



Marlborough Lines Stadium 2000

the centre of activity



Marlborough Stadium Trust:

Annual Report

1 July 2014 - 30 June 2015

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The Marlborough Stadium Trust was established in 1998 with its primary focus being the development of an Indoor Stadium. This Stadium opened in October 2000.

The Trust's activities have grown over the years to now embrace the operation not only of the Indoor Stadium but also Aquatics and a Health and Fitness Centre and a wide range of programmes.

A major Aquatic Facility redevelopment was completed in 2012.

The Trust purchased a commercial Health and Fitness Centre seven years ago and in tandem with the Aquatic Centre redevelopment has grown this business into a thriving business which assists the Trusts wider objectives.

The Trust has used 'Stadium 2000' as its operational entity since inception. It operates all facilities on a commercial basis but for the benefit of the public of Marlborough.

The primary measure of the Trust's success is our ability to deliver on our mission statement:

'To provide Marlborough with the very best recreational and sporting opportunities, through excellent facilities, support and innovation

TRUSTEES

The Marlborough Stadium Trust is made up of seven trustees who act in a voluntary capacity. Three trustees are community nominated, with two being user groups nominated and appointed by the Marlborough District Council.

Trustees are the governance group of the trading entity Marlborough Lines Stadium 2000. Their primary activities are to appoint a chief executive and to plan and monitor strategic, business and financial objectives.

Trustees in the 2014 - 2015 year are:

Luke van Velthooven	Chairman
Peter Baker	Deputy Chairman
Mathew Kerr	Treasurer
Simon Halliday	
Paul McKendry	
David Hart	
Roy Devanny	
Elizabeth Winter	Secretary-ex officio

MARLBOROUGH DISTRICT COUNCIL

The Marlborough Stadium Trust has a long term lease to operate the leisure facilities it occupies.

Annually the Marlborough District Council contributes funding to assist the facility operation. For the first ten years of the Trusts operation this assistance was \$221,000-\$271,000 annually.

Responding to the demands of a new aquatic facility, in the 2011-2012 year this grew to \$500,000 and has been at \$839,000 since the 2012-2013 year.

The councils increased contribution reflects the increased demands of the new facility. It is primarily used for energy, insurance and assists with repairs and maintenance and asset management plan costs, for the aquatic and stadium facilities.

With the growth of the Trusts activity over the years the Marlborough District Council now contributes 26% of the Trusts revenue.

CHAIRMAN'S REPORT

As Chairman of the Marlborough Stadium Trust it once again gives me great pleasure to present the annual report for 2015. This year has once again seen the Trust focus on two key areas of its business, one being critical to the core of its business and the other using the strategic opportunities the Trust presents the Marlborough community.

The seismic upgrade of the building has continued to be a key focus and over many months of assessment and methodology refinement, work will finally commence in December on the main structure of the stadium. The various differing tranches of work will continue through early 2016 with the expectation that the Stadium seismic upgrade of the structure will be completed in the same year.

At a strategic level, the Trust compliments a focus on its core business by continuing to focus on what it can bring to Marlborough, as new and expanded leisure opportunities. Trustees are all actively exploring and researching options with an intent to bring new ideas to fruition, within the near future.

The Trust is currently focusing on the development of sport within Marlborough.

Together with the initiatives undertaken last year in providing the sports floor available free of charge to structured sport,

scholarships to our successful athletes, plus the continued development of the fundamental skills program at primary school level, contribute to an exciting trend of sport development within Marlborough.

Work with the Secondary Schools is starting to produce exciting opportunities. The Stadium Trust will be working with the Colleges to deliver water polo, swimming, basketball and volleyball. It is a goal and an expectation that through this partnership, utilizing the professional staff within the Stadium, that delivery within these codes at secondary level will be consistent, improved in quality and ultimately provide greater levels of participation and higher levels of achievement for those people lucky enough to live in Marlborough.

At the governance level we have moved to focus on Health and Safety as a core reporting element into the Trust monthly meetings. This has changed trustee's awareness of daily matters around health and safety. This focus has changed the culture of our meetings in that a significant part of the Trust meetings are dedicated to understanding the risks that are associated with our business and ensuring that from a governance perspective we understand and are able to appreciate the systems, processes and audit requirements that the staff have put into place and continue to put into place.

This year the Trust has made a surplus of \$203,608, from a turnover of \$3,136,931.

The financial results once again affirm the professionalism of both the staff and the Trust audit and finance sub-committee which excels in its monitoring and delivery of the Trust financial systems.

Every year the Trust supports a wide variety of individuals and organization, through subsidizing access to facilities and services. Aligning with the Trust values we prefer not to herald this contribution of over \$40,000 annually.

The Trust continues to host a range of sporting and cultural events each year and the direct impact of the Trust's activity on Marlborough's economy, runs into the millions of dollars.

My gratitude once again extends to the sponsors and partners in particular Marlborough District Council, Marlborough Lines, the Rata Foundation, the Redwood Trust, Winstanley Kerridge, Blenheim Toyota, Blenheim Roundtable and Indevin.

I wish to extend my thanks once again to the Trustees for their ongoing commitment to not only governing this wonderful asset for Marlborough but also passionately pursuing improvement, exploring opportunities and being actively involved on a daily basis to ensure the success of this business.

Finally, nothing is achieved without the people involved and on behalf of the Trust I would once again like to thank Paul Tredinnick and the team at Stadium 2000 for their ongoing commitment to making our business the 'Centre of Activity', for Marlborough.

Luke van Velthoven
Chairman Marlborough Lines Stadium Trust

HUMAN RESOURCES

Marlborough Stadium Trust operates a mid sized business with a turnover this year of \$3,136,931

With staffing expenditure of \$1,427,626 at 48% of a total expenditure of \$2,948,323, the Trusts activities represent a significant financial input into the region.

We are a service business and our most valuable resource is our staff. Approximately 65 staff are employed in either a full or part time capacity through the year. Total hours worked represent approximately 36 full time equivalent positions.

Our staff turnover remains below 10% and we are pleased to have such a low turnover in an industry which typically has a staff turnover well in excess of 30%.

Many of our staff have worked for us throughout the last decade and are an important reason for our ongoing success. All our staff have an ongoing commitment to providing the highest quality facilities and service.

Increased staff requirement in lifeguarding, gym and reception, has been associated with the increased aquatic facility and gym customer growth.

The Trusts commitment is to remunerate at national mean levels and adjustments in remuneration levels, continue to influence our staffing expenditure.

Our business is built on the quality of our people and we have continued to invest strongly in training. Direct expenditure this year was \$16,634. Additional to this is the wages we pay to staff in training and cover for staff in training. In house training was an estimated 75 days. Overall spend on training was estimated at \$32,000 representing 2% of our total wages expenditure.

Our staff are actively involved in work based training which in some cases leads towards national qualifications. Continued regular training has included Swim Teaching and National Pool Lifeguard Award. Core training undertaken by all staff includes First Aid, administering oxygen and defibrillation, and Health and Safety.

As in every year, many staff have attended specialised training sessions, conferences and workplace visits throughout New Zealand.

QUALITY STANDARDS

Marlborough Stadium Trust continues to set itself the goal of modeling best practice in the leisure industry. Operating procedures for all elements of the business are matched against best practice and are under constant review.

Aquatics facilities have once again been industry accredited Pool Safe with excellent comment regarding facility use and systems.

Our 'Stadium Swim School' is accredited as Quality Assured by Swim New Zealand.

Marlborough Stadium Trust has been recognised in an

ongoing way by the recreation industry through awards of 'Outstanding Recreation Facility in New Zealand 2010'. Our Programmes (Fundamental Skills as Outstanding Programme of the year 2005) and our staff (Lifeguard of the year 2007) are also well recognised nationally.

Holiday and afterschool Programmes are OSCAR accredited.

Marlborough Stadium Trust staff contributes to a number of industry initiatives including advisory roles with Pool Safe, Yardstick, Mentoring and Peer Reviews.

Trust staff are also accredited workplace assessors for Skills Active, the recreation industry training organisation.

The Trust is an active member of New Zealand Recreation Association and Fitness New Zealand.

TENANTS

Marlborough Stadium Trust receives significant revenue from tenants whose services are also seen as contributing to the fabric of activity, in and around the facility.

Total revenue from leases in the 2014-2015 year was \$166,733.

Current tenants are Stadium Health and Fitness, Sport Marlborough, Subway, and Marlborough Amateur Weightlifting Association, FYD, Marlborough Hockey, C3 Church, Marlborough Basketball, Central Region High Performance Rowing, Anna Thomas Physiotherapist, Momentum Dance and EV Biokinetics and Massage

All tenants continue to be excellent partners, adding to the vibrancy and activity in the facilities and provided aligned services to customers.

SPONSORS AND GRANTS

Sponsors provide critically needed funding for general operations and for community programmes. This year \$110,846 has been contributed by sponsors all of which is expended directly on facilities and services benefiting the people of Marlborough.

Marlborough Stadium Trust takes a commercial approach to sponsorship in that we attempt to deliver significant benefits to all sponsors. None-the-less there is always an underlying desire by many sponsors to assist our community through Marlborough Stadium Trust. For this we are hugely grateful.

With competing activities and facilities in our community sponsorship is at a premium.

Our largest sponsor has been Rata Foundation who directly support and help develop children's programmes specifically Fundamental Skills.

Marlborough Lines is our naming sponsor and excellent synergies exist between our two organisations as community based organisations.

Assisting the award winning Fundamental Skills programme, in an ongoing way, is our local Redwood Trust.

These contributions ensure access for all and assist the ongoing development new activities.

Winstanley Kerridge and Indevin are ongoing in their support as corporate membership partners.

Blenheim Toyota has also continued to be a key part of our team of local sponsors with their sponsorship of the Stadium vehicle, which continues to turn heads.

OUR CUSTOMERS

Visits are now measured directed through electronic counters on all access doors

Total visits to Marlborough Lines Stadium 2000 in the 2014-2015 year are estimated at over 600,000.

This year the Trust has generated operating revenue of \$3,136,931. Our trading tenants, such as cafes, physiotherapy and other services revenue is of course additional.

By all measures Marlborough Lines Stadium 2000 is a very busy place. On a daily visits per capita basis, benchmarking suggests, we are one of the busiest leisure facilities in New Zealand.

STADIUM

The 2014-2015 year has seen revenue from bookings by regular users at \$34,938. This lower result reflects the Trust's newest initiative.

In support of development of youth sports in Marlborough Trustees have provided the use of the facility by children's organised sports free of charge for non-commercial activity.

The Stadium is well used at peak times and between (4pm-9pm) weekdays and by programmes from 10.30am - 2.30pm every school day. Our Stadium Trust programmes are the majority of the daytime use of the stadium.

Regular stadium customers reflecting the diversity of activity within the facility, included:

Fundamental skills programme

Marlborough Gymnastics

Marlborough Basketball

Marlborough Volleyball

Marlborough Badminton

Marlborough Netball

Tasman Netball

Sport Marlborough

Special Olympics

Physiotherapy Centre Pilates

Blenheim City Church

Brazilian Jiu Jitsu

Futsal

Touch Rugby

Turbo Roller Derby

Soccer

Marching Teams

OSCAR Holiday Programme

Rugby

Schools sports and physical education



Annually, over 2,000 local children attend fundamental skills for a week's activities.



The Trust continues to host a range of sporting and cultural events each year and the direct impact of the Trust's activity on Marlborough's economy, runs into the millions of dollars.





Aquatics facilities have once again been industry accredited Pool Safe with excellent comment regarding facility use and systems.



The Trust enjoys a close relationship with Blenheim Swimming Club and the club has operated several high profile meets over the last year.

AQUATICS

We are now in our fifth year of trading since an aquatic facility redevelopment. The 2014-2015 year has seen casual aquatics revenue of \$768,250. Down \$50,000 from last year, this reflects the move to a higher level of membership entry to facilities.

The aquatic redevelopment has not only met our objectives of making pool space available in a more appropriate way to our existing customers, but has also attracted significantly more new customers.

This has occurred against the backdrop of little overall population growth in the region.

Regular customers, reflecting significant new aquatic sports development, included:

Underwater Hockey

Aqua Blast programme

Blenheim Masters Swimmers

Blenheim Swim Club

Marlborough Boys College

Water Polo

Fundamental Skills Programme

Group Fitness Classes including rehabilitation classes

Holiday Programmes

SPECTATORS

Admission to all facilities at Marlborough Lines Stadium 2000 is free to spectators with the exception of closed events.

With many children and sports participants being accompanied by friends and family, the facility is a true 'hub of Marlborough'.

LEARN TO SWIM

Over 100,000 Aquatic lessons are delivered each year by our team. Visits to swim school are over 5000 annually.

Swim school growth has been consistent since the Marlborough Stadium Trust took over facility management. While future growth potential exists, we anticipate it being a mix of growing the market and of total population growth.

Swim School continues to be an important financial driver of our business. We are delighted to have one of the most successful swim schools in New Zealand and we have maintained swim school numbers despite constrained pool space and competition from our own highly subsidised aquatic programmes.

Classes run on a school term basis. Marlborough Lines Stadium 2000 also conducts learn to swim in schools, subsidised schools lessons and a range of holiday learn to swim programmes.

STADIUM HEALTH AND FITNESS CENTRE

This commercial business was purchased as a small business by the Trust in December 2005.

The gym was transformed by the Trust in 2012 with new premises and significant investment in equipment.

The gym operates as a community gym with any surplus returned to the Trust to support programmes and facility development.

A lease and cost of equipment along with all operating costs are charged on a commercial basis to the gym element of our business.

Stadium Health and Fitness Centre has enjoyed a continued increase in membership over the 2014 - 2015 year.

Existing members have reaped the benefit of loyal patronage and we are delighted not only with large increases in new individual members, but also in the growing number of corporate members.

FUNDAMENTAL SKILLS

This award-winning programme has continued to maintain its popularity and grow. This year we delivered 38 weeks of programmes to 22 schools across Marlborough.

Children attend 10.45am – 2.30pm daily and undertake structured programmes including learn to swim, water safety, exercise, teambuilding and a range of sports.

An estimated 50 children attend on a daily basis, with total customers estimated at 10,000.

We have delivered 5 weeks of this programme out in rural schools throughout the region.

HOLIDAY PROGRAMMES

Our Holiday programmes now operate every holiday period and cover nine weeks throughout the year.

Holiday programmes are OSCAR accredited indicating quality systems and allowing parent subsidies.

Children are involved in a wide range of activities throughout most weekdays of the holidays.

We have capped the available spaces on programmes to 40 per day and are fully subscribed.

A wide range of learn to swim holiday programmes are operated every holiday period.

SCHOOLS

Many Marlborough schools use Marlborough Lines Stadium 2000 wet and dry facilities throughout the year. Their programmes range from Learn to Swim to Aquatic Sports.

With increase pool space availability and new programmes, school use has increased significantly since the aquatic redevelopment completion.

The very successful 'Aquablast' programme, which delivers quality swim lessons and aquatic sports options to schools, continues to grow.

SQUASH

Regular club use occurs through a long-term lease with the Marlborough Squash Rackets Club.

Casual squash revenue is steady at \$5,628.

The Trust has established an enhanced lease with the Club which sees them taking a much greater role in managing the court area.

EVENTS

The Trust enjoys a close relationship with Blenheim Swimming Club and the club has operated meets over the last year

Events revenue has continued to track lower since the opening of the Marlborough Convention Centre. This year event revenue of \$33,371 was increased from the previous year.

The position in the events market for Marlborough Lines Stadium 2000 is clearly as Marlborough's large scale event destination.

With the demise of the Trafalgar Centre the facility has again demonstrated its capacity to hold large scale events. Sol3 Mio entertained well over 1000 people at their recent concert in our facility and are soon to return.

Events staged still continue to be many and various, with a mix of local, regional and national events.

Event visits continue to represent a significant economic impact on our region.

EVENT HIGHLIGHTS

Home and Garden Show
Volleyball New Zealand
Science Fair
Billy Connelly
Sole Mio
Blenheim Olympic Tae Kwon Do
Tasman Volleyball
Marlborough Open Squash Championship
Badminton Marlborough Open Champs
Marlborough Volleyball Tournaments
Marlborough Basketball Tournaments
Marlborough Gymnastics Events

COMMUNITY CONTRIBUTION

Each year Marlborough Stadium Trust makes a significant contribution to Marlborough through direct support to individuals and organisations.

Publicising this support is deliberately kept 'low key' by the Trust as befitting the values of our organisation.

Nonetheless, the Trust has last year supported in excess of 120 community organisations, over 100 needy individuals and families and several large charitable events.

Access to facilities free of charge or at significantly reduced rates, complimentary services such as learn to swim, and events use of Stadium facilities, are all common examples of how the Trust has assisted.

Such contributions to deserving Marlburians exceeds \$40,000 annually.

ASSET MANAGEMENT

During the 2014 - 2015 year the Trust has funded \$225,655 on repairs and maintenance and asset management.

The Stadium building has nearly completed its fifteenth year of operation and even the new aquatic areas average four years old.

The Trust has completed and is attempting to fund itself, a ten year Asset Management Plan for all facilities.

This plan reflects the expiry of the AMP which was prepared and funded by the Marlborough District Council for the old aquatic facility.

TREASURER'S REPORT

It is with pleasure that I present the 2014 – 2015 year financial statements that once again have received an unqualified audit report.

A net operating surplus for the year of \$188,608 has been recorded generated from total turnover of \$3.1m, up from 2.99m last year. Revenue streams for the business continue to be stable with the major contributions coming from Aquatics at 26%, Stadium and Health and Fitness 33% and Council funding 27%.

Total operating expenditure has increased by just over \$90,000 compared to last year but have reduced slightly as a percentage of turnover.

Wages continues to be the Trust's biggest expenditure item with \$1.42m being paid to over 65 full and part time staff, up from \$1.33m last year accounting for 49% of the total cash operating expenses.

Energy costs increased this year by 6.2% reflecting both increases in power costs and additional activity. Monitoring

of energy consumption is an ongoing project with the objective of identifying and implementing changes to enhance energy efficiency wherever possible.

The presentation of the stadium and aquatic facility has been maintained at a level we should all be proud of with over \$225,000 being spent this year on Repairs and maintenance.

The Asset Management Plan prepared by Opus International Consultants Ltd details expected expenditure on repairs and replacement of plant out to 2035. The plan forecasts expenditure of over 2.4 million over the next ten years and it is the Trust's intention to self-fund this if possible.

The Trust's balance sheet continues to show a stable position with recorded net assets of \$6.3m compared to \$6.1m last year. New capital items amounting to \$97,000 were purchased during the year. The balance sheet also records asset management plan funds of \$659,415 as covered above, this fund is required for the on-going maintenance of the facility both scheduled and unscheduled.

Outlook

The trust has several projects that will soon be or are being implemented that will require careful budgeting and financial monitoring. The challenge for the finance team will be to ensure that the trust is able to fund these new initiatives, continue to fund the existing operational costs while maintaining a financial reserve to meet the planned major maintenance forecast by the asset management plan as the facility ages.

In conclusion I would like to thank my fellow finance committee members, Simon Halliday and Paul Tredinnick for their contribution to the financial management of the stadium and collectively we are very pleased to present another positive set of annual accounts.

Matt Kerr

Treasurer Marlborough Stadium Trust

REPORT CARD

Stadium 2000 Complex	
Total Visits	600,000 (estimate)
Total Revenue	\$3,136,931
Total Expenditure	\$2,948,323
Net Trading Surplus	\$188,608
Number of visits per head of population annually	12.5
Cost per visit to ratepayers	1.40
Council contribution to operating revenue	26%