

**BASIN RESERVE TRUST**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2020**

**BASIN RESERVE TRUST**  
**ANNUAL REPORT**  
**For the year ended: 30 June 2020**

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**BASIN RESERVE TRUST**  
**ENTITY INFORMATION**  
**For the year ended: 30 June 2020**

**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 delegate the daily operation of the Trust to CW pursuant to a Management Agreement dated 13 May 2019. 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: Old Pavilion, Basin Reserve  
Sussex 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 2020**

**Introduction**

The iconic Basin Reserve has a rich history. The first game of cricket was played at the Basin on 11 January 1868, making it the oldest cricket ground in New Zealand. The ground not only hosts cricket games, but sporting fixtures of every variety. It has hosted national events and competitions including VE Day celebrations, Royal Tours, exhibitions, Scout jamborees, concerts and festivals. In 1998, the Basin Reserve was listed as a Heritage Area, becoming the first sports ground to receive such a designation and further enhancing its heritage significance. The Basin is also home to the William Wakefield Memorial that was erected in 1882 and commemorates one of Wellington's founders, William Wakefield.

The Basin Reserve plays a role in assisting Wellington City Council to achieve the recreation and leisure participation aims signalled in the 2018-28 Ten Year plan and the "Living WELL" Wellington Sport & Active Recreation Strategy. The redevelopment will reposition the Basin as New Zealand's premier cricket venue and help attract national and international events to Wellington.

The day to day management of the Basin Reserve is undertaken by Cricket Wellington, under a management agreement with the Basin Reserve Trust ("BRT"). This Statement of Service Performance highlights the achievements of the BRT for the period July 2019 to June 2020.

**Objectives**

The objectives of the Trust are stated in the Trust Deed as agreed between the Wellington City Council and the BRT and are highlighted below:

1. 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;
2. To establish a long term policy for the further development 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;
3. To enter into management agreements and other contracts that are necessary or desirable to achieve the objects of the Trust;
4. To promote and co-ordinate the raising of funds to assist the management, administration, maintenance, planning, promotion and further development of the Basin Reserve;
5. Generally, to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the public of Wellington;
6. To operate as a successful undertaking, managed on a not-for profit basis;
7. To preserve and enhance the significant and recognised heritage value of the Basin Reserve;
8. 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.

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2020**

**2019/20 Highlights**

There were a number of significant highlights during the 2019/20 year, they include:

- Reopening of the Old Pavilion (Museum Stand) by Mayor Foster on the first day of the Blackcaps v India Test in February 2020
- Convincing Blackcaps Test Match victory vs India
- Naming of the Ewen Chatfield Player Pavilion after Wellington and New Zealand cricketing great - Ewen Chatfield
- Two well attended International T20's games between the White Ferns and South Africa in February 2020
- Record crowds for the Super Smash men's and women's T20 double headers, including the "Christmas at the Basin" event and the double header Super Smash finals day with Wellington winning both finals!
- The Basin was awarded the NZC domestic cricket pitch of the year
- The ICC Women's Cricket World Cup 2021 launch event attended by Jacinda Ardern. Unfortunately since then the event has been postponed until 2022, due to COVID-19.
- A successful Beers at the Basin event, showing the best craft breweries, local wineries, street food and music to a sold-out crowd of 6,500
- A wide range of corporate functions and conferences with 76 held throughout the year
- Toitu Carbon Zero status awarded on December 2019

**2019/20 Performance**

In-line with the objectives of the Trust and the 2019/20 Statement of Intent the BRT performed well in 2019/20, and were on-track to exceed all targets until COVID-19, which led to the cancellation of numerous events including the Night Noodle Markets.

The table below provides a comparison between 2019/20 targets and actuals and 2018/19 actuals.

		2020		2019
Measure	Measurement			
Number of event days		<u>Target</u>	<u>Actual</u>	<u>Actual</u>
<i>Cricket Events</i>	Cricket days	50	48	44
<i>Other Sports Events</i>	Sports days	25	12	25
<i>Practice Facility Usage</i>	Practice days	100	67	100
<i>Community Events</i>	Other days	21	7	31
<i>Functions</i>	Function days	25	76	53
<b>Numbers attending events</b>	Attendance figures	41,000	54,415	134,858
<b>Event income (\$)</b>		290,200	203,856	255,012
<b>Council operating grant (\$)</b>		425,250	430,438	416,900
<b>Cash subsidy (grant) per attendance (\$)</b>		10.40	7.90	3.10

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2020**

**Non-financial Performance Measures**

These targets are how the Trust is evaluated in the public eye. These measures are broken down into two areas, being number of event days and numbers attending events.

- Number of event days:
  - Cricket days
  - Other Sports days
  - Practice Facility days
  - Community Event days
  - Function days
  
- Numbers attending events

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 the total annual attendance. For smaller 'open to public' events such as rugby and football, we make an estimate of attendance based on head counts. 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.

The Trust 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, the usage of the Practice Facilities includes international cricket practices for matches at Sky Stadium. With no Practice Facilities of its own, Sky 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 focused 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 non-independent sources and feedback was not received on all events.

In terms of on-field, the Basin Reserve continues to be recognised as the premier cricket venue in the country. The outfield drainage was receiving an upgrade at the end of this financial year and will offer an excellent playing surface for both cricket and other sports, once completed. The Cricket block itself is world renowned for its pace and bounce, key aspects for delivering high quality cricket entertainment to the public.

**Event Days, Practice Days and Functions**

The Basin Reserve continues to be a very well utilised community venue. In *2019/20 the Basin Reserve hosted 71 event days, 67 practise days and 76 functions.* An overview of the wide range of events is outlined below;

Community Events

The Beers at the Basin, a popular festival that showcases Wellington's craft beer industry, has become an annual feature on the BRT's event calendar. A sell-out crowd of 6,500 attended the November 2019 event. The BRT continues to support its local community with use of ground enabling neighbouring school's cross-country events to take place. A wide range of community events that take place at the end of each cricket season (March-May) were cancelled due to COVID-19. The most significant event that was cancelled was the 2020 Night Noodle Markets.

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2020**

Domestic Cricket

As the home of Cricket Wellington and the home ground of the Wellington Firebirds in the Plunket Shield, Ford Trophy and Men's Super-Smash, as well as the Wellington Blaze in the Hallyburton Johnston Shield and Women's Super-Smash, the Basin Reserve features a busy schedule of games and practise days. In total 44 games of Domestic Cricket were held in 2019/20 and 67 practise days.

Over the past few seasons, Cricket Wellington's innovative marketing strategies has led to significant growth in the fans attending the Super Smash men's and women's T20. The successful 'Christmas at the Basin' event on 21 December 2019 was backed up with an unforgettable double header Grand Final. The day showcased the Basin to a wide audience and created lasting memories as both Wellington teams won their respective games and were crowned Super Smash Champions.

The Basin also contains an indoor practise facility (under the RA Vance Stand) that features two training nets that were developed and are maintained by Cricket Wellington. These facilities are in use 250 days a year and are accessible to players and teams of all ages and abilities.

International Cricket

February 2020 was a busy month of International Cricket. The White Ferns played two well attended International T20's games vs South Africa. The Basin also hosted the Blackcaps vs India first Test. A strong crowd of over 15,000 attended the game that was won convincingly by New Zealand. The game also marked two key milestones for the Basin - the reopening of the Old Pavilion (Museum Stand) and the naming of the Ewen Chatfield Player Pavilion after Wellington and New Zealand cricketing great, Ewen Chatfield.

The Basin pitch again received a good rating from the ICC and New Zealand Cricket were pleased with the event delivery and venue presentation across all international matches.

Other Sports Events

In recent years the BRT has repositioned the Basin Reserve as a multi-sport venue providing year-round access to the community. Through a partnership with Wellington Rugby and Capital Football, 6 junior rugby and 6 junior girls football events were held during the 2019 winter months. Over 50 games were played with approximately 2,000 children involved with many more parents and caregivers enjoying, from the side-lines, their children playing on the Basin Reserve.

To prepare for the Women's Cricket World Cup, the Basin turf underwent a significant renovation which prevented junior rugby and football from being played at the Basin in the 2020 winter. This led to a reduction in actual other sport event days vs the 2019/20 Statement of Intent target.

Functions

The BRT has contracted Black and Gold Events (a division of KAPURA) to manage and promote the recently refurbished Norwood Room and Long Room in the R A Vance Stand as a venue for conferences, meetings, wedding celebrations, Christmas functions and team building workshops. In total 76 functions were held in 2019/20 with many more cancelled from March-June due to COVID-19.

**Basin Reserve Redevelopment**

A significant milestone was achieved this reporting year with the completion of the earthquake strengthening and redevelopment of the Old Pavilion. The stand was seismically strengthened and refurbished, enabling the 1,000-seat grandstand and public toilets to be available to fans attending events at the Basin Reserve. This has also resulted in a 70% increase in public toilet capacity.

The 95-year-old building also provides a home for the New Zealand Cricket Museum and Cricket Wellington administration offices.

**BASIN RESERVE TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**For the year ended: 30 June 2020**

An update on future projects is as follows;

- Council's plans for the upgrade of the embankment, toilet blocks and the perimeter fence and ground entrances are currently on hold, pending the outcome of the "Get Welly Moving" project.
- The BRT is progressing initial planning for replacement floodlights and are confident of securing funding, so that the consenting process for replacement floodlights can commence in 2020/21.

**ICC Women's Cricket World Cup 2021**

The Basin hosted the CWC21 launch event on 11 March 2020. The Trust via its relationship with Cricket Wellington worked on a competitive bid document with Wellington NZ. Unfortunately however, this event has been postponed until 2022 due to COVID-19.

**Sponsorship**

The Trust are continuing to look for a naming rights partner for the ground. Over the past two years 75 companies have been approached. Whilst mindful of the impact the COVID-19 will have on the corporate sponsorship dollar, the Trust are hopeful that the completion of the Old Pavilion redevelopment will create a more attractive commercial proposition to take back to market following the ICC Women's Cricket World Cup 2021, which requires a clean venue.

**Fundraising**

The BRT was successful in securing funding from four major class 4 trusts, as well as the Lotteries Commission to support the Museum Stand Redevelopment. At financial year-end \$720,000 had been distributed from the BRT to the Wellington City Council. Unfortunately, due to COVID-19, the BRT had \$175,000 of granted funding from class 4 trusts cancelled before it was paid out.

**Wellington Regional Stadium Trust ("WRST") Turf Services Partnership**

The BRT continued its positive partnership with the WRST. Under a partnership agreement the WRST provides turf management services that ensures the Basin Reserves outfield, wicket blocks and practice wickets are maintained to international standards. The work of the WRST Turf team was recognised with the Basin picking up the prestigious domestic cricket pitch of the year award at the New Zealand Cricket Annual Awards.



**BASIN RESERVE TRUST**  
**STATEMENT OF COMPLIANCE AND RESPONSIBILITY**  
**For the year ended: 30 June 2020**

**SUMMARY OF ANNUAL PERFORMANCE**

The Basin Reserve hosted over 50 Community Junior Club Rugby and Junior Girls Club Football games, a successful Beers at the Basin event, a Blackcaps Test Match and 2 White Ferns vs South Africa T20 games. As well as this it also held a wide range of corporate functions and a Super Smash men's and women's double headers and a "Fill the Basin" event.

The Basin Reserve continues to be a very well utilised community venue. In 2019/20 the Basin Reserve hosted 71 event days, 67 practise days and 76 functions.

The Basin hosted the CWC21 launch event on 11 March 2020. The Trust via its relationship with Cricket Wellington worked on a competitive bid document with Wellington NZ. Unfortunately however, this event has been postponed until 2022 due to COVID-19.

The playing surface continues to receive excellent reviews from New Zealand Cricket and the International Cricket Council. Overall the wicket block at the Basin Reserve was awarded the prestigious domestic cricket pitch of the year award.

In-line with the objectives of the Trust and the 2019/20 Statement of Intent the BRT performed well in 2019/20, and were on-track to exceed all targets until COVID-19, which led to the cancellation of numerous events including the Night Noodle Markets.

A significant milestone was achieved this reporting year with the completion of the earthquake strengthening and redevelopment of the Old Pavilion. The stand was seismically strengthened and refurbished, enabling the 1,000-seat grandstand and public toilets to be available to fans attending events at the Basin Reserve.

**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.

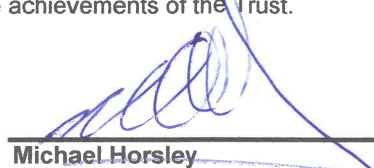
The Board accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Trust.

In the opinion of the Board and management, the Annual Report for the year ended 30 June 2020 fairly reflect the financial position, results of operations and service performance achievements of the Trust.



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Alan Isaac  
Chairman  
Date: 21 August 2020



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Michael Horsley  
Trustee  
Date: 21 August 2020

**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**For the year ended: 30 June 2020**

	Notes	Actual 2020	Budget 2020	Actual 2019
		\$	\$	\$
<b>Revenue</b>				
Council funding	1	680,438	675,250	666,900
Other grants		720,000	350,000	35,186
Sales of goods and services	2	203,856	366,700	255,012
Interest revenue		284	160	266
<b>Total Revenue</b>		<b>1,604,578</b>	<b>1,392,110</b>	<b>957,364</b>
<b>Expenses</b>				
Depreciation of property, plant and equipment	8	102,739	128,650	118,970
Costs related to providing goods and services	3	627,336	752,250	736,281
Other expenses	4	148,956	123,590	125,476
Vesting of capital grants	5	720,000	-	-
<b>Total Expenses</b>		<b>1,599,031</b>	<b>1,004,490</b>	<b>980,727</b>
<b>Surplus/(Deficit) for the Year</b>		<b>5,547</b>	<b>387,620</b>	<b>(23,363)</b>

Explanations of major variances against budget are provided in note 17

**BASIN RESERVE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2020**

	Notes	Actual 2020	Budget 2020	Actual 2019
<b>Assets</b>		\$	\$	\$
<b>Current Assets</b>				
Bank accounts and cash	6	223,259	183,354	151,807
Debtors and prepayments	7	87,116	135,400	135,033
<b>Total Current Assets</b>		<b>310,375</b>	<b>318,754</b>	<b>286,840</b>
<b>Non-Current Assets</b>				
Property, plant and equipment	8	466,478	889,099	548,940
<b>Total Non-Current Assets</b>		<b>466,478</b>	<b>889,099</b>	<b>548,940</b>
<b>Total Assets</b>		<b>776,853</b>	<b>1,207,853</b>	<b>835,780</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Creditors and accrued expenses	10	182,735	124,033	238,241
Income received in advance		11,400	10,000	20,368
<b>Total Current Liabilities</b>		<b>194,135</b>	<b>134,033</b>	<b>258,609</b>
<b>Total Liabilities</b>		<b>194,135</b>	<b>134,033</b>	<b>258,609</b>
<b>Total Assets less Total Liabilities</b>		<b>582,718</b>	<b>1,073,820</b>	<b>577,171</b>
<b>Trust Equity</b>				
Contributed capital	11	100	100	100
Accumulated surpluses	11	582,618	1,073,720	577,071
<b>Total Trust Equity</b>		<b>582,718</b>	<b>1,073,820</b>	<b>577,171</b>

Explanations of major variances against budget are provided in note 17

**BASIN RESERVE TRUST**  
**STATEMENT OF CASH FLOWS**  
**For the year ended: 30 June 2020**

	Note	Actual 2020	Budget 2020	Actual 2019
		\$	\$	\$
<b>Cash Flows from Operating Activities</b>				
Receipts of council funding		713,255	665,600	707,655
Receipts of other grants		710,000	350,000	45,857
Receipts from sale of goods and services		261,957	326,700	220,630
Interest receipts		284	160	266
Payments to suppliers and employees		(784,185)	(845,300)	(831,135)
Payments of other grants		(720,000)	-	-
GST (net)		(42,803)	(12,000)	(26,682)
<b>Net Cash Flows from Operating Activities</b>		<b>138,508</b>	<b>485,160</b>	<b>116,591</b>
 <b>Cash Flows from Investing and Financing Activities</b>				
Payments to acquire property, plant and equipment		(67,056)	(470,000)	(56,262)
<b>Net Cash Flows from Investing and Financing Activities</b>		<b>(67,056)</b>	<b>(470,000)</b>	<b>(56,262)</b>
 <b>Net Increase/(Decrease) in Cash for the Year</b>		<b>71,452</b>	<b>15,160</b>	<b>60,329</b>
Add opening bank accounts and cash		151,807	168,194	91,478
<b>Closing Bank Accounts and Cash</b>	6	<b>223,259</b>	<b>183,354</b>	<b>151,807</b>

Explanations of major variances against budget are provided in note 17

**BASIN RESERVE TRUST**  
**STATEMENT OF ACCOUNTING POLICIES**  
**For the year ended: 30 June 2020**

**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. To support this assumption, the Trust has relied on a Letter of Comfort received from the WCC, stating that "the Council will provide such support where necessary to maintain financial viability".

***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.

*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.

**BASIN RESERVE TRUST**  
**STATEMENT OF ACCOUNTING POLICIES**  
**For the year ended: 30 June 2020**

**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	4 to 45.5 years	(2.20% to 25.20%)
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.

**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.

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended: 30 June 2020

**1 Council funding**

	2020	2019
	\$	\$
Operational grant - WCC	430,438	416,900
Turf management grant - WCC	250,000	250,000
<b>Total council funding</b>	<b>680,438</b>	<b>666,900</b>

**2 Sales of goods and services**

	2020	2019
	\$	\$
Ground hire income	180,238	223,282
Concession income	22,500	30,000
Picket fence income	1,118	1,730
<b>Total sales of goods and services</b>	<b>203,856</b>	<b>255,012</b>

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

	2020	2019
	\$	\$
Building expenses	43,789	63,239
Ground expenses	370,891	431,933
Occupancy expenses	152,913	146,096
Event running expenses	59,378	94,636
Picket fence expenses	365	377
<b>Total costs related to providing goods and services</b>	<b>627,336</b>	<b>736,281</b>

**4 Other expenses**

	2020	2019
	\$	\$
Audit fee for the financial statement audit	14,500	13,884
Management fee	100,000	84,000
Marketing	4,353	3,666
Other administrative expenses	30,103	23,926
<b>Total other expenses</b>	<b>148,956</b>	<b>125,476</b>

**5 Vesting of capital grants**

This entry relates to the transfer of these funds to the Wellington City Council. The Trust has transferred funds of \$720,000 (2019 \$0) to the Council to support the Museum Stand Redevelopment.

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended: 30 June 2020

**6 Bank accounts and cash**

	2020	2019
	\$	\$
Cheque account	31,117	9,132
Savings accounts	192,142	142,675
<b>Total bank accounts and cash</b>	<b>223,259</b>	<b>151,807</b>

**7 Debtors and prepayments**

	2020	2019
	\$	\$
Gross debtors	82,056	130,001
Net debtors	82,056	130,001
Prepayments	5,060	5,032
<b>Total debtors and prepayments</b>	<b>87,116</b>	<b>135,033</b>

**8 Property, plant and equipment**

	Plant	Furniture & Fittings	Drainage Works	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Carrying amount at 1 July 2018	39,323	13,606	54,406	459,114	566,449
Additions	51,460	13,418	-	36,583	101,461
Disposal (net of accumulated depreciation)	-	-	-	-	-
Depreciation expense	(31,026)	(7,183)	(10,190)	(70,571)	(118,970)
<b>Carrying amount at 30 June 2019</b>	<b>59,757</b>	<b>19,841</b>	<b>44,216</b>	<b>425,126</b>	<b>548,940</b>
Carrying amount at 1 July 2019	59,757	19,841	44,216	425,126	548,940
Additions	10,968	3,267	-	6,042	20,277
Disposal (net of accumulated depreciation)	-	-	-	-	-
Depreciation expense	(29,189)	(6,862)	(10,190)	(56,498)	(102,739)
<b>Carrying amount at 30 June 2020</b>	<b>41,536</b>	<b>16,246</b>	<b>34,026</b>	<b>374,670</b>	<b>466,478</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.

**9 Operating lease commitments**

The arrangements concerning occupation of the Basin Reserve are governed through a registered lease between the WCC and the Wellington Regional Stadium Trust Incorporated. The lease of the ground is from 1 July 1999 for a lease term of 33 years with a right of renewal for 33 years expiring in 2065. A registered variation to the lease allows for an assignment of the lease in favour of the Basin Reserve Trust, which assignment awaits perfection and registration. There is a nominal \$1.00 rent payable per annum throughout the term of the lease, including the right of renewal.



**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended: 30 June 2020

**10 Creditors and accrued expenses**

	2020	2019
	\$	\$
Creditors	166,735	224,357
Accrued expenses	16,000	13,884
<b>Total creditors and accrued expenses</b>	<b>182,735</b>	<b>238,241</b>

**11 Equity**

	2020	2019
	\$	\$
<b>Contributed capital</b>		
Balance at 1 July	100	100
Balance at 30 June	100	100
<b>Accumulated surpluses</b>		
Balance at 1 July	577,071	600,434
Surplus (Deficit) for the year	5,547	(23,363)
Balance at 30 June	582,618	577,071
<b>Total equity</b>	<b>582,718</b>	<b>577,171</b>

**12 Commitments**

There were no material operating or capital commitments as at 30 June 2020 (2019 Nil).

**13 Contingent liabilities**

There were no material contingent liabilities or assets as at 30 June 2020 (2019 Nil).

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended: 30 June 2020**

**14 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.

WCC are a related-party of the Trust because the Trust is a Council Controlled Organisation and also the Trust has assumed an Operating lease commitment, with the WCC pursuant to Note 8 above.

Mr J P Greenwood is a Trustee of the Trust and also a Consultant to Greenwood Roche Lawyers.

CW is a related party of the Trust as well, as they appoint two Trustees to the Trust.

The Trust paid the Wellington Regional Stadium Trust \$339,113 (2019 \$366,661) for Turf Management

WRST are a related-party of the Trust because they are a Council Controlled Organisation of the WCC.

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

1. WCC made a grant of \$430,438 (2019 \$416,900) to the Trust as a contribution towards the costs of operating the Trust.
2. WCC made a grant of \$250,000 (2019 \$250,000) to the Trust as a contribution towards the costs of Turf Management. As at balance date there was an amount of \$0 (2019 \$28,537) due from the WCC to the Trust for this.
3. The Trust paid WCC the sum of \$0 (2019 \$10,000) as a contribution for the Karori Park operation.
4. The Trust paid WCC the sum of \$720,000 (2019 \$0) as a contribution to the Old Pavilion upgrade.
5. The Trust paid legal fees to Greenwood Roche totaling \$11,580 (2019 \$5,063). This amount was 50% of the market rate. As at balance date there was an amount of \$0 (2019 \$1,250) due from the Trust to Greenwood Roche.
6. The Trust paid a management fee to CW of \$100,000 (2019 \$84,000) during the year under review. As at balance date there was an amount of \$57,500 (2019 \$0) due from the Trust to CW.
7. The Trust paid WRST the sum of \$339,113 (2019 \$366,661) for Turf Management during the year under review.

**15 Trustee fees**

In the year to 30 June 2020, the Trustees did not receive any remuneration in regard to their duties as trustees (2019 Nil).

**16 Events after the balance date**

There were no significant events after the balance date (2019 Nil).

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended: 30 June 2020**

**17 Explanations of major variances against budget**

Explanations for major variances from the Trust's budgeted figures in the 30 June 2020 statement of intent are as follows:

**Statement of financial performance**

1. The budget included Other Grants of \$350,000 for turf renovation and upgrade, which wasn't received. However Other Grants of \$720,000 were received from third parties to pay to the WCC as a contribution to the public upgrade of the Old Pavilion, which is situated at the Ground.
2. The Trust budgeted to hold two international test matches in this financial year whereas only one international test match was actually held. This budgeted income was included in the Sales of goods and services.
3. The budget included Sponsorship Income of \$40,000, which wasn't achieved.
4. Actual Event Running costs were lower than budgeted for due to holding only one international test match as referred to in 2 above.
5. The budget didn't include the Other Grants expense of \$720,000, which was paid to the WCC as a contribution to the public upgrade of the Old Pavilion, which is situated at the Ground.

**Statement of financial position**

1. Property, plant and equipment was lower than budgeted for, due to the capital expenditure of \$350,000 on turf renovation and upgrade, not being spent by the Trust but by the WCC.
2. Equity is lower than budgeted for due to the opening equity being lower than envisaged and the Trust also not carrying out the turf renovation and upgrade of \$350,000 itself as noted in 1 above.

**Statement of cash flows**

1. The actual capital expenditure was lower than budgeted and the Receipts of other Grants was also lower than budgeted, by the \$350,000 that was to be received and spent on the turf renovation and upgrade.

**18 COVID-19 disclosure**

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 a pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this, the country was in lockdown at Alert Level 4 for the period 26 March to 27 April and remained in lockdown at Alert 3, thereafter, until 13 May.

During the lockdown period the Basin Reserve was closed to the public as a thoroughfare. The conference centre was closed and Black and Gold, who have the facilities concessions, were provided with three months of rent relief by the Trust. A number of community related end of cricket season events were cancelled including the commercially lucrative Night Noodle Markets. As a result of less activity at the venue operating expenses, including the turf management costs, were reduced which enabled the Trust to post a modest surplus for the 2019/20 financial year.

**BASIN RESERVE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended: 30 June 2020**

**18 COVID-19 disclosure (continued)**

The effects of the ongoing pandemic in regards to major revenue generating events will be felt in 2020/21. The Women's Cricket World Cup (postponed to 2022) and Night Noodle Market have already been removed from the event calendar. The Basin remains confident of hosting internal bi-lateral Cricket and have received a letter of comfort from the WCC, that confirms essential funding support for its council-controlled organisations, to ensure their ongoing viability as we respond to COVID-19.

## **Independent Auditor's Report**

### **To the readers of the Basin Reserve Trust's financial statements and performance information for the year ended 30 June 2020**

The Auditor-General is the auditor of the Basin Reserve Trust (the Trust). The Auditor-General has appointed me, Bonar Robertson, 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 8 to 18, that comprise the statement of financial position as at 30 June 2020, statement of financial performance, statement of cash flows, and statement of accounting policies for the year ended on that date and the notes to the financial statements that include 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 8 to 18:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2020; 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 2020.

Our audit was completed on 21 August 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to the impact of Covid-19 on the Trust. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

### **Emphasis of matter – Impact of Covid-19**

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Trust as set out in note 18 to the financial statements and pages 3 to 6 of the performance information.

### **Basis for our 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 of Trustees for the financial statements and the performance information**

The Board of Trustees are 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 of Trustees are also responsible for preparing the performance information for the Trust.

The Board of Trustees are responsible for such internal control as they determine is necessary to enable them 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 of Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board of Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Trustees intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees' 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 of Trustees.
- 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 of Trustees 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 of Trustees 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 of Trustees are responsible for the other information. The other information comprises the information included on pages 1 to 18, 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: International 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.



Bonar Robertson  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand