



# Taranaki Stadium Trust



Taranaki Stadium Trust  
2022/2023 ANNUAL REPORT

## **VISION FOR YARROW STADIUM**

*The best regional stadium in New Zealand that regularly hosts local, regional, national, and international sports and entertainment events.*

*A stadium for both major events and community events and the premier outdoor fields for team sports codes.*

*A stadium that is loved by sports fans and the local community.*

*A stadium that is a quality experience for event promoters, participants and spectators, which is achieved through superior hospitality and event facilities, efficient and effective management, accessibility, flexibility and innovation.*

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## Entity information for the Year Ended 30 June 2023

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### Legal name

Taranaki Stadium Trust

### Type of entity and legal basis

The Taranaki Stadium Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by the Taranaki Regional Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees.

### The Trust's purpose

The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.

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

The Trust comprises a Board of two Trustees who oversee the governance of the Trust. The Trustees are appointed by the Taranaki Regional Council. The Trust does not employ any staff. All the Trust's administrative and support services are undertaken by the Taranaki Regional Council. The operation of Yarrow Stadium is undertaken by the New Plymouth District Council pursuant to a Management Agreement.

### Main sources of the Trust's cash and resources

Operating grants received from the Taranaki Regional Council are the primary sources of funding to the Trust.

### Outputs

Refer to the statement of service performance.



## Trustee's Report

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The Trustees are pleased to present the Taranaki Stadium Trust's 2022/2023 Annual Report.

The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.

The Trust, the New Plymouth District Council and the Taranaki Regional Council have a partnership arrangement for the operation and the development, maintenance and enhancement of the Yarrow Stadium facilities. Under the Trust's Deed and the Management Agreement between the Trust and the New Plymouth District Council, the New Plymouth District Council operates and funds the operations of Yarrow Stadium. The Taranaki Regional Council funds, via the Trust, the long-term maintenance and development of Yarrow Stadium.

This partnership for funding and operating, maintaining and developing is designed to maintain Yarrow Stadium as a premier regional sports and events venue.

### Highlights

In opting to repair and refurbish Yarrow Stadium within a budget of up to \$79.7 million, the Council has reaffirmed its vision for the venue. The vision was originally adopted in 2015 following stakeholder engagement. It is:

*The best regional stadium in New Zealand that regularly hosts national and international sports and entertainment events.*

- *A stadium for both major events and community events and the premier outdoor field for team sports codes.*
- *A stadium that is loved by sports fans and the local community.*
- *A stadium that is a quality experience for event promoters, participants and spectators, which is achieved through superior event facilities, presentation and management and through the early adoption and smart use of technology.*

The implementation of the repair and refurbishment project continued during the year. Significant progress was made on the repair of the West Stand and the installation of new lighting and a new main field. These projects are now complete.

The East Stand was demolished and the design and contract for the new East Stand have been finalised. Groundworks for the new East Stand we substantially complete as at 30 June 2023. The construction of the new East Stand has resulted in an increase in the total project budget from \$70m to \$79.7m.



## Trustee's Report

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### Financial Highlights

The Trust's 2022/2023 funding was focussed on the delivery of the repair and refurbishment project. To date the project spend is \$38m.

The delivery of the repair and recovery programme will require the Trust to borrow up to \$50m from the Taranaki Regional Council (in addition to the existing \$5m loan facility). The servicing of this debt will come from rates sourced Taranaki Regional Council funding.

### Looking Ahead

Yarrow Stadium and the Trust face positive times ahead with the Stadium open for business and the construction of the new East Stand underway.

**Donna Cram**  
Trustee  
19 September 2023

**Michael Nield**  
Trustee  
19 September 2023

## Statement of Service Performance

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### Performance Targets

The performance of Taranaki Stadium Trust has been judged against the following measures:

*The presence of a Management Agreement with the New Plymouth District Council for the operation of the Stadium.*

An agreement for the management and operation of Yarrow Stadium, between the Trust and the New Plymouth District Council, is in place. The original agreement for the Council to manage and operate the stadium was signed in 2004 and the latest renewal came into effect from 27 June 2013. New Plymouth District Council operated Yarrow Stadium in accordance with the Management Agreement during 2022/2023. There have been no changes to this since the 2021/2022 financial year end.

*The provision of funding for a programme of agreed maintenance and long-term development of the Stadium. The programme of maintenance and long-term development is to be agreed upon by the Taranaki Regional Council and the New Plymouth District Council.*

The Taranaki Regional Council has approved a \$79.7m repair and refurbishment project for Yarrow Stadium (2021/2022 \$70m). The New Plymouth District Council and the Taranaki Regional Council have agreed upon a long-term maintenance and development programme for the ten years from 2015/2016 to 30 June 2025. The Taranaki Regional Council provided the annual funding of \$2,178,669 to the Taranaki Stadium Trust (2021/2022 \$2,178,669).

Asset management planning for Yarrow Stadium is on hold while the repair and refurbishment project is delivered. Funding has been used to deliver the repair and refurbishment project. The focus has been on getting the Stadium operational again.



## Statement of Financial Performance for the Year Ended 30 June 2023

	Notes	Actual \$ 2022/2023	Budget \$ 2022/2023	Actual \$ 2021/2022
<b>Revenue</b>				
Funding from central or local Government	1	10,626,854	12,178,669	8,872,719
Interest revenue		61,039	-	2,379
Rental revenue		74,678	-	-
Other revenue		-	-	43,830
Gains on revaluation of buildings	6	1,365,646	-	-
<b>Total revenue</b>		<b>12,128,217</b>	<b>12,178,669</b>	<b>8,918,928</b>
<b>Expenses</b>				
Depreciation	6	735,137	500,000	889,505
Interest expense	2	777,321	450,000	235,347
Other expenses	3	303,148	190,000	1,444,931
Impairment charges	6	-	-	91,939
Losses on revaluation of buildings	6	-	-	1,296,058
<b>Total expenses</b>		<b>1,815,606</b>	<b>1,140,000</b>	<b>3,957,780</b>
<b>Surplus/(deficit)</b>		<b>10,312,611</b>	<b>11,038,669</b>	<b>4,961,148</b>
<b>Other comprehensive revenue</b>				
Gains / (Losses) on revaluation of land	6	(38,478)	-	955,000
<b>Total other comprehensive income</b>		<b>(38,478)</b>	<b>-</b>	<b>955,000</b>
<b>Total comprehensive income/(deficit)</b>		<b>10,274,133</b>	<b>11,038,669</b>	<b>5,916,148</b>
Total comprehensive income/(deficit) attributable to:				
Taranaki Regional Council		10,274,133	11,038,669	5,916,148
<b>Total comprehensive income/(deficit)</b>		<b>10,274,133</b>	<b>11,038,669</b>	<b>5,916,148</b>

The accompanying notes form part of these financial statements.



## Statement of Financial Position as at 30 June 2023

	Notes	Actual \$ 2022/2023	Budget \$ 2022/2023	Actual \$ 2021/2022
<b>Assets</b>				
<b>Current assets</b>				
Bank accounts and cash	5	2,057,814	248,098	1,466,091
Debtors and other receivables	7	194,256	-	38,121
<b>Total current assets</b>		<b>2,252,070</b>	<b>248,098</b>	<b>1,504,212</b>
<b>Non-current assets</b>				
Property, plant and equipment	6	50,045,639	50,547,642	35,478,206
<b>Total non-current assets</b>		<b>50,045,639</b>	<b>50,547,642</b>	<b>35,478,206</b>
<b>Total assets</b>		<b>52,297,709</b>	<b>50,795,740</b>	<b>36,982,418</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Creditors and other payables	8	1,598,779	540,000	1,557,622
Borrowings	9	333	-	332
<b>Total current liabilities</b>		<b>1,599,112</b>	<b>540,000</b>	<b>1,557,954</b>
<b>Non-current liabilities</b>				
Borrowings	9	19,500,000	17,847,331	14,500,000
<b>Total non-current assets</b>		<b>19,500,000</b>	<b>17,847,331</b>	<b>14,500,000</b>
<b>Total liabilities</b>		<b>21,099,112</b>	<b>18,387,331</b>	<b>16,057,954</b>
<b>Net assets</b>		<b>31,198,597</b>	<b>32,408,409</b>	<b>20,924,464</b>
<b>Equity</b>				
Accumulated funds	4	28,932,075	31,058,409	18,619,464
Asset Revaluation Reserve	4	2,266,522	1,350,000	2,305,000
<b>Total equity attributable to the Trust</b>	<b>4</b>	<b>31,198,597</b>	<b>32,408,409</b>	<b>20,924,464</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows for the Year Ended 30 June 2023

	Notes	Actual \$ 2022/2023	Budget \$ 2022/2023	Actual \$ 2021/2022
<b>Cash flows from (used in) operating activities</b>				
Funding from central or local Government		10,626,854	12,178,669	8,872,719
Other revenue		-	-	73,845
Rental revenue		73,119	-	-
Interest received		60,861	-	2,329
Payments to suppliers		(283,147)	(190,000)	(1,678,120)
Interest paid		(712,675)	(450,000)	(148,148)
Goods and services tax (net)		(154,219)	-	87,611
<b>Net cash from (used in) operating activities</b>	<b>10</b>	<b>9,610,793</b>	<b>11,538,669</b>	<b>7,210,236</b>
<b>Cash flows from (used in) investing activities</b>				
Purchase of property, plant and equipment		(14,019,070)	(14,500,000)	(15,739,643)
<b>Net cash from (used in) investing activities</b>		<b>(14,019,070)</b>	<b>(14,500,000)</b>	<b>(15,739,643)</b>
<b>Cash flows from (used in) financing activities</b>				
Applied to borrowings		-	(1,352,669)	-
Provided from borrowings		5,000,000	4,500,000	9,500,000
<b>Net cash from (used in) financing activities</b>		<b>5,000,000</b>	<b>3,147,331</b>	<b>9,500,000</b>
Net (decrease)/increase in bank accounts and cash		591,723	186,000	970,593
Opening bank accounts and cash		1,466,091	62,098	495,498
<b>Closing bank accounts and cash</b>	<b>5</b>	<b>2,057,814</b>	<b>248,098</b>	<b>1,466,091</b>

The goods and services tax (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

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### Statement of accounting policies

#### Reporting entity

The Taranaki Stadium Trust (the Trust) is a charitable trust incorporated in New Zealand under the *Charitable Trusts Act 1957* and is domiciled in New Zealand. The Trust is controlled by the Taranaki Regional Council and is a Council Controlled Organisation as defined under section 6 of the *Local Government Act 2002*, by virtue of the Council's right to appoint the Board of Trustees.

Rather than making a financial return, the primary objective of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council. The Trust has elected to apply PBE SFR-A (PS) Tier 3: 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. The Trust recognises that it has exceeded the annual expenses threshold in 2021/2022 due to one off demolition and losses on revaluation of buildings associated with the Stadium repair and rebuild project. As expenditure for the 2022/2023 does not exceed \$2 million, and the expenditure limits were breached for only one year, it is still appropriate to apply Tier 3 reporting requirements.

The financial statements of the Trust are for the year ended 30 June 2023. The financial statements were authorised for issue by the Board of Trustees on 19 September 2023.

#### Basis of preparation

##### *Measurement base*

The financial statements have been prepared on a historical costs basis, modified by the revaluation of certain fixed assets.

##### *Functional and presentation currency*

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars.

##### *New and amended accounting standards adopted*

There have been no new or amended accounting standards adopted for the year ended 30 June 2023.

##### *Changes in accounting policies*

There have been no changes in accounting policies for the year ended 30 June 2023.

#### Significant accounting policies

The following is a summary of the significant accounting policies, adopted by the Trust, in the preparation of these financial statements.

##### *Goods and services tax*

The Trust is registered for Goods and Services Tax (GST). The financial statements have been prepared exclusive of GST, with the exception of receivables and payables, which are stated inclusive of GST. The net amount of GST, recoverable from or payable to the Inland Revenue Department (IRD), is included as part of receivables or payables, in the statement of financial position. The net amount of GST, paid to or received from the IRD, is classified as an operating cash flow, in the statement of cash flows.

## Notes to the Financial Statements

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### **Revenue**

Council grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if 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.

Crown Infrastructure Stadium rebuild funding is recorded as revenue when received, as specified by Tier 3 PBE Accounting Standards.

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

### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings, as a current liability, in the statement of financial position.

### **Investments**

Investments comprise investments in terms deposits with banks. Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

### **Debtors and other receivables**

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 with the exception of land and buildings which is recorded at valuation. 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 amount. 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.

Work in progress is recorded at cost. Cost includes expenditure which is directly attributable to the acquisition of an asset. Capital work in progress is not depreciated.

### **Accounting for revaluations**

The Trust elects to apply Tier 2 PBE IPSAS 17 Property, Plant and Equipment for the purposes of accounting for revaluations and have applied the disclosure concession applicable for Tier 2 entities.

When land and buildings is revalued, any accumulated depreciation, at the date of the revaluation, is eliminated against the gross carrying amount of the asset. Then, the net amount is restated, to reflect the revaluation.

If the carrying amount of an item of land and buildings increases, as the result of a revaluation, the increase shall be recognised in the asset revaluation reserve, within other comprehensive income. However, the increase shall be recognised in the surplus or deficit, to the extent that it reverses a revaluation decrease, of the same class of assets, previously recognised in the surplus or deficit.

If the carrying amount of an item of land and buildings decreases, as the result of a revaluation, the decrease shall be recognised in the surplus or deficit. However, the decrease shall be recognised in the asset revaluation reserve, within other comprehensive income, to the extent of any credit balance in the revaluation reserve, in relation to that asset class.

## Notes to the Financial Statements

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Revaluations of property, plant and equipment are accounted for on a class-of-asset basis. Only land and buildings are revalued and recorded at fair value, all other assets are recorded at cost.

In accordance with the Trust's Statement of Intent for the year to 30 June 2023, property is normally revalued on a three yearly cycle, however an additional revaluation has been undertaken as at 30 June 2023.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential, associated with the item, will flow to the Trust, and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment will be recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it will be recognised at fair value as at the acquisition date.

### **Disposals**

Gains and losses on disposal are determined by comparing proceeds received, with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, amounts included in the asset revaluation reserve, in relation to those assets, will be transferred to accumulated funds.

### **Subsequent costs**

Costs incurred subsequent to initial acquisition are capitalised if, and only if, it is probable that future economic benefits or service potential, associated with the item, will flow to the Trust, and the cost of the item can be measured reliably.

### **Impairment of property, plant and equipment**

The carrying values of property, plant and equipment are reviewed annually for impairment, with reference to internal and external factors which may indicate the carrying value exceeds depreciated replacement cost. The Trust elects to apply Impairment of Revalued Assets including Amendments to PBE IPSASs 21 and 26 and have applied the disclosure concession applicable for Tier 2 entities for the purposes of the impairment recognised in note 6. Any significant impairment is recognised by writing the assets down to their depreciated replacement cost and charging the impairment to the relevant revaluation reserve or to the surplus or deficit, where there is no revaluation reserve. If an asset's carrying value exceeds its recoverable amount, the asset is impaired, and the carrying amount is written down to the recoverable amount. In relation to revalued assets, the impairment loss is recognised against the revaluation reserve, for that asset class. Where that results in a debit balance, in the revaluation reserve, the balance is recognised in the surplus or deficit. In relation to assets that are not revalued, the total impairment is recognised in the surplus or deficit.

### **Depreciation and amortisation expense**

Depreciation is provided on a straight-line basis, at rates that will write-off the cost or valuation of assets, to their estimated residual values, over their useful lives. The rates of depreciation are as follows:

Buildings	1.25% to 6.67% per annum
Furniture, fittings and equipment	6.67% to 25.00% per annum
Office Equipment	15.00% to 30.00% per annum

The residual value and the useful life of an asset is reviewed, and adjusted if applicable, at the end of each financial year.

### **Creditors and other payables**

Creditors and accrued expenses are measured at the amount owed.

### **Income tax**

The Trust has been granted Charitable Status by the IRD and therefore, is exempt from income tax.



## Notes to the Financial Statements

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### **Loans**

Loans are recorded at the amount borrowed from the lender and include any interest accrued at balance date that has not yet been paid. All borrowing costs are expensed in the period they occur.

### **Critical accounting estimates and assumptions**

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the actual results.

Estimates and assumptions are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the value of assets and liabilities, within the next financial year, are discussed below:

Land and building fair values:

Land and buildings are revalued every three years. The latest valuation was performed by TelferYoung (Taranaki) Limited. TelferYoung (Taranaki) Limited are a registered experienced valuer with extensive market knowledge in the types of land and buildings owned by the Taranaki Stadium Trust. Trust management has done an assessment of the 30 June 2023 valuation and is satisfied that this latest valuation is materially accurate.

Property, plant and equipment useful lives and residual values:

At each balance date, the Trust reviews the useful lives and residual values of its property, plant and equipment. To assess whether the useful lives and residual values are appropriate, the Trust considers a number of factors, such as, the physical condition of the asset, the expected period of use of the asset, and the expected disposal proceeds, from future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset and will therefore, impact depreciation expense in the statement of comprehensive income, and the carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this uncertainty through physical inspection of assets. The Trust has made an impairment assessment with regard to rebuild enhancements in the current financial year – refer note 6.

### **Going concern**

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future. As at 30 June 2023, the Trust's current assets exceeded its current liabilities by \$652,959 (2021/2022: current liabilities exceeded current assets by \$53,742).

Taranaki Regional Council continues to provide a letter of support to ensure where required, the Trust will be able to pay its debts as they fall due. Taranaki Regional Council has secured the funding that is required to repair the assets and the stadium as outlined in the Taranaki Regional Council 2021/2031 Long Term Plan.

The Trust has considered the impact of COVID-19 in respect of its status as a going concern. COVID-19 delayed the implementation of the repair and refurbishment project, thus providing the opportunity for the Taranaki Regional Council to apply for Government "shovel-ready" funding. This application was successful and funding of \$30m was approved (2021/2022: \$30m). The Trust was able to continue operating throughout the different pandemic alert levels and COVID-19 has resulted in no impact on liquidity and working capital. There has been no impact on access to capital. The repair and refurbishment project faces increased costs and supply delays resulting from the impacts of COVID-19 on building and construction materials. The Trust has taken the necessary steps to mitigate and minimise these impacts. The Trust is well positioned to maintain its financial position and to continue operating through this time of business uncertainty.

## Notes to the Financial Statements

### 1. Funding from central or local Government

	Actual \$ 2022/2023	Actual \$ 2021/2022
Annual grant from the Taranaki Regional Council	2,178,669	2,178,669
Crown Infrastructure Stadium Rebuild Funding	8,448,185	6,694,050

Donated goods or services not recognised:

During the year, the Trust received professional accounting and secretarial services from the Taranaki Regional Council at no charge.

### 2. Interest Expense

	Actual \$ 2022/2023	Actual \$ 2021/2022
Interest – TSB	2,562	28,316
Interest – Taranaki Regional Council	774,759	207,031
Total finance expenses	777,321	235,347

### 3. Other Expenses

	Actual \$ 2022/2023	Actual \$ 2021/2022
Ancillary services	1,723	16,889
Audit fees for financial statement audit	41,970	12,985
Bank charges	38	16
Charities commission	44	44
Consulting fees	-	9,289
Demolition expense	-	1,257,321
General expenses	2,595	30,878
Insurance	138,703	69,079
Legal Expenses	15,565	50,904
Rates	8,896	-
Rental commission	6,383	-
Rental R&M	5,191	-
Stadium repairs and maintenance	59,571	(4,154)
Valuation Fees	22,469	1,680
Total other expenses	303,148	1,444,931

### 4. Equity

	Actual \$ 2022/2023	Actual \$ 2021/2022
Accumulated funds		
Balance at 1 July	18,619,464	13,658,316
Surplus/(deficit) for the year	10,312,611	4,961,148
Other comprehensive income/(deficit)	(38,478)	955,000
Transfers to asset revaluation reserve	38,478	(955,000)
Balance at 30 June	28,932,075	18,619,464
Asset revaluation reserve		
Balance at 1 July	2,305,000	1,350,000
Movement in the asset revaluation reserve	(38,478)	955,000
Balance at 30 June	2,266,552	2,305,000
Total equity	31,198,597	20,924,464

## Notes to the Financial Statements

### 5. Bank accounts and cash

	Actual \$ 2022/2023	Actual \$ 2021/2022
TSB Bank current account	67,703	41,539
TSB Bank on call account	1,990,111	1,424,552
<b>Total bank accounts and cash</b>	<b>2,057,814</b>	<b>1,466,091</b>

The carrying value of cash and cash equivalents approximates their fair value.

### 6. Property, plant and equipment

	Actual \$ 2022/2023	Actual \$ 2021/2022
<u>Land at valuation</u>		
Carrying amount at 1 July	4,455,000	3,500,000
Additions	565,217	-
Revaluation	(38,478)	955,000
<b>Carrying amount at 30 June</b>	<b>4,981,739</b>	<b>4,455,000</b>
<u>Furniture, fittings and equipment</u>		
Cost at 30 June previous year	3,324,495	3,340,193
Accumulated depreciation	(2,936,470)	(2,276,177)
<b>Net book value previous year</b>	<b>388,025</b>	<b>1,064,016</b>
Carrying amount at 1 July	388,025	1,064,016
Additions	2,515	-
Disposals	-	(15,698)
Depreciation	(122,685)	(660,293)
<b>Carrying amount at 30 June</b>	<b>267,855</b>	<b>388,025</b>
<u>Buildings at valuation</u>		
Cost at 30 June previous year	26,635,393	10,260,449
Accumulated depreciation	(810,592)	(1,178,281)
<b>Net book value previous year</b>	<b>25,824,801</b>	<b>9,082,168</b>
Carrying amount at 1 July	25,824,801	9,082,168
Additions	444,713	-
Transfers	4,728,810	18,267,903
Depreciation	(612,452)	(229,212)
Revaluation	1,365,645	(1,296,058)
<b>Carrying amount at 30 June</b>	<b>31,751,517</b>	<b>25,824,801</b>
<u>Office equipment</u>		
Cost at 30 June previous year	16,430	16,430
Accumulated depreciation	(16,430)	(16,430)
<b>Net book value previous year</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

	Actual \$ 2022/2023	Actual \$ 2021/2022		
Carrying amount at 1 July	-	-		
Additions	-	-		
Disposals	-	-		
Depreciation	-	-		
Carrying amount at 30 June	-	-		
<b>Work in progress</b>				
Cost at 30 June previous year	4,810,380	7,107,065		
Accumulated depreciation	-	-		
Net book value previous year	4,810,380	7,107,065		
Carrying amount at 1 July	4,810,380	7,107,065		
Additions	12,962,958	16,105,112		
Transfers	(4,728,810)	(18,267,903)		
Impairment of enhancements	-	(91,939)		
Disposals	-	(41,955)		
Depreciation	-	-		
Revaluation	-	-		
Carrying amount at 30 June	13,044,528	4,810,380		
<b>Total property, plant and equipment</b>	<b>50,045,639</b>	<b>35,478,206</b>		
As at 30 June 2023				
	Cost or Valuation	Impairment	Accumulated Depreciation	Carrying Amount
Land at valuation	4,981,739	-	-	4,981,739
Furniture, fittings and equipment at cost	3,327,010	-	3,059,155	267,855
Buildings at valuation	32,176,372	-	424,855	31,751,517
Office equipment at cost	16,430	-	16,430	-
Work in progress at cost	13,044,528	-	-	13,044,528
Total property, plant and equipment	53,546,079	-	3,500,440	50,045,639

### Valuation

TSB Bank holds a restriction over the title of the Trust's property by way of a registered first mortgage over the property at 6 Maratahu Street, New Plymouth. No plant and equipment is pledged as security for liabilities. The land and buildings were valued, as at 30 June 2023, by Mike Drew, registered valuer, TelferYoung (Taranaki) Limited. Land and buildings were adjusted in the financial statements, for the year ending 30 June 2023, to reflect this revaluation. The valuation was performed by TelferYoung (Taranaki) Limited. TelferYoung (Taranaki) Limited are a registered experienced valuer with extensive market knowledge in the types of land and buildings owned by the Taranaki Stadium Trust. The land is valued using market based sales evidence. The land's fair value at 30 June 2023 was \$4,981,739 and loss on revaluation of \$38,478 was recognised in the asset revaluation reserve.

Buildings are valued based on the depreciated replacement cost approach using assumptions the valuer believed to be fair and reasonable at the date of valuation. The total fair value of the buildings at 30 June 2023 was \$31,751,517. Gain on revaluation of the buildings of \$1,365,646 was recognised in the surplus or deficit.

Trust management has done an assessment of the 30 June 2023 valuation and is satisfied that this latest valuation is materially accurate.

### Impairment

As part of the repair and refurbishment of Yarrow Stadium, technology enhancements were started however, these were not completed, consequently the enhancements costs in capital WIP in 2021/2022 were considered end of its useful life and its impairment loss was assessed at 100%.

The total value of the impairment loss of the enhancements for the year ended 30 June 2023 was \$0. (2021/2022: Field 1 turf \$91,939.)

## Notes to the Financial Statements

### Background

During the 2017/2018 year, detailed seismic assessments were completed on the East and West Stands of Yarrow Stadium. The assessments indicated that the East Stand was 10% of new building standard and the West Stand was 20% of new building standard. As such both stands were earthquake prone buildings and were closed from use.

The Trust is committed to the repair of the stands and the investigations on the repair and rebuild options has been completed. The Taranaki Regional Council has approved the repair and refurbishment of Yarrow Stadium. The project will include repairs to the earthquake-prone West Stands and the build of a new East Stand. Other important refurbishments include LED pitch lighting and the reinstatement of Field 1.

This work essentially restores what existed, with essential updates. The estimated total cost is \$79.7 million which will be funded by a \$30m "shovel-ready" grant from the Government and a loan through Taranaki Regional Council.

The repair of the West Stand is complete. The reinstatement of Field 1 and upgraded lights is also complete, with the Stadium reopening in September 2022. The East Stand groundworks were significantly complete at 30 June 2023. The design for the new East Stand is complete and Clelands Construction Limited have been contracted to undertake the build. The new East Stand is planned to open in time for the winter 2025 sports season.

### 7. Debtors and other receivables

	Actual \$ 2022/2023	Actual \$ 2021/2022
TSB Bank interest accrual	234	56
Trade debtors	-	-
Net rental income owed	1,737	
GST refund	192,285	38,065
<b>Total debtors and other receivables</b>	<b>194,256</b>	<b>38,121</b>

### 8. Creditors and other payables

	Actual \$ 2022/2023	Actual \$ 2021/2023
Audit fee accrual	22,425	12,985
Trade payables and accruals	1,576,353	1,544,637
<b>Total creditors and other payables</b>	<b>1,598,778</b>	<b>1,557,622</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore the carrying values approximate their fair value.

### 9. Borrowings

	Actual \$ 2022/2023	Actual \$ 2021/2022
TSB Bank Liberty Revolving credit facility	333	332
Taranaki Regional Council loan	-	-
<b>Total current liability borrowings</b>	<b>333</b>	<b>332</b>
Taranaki Regional Council loan	19,500,000	14,500,000
<b>Total non-current liability borrowings</b>	<b>19,500,000</b>	<b>14,500,000</b>

The TSB Bank Liberty Revolving credit facility has a draw down limit of \$5,000,000 and is secured by way of a registered first mortgage over the property at 6 Maratahu Street, New Plymouth. Interest is incurred at a 8.12% variable rate as at 30 June 2023 (2021/2022: 4.62%). The Taranaki Regional Council loan has a draw down limit of \$35,000,000 and is unsecured. Interest is incurred at a 4.36% variable rate as at 30 June 2023 (2021/2022: 2.79%).



## Notes to the Financial Statements

### 10. Reconciliation of net surplus/(deficit) to net cash from operating activities

	Actual \$	Actual \$
	2022/2023	2021/2022
Surplus/(deficit)	10,312,611	4,961,148
<i>Add/(less) non-cash items:</i>		
Depreciation and amortisation expense	735,137	889,505
Impairment of enhancements (through surplus/deficit)	-	91,939
(Gain) /Losses on revaluation of buildings	(1,365,646)	1,296,058
<i>Add/(less) movements in working capital items</i>		
Creditors and other payables	84,825	(145,990)
Debtors and other receivables	(156,134)	117,576
Net cash from operating activities	9,610,793	7,210,236

### 11. Related parties

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.

The Taranaki Regional Council is deemed to be a related party of Taranaki Stadium Trust. The Trust received \$2,178,669 of annual grant revenue from the Council for the year ending 30 June 2023 (2021/2022: \$2,178,669) The Trust has a \$19,500,000 loan from the Council as at 30 June 2023. (2021/2022: \$14,500,000). During the year, the Trust paid interest on this loan of \$774,759 (2021/2022: \$207,031)

The Trust owns Yarrow Stadium, but, the New Plymouth District Council manages and operates the Stadium, in accordance with a Management Agreement, between the two parties. In relation to the year ending 30 June 2023, no debts between the parties were written off or forgiven, and no transactions took place between the parties at nil or nominal value. The Trust does not have any employees. No Trustee fees were paid during the year.

### 12. Capital commitments

There are capital commitments of \$35,606,375 as at 30 June 2023 (2021/2022: 902,088).

### 13. Contingent liabilities

There are no contingent liabilities as at 30 June 2023 (2021/2022: nil).

### 14. Contingent assets

There are no contingent assets as at 30 June 2023 (2021/2022: nil).

### 15. Events after the balance sheet date

The Trust has no material events subsequent to balance date.

## Trust Directory

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### Taranaki Stadium Trust

Nature of business:	Charitable Trust
Trustees:	Elvisa van der Laden – till October 2022 Donna Cram – from October 2022 Michael Nield
Trust Settlement Date:	23 December 1999
Address:	C/- Taranaki Regional Council Private Bag 713 Stratford 47 Cloten Road Stratford
Bankers:	TSB Bank New Plymouth
Solicitors	Till Henderson Stratford
Auditors:	Matt Laing Deloitte Limited on behalf of the Auditor-General



**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF TARANAKI STADIUM TRUST'S FINANCIAL STATEMENTS AND STATEMENT OF SERVICE  
PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023**

