



Annual Report

Marlborough Stadium Trust
For the year ended 30 June 2015

Prepared by WK Advisors and Accountants Limited

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Trust Directory

Marlborough Stadium Trust For the year ended 30 June 2015

Date of Formation

17 August 1998

Trustees

Luke van Velthooven
Peter Baker
Roy Devanny
Paul McKendry
Matthew Kerr
Simon Halliday
David Hart

Secretary

Elizabeth Winter

Chief Executive Officer

Paul Tredinnick

Nature of Business

Operation of Leisure Services and Facilities

Auditors

Crowe Horwath New Zealand Audit Partnership
Blenheim

Bankers

Westpac Bank
Blenheim

Lawyers

Gascoigne Wicks
Blenheim

Chartered Accountants

WK Advisors and Accountants Limited
Blenheim

Condensed Statement of Financial Performance

Marlborough Stadium Trust For the year ended 30 June 2015

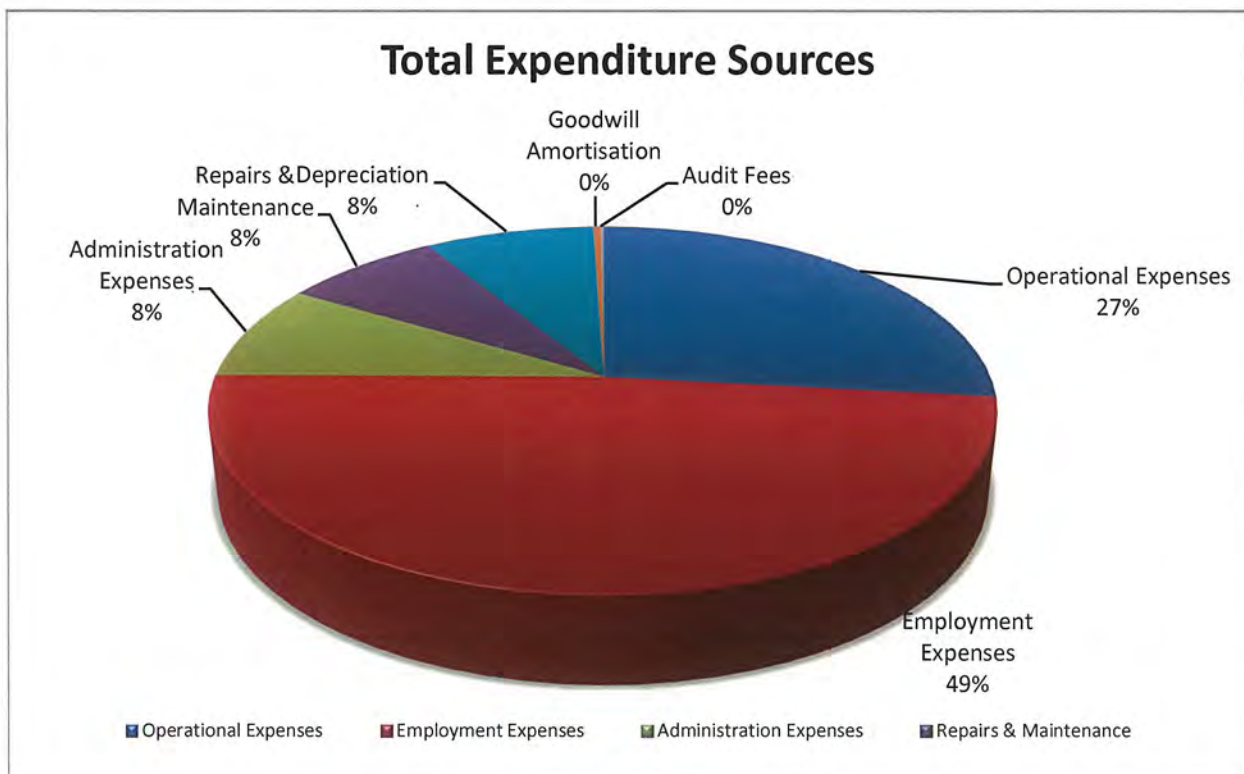
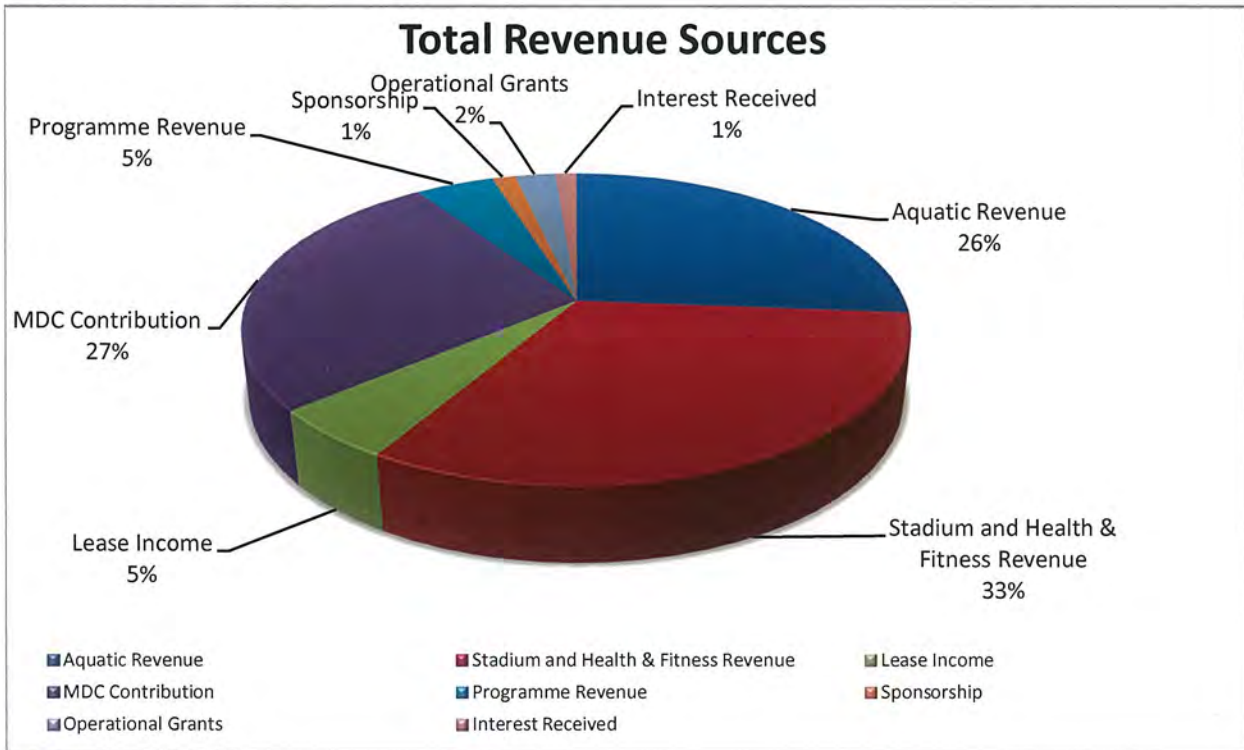
	NOTES	2015	2014
Revenue			
Operating Revenue		1,836,632	1,700,500
Lease Income		166,733	156,582
MDC Contribution	8	839,000	839,000
Programme Revenue	15	141,979	141,197
Sponsorship		41,739	40,000
Operational Grants	16	73,043	84,978
Interest Received		37,803	28,756
Total Revenue		3,136,931	2,991,014
Expenses			
Operational Expenses		788,141	706,422
Employment Expenses		1,427,626	1,336,442
Administration Expenses		247,428	229,840
Repairs & Maintenance		225,655	311,102
Depreciation	18	244,225	256,953
Goodwill Amortisation	1	11,422	11,422
Audit Fees		3,823	5,600
Total Expenses		2,948,323	2,857,784
Net Trading Surplus / (Deficit)		188,608	133,230
Add Non-Trading Adjustments			
Capital Grants Received	16	15,000	10,000
Total Non-Trading Adjustments		15,000	10,000
Net Surplus / (Deficit)		203,608	143,230

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Income & Expenditure Source Graphs

Marlborough Stadium Trust

For the year ended 30 June 2015



These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Trading Account - Aquatics

Marlborough Stadium Trust For the year ended 30 June 2015

	NOTES	2015	2014
Revenue			
Merchandising		53,986	20,080
Swimming Revenue		768,250	818,969
MDC Contribution	8	800,000	800,000
Total Revenue		1,622,236	1,639,049
Less Direct Costs			
Depreciation Expense	18	67,455	74,113
Insurance		71,545	79,895
Administration Expenses		99,203	77,221
Energy Expenses		343,294	353,347
Operational Expenses		191,163	156,758
Repairs Maintenance & Equipment	17	116,988	153,102
Wages		850,636	862,343
Total Direct Costs		1,740,287	1,756,783
Surplus / (Deficit) From Aquatics		(118,050)	(117,733)

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Trading Account - Stadium and Health & Fitness

Marlborough Stadium Trust For the year ended 30 June 2015

	NOTES	2015	2014
Revenue			
Lease Income		166,733	156,582
Stadium Revenue		1,014,395	861,451
MDC Contribution		39,000	38,999
Total Revenue		1,220,128	1,057,033
Less Direct Costs			
Depreciation Expense	18	176,362	180,509
Insurance		27,517	30,729
Repairs, Maintenance & Equipment		108,667	157,998
Administration Expenses		38,155	29,700
Energy Expenses		150,606	111,715
Goodwill Amortisation	1	11,422	11,422
Operational Expenses		44,222	49,018
Wages		448,346	333,500
Total Direct Costs		1,005,300	904,595
Surplus / (Deficit) From Stadium and Health & Fitness		214,828	152,437

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Trading Account - Programmes

Marlborough Stadium Trust For the year ended 30 June 2015

	NOTES	2015	2014
Revenue			
Programme Revenue	15	141,979	141,197
Total Revenue		141,979	141,197
Less Direct Costs			
Depreciation Expense	18	408	2,329
Insurance		11,006	12,291
Programme Expenditure		58,853	35,584
Wages		128,643	140,600
Total Direct Costs		198,911	190,806
Surplus / (Deficit) from Programmes		(56,932)	(49,609)

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Statement of Profit or Loss

Marlborough Stadium Trust For the year ended 30 June 2015

	NOTES	2015	2014
Income			
Trading Income			
Surplus / (Deficit) from Aquatics		(118,050)	(117,733)
Surplus / (Deficit) from Stadium and Health & Fitness Centre		214,828	152,437
Surplus / (Deficit) from Programmes		(56,932)	(49,609)
Total Trading Income		39,845	(14,904)
Other Income			
Grants Received - Programmes	16	73,043	84,978
Sponsorship Received		41,739	40,000
Interest Received		37,803	28,756
Total Other Income		152,586	153,735
Total Income		192,432	138,830
Less Expenses			
Audit Fees		3,823	5,600
Total Expenses		3,823	5,600
Add Non-Trading Adjustments			
Capital Grants Received	16	15,000	10,000
Total Non-Trading Adjustments		15,000	10,000
Net Surplus / (Deficit)		203,608	143,230

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Statement of Changes in Equity

Marlborough Stadium Trust For the year ended 30 June 2015

	2015	2014
Equity at Start of Period		
Opening Balance	6,104,819	5,961,588
Surplus & Revaluations		
Net Surplus / (Deficit)	203,608	143,230
Total Surplus & Revaluations	203,608	143,230
Total Equity at End of Period	6,308,427	6,104,819

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.


Balance Sheet

Marlborough Stadium Trust As at 30 June 2015

	NOTES	30 JUN 2015	30 JUN 2014
Assets			
Current Assets			
Accounts Receivable	10	63,973	140,493
Asset Management Plan Funds	2	659,415	631,873
Cash On Hand		1,478	1,486
Prepayments	11	4,381	17,669
Stock - Merchandise		6,545	5,761
Till Floats		202	202
Westpac Operating Accounts	19	815,944	376,060
Total Current Assets		1,551,940	1,173,548
Non-Current Assets			
Fixed Assets	18	5,462,314	5,623,117
Intangible Assets			
Goodwill (Gym) & Acquisition Costs	1	5,710	17,133
Total Intangible Assets		5,710	17,133
Total Non-Current Assets		5,468,025	5,640,250
Total Assets		7,019,965	6,813,799
Liabilities			
Current Liabilities			
Accounts Payable	13	239,754	238,422
Grants not expended	16	24,999	24,999
Income Received in Advance	12	147,183	110,991
Marlborough Lines Sponsorship in Advance		40,000	80,000
MDC Contribution in Advance		209,749	209,750
GST Payment / Refund		49,850	44,815
Total Current Liabilities		711,538	708,980
Total Liabilities		711,538	708,980
Net Assets		6,308,427	6,104,819
Trustee Funds			
Accumulated Funds			
Accumulated Funds		6,104,819	5,961,588
Surplus Transferred		203,608	143,230
Total Accumulated Funds		6,308,427	6,104,819
Total Trustee Funds		6,308,427	6,104,819

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

The financial statements have been audited. The accompanying notes form part of the financial statements and should be read in conjunction with the reports contained herein.


LJ van Velthooven
Trustee
MB Kerr
Trustee

Date: 27 October 2015

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.



Statement of Cashflows

Marlborough Stadium Trust

For the year ended 30 June 2015

	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES		
CASH WAS PROVIDED FROM:		
Receipts from Customers	2,890,325	2,597,999
Interest Received	37,804	28,757
Lease Income	166,733	156,582
Sponsorship & Grants	129,783	104,978
	<u>3,224,644</u>	<u>2,888,316</u>
CASH WAS SPENT ON:		
Payments to suppliers	1,274,097	1,365,117
Payments to Employees	1,399,707	1,347,479
Interest Paid	-	-
	<u>2,673,804</u>	<u>2,712,596</u>
NET CASH INFLOW FROM OPERATING	550,841	175,721
CASH FLOW FROM INVESTING ACTIVITIES		
CASH WAS PROVIDED FROM:		
Sale of fixed assets	13,913	-
	<u>13,913</u>	<u>-</u>
CASH WAS SPENT ON:		
Purchase of fixed assets	97,336	83,734
Contribution to MDC re Aquatic Facility	-	-
	<u>97,336</u>	<u>83,734</u>
NET CASH INFLOW FROM INVESTING	(83,423)	(83,734)
CASH FLOW FROM FINANCING ACTIVITIES		
CASH WAS PROVIDED FROM:		
	-	-
	<u>-</u>	<u>-</u>
CASH WAS SPENT ON:		
Repayment of Loan	-	-
	<u>-</u>	<u>-</u>
NET CASH INFLOW FROM FINANCING	-	-
IMPROVEMENT/(DETERIORATION) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	467,418	91,987
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,009,625	917,638
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>1,477,043</u>	<u>1,009,625</u>
Cash on hand	1,682	1,689
Term deposits	659,416	631,874
Bank Accounts	815,945	376,062
	<u>1,477,043</u>	<u>1,009,625</u>
Reconciliation of Operating Cashflow to Net Profit		
Profit for the year	203,609	143,230
Working Capital Adjustments for year:		
Creditors	1,332	(131,612)
Debtors	76,520	(58,344)
Grants not expended	(0)	(30,000)
GST	5,034	25,200
Income in advance	(3,808)	(24,354)
Payments in advance	13,289	(15,416)
Stock	(783)	(1,360)
Add back depreciation for year	255,649	268,377
	<u>550,841</u>	<u>175,721</u>

These financial statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditors Report.

Notes to the Financial Statements

Marlborough Stadium Trust For the year ended 30 June 2015

1. Statement of Accounting Policies

The financial statements presented here are for the entity Marlborough Stadium Trust a Trust registered under the Charitable Trusts Act 1957.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

(a) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

The Financial Statements have been prepared in accordance with the New Zealand Institute of Chartered Accountants Financial Reporting Standards.

The Financial Statements have been presented in New Zealand Dollars.

(b) Differential Reporting

Marlborough Stadium Trust qualifies for Differential Reporting because:

- it is not publicly accountable, and
- it is deemed to be 'not large' due to the following criteria -
 - * the gross turnover is less than \$20 million, and
 - * total assets are less than \$10 million, and
 - * there are less than 50 fulltime employees.

Marlborough Stadium Trust has taken advantage of all available differential reporting exemptions, with the exceptions that depreciation rates suggested by Inland Revenue have not been adopted, and a statement of cash flows has been provided.

(c) Income Tax

The Trust is a Registered Charity under the Charities Act 2005 and is exempt from income tax.

(d) Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

(e) Fixed Assets

Fixed Assets have been included at cost less accumulated depreciation. Details of fixed assets are set out in Note 19 to these financial statements.

(f) Investments

Investments are carried at the lower of cost and net realisable value. Where in the Trustees' opinion there has been a permanent reduction in the value of the investments this has been brought to account in the current period.

(g) Goodwill

Goodwill arose on the purchase of the Health & Fitness centre located within the Stadium. Goodwill is amortised using the straight line method over ten years, this representing the time the lease on the centre had to run.

(h) Depreciation

Depreciation has been charged on a straight line basis, at rates approved by the Trustees. Details of rates and depreciation claims are set out in the Fixed Asset Register included herein. The depreciation rates used are as follows:

• Buildings	0% - 7% CP
• Plant & Equipment	4% - 40% CP
• Motor Vehicles	21% CP

(i) Inventories

Inventories are recorded at cost.

(j) Goods and Services Tax

The Statement of Financial Performance and Statement of Cashflows have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated exclusive of GST, with the exception of account receivables and payables.

(k) Employee Earnings

Employee earnings, previously earned from past services, that the Trust expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays. These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

(l) Revenue

Revenue shown in the Statement of Financial Performance comprises the amounts received and receivable by the Trust for services rendered to customers in the ordinary course of operations.

(m) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments and bank overdrafts.

2. Asset Management Plan Funds

While it is not the intention of the Trust to develop a facility replacement fund, it is the intention, within the financial capability of the Trust, to fund the maintenance of the facility and the repair and maintenance of the plant and equipment. The asset management plan funds of \$659,415 shown on the balance sheet are funds held in term deposit for that purpose.

3. Audit

These financial statements have been subject to audit, please refer to Auditor's Report.

4. Contingent Liabilities

At balance date there are no known contingent liabilities. Marlborough Stadium Trust has not granted any securities in respect of liabilities payable by any other party whatsoever. (2014: Nil)

5. Capital Commitments

There were no capital commitments at balance date. (2014: Nil).

6. Events Subsequent to Balance Date

No events or transactions have occurred since balance date which would have a material effect upon the financial statements or which are of such significance as to require mention in the notes to the financial policies. There are no plans or intentions that may materially affect the current value or classification of assets and liabilities.

7. Securities and Guarantees

There was no overdraft as at balance date, although a facility has been arranged with Westpac. Any overdrawn balance would be subject to 9.70% p.a. for a debit balance of up to \$50,000. An overdrawn or line of credit charge to cover the cost of the overdraft administration may also apply. Westpac holds a general security agreement over the Trust's assets, undertakings and uncalled capital limited to \$200,000.

8. Funding Agreement

In existence is an agreement between the Marlborough District Council and the Trust which provides for operational funding \$839,000 for the year ended 30 June 2015. This is allocated between the Stadium (\$39,000) and Aquatics (\$800,000).

9. Lease

The Trust has leased the Aquatic Centre complex and the land that the Stadium building and surrounds occupies from the Marlborough District Council for a period of 60 years (3 x 20 years at the Trust's option). This is at a peppercorn rental. This lease began during the 1999 financial year.

	2015	2014
10. Accounts Receivable		
Trade Debtors	63,974.00	140,494.00
Less Provision for Doubtful Debts	-	-
Total Accounts Receivable	63,974.00	140,494.00
	2015	2014
11. Payments in Advance		
Insurance paid in advance	-	15,117.00
Les Mills Franchise Fee	1,500.00	1,500.00
Music Licences	2,881.00	1,053.00
Total Payments in Advance	4,381.00	17,670.00

	2015	2014
12. Income in Advance		
Tenant Leases and Sponsorship paid in advance	25,886.00	22,065.00
Swim School Fees received in advance	37,724.00	19,136.00
Gym Memberships received in advance	66,453.00	64,312.00
Event Hire received in advance	500.00	2,563.00
School Holiday Programme Fees received in advance	3,213.00	2,916.00
Aquatic Subs Received in Advance	11,579.00	-
Water Polo Income Received in Advance	1,829.00	-
Total Income in Advance	147,184.00	110,992.00

	2015	2014
13. Accounts Payable		
Trade Creditors	126,878.00	153,614.00
Audit Fee Accrued	5,500.00	5,350.00
PAYE Payable	27,076.00	21,699.00
Holiday Pay Accrued	57,860.00	37,720.00
Wages Accrued	22,441.00	20,040.00
Total Accounts Payable	239,755.00	238,423.00

14. Total Revenue

Total Revenue is \$3,151,932 (2014: \$3,001,015).

15. Programme Revenue

Programme Revenue of \$141,980 (2014: \$141,197) consists of income received for the following programmes:

- Fundamental Skills programme
- School Holiday programme
- After School programme
- Kiwi Sport programme

	2015	2014
16. Grants Received		
Grants Received		
Bluegrass Holdings Limited	15,000.00	-
Canterbury Community Trust	50,000.00	50,000.00
Kiwisport Funding	13,043.00	14,978.00
Redwood Trust	10,000.00	-
Total Grants Received	88,043.00	64,978.00
Add 2014 Grants expended in 2015 Year:		
Canterbury Community Trust	25,000.00	37,500.00
Bluegrass Holdings Limited	-	10,000.00

	2015	2014
Redwood Trust	-	7,500.00
Total Add 2014 Grants expended in 2015 Year:	25,000.00	55,000.00
Less Grants not expended until 2016		
Canterbury Community Trust	(25,000.00)	(25,000.00)
Total Less Grants not expended until 2016	(25,000.00)	(25,000.00)
Total Grants Received for Year	88,043.00	94,978.00
Grants Received - Programmes		
Canterbury Community Trust	50,000.00	62,500.00
Kiwisport Funding	13,043.00	14,978.00
Redwood Trust	10,000.00	7,500.00
Total Grants Received - Programmes	73,043.00	84,978.00
Capital Grants Received		
Bluegrass Holdings Limited	15,000.00	10,000.00
Total Capital Grants Received	15,000.00	10,000.00
Total Grants Received for Year	88,043.00	94,978.00

17. Repairs & Maintenance (Aquatics)

The repairs and maintenance expenditure for aquatics includes expenditure that would have previously been paid for from the Marlborough District Council Asset Management Plan funds. The Marlborough District Council Asset Management Plan Funds were fully utilised during the 2009 financial year.

	2015	2014
18. Fixed Assets		
Buildings		
Cost	5,842,673.00	5,829,353.00
Less Accumulated Depreciation	(803,464.00)	(717,294.00)
Total Buildings	5,039,209.00	5,112,059.00
Plant & Equipment		
Cost	1,267,979.00	1,183,963.00
Less Accumulated Depreciation	(844,873.00)	(672,971.00)
Total Plant & Equipment	423,106.00	510,992.00
Motor Vehicles		
Cost	26,667.00	26,667.00
Less Accumulated Depreciation	(26,600.00)	(26,600.00)
Sales	(13,913.00)	-
Depreciation Recovered	13,846.00	-
Total Motor Vehicles	0.00	67.00
Total Net Book Value	5,462,315.00	5,623,118.00



19. Westpac Operating Cheque Account

The Westpac Operating Cheque Account balance at 30 June 2015 was \$815,944 (2014: \$376,061).

20. Related Parties

Accountancy and Secretarial services have been provided to the Trust by Winstanley Kerridge Chartered Accountants Limited, a firm in which Trustee M J Kerr is a Director. The Trust also has uniforms provided by P Baker who is a Trustee. APL Limited, a company that Luke van Velthooven is a director of, was contracted to provide consultancy services on a limited basis. All related party transactions are carried out on an arms length basis on normal commercial terms. No related party debts have been written-off or forgiven during the year.

21. Apportionment of Indirect Expenses

Indirect expenses have been allocated to the trading accounts of the Trust on the following basis:

- ACC levies and staff training and expenses have been apportioned based on the wages costs for each trading account.
- Depreciation has been apportioned based on:
 1. The use of the asset where identifiable
 2. General use assets have been apportioned on the basis of:

- Aquatics	65%
- Stadium and Health & Fitness Centre	25%
- Programmes	10%
- Other indirect costs (administration and general operational) have been apportioned on the basis of:

- Aquatics	65%
- Stadium and Health & Fitness Centre	25%
- Programmes	10%

The apportionment of overhead expenses between the trading accounts has been assessed on the relative demand on each area of the overall operations.

