the top of New Zealand's cricketing venues; joined by the recently developed Hagley Oval in Christchurch.

The ground and the facilities also received very favourable verbal feedback from the promoter of the Winery Tour concert.

The Basin Reserve continues to provide an invaluable service to the community and again St Marks School have accessed the ground as a football training and cross-country venue.


Old Boys University Rugby Football Club continued to use the Basin Reserve as its home venue for its top senior sides until the conclusion of their season in August 2016. Whilst the Trust welcomes community use of the ground, it has been noted by independent experts that winter play over the cricket block is slowly diminishing the quality of the play achievable for international and domestic cricket. Therefore the Trust worked with rugby officials to alleviate this problem and ensure continued community use of the ground and it was decided to replace senior rugby games being played on the ground with Junior "Rippa" Rugby matches. Accordingly at the commencement of this rugby season, each Saturday morning, 12 teams play games on three junior fields marked out on the outfield of the ground. This means that approximately 120 participants are utilizing the facilities each weekend, which is double the usage rate in previous rugby seasons and also that the First-Class cricket can be played on the ground from mid-October, as the block renovation will be able to occur in April instead of August for this upcoming cricket season.

The Trust took the lead to identify and address these items through investment with capital expenditure before the season to ensure a positive impact long-term on the ground.

Due to circumstances outside of the Trust's control, some of the operating targets were not fully achieved for 2016/17. Two of the the Four day Plunket Shield games were not able to be hosted at the ground due to external factors. Firstly the Kaikoura Earthquake resulted in a Plunket Shield game being abandoned and was not able to be rescheduled at the ground. Secondly, a Plunket Shield Fixture, originally scheduled for the Basin was later moved by New Zealand Cricket to Westpac Stadium, as a trial for day-night cricket. This did however highlight the strength of the relationship between the Basin Reserve Trust and Westpac Stadium. Both of these occurrences resulted in the number of Cricket Event Days and Events not being met. The number of Other Sports Event Days were below target due to "Rippa" Rugby only commencing on the ground in the 2017 rugby season. The number of Function Events and Event Days was also not met due to the Long Room not being available for hire whilst the R A Vance Stand exterior and interior refurbishment was being carried out.

However it was extremely pleasing to see that the numbers attending events was significantly higher then targeted, despite the current challenges facing the ground.

11A

  
new

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2017**

The Trust is also pleased to note that all the administrative targets were met, but unfortunately not all of the financial targets were met. There were two financial targets that were not met and they were that the Results were not within Budget due to the Trust recording a deficit of \$69,000 as opposed to a targeted surplus of \$9,000. Also Capital Expenditure wasn't within Budget due to the Trust making Capital Improvements of \$133,000 as opposed to a Capital Expenditure Target of \$0. These capital improvements were made to ensure that there was a long-term positive impact on the ground.

The Trust's Statement of Intent for the year ended 30 June 2017 was adopted in June 2016 and the main objectives of the Trust are as follows:

1. To contribute to the WCC's vision of Creative Wellington - Innovative Capital - positioning Wellington as an affordable, internationally competitive city.
2. To manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreation and leisure activities and for the playing of cricket for the benefit of the inhabitants of Wellington;
3. To establish a long term policy for the further development of the value of the Basin Reserve as a recreational facility and as a facility for the playing of cricket, other sports and as a venue for other community based activities;
4. To preserve and enhance the significant and recognised heritage value of the Basin Reserve.
5. To comply with all legislative and regulatory provisions relating to its operation and performance including statutory and general Council objectives for Council Controlled Organisations, and to acknowledge the Council's contribution where appropriate.

## **PERFORMANCE MEASURES**

### **1.0 Administrative**

As outlined in the Statement of Intent, the Trust had three key administrative targets for the year ended 30 June 2017

- Achieve targets within allocated budgets
- Comply with financial, technical and regulatory standards
- Carry out an Asset Management Plan

The administrative measure of achieving targets within budgets is ensuring that budgets are set within the required timeframes and also that the Annual Report is finalised within a set timeframe. The regulatory standards that the Trust is set to comply with are the Charitable Trusts Act 1957 and the Local Government Act 2002.

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2017**

Whilst these two targets are addressed as good business practice, the Trust has in particular focused on the Asset Management of the ground. Given the relative age of the infrastructure, its openness to the public and the sometimes harsh Wellington climate, constant attention to 'wear and tear' is necessary. The Trust has worked hard over the past 12 months to streamline and follow best practice processes. This now sees the Trust proactively managing the condition of the assets, while staying within its allocated budget. Over the next few years it is expected that the Masterplan work will supersede some of this work as upgraded facilities are handed back to the Trust with comprehensive management plans. By way of example, the Scoreboard refurbishment addresses deferred maintenance items, with the intention of bringing the facility back to a "as new" level. The Asset Management plan carried out has been recorded in 2017 and 2016 as Not Applicable due to the fact that most of the assets at the ground are owned by the WCC and they take responsibility for this.

	30 June 2017	30 June 2016
<b>Administrative</b>	<b><u>Target</u></b>	<b><u>Actual</u></b>
<i>Achieve targets within allocated budgets</i>	Achieved	Achieved
<i>Comply with financial, technical and regulatory standards</i>	Achieved	Achieved
<i>Asset Management plan carried out</i>	Achieved	Not Applicable

## 2.0 Operating

The Operating Measures for the Trust are by far the most visible, and generally speaking these are the ones upon which the Trust is evaluated in the public eye. Broadly speaking, these measures can be broken into three areas; events, customer satisfaction and Council investment.

- Events:
  - Number of events and event days - cricket
  - Number of events and event days - other sports
  - Number of events and event days - community
  - Number of events and event days - function
  - Numbers attending events (total)
  - Practice facility usage
- Customer Satisfaction
  - Hirer satisfaction with venue and events
  - Playing surface to be maintained to an international standard
- Council Investment
  - Operational Grant per attendance

In terms of the Event Measures, total attendance and number of events are the most easily understood. These measures simply summarise all events staged at the ground and the number of spectators attending these events. For high profile ticketed events such as Concerts, International and Domestic Cricket, accurate data is gained from the ticketing agents. These types of events represent approximately 90% of our total annual attendance. For smaller 'open to public' events such as rugby, we make an estimate of attendance based on head counts. The number of Function events and event days is a new measure hence there is no 2016 comparative figure. Community events are events that are open to the public, whereas function events are generally private events and are booked through the Trust's Concessionaire and are held in the Long Room.

1 AA



**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2017**

The Trust's performance measures also recognise the number of event days, as distinct from simply the number of events. By and large, this reflects events such as Cricket Test Matches spanning multiple days, and more accurately represents the Basin Reserve's usage rates. In addition to these standard measurements, the Trust also records usage of the venue's Cricket Practice Facilities. Following considerable investment in these practice facilities over the years, it is important to gauge their level of use. Of note, this figure also includes international cricket practices for matches at Westpac Stadium. With no Practice Facilities of its own, Westpac Stadium contracts the Basin Reserve Trust to provide these facilities on its behalf. This is perhaps a good example of the close and positive relationship between the two venues.

Working alongside the simple metrics of events and attendance, the Trust is focussed upon attaining a high level of customer satisfaction from its users. To assess customer satisfaction, the Trust relies upon a range of sources. For international and domestic cricket, online reporting tools provide an accurate and measurable review of the venue's performance both on and off the field. For other events, the Trust has relied upon feedback from two non-independent sources and feedback was not received on all events, which is a deficiency in the result.

In terms of on-field, the Basin Reserve continues to be recognised as the premier cricket venue in the country. The outfield drainage received an upgrade several years ago and offers an excellent playing surface for both cricket and other sports. The Cricket block itself is world renowned for its pace and bounce, key aspects for delivering high quality cricket entertainment to the public. However, as noted earlier, the Trust needs to address the sometimes competing demand of summer and winter use, in order to preserve the Basin Reserve's status. Off-field, the aging facilities present a challenge, and one that is continuing to be addressed in the coming years through the Basin Reserve Masterplan.

	30 June 2017	30 June 2016
<b>Operating - Number of Events</b>	<b>Target</b>	<b>Actual</b>
<i>Cricket</i>	25	20
<i>Other Sports</i>	22	33
<i>Community</i>	12	15
<i>Function</i>	15	10
		-
<b>Operating - Number of Event Days</b>		
<i>Cricket</i>	38	36
<i>Other Sports</i>	22	9
<i>Community</i>	12	14
<i>Function</i>	15	8
		-
<i>Numbers attending events (total)</i>	31,000	37,336
<i>Practice facility usage</i>	85	147
<i>Hirer satisfaction with venue and events</i>	Achieved	Achieved
<i>Playing surface to be maintained to an international standard</i>	Achieved	Achieved
<i>Operational Grant per attendance</i>	\$12.27	\$10.26
		\$7.00

*Handwritten signatures and initials:*  
 N/A  
 [Signature]  
 men

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2017**

**3.0 Financial**

Financial measures for the Trust largely reflect its ability to work within a budget defined by the Council grants and event hire. These two areas represent the vast majority of the Trust's income and as such it works hard to ensure achievement of the below objectives:

- Results within Budget
- Capital expenditure within Budget
- Event Income
- Business Plan developed

In terms of the Trust working within budgets, it was disappointing that the Trust did not achieve this target as the Trust recorded a Deficit of \$69,000 as opposed to a target of a Surplus of \$9,000. Also the Trusts Capital Expenditure greatly exceeded the target by \$133,000. Most of this work was undertaken in conjunction with the Capital Expenditure being made on the ground facilities by the WCC, which wasn't envisaged when the budget was submitted in early March 2016. The Trust has however spent considerable time developing its business plan and improving its planning processes. This has allowed the Trust to take a proactive approach to the management of the ground and attraction of events.




The major items of capital expenditure made during the year under review were on the R A Vance Stand interior upgrade and data outlets and Sky cabling, CCTV and an upgrade to the onfield Practice Wicket.

Pleasingly, the Trust has secured international cricket fixtures for the next season, a Test Match against the West Indies in December and a One-Day International against Pakistan in January.

Also the Trust is extremely pleased with the progress that has been made in this financial year on the Masterplan. The exterior upgrade of the R A Vance was completed and the interior upgrade was commenced and will be completed before the start of 2017/18 Cricket Season. The interior works includes structural changes to the Norwood Room and a complete upgrade of the kitchens, which will result in a considerable improvement to the facilities.

Also the old Scoreboard is getting a complete overhaul before the commencement of the 2017/18 Cricket Season. This work will include recladding, rewiring and replacement of the lightbulbs with a modern LED system

	30 June 2017	30 June 2016	
Financial	<u>Target</u>	<u>Actual</u>	<u>Actual</u>
<i>Results within Budget</i>	Achieved	Not Achieved	Not Achieved
<i>Capital expenditure within Budget</i>	Achieved	Not Achieved	Achieved
<i>Event Income</i>	\$149,000	\$206,600	\$196,500
<i>Business Plan developed</i>	Achieved	Achieved	Achieved

**BASIN RESERVE TRUST**  
**STATEMENT OF COMPLIANCE AND RESPONSIBILITY**  
**For the year ended: 30 June 2017**

**SUMMARY OF ANNUAL PERFORMANCE**

The Basin Reserve hosted two high profile international cricket matches, a Test Match against Bangladesh and a Test Match against South Africa. Outside of cricket, the Trust has been actively working with several key partners to make the ground available in a way that is complementary to the very busy cricket season. In February 2017, this saw the ground host the Winery Tour Concert, which was met very favourably by the public. Looking ahead to 2017-18, the venue will host a Wine and Food Festival in December and the Trust is currently working towards hosting more events in early 2018.

The playing surface continues to receive excellent reviews from New Zealand Cricket and the International Cricket Council. Overall the New Zealand Cricket Players Association continues to rank the Basin Reserve at the top of New Zealand's cricketing venues.

The ground and the facilities also received very favourable verbal feedback from the promoter of the Winery Tour concert.

The Basin Reserve continues to provide an invaluable service to the community and again St Marks School have accessed the ground as a football training and cross-country venue. The ground has also recently commenced to host 12 teams of "Rippa" Rugby players on Saturday mornings.

Due to circumstances outside of the Trust's control, some of the operating targets were not met. The number of Cricket Events and Event Days were not met because two Plunket Shield four day cricket games were not able to be hosted at the ground. This was due to a match being abandoned because of the Kaikoura Earthquake and also New Zealand Cricket wanting to trial day-night cricket. The number of Other Sports Event Days were below target due to "Rippa" Rugby only commencing in the 2017 rugby season and also the Function Events and Event Days were not met due to the refurbishment of the R A Vance Stand.

The Trust is however pleased to note that all the administrative targets were met, but unfortunately not all of the financial targets were met. There were two financial targets that were not met and they were that the Results were not within Budget due to the Trust recording a deficit of \$69,000 as opposed to a targeted surplus of \$9,000. Also Capital Expenditure wasn't within Budget due to the Trust making Capital Improvements of \$133,000 as opposed to a Capital Expenditure Target of \$0.

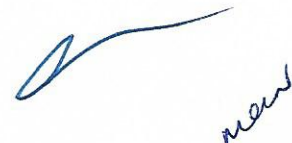
However it was extremely pleasing to see that the numbers attending events was significantly higher than targeted, despite the current challenges facing the ground.

**COMPLIANCE**

The Board and management of the Basin Reserve Trust ("the Trust") confirm that all statutory requirements of the Local Government Act 2002 regarding financial and operational management have been complied with.

**RESPONSIBILITY**

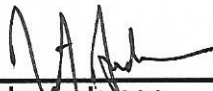
The Board and management of the Trust accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.




**BASIN RESERVE TRUST**  
**STATEMENT OF COMPLIANCE AND RESPONSIBILITY**  
**For the year ended: 30 June 2017**

The Board accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Trust.

In the opinion of the Board and management, the Annual Financial Statements for the year ended 30 June 2017 fairly reflect the financial position, results of operations and service performance achievements of the Trust.

  
\_\_\_\_\_  
Sir John Anderson,  
Chairman  
Date: 19/9/17

  
\_\_\_\_\_  
Cam Mitchell  
Chief Executive Officer  
Cricket Wellington  
Date: 19/9/17

**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**For the year ended: 30 June 2017**

	Notes	Actual 2017	Budget 2017	Actual 2016
		\$	\$	\$
<b>Revenue</b>				
Council funding	1	632,938	604,050	592,707
Grants other		66,686	-	8,292
Sales of goods and services	2	288,320	215,000	255,132
Interest revenue		682	3,500	3,191
<b>Total Revenue</b>		<b>988,626</b>	<b>822,550</b>	<b>859,322</b>
<b>Expenses</b>				
Depreciation of property, plant and equipment	7	109,298	87,000	92,213
Costs related to providing goods and services	3	809,967	601,500	663,567
Other expenses	4	138,022	125,125	115,421
<b>Total Expenses</b>		<b>1,057,287</b>	<b>813,625</b>	<b>871,201</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(68,661)</b>	<b>8,925</b>	<b>(11,879)</b>

Explanations of major variances against budget are provided in note 15

MA

new

**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2017**

	Notes	Actual 2017	Budget 2017	Actual 2016
<b>Assets</b>		\$	\$	\$
<b>Current Assets</b>				
Bank accounts and cash	5	27,825	76,342	109,445
Debtors and prepayments	6	126,479	185,600	181,406
<b>Total Current Assets</b>		154,304	261,942	290,851
<b>Non-Current Assets</b>				
Debtors and prepayments	6	-	-	12,075
Property, plant and equipment	7	622,054	646,490	598,209
<b>Total Non-Current Assets</b>		622,054	646,490	610,284
<b>Total Assets</b>		<b>776,358</b>	<b>908,432</b>	<b>901,135</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Creditors and accrued expenses	8	170,588	142,520	162,319
Income received in advance		10,000	-	10,000
Unearned income		4,323	-	68,708
<b>Total Current Liabilities</b>		184,911	142,520	241,027
<b>Total Liabilities</b>		<b>184,911</b>	<b>142,520</b>	<b>241,027</b>
<b>Total Assets less Total Liabilities</b>		<b>591,447</b>	<b>765,912</b>	<b>660,108</b>
<b>Trust Equity</b>				
Contributed capital	9	100	100	100
Accumulated surpluses	9	591,347	765,812	660,008
<b>Total Trust Equity</b>		<b>591,447</b>	<b>765,912</b>	<b>660,108</b>

Explanations of major variances against budget are provided in note 15

1 AA



man

**BASIN RESERVE TRUST**  
**STATEMENT OF CASH FLOWS**  
**For the year ended: 30 June 2017**

	Note	Actual 2017	Budget 2017	Actual 2016
		\$	\$	\$
<b>Cash Flows from Operating Activities</b>				
Receipts of council funding		665,358	544,050	585,303
Receipts of grants other		66,351	-	8,292
Receipts from sale of goods and services		281,813	175,000	259,283
Interest receipts		682	3,500	3,191
Payments to suppliers and employees		(952,128)	(675,800)	(761,364)
GST (net)		(11,188)	(35,600)	1,130
<b>Net Cash Flows from Operating Activities</b>		50,888	11,150	95,835
 <b>Cash Flows from Investing and Financing Activities</b>				
Payments to acquire property, plant and equipment		(132,508)	-	(34,673)
<b>Net Cash Flows from Investing and Financing Activities</b>		(132,508)	-	(34,673)
 <b>Net Increase/(Decrease) in Cash for the Year</b>		(81,620)	11,150	61,162
Add opening bank accounts and cash		109,445	65,192	48,283
<b>Closing Bank Accounts and Cash</b>	3	27,825	76,342	109,445

Explanations of major variances against budget are provided in note 15





**BASIN RESERVE TRUST**  
**STATEMENT OF ACCOUNTING POLICIES**  
**For the year ended: 30 June 2017**

**ACCOUNTING POLICIES APPLIED**

***BASIS OF PREPARATION***

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The accounts have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

***GOODS AND SERVICES TAX***

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

***INCOME TAX***

The Trust is registered with the Charities Commission and is thus exempt from income tax under the Income Tax Act 2007. The Trust is not exempt from the need to comply with indirect tax obligations such as Goods and Services, Fringe Benefit and Entertainment and accordingly complies with those obligations that are applicable.

***SIGNIFICANT ACCOUNTING POLICIES***

**Revenue**

*Grants*

Council and other grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if the conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

*Sale of goods*

Revenue from the sale of goods is recognised when the goods are sold to the customer.

*Sale of services*

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.



**BASIN RESERVE TRUST**  
**STATEMENT OF ACCOUNTING POLICIES**  
**For the year ended: 30 June 2017**

*Donated Assets*

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

*Interest revenue*

Interest revenue is recorded as it is earned during the year.

**Administration and overhead costs**

These are expensed when the related service has been received.

**Bank accounts and cash**

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

**Debtors**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

**Property, plant and equipment**

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amounts.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Leasehold improvements	1.5 to 45.5 years	(2.20% to 66.70%)
Drainage works	14 to 18 years	(5.50% to 7.20%)
Furniture & fittings	2.5 to 8.5 years	(12.00% to 48.00%)
Plant	3 to 6.5 years	(16.20% to 33.00%)

**Creditors and accrued expenses**

Creditors and accrued expenses are measured at the amount owed.

1/14

*[Signature]*

*man*

**BASIN RESERVE TRUST**  
**STATEMENT OF ACCOUNTING POLICIES**  
**For the year ended: 30 June 2017**

**Budget figures**

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

**Tier 2 PBE Accounting Standards applied**

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

**CHANGES IN ACCOUNTING POLICIES**

There have been no changes in accounting policies from those used in the previous financial year.

1 AA





**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended: 30 June 2017

**1 Council funding**

	2017	2016
	\$	\$
Operational grant - WCC	382,938	367,500
Turf management grant - WCC	250,000	225,207
<b>Total council funding</b>	<b>632,938</b>	<b>592,707</b>

**2 Sales of goods and services**

	2017	2016
	\$	\$
Ground hire income	206,600	196,500
Concession income	21,194	30,384
Signage	-	1,000
Picket fence income	1,489	70
Miscellaneous income	59,037	27,178
<b>Total sales of goods and services</b>	<b>288,320</b>	<b>255,132</b>

**3 Costs related to providing goods and services**

	2017	2016
	\$	\$
Building expenses	40,728	58,710
Ground expenses	455,484	367,536
Occupancy expenses	133,024	135,995
Event running expenses	180,511	101,286
Picket fence expenses	220	40
<b>Total costs related to providing goods and services</b>	<b>809,967</b>	<b>663,567</b>

*7/11*

*[Signature]*

*now*

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended: 30 June 2017

**4 Other expenses**

	2017	2016
	\$	\$
Audit fee for the financial statement audit	13,483	13,090
Management fee	68,000	68,000
Marketing	8,889	20,588
Other administrative expenses	47,650	13,743
<b>Total other expenses</b>	<b>138,022</b>	<b>115,421</b>

**5 Bank accounts and cash**

	2017	2016
	\$	\$
Cash on hand	165	165
Cheque account	13,608	39,792
Savings accounts	14,052	69,488
<b>Total bank accounts and cash</b>	<b>27,825</b>	<b>109,445</b>

**6 Debtors and prepayments**

	2017	2016
	\$	\$
Gross debtors	120,963	187,946
Provision for impairment	-	-
Net debtors	120,963	187,946
Prepayments	5,516	5,535
<b>Total debtors and prepayments</b>	<b>126,479</b>	<b>193,481</b>

1/1/17

*[Handwritten signature]*

*[Handwritten signature]*

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended: 30 June 2017

**7 Property, plant and equipment**

	Plant	Furniture & Fittings	Drainage Works	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Carrying amount at 1 July 2015	12,366	19,404	61,238	552,076	645,084
Additions	26,220	1,614	-	17,504	45,338
Disposal (net of accumulated depreciation)	-	-	-	-	-
Depreciation expense	(13,979)	(6,021)	(8,696)	(63,517)	(92,213)
Carrying amount at 30 June 2016	24,607	14,997	52,542	506,063	<b>598,209</b>
Carrying amount at 1 July 2016	24,607	14,997	52,542	506,063	598,209
Additions	56,605	-	-	76,538	133,143
Disposal (net of accumulated depreciation)	-	-	-	-	-
Depreciation expense	(30,650)	(4,483)	(8,696)	(65,469)	(109,298)
Carrying amount at 30 June 2017	50,562	10,514	43,846	517,132	<b>622,054</b>

The land and buildings that the ground is situated on are owned by the WCC and are occupied under a lease agreement with them.

**8 Creditors and accrued expenses**

	2017	2016
	\$	\$
Creditors	150,185	116,564
Accrued expenses	20,403	45,755
<b>Total creditors and accrued expenses</b>	<b>170,588</b>	<b>162,319</b>

9 AB



new

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended: 30 June 2017**

**9 Equity**

	2017	2016
	\$	\$
<b>Contributed capital</b>		
Balance at 1 July	100	100
Balance at 30 June	100	100
<b>Accumulated surpluses</b>		
Balance at 1 July	660,008	671,887
Surplus for the year	(68,661)	(11,879)
Balance at 30 June	591,347	660,008
<b>Total equity</b>	<b>591,447</b>	<b>660,108</b>

**10 Commitments**

There were no operating or capital commitments as at 30 June 2017 (2016 Nil).

**11 Contingent liabilities**

There were no contingent liabilities or assets as at 30 June 2017 (2016 Nil).

**12 Related-party transactions**

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

*Related-party transactions significant to the Trust requiring disclosure*

1. WCC made a grant of \$382,938 (2016 \$367,500) to the Trust as a contribution towards the costs of operating the Trust.
2. WCC made a grant of \$250,000 (2016 \$225,207) to the Trust as a contribution towards the costs Turf Management.
3. The Trust paid WCC the sum of \$10,000 (2016 \$10,000) as a contribution for the Karori Park operation.

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended: 30 June 2017**

**13 Trustee fees**

In the year to 30 June 2017, the Trustees did not receive any remuneration in regard to their duties as trustees (30 June 2016 Nil).

**14 Events after the balance date**

There were no significant events after the balance date.

**15 Explanations of major variances against budget**

Explanations for major variances from the Trust's budgeted figures in the 30 June 2017 statement of intent are as follows:

**Statement of financial performance**

1. In this financial year the model for hosting International Cricket matches was changed and the amounts received for hosting them was increased, to re-imburse the Trust for the increased expenditure to be met by them in hosting games.
2. When the budget was agreed it was not envisaged that the Trust would generate any revenue from Grants Other.
3. Also when the budget was agreed it wasn't envisaged that there would be any income generated from the sale of the LED Screen.
4. The amount required to be spent on Turf Management was well in excess of what was envisaged when the budget was set.
5. The amount spent on Event Running was far more than what was budgeted for due to the model for hosting International Cricket matches changing in this financial year as mentioned above.

**Statement of financial position**

1. Debtors are lower than budgeted for due to the amount invoiced for the sale of the LED screen being lower than envisaged.
2. Equity is lower than budgeted for due to the opening equity being lower than envisaged and also this year producing a deficit, whereas it was budgeted that the Trust would produce a small surplus.

**Statement of cash flows**

1. When the budget was set it was not envisaged that there would be any capital expenditure, whereas the actual capital expenditure was quite high mainly to complement the capital expenditure being made on the ground by the WCC.



## Independent Auditor's Report

### To the readers of Basin Reserve Trust's financial statements and performance information for the year ended 30 June 2017

The Auditor-General is the auditor of Basin Reserve Trust (the Trust). The Auditor-General has appointed me, Mari-Anne Williamson, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

## Opinion

We have audited:

- the financial statements of the Trust on pages 1 and 9 to 19, that comprise the statement of financial position as at 30 June 2017, the statement of financial performance and statement of cash flows for the year ended on that date and the entity information, notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 2 to 6.

In our opinion:

- the financial statements of the Trust on pages 1 and 9 to 19:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2017; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) Standard; and
- the performance information of the Trust on pages 2 to 6 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2017.

Our audit was completed on 19 September 2017. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

## **Basis for opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Responsibilities of the Board for the financial statements and the performance information**

The Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board is also responsible for preparing the performance information for the Trust.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board's responsibilities arise from the Local Government Act 2002 and the Basin Reserve Trust Deed.

## **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Trust's Statement of Intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## **Other information**

The Board is responsible for the other information. The other information comprises the information included on pages 7 and 8, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

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



Mari-Anne Williamson  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand