



**EDEN PARK**

NEW ZEALAND'S NATIONAL STADIUM

**THE EDEN PARK TRUST**  
**2018 ANNUAL REPORT**



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**He aha te mea nui o te ao  
What is the most important thing in the world?**

**He tāngata, he tāngata, he tāngata  
It is the people, it is the people, it is the people**





**OUR VISION.**

**TO BE RECOGNISED AS  
NEW ZEALAND'S NATIONAL  
STADIUM, PROVIDING  
WORLD-CLASS LIVE EVENTS.**





# OUR MISSION.

To promote, operate and develop **Eden Park** as the benchmark **multi-purpose stadium** for rugby and cricket, as well as other sporting codes, recreational, musical, and cultural events for the benefit of the **Auckland region, broader community and global broadcast audiences.**



## 2018 HIGHLIGHTS

**22** cricket events

**23** rugby events

**1** golf event

New Zealand's first ever **DAY-NIGHT** cricket test

England were all out for 58 in the first innings of the day-night test against the BLACKCAPS

**20,130** people attended the Mitre 10 Cup final, won by Auckland

**3** marriage proposals

**1** gender reveal

**1** child named after Eden Park

Lime's first Australasian partnership was with Eden Park

The lowest score at the par-30 ASB G9 was **24**, compared to last year's 27

Uber Eats recorded its busiest night of the year as Saturday 25 August, coinciding with the All Blacks v Wallabies Bledisloe Cup match at Eden Park

**1,000+** private functions  
**100,000+** private function guests

**40** EDMs to The Hood

**35** media releases

Eden Park runs **12** public tours a week plus extra bespoke tours

Conversion to LEDs has improved stadium lighting and resulted in **SAVING 70-80%** of original power usage

Up to **3,000** jobs created at each major event held at the Park





# WELCOME

## REPORT FROM THE CHAIRMAN

It is my pleasure to present the Annual Report of The Eden Park Trust (EPT) for the year ended 31 October 2018. The comparative prior period is the 12 months to 31 October 2017.

The 2018 financial year represents a return to “business as usual”, by comparison with the excellent results achieved the year before, due to the Lions Tour. The international event schedule consisted of two All Blacks test matches, one cricket test and three T20 cricket matches. In addition, the Blues played eight home matches at Eden Park and Auckland’s Mitre 10 Cup team surprised many by earning a home semi-final and final to go with their five scheduled home games. Despite the obvious and anticipated financial effect of the reduction in content, the result for the period exceeded expectations due to the popularity of key events, our focus on delivering new, innovative content, extending our commercial relationships and prudent cost management. For example, Eden Park’s inaugural G9 golf tournament was a major success and revenue from stadium tours has increased by 44% year-on-year, reflecting the Park’s iconic status and the potential it holds as a tourism destination.





# FINANCE

The Trust had a pleasing financial year, posting a net operating profit before interest, depreciation and other comprehensive income of \$3.731m (2017: \$5.899m). The net loss of \$7.326m (2017: \$3.651m) is disappointing but is a reflection of the challenges we face in achieving long term financial sustainability for an asset of this size and value.

The financial results attached are briefly summarised as follows:

\$000	2018	2017
Total operating income	17,021	20,878
Total operating expenses	(13,290)	(14,979)
<b>Net operating profit</b>	<b>3,731</b>	<b>5,899</b>
Net interest	(1,474)	(1,523)
Other comprehensive income	400	600
<b>Profit before depreciation</b>	<b>2,657</b>	<b>4,976</b>
Depreciation	(9,983)	(8,627)
<b>Total comprehensive loss</b>	<b>(7,326)</b>	<b>(3,651)</b>

Other comprehensive income in the year consists of the revaluation of the stadium land to \$25.0m (based upon its continued use as a recreational facility), an increase of \$400k (2017: \$600k increase). The Trust has a policy of revaluing land and investment properties annually.

The Trust would like to acknowledge and thank both the ASB Bank for their ongoing financial support as our principal funder and Auckland Council for their role as lender of \$6.5m and guarantor of the major \$40m Committed Cash Advance Facility (CCAF) with the ASB Bank. This \$40m loan was required to complete the Rugby World Cup redevelopment. The loan was last renewed in 2016, at which time it was extended to September 2019. Beyond that date, the future of the loan remains unclear. Accordingly the annual accounts contain disclosures regarding the material uncertainty surrounding the loan, the circumstances of which are explained herein, under Future of Eden Park.

EPT's asset base remains strong. The balance sheet at year end indicates net equity of \$207.7m (2017: \$214.6m). The year-on-year reduction is a consequence of the annual depreciation charge of \$10.0m (including \$1.1m written off for assets

beyond their useful life), which is greater than the profit before depreciation (2017: \$8.6m).

In 2017 we signalled that the economic benefits of hosting two Lions tests plus the Blues v Lions match would not be replicated in 2018. While the reduction in operating profit of more than \$2.1m is significant, we consider the result to be reasonable in difficult circumstances. Our budget expectations were exceeded due to the popularity of the All Blacks test matches against both France and Australia. The two T20 tri-series cricket matches between the Black Caps and Australia were also well supported, particularly the first match. We did better than expected in a number of other areas, including suite and membership revenue, match day catering, function and tour revenue, grant receipts and EPT's own golf tournament.

There were no unusual or unexpected operating expenses, although costs in excess of \$400k were incurred in relation to our application for resource consent to host a charity concert event on Waitangi Day, 2019. The application was ultimately withdrawn as the costs to complete the process would have been prohibitive, by

virtue of objections which were likely to lead to an Environment Court review. Any such review could not practically have been completed within the limited timeframe required by the concert promoter. The process did however highlight a number of key issues regarding the suitability of the process for this form of event, the prohibitive cost and perhaps most importantly the results of independent research which shows significant local and Auckland-wide support for greater content, particularly concerts, at Eden Park.

The outlook for 2019 is for further dilution of the profitability of the Trust. Once again, this will be the result of an "unusual" event schedule. In particular, there will be one All Blacks test only, due to the limited domestic test programme in a Rugby World Cup year. International cricket also reduces to two matches only, as a consequence of NZ Cricket contracting with an Indian broadcaster to commence matches later than Eden Park's resource consent conditions provide for. Beyond that, in 2020 profitability should improve once again due to the return to two rugby test matches at least.



**“WE OFTEN SAY THAT EDEN PARK CREATES MEMORIES AND PROVIDES ESCAPISM FOR OUR PATRONS. THIS YEAR’S EVENT CALENDAR PROVIDED PLENTY OF BOTH.”**

# EVENTS

We often say that Eden Park creates memories and provides escapism for our patrons. This year’s event calendar provided plenty of both, particularly the exhilarating batting efforts in the first tri-series T20 match, and the try-fest of both All Blacks tests.

Key results in the year included the following:

- The international cricket programme consisted of BLACKCAPS matches against Pakistan (T20), Australia (T20 tri-series match plus tri-series final) and England (day-night test). The tri-series match against Australia on 16 February created yet more history when 11 new world records were set, including 488 runs in aggregate. This was followed in March by the first day-night cricket test played in New Zealand. Although rain interrupted much of the match there was sufficient time for New Zealand to claim victory, set up by dismissing England for just 58 runs within the first session on the first day;
- The domestic cricket programme was played entirely on the Number 2 ground in 2018;
- The Blues unfortunately produced their worst home season since the franchise began. Their solitary win against the Reds came in the last of eight home rounds at Eden Park. The Blues again failed to secure a victory against New Zealand opposition;
- The All Blacks soundly defeated France 52-11 in a match which featured a number of well-taken late tries from long range;
- The All Blacks went on to beat Australia by 40-12 and thereby retain the Bledisloe Cup for another year. This result extended the All Blacks’ undefeated run at Eden Park to 41 matches over 24 years, since 1994. In the curtain-raiser match the Black Ferns continued their dominance over their Australian counterparts, the Wallaroos;
- In July the Auckland club rugby final was won by Ponsonby over University to secure the Gallaher Shield;
- In August St Peters defeated Kings College in the 1A final of the Auckland Secondary Schools rugby competition; and
- Auckland’s Mitre 10 Cup rugby team completed a thrilling home season by securing an extra-time victory over perennial champions Canterbury to lift the Mitre 10 Cup for the first time in 11 years. Under a new coaching staff the team lost just once in the season, which exceeded all expectations. All rugby supporters will be hoping the new-found purpose and discipline with which the team played will translate into similar success for the Blues in 2019.



**“THE TRUST REACHED THE MILESTONE OF NINE YEARS IN OPERATION SINCE THE NEW GOVERNANCE STRUCTURE WAS ENACTED UNDER THE EDEN PARK TRUST ACT.”**

# GOVERNANCE AND MANAGEMENT

The Trust Board comprises five Crown appointees and two appointees each from Auckland Rugby Union (ARU) and Auckland Cricket Association (ACA). In September 2018 the Trust reached the milestone of nine years in operation since the new governance structure was enacted under the Eden Park Trust Amendment Act 2009. Thus the remaining foundation trustees from 2009 reached their nine-year time limit as trustees, under the Trust Deed. Accordingly three new trustees replaced three foundation trustees in September. One other trustee change occurred on behalf of Auckland Rugby.

The governance environment remains a challenging one. EPT continues to face a range of strategic, financial, statutory and regulatory challenges which require significant ongoing attention from trustees. I would

like to thank all trustees once again for their contribution and support throughout the year. In particular I would like to mention the contributions of Michelle Boag, Morris Pita and Rex Smith for their nine years of service to the new EPT, as well as Ken Baguley for his six years of service. I would also like to welcome our new trustees: Nick Albrecht, Renata Blair, Greg Edmonds and Victoria Toon. Nick and Greg are appointees of Auckland Cricket and Auckland Rugby respectively. Renata and Victoria are Crown appointees. Notwithstanding their excellent credentials for the roles, it is worthwhile noting that Renata is our first appointee from the hapu of Ngāti Whātua-o-Ōrākei and Victoria is our first appointment from within the local resident catchment area.

In recognition of his many years of service to Eden Park in a range of

capacities, the trustees offered Rex Smith life membership of Eden Park in December 2018.

As noted in last year's report, changes would be occurring within the senior management team in the year. Firstly, Nick Sautner, formerly General Manager, Commercial, became CEO on 1 November 2017. Nick has a clear vision for the strategic direction of Eden Park, which the trustees endorse. He has also brought focus onto a Game Plan for the staff, which they have adopted and support in all aspects of their working lives. Secondly, long-term General Manager, Operations and Infrastructure, Steve Donaghy departed in March 2018 to return offshore. We have added Kate Simkiss, Corporate Legal Manager, to the senior management team. Kate has considerable stadium and event management experience gained whilst employed by the FA and based at Wembley Stadium. Kate joined EPT in June.



# EVENTS AND OPERATIONS

Although Eden Park’s event calendar overall increased from 21 events last year to 23 events on the Number 1 ground in 2018, the number of attendees has reduced. Primarily this is because of the reduction in international rugby matches this year, post Lions Tour. Three additional Blues matches failed to yield as many spectators in total as the previous year’s five matches. The Mitre 10 Cup season was boosted by the 20,000 in attendance for the final. International cricket drew good crowds to its three T20 matches, particularly those versus Australia. It is worth emphasising once again that Eden Park remains an under-utilised public amenity, due in no small part to Auckland Council’s role as regulator (by way of setting consent conditions) and competitor (in the form of the ratepayer-subsidised Regional Facilities Auckland (RFA) who operate all other major outdoor stadiums in Auckland).

Both All Blacks test matches were sold to capacity. The addition of temporary seating for the Bledisloe Cup match enabled a greater crowd for that event. Both matches were played in favourable conditions, which enabled the

All Blacks to capitalise on the strength of their open-field running game to win both matches comfortably. Notably Beauden Barrett became the first All Black first five-eighth to score four tries in a test match. These results are testament once again to the value of a world-class playing surface. However, considerable time and investment in turf maintenance is required to achieve the best results for major events, as the turf reaches the end of its useful life (see comments below regarding the cost and timing of turf replacement).

Three T20 limited-overs international cricket matches in January and February included the historic 488-run match between the BLACKCAPS and Australia on 16 February. This match demonstrated clearly why T20 cricket is so successful around the world, where well-marketed high-scoring matches are attracting in-ground crowds and TV audiences which drive significant financial returns. These matches were followed by the historic first day-night test match to be played in New Zealand. The visiting England team struggled to a surprising 58 all out before

lunch on day one. Ultimately New Zealand claimed victory, despite the loss of more than two days’ play due to rain.

The Blues Super Rugby season was disappointing. Crowd numbers steadily fell as the sequence of losses continued. Expectations were for better things due to the presence of marquee players such as Rieko Ioane and Sonny Bill Williams. However, all they could produce was one win and seven losses. The Blues have committed to playing seven home games at Eden Park in 2019.

The inaugural ASB G9 in-stadium nine-hole golfing event teed off in November 2017. This event was conceived and developed in-house by the Commercial team. It was a financial success and thoroughly enjoyed by over 2,000 keen participants over 10 days. The second G9 event occurred in November 2018 and was equally as successful. This is a fine example of our innovative approach to finding secondary revenue streams in order to sustain the Park financially and to make it accessible to a wider range of people within the community. The event was recognised at the 2018 Australasian

Leisure Management Awards as a Communication and Marketing ‘Business category’ award winner.

Once again, I would like to acknowledge the excellent performance of all venue staff including Eden Park staff and subcontractors (including caterers, security and cleaners) and external parties, including venue hirers, Auckland Council, Auckland Transport, the Police, Fire service, Ambulance service and the many volunteers, all of whom contribute to the successful delivery of events at Eden Park.

Looking forward to 2019, we will be limited to one rugby test due to the shortened inbound programme in a Rugby World Cup year. International cricket will include two matches only. The major inbound touring party is India. NZ Cricket accepted commercially favourable broadcasting terms suitable to the Indian audience, based on match commencement times of 8.30pm, which cannot be accommodated within Eden Park’s Council-imposed resource consent conditions for the use of the stadium lights. One match only

has been permitted under the NZC broadcasting agreement, which will commence at 7pm.

EPT continues to look for alternative event content and secondary forms of revenue. In 2019 we look forward to hosting Nitro Circus in March and plan to introduce a number of exciting experience-based initiatives as well.

A summary of major sporting events held at Eden Park in the year is as follows:

	2018		2017	
	NUMBER	CROWD	NUMBER	CROWD
<b>No.1 Ground Events:</b>				
International Rugby	2	94,350	4	161,800
Super Rugby	8	77,200	5	78,800
Mitre 10 Cup Rugby	7	53,800	5	25,200
Other Rugby	2	3,250	2	2,200
International Cricket	4	103,600	3	69,000
Rugby League	n/a	n/a	1	42,300
Other Events	n/a	n/a	1	18,000
<b>Total</b>	<b>23</b>	<b>332,200</b>	<b>21</b>	<b>397,300</b>



**“EDEN PARK RELIES ON THE SUPPORT OF A RANGE OF KEY PARTNERS, PREFERRED SUPPLIERS AND DONORS TO SUPPLEMENT ITS EVENT-BASED REVENUES. THESE RELATIONSHIPS ARE VITAL TO THE ONGOING FINANCIAL PERFORMANCE OF THE PARK.”**

# PARTNERS AND SUPPLIERS

I would like to thank our family of partners including ASB Bank, Samsung, AA Insurance, Kennards Hire, Kia Motors, Phillips, Auckland Council, Barfoot & Thompson, Powerade, Auckland RSA, Gilmours, Watercare and Eden Park Catering.

I would like to again particularly thank the ASB Bank for their long-term sponsorship and support of Eden Park, which runs to 2022. I would also like to acknowledge our preferred supplier relationships with I Love Food Co., Vidcom, Auckland Transport, Lion Breweries, Total Property Services, Pernod Ricard, Twin Agencies, Platform 4 Group, Chevalier Produce, Simplot, Nespresso and St John.

We also greatly appreciate the charitable donations received in the year from Four Winds Foundation, Grassroots Trust, Infinity Foundation, North and South Trust, One Foundation Trust and Trillian Trust. These contributions are essential to the successful operation of the Park.





# MEMBERSHIPS

We anticipated membership and suite occupancy to decline in 2018 in the aftermath of the Lions Tour. Although the decline was less than anticipated, we face a similar challenge heading into 2019 due to the further reduction in content as mentioned above. Our Commercial team remain focussed on continual improvement of the membership experience and unique offerings to encourage retention.

I would like to thank Eden Park's members once again for their ongoing support and contribution to Eden Park. Our suite holders, corporate members and ground members are the foundation of our customer base, on both game days and as frequent users of our function facilities for other events.



# LOCAL COMMUNITY



The relationship between Eden Park and the local community is probably at its strongest point ever. A local community support group, The Hood, established in late 2017, focuses on the immediate community who are subject to resident-only parking restrictions on major event days. Membership of this group has swelled to over 1,000 households. Membership benefits include invitations to member-specific events such as family fish & chip night, backyard cricket on the Number 1 Ground, the Christmas barbeque and access to match tickets for most event days. The Hood initiative was awarded the 'Best Community Integration' award at the World Stadium Congress Awards in Amsterdam.

The strength of local support for Eden Park was reflected in the results of independent research conducted by UMR Research, which indicated, amongst other things:

- 77% of Aucklanders view Eden Park as "iconic"
- 91% of Aucklanders supported Sir Ray Avery's LifePod Appeal Concert
- 87% of local residents support six concerts per year at Eden Park
- Just 8% of local residents claim it's an inconvenience when major events are held at Eden Park

EPT has engaged the services of a local resident to develop and coordinate an ongoing strategy

and programme of community engagement to ensure the mutually beneficial relationship we currently enjoy with the local community remains relevant and effective. As part of our ongoing commitment to staying engaged with our neighbours and local community, we hosted a series of neighbourhood workshops where we invited everyone from The Hood to discuss ways in which they could help to activate areas of Eden Park for the benefit of the wider community. This engagement helped to create action plans for ideas tabled and progress them. From these workshops we have built a network of local contacts who will assist in resourcing these initiatives including local markets, kids event days and art installations.

EPT would like to thank the local community for their ongoing support of Eden Park's operations. EPT's relationship with the local community is managed through regular meetings and communication with the Community Liaison Group, and I thank those members of the CLG for their contribution.

Other strong ties with the community include our ongoing relationship with the Auckland RSA, with whom we support key commemorative activities and provide facilities whenever possible for their activities. The Kingsland Business Society also remains a strong supporter and advocate of Eden Park.

EPT has strong relationships with a number of local businesses and

suppliers such as I Love Food Co. and Mr Vintage. Eden Park's stadium merchandise recently won 'Best event merchandise' at the Australasian Promotional Products Association's 2018 Awards.

EPT greatly values its relationship with the people of Ngāti Whātua-o-Ōrākei. I would like to thank Ngāti Whātua for their ongoing relationship with Eden Park. EPT has engaged with a representative of the Iwi in order to explore ways in which our cultural ties can be strengthened and expressed more broadly within the Park.

Eden Park's support of women's sport was recently endorsed through commissioning a mural depicting prominent current and historical female sporting figures in a mural which commemorates the 125-year anniversary of the introduction of universal suffrage in New Zealand.

EPT recently hosted another very successful Neighbours' and Residents' Christmas barbecue. I would like to thank our neighbours for their support during the year. Other community events hosted during the year included An Eden Park Christmas - community carols, complimentary Kokako coffee morning, Eden Rugby Club's holiday clinic in February, the Rippa Rugby finals day and ACA Secondary Schools cricket final in April, four ARU junior rugby days in May and the New Zealand Eid Day festival in September. Eden Park's meeting and function rooms continue to be made available to a wide range of community groups throughout the year.





# CHARITY CONCERT

In June we lodged an application for resource consent for a proposed charity concert, to be held on Waitangi Day 2019, for the benefit of the Sir Ray Avery Foundation. The performing artist was to be Phil Collins. We considered the charity to be an excellent cause but always recognised that the process was at risk due to the tight timeframe, especially if a successful application was appealed to the Environment Court. Bearing in mind that the Trust has resource consent for up to six concerts per annum as a discretionary activity under the Unitary Plan (a widely overlooked fact), what

was not anticipated was the manner and nature of the campaign waged against not only Eden Park, but the individuals who stood at the forefront of the proposal, Sir Ray Avery and Eden Park's CEO, Nick Sautner.

A vocal minority of principal critics characterised the application as a "Trojan Horse". The accusation was baseless. We are safe in assuming the Greeks did not have resource consent for six wooden horses as a discretionary activity when they arrived at Troy. Even worse were the personal attacks which followed, which were entirely misinformed and a poor reflection on those who sought to benefit from them.

Ultimately the Trust withdrew its application when it became clear that the costs and timeframe of an inevitable Environment Court hearing would defeat the purpose.

Sadly this process has not only cost Auckland the opportunity to host a sell-out concert by Phil Collins, with the estimated \$25m of economic benefit to Auckland over a long weekend, but other artists are bypassing Auckland, if not New Zealand, as well. In the last year these include Bon Jovi, Eminem (who has sold 25,000 tickets to Aucklanders for his Wellington show), Billy Joel and Monster Trucks. With a capacity

of 50,000 people and excellent public transport links, the world's biggest artists and their promoters want to come to Eden Park.

Looking to the positives, what was learned from this experience first and foremost is that the public is in fact firmly behind the concept of Eden Park hosting concerts. Independent UMR research demonstrated conclusively that this is the case, both from within the immediate neighbourhood of the Park, and the wider Auckland community. Critics sought to discredit this

research as "push-polling". UMR flatly deny this. As long-time Labour Party pollsters they found this accusation to be particularly distasteful.

Secondly, the mechanism for achieving resource consent is more or less impractical. By way of comparison it was noted that an application for a permanent structure such as a marina development is processed in the same manner as a three-hour concert (plus associated activity). The timeframes are not workable in dealing with concert promoters, who require certainty

in the short term, compared to a long-term development project, not to mention the potential for a multi-million dollar price tag. Any future application must be carefully considered to manage these risks.

Thirdly, it brought into sharper focus the Council's conflicted role as both regulator and competitor, with respect to the disparity between Council facilities' rights to host concerts as a permitted activity at venues such as Western Springs and Mt Smart, versus Eden Park's discretionary activity status, requiring this application process.



# FUTURE OF EDEN PARK

The most pressing issue regarding the future of Eden Park is the unresolved status of the \$40,000,000 ASB funding loan, which expires on 30 September 2019. Each year, this report contains references to the financial strain placed upon Eden Park by the high debt levels and the risks around the funding costs which result from it. The origin of that debt, being a legacy funding gap in relation to the Rugby World Cup redevelopment, is the subject of ongoing dialogue between the Trust and Council primarily. The Council's guarantee was established in lieu of any financial contribution to the redevelopment by local Councils, other than the ARC's contribution of \$10,000,000. The absence of any contribution at that time, and since (and at no other time in the history of Eden Park) places it in stark contrast to the heavily subsidised Council facilities against which it competes on the "open market" for event activity.

Consultation has intensified since the Mayor announced his intention to undertake a pre-feasibility study into potential sites for a future downtown stadium. The Trust's position on this has always remained that we have no issue with that concept, as long as it is evaluated

alongside the business case for a redeveloped Eden Park. We do have that undertaking from the Mayor. What is essential though is that the viability of the Park is maintained for however long the decision-making and subsequent completion of a new stadium would take.

Within the past 12 months that consultation, alongside Council consideration of an uncompleted stadium strategy for Auckland, has taken shape in the context that there will be no new stadium in Auckland for at least 10 years, and possibly many more. Accordingly, in May 2018, Council's Finance and Performance Committee resolved to delegate authority to the Council CEO to enter negotiations with the ASB Bank to acquire the \$40m loan, together with consideration for other financial support, designed to ensure that Eden Park can "fill the void" until the matter of a new stadium is resolved. The accounting firm EY was engaged by Council in September to prepare a report into the financial status and future funding needs of Eden Park, to verify the assumptions behind the resolution, before proceeding.

In June the Trust wrote to the ASB Bank requesting an extension of the facility, in accordance with the terms of its Loan agreement, in order to protect its position should the Council not acquire the loan

as proposed. In September the Council notified the ASB that it did not intend to extend its guarantee of the facility, without reference to acquisition of the loan. The Bank responded immediately by advising they would not offer an extension of the facility, in light of Council's decision to withdraw the Guarantee.

With the looming deadline of our financial year end, the Trust sought clarity from Council officials as to the future of the loan. Ultimately, in December, Council officials proposed to offer to extend the guarantee by six months (subject to Councillors' approval). The Trust suggested instead that approval be sought for a brief Memorandum of Understanding to be entered into between EPT, Council and the ASB Bank, undertaking that Council take assignment of the loan upon expiry (if not before). This proposal was not put to Councillors (due to time constraints) and is therefore expected to be discussed in early 2019. Accordingly, the outcome remains uncertain.

Beyond the loan issue, the next most pressing matter to resolve is overall financial sustainability, which would flow from a workable set of planning rules (either by plan change or resource consent), allowing the additional content necessary for ongoing viability. The Trust will

continue to pursue this outcome, particularly in light of the research support for change from across the community. Enabling six concerts per year as a permitted activity would underwrite Eden Park's financial viability for the next 10 years. Eden Park does not need to hold more than the 25 night sports events per annum as per the Unitary Plan to be viable. It needs flexibility on timings (e.g. cricket fixtures) and surety to enable negotiations to take place.

In the meantime, the Trust continues to develop secondary income streams (outside of event and function activity) in order to support itself and increase utilisation of the stadium. Innovations such as the G9 golf event, which has now had two very successful seasons, are soon to be supplemented by adventure tourism activities including a rooftop tour and zipline to operate on the South Stand. Also, glamping pods will be erected on the north-east concourse, for those who wish to experience an overnight stay at the Park. Visitors from around the world hold Eden Park as a "bucket list" destination, reflecting the regard the Park is held in globally, which is well beyond its local profile it seems. In addition, vacant spaces have been let to a variety of tenants, providing annuity revenues.

One of the Trust's ongoing concerns is the condition of our world-class playing surface. Our turf team work tirelessly to ensure the turf profile remains capable of delivering excellent surfaces for all events, year round. However, the existing turf is now approaching 15 years old, believed to be the oldest installed system of its kind anywhere. Planning to replace it is underway. The Trust would like to be in a position to make that change in the summer of 2019/20, in order to ensure that all events at Eden Park continue to be delivered to the very highest standards. The cost is likely to be in the vicinity of \$1.5m. The consequences of a major failure of the playing surface would be considerable, not only to the Park's finances and reputation but also in the form of lost economic benefit to Auckland in the tens of millions of dollars if major events are lost as a result.

Ultimately, Eden Park requires certainty over the future of the \$40m loan and certainty on funding in the event that essential operational upgrades (like the turf) are required. Furthermore, Auckland Council should publicly state that Eden Park is the preferred venue for major events in Auckland for the foreseeable future to provide certainty for sponsors, hirers, corporate suite holders, members as well as the local and wider community.

## CONCLUSION

Against the backdrop of the uncertainties we face, the Trust continues to do what it does best. That is to deliver world class events for the people of Auckland and New Zealand. In 2019 we expect to do just that, once again. I would like to extend my sincere thanks to all staff and the Board for their contributions to Eden Park in 2018. The issues faced this year have an effect on all staff and Trustees, particularly those who are new to this environment. I thank them all for their resilience and perseverance. I remain confident that the Eden Park Management and Trustees will continue to work constructively with all stakeholders to find solutions to the challenges we face, while focussing on our core activities as our number one priority.



Doug McKay  
Chairman, The Eden Park Trust



**“THE PARK CONTINUES TO EVOLVE AND 2019 WILL BE NO DIFFERENT. OUR TEAM WILL BRING YOU THE STAPLES OF CRICKET AND RUGBY, AS WELL AS MORE ACTION FROM OTHER DIVERSE EVENTS ON THE HORIZON.”**

# MESSAGE FROM THE CEO

It has been a memorable year at New Zealand’s national stadium with plenty of highlights. 2018 saw the country’s inaugural day-night cricket test under lights, sell-out performances at both the Bledisloe Cup and the All Blacks v France test, an electric performance from the Black Ferns, Auckland Rugby’s seat-gripping victory in the Mitre 10 Cup, our inaugural ‘An Eden Park Christmas’ community carols and some four-legged action with our April Fool’s ‘Eden Park Lamb’ initiative. We even saw 11 world records broken at one of the T20s between the BLACKCAPS and Australia!

Eden Park acknowledges the need to modernise and is committed to greater utilisation of the stadium and its facilities for the benefit of the local and wider community, as well as our members. Over the past 12 months we have responded to member feedback and delivered a number of operational improvements which have ranged from fine tuning the Traffic Management Plan, to enhancing retail outlet offerings to upgrading our stadium lighting, all to ensure the stadium remains a state-of-the-art facility.

The Park continues to evolve and 2019 will be no different. Our team will bring you the staples of cricket and rugby, as well as more action from other diverse events on the horizon. The season will see Nitro Circus back-flipping into the Park in March, scheduled after the first of seven home Super Rugby fixtures. Earlier in the year we’ll host an A-League game with the Wellington Phoenix v Melbourne Victory. The BLACKCAPS will take on Sri Lanka plus a T20 double-header in mid-February between the BLACKCAPS and WHITEFERNS and India. The All Blacks will go head-to-head again with Australia in August before travelling to Japan to defend their

World Cup title and attempt to win for a third consecutive time.

Last year we began a focus on sustainability and ensuring we are doing all we can to protect the environment as the country’s largest stadium. Being a socially responsible venue, we are working to fulfil the United Nation’s Sustainable Development Goals. This work has included adopting a new procedure for split recycling with the vision to result in zero cost recycling and to minimise landfill.

We continue to explore tourism opportunities at the Park given our available experiences and the substantial potential for iconic activities to contribute to the nation’s largest industry. Approximately 80% of our tour guests are international visitors, a large portion of them visiting us from Japan, France, England, Argentina and Australia.

In 2019 we will support further neighbourhood initiatives through neighbourhood working groups which have been formed via The Hood, our Eden Park Supporters’ Club for locals. We will continue to collaborate with neighbours, business associations, schools and partners on a number of locally-focused projects.

We look forward to utilising our community asset across the year and enjoying some great moments together at Auckland’s playground.

Regards,

Nicholas Sautner,  
Chief Executive Officer



# KEY EVENTS

## Sporting Fixtures and Events

A summary of the major fixtures and events held on the Eden Park No. 1 Ground during the year, the results and the estimated attendances are detailed as follows:

DATE	EVENT	RESULT	CROWD
<b>RUGBY FIXTURES</b>			
<b>International</b>			
9 June 2018 (Sat)	All Blacks v France	All Blacks (52-11)	45,850
25 August 2018 (Sat)	All Blacks v Australia	All Blacks (40-12)	48,500
25 August 2018 (Sat)	Black Ferns v Australia (curtain raiser)	Black Ferns (45-17)	n/a
<b>Super Rugby</b>			
2 March 2018 (Fri)	Blues v Chiefs	Chiefs (27-21)	17,050
31 March 2018 (Sat)	Blues v Sharks	Sharks (63-40)	10,450
20 April 2018 (Fri)	Blues v Highlanders	Highlanders (34-160)	11,200
28 April 2018 (Sat)	Blues v Jaguares	Jaguares (20-13)	5,000
11 May 2018 (Fri)	Blues v Hurricanes	Hurricanes (36-15)	12,200
19 May 2018 (Sat)	Blues v Crusaders	Crusaders (32-24)	9,700
2 June 2018 (Sat)	Blues v Rebels	Rebels (20-10)	6,150
29 June 2018 (Fri)	Blues v Reds	Blues (39-16)	5,450
<b>MITRE 10 Cup</b>			
18 August 2018 (Sat)	Auckland v Counties	Auckland (23-19)	10,700
30 August 2018 (Thu)	Auckland v Waikato	Auckland (35-17)	1,900
7 September 2018 (Fri)	Auckland v Tasman	Auckland (36-10)	5,350
28 September 2018 (Fri)	Auckland v Otago	Otago (31-26)	4,300
14 October 2018 (Sun)	Auckland v North Harbour	Auckland (45-29)	5,800
20 October 2018 (Sat)	Auckland v Wellington (semi-final)	Auckland (38-17)	5,600
17 October 2018 (Sat)	Auckland v Canterbury (final)	Auckland (40-33)	20,150
<b>Other Rugby</b>			
28 July 2018 (Sat)	Auckland Rugby Club Finals		
	Ponsonby v University	Ponsonby (35-23)	3,250
18 August 2018 (Sat)	ARU Secondary Schools 1st XV Finals		
	St Peters v Kings	St Peters (29-28)	n/a
<b>Total Attendance for Rugby Fixtures</b>			<b>228,600</b>
<b>CRICKET FIXTURES</b>			
<b>International</b>			
25 January 2018 (Thu)	Blackcaps v Pakistan - T20	Pakistan (25 runs)	17,500
16 February 2018 (Fri)	Blackcaps v Australia - T20	Australia (5 wkts)	33,600
21 February 2018 (Wed)	Blackcaps v Australia - T20 (final)	Australia (19 runs)	20,100
22-26 March 2018 (Thu-Mon)	Blackcaps v England - Test	Black Caps (Innings + 49 runs)	32,400
<b>Total Attendance for Cricket Fixtures</b>			<b>103,600</b>
<b>TOTAL ATTENDANCE FOR ALL FIXTURES</b>			<b>332,200</b>

# FUNCTIONS

Eden Park hosts over 1,000 events and functions annually, ranging from small business meetings to school balls, conferences, AGMs, gala dinners, award ceremonies, business exhibitions, sports related events, weddings and other private functions.

Eden Park has high quality function spaces, excellent catering and technical support on site, together with the unique nature of the stadium itself, available all year round.





# DIRECTORY OF BOARD MEMBERS

## EDEN PARK TRUST BOARD MEMBERS

Mr Doug McKay (Chairman)  
 Mr Renata Blair  
 Mr Alan Gourdie  
 Ms Vicki Salmon  
 Ms Victoria Toon  
 Ms Nicky Duggan  
 Mr Greg Edmonds  
 Mr Nicholas Albrecht  
 Mr Paul Lucas

## APPOINTED BY

New Zealand Government  
 New Zealand Government  
 New Zealand Government  
 New Zealand Government  
 Auckland Rugby Union  
 Auckland Rugby Union  
 Auckland Cricket Association  
 Auckland Cricket Association

## FINANCE AND AUDIT COMMITTEE

Ms Vicki Salmon (Chairman)  
 Mr Paul Lucas  
 Ms Victoria Toon

# BOARD MEMBER BIOGRAPHIES



**DOUG MCKAY - ONZM**

Doug McKay is Chairman of The Eden Park Trust. He brings considerable commercial experience to the board with previous roles as either CEO or Managing Director at Procter and Gamble, Lion Nathan, Carter Holt Harvey, Goodman Fielder, Sealord and was the inaugural CEO of Auckland Council. He is now a full time professional director on the boards of Bank of New Zealand (Chairman), National Australia Bank, IAG Insurance and Genesis Energy. He is a chartered member of the Institute of Directors in New Zealand.



**NICHOLAS ALBRECHT**

Nicholas heads the government relations for Vector Limited (top 10 NZX). He oversees the company's engagement with Ministers, MPs, government departments and local government (Auckland Council). Nicholas is a director of the Auckland Cricket Association and Chairman of the Victoria Park Sports and Cultural Trust. He holds a Master of Arts (Hons) in Political Studies from the University of Auckland and a Bachelor of Business Studies from Massey University.



**RENATA BLAIR**

Renata is a businessman and member of the Institute of Directors with extensive event management experience through his company Strategic Pathways Ltd. He was involved in the 2011 Rugby World Cup, the America's Cup, Auckland Lantern Festival and The Ultimate Waterman. Renata is of Ngāti Whātua and Tainui descent and is an elected member of the Ngāti Whātua Orākei Trust and the Independent Māori Statutory Board (IMSB).



## BOARD MEMBER BIOGRAPHIES



**NICKY DUGGAN**

Nicky has had a blue chip career path with companies such as Lion Nathan, Fletcher Building and Carter Holt Harvey where she has delivered best-practice strategy, sales, marketing and commercial outcomes. This is complimented by a range of entrepreneurial business experiences including the start-up of the Hell Pizza franchising business. She is currently a Director and shareholder of her own businesses, including Evolution of Surfaces Ltd. which has the DuPont™ agency for Corian® in New Zealand.

Nicky's skills and experience in not-for-profit and commercial governance also include current and past Director roles at the Auckland Rugby Union, Surf Life Saving New Zealand, the Auckland Rugby Referees Association, Hell Pizza and LifeLine New Zealand. In 2013 Nicky was the inaugural recipient of the Auckland Institute of Directors Emerging Director award.



**GREG EDMONDS**

Greg Edmonds is the Country Manager for TBS Group, an integrated Asset Management and Engineering company providing industrial and commercial asset management services across New Zealand. He has previously held the positions of Chief Infrastructure Officer and Chief Operations Officer for Auckland Transport and has extensive experience in large scale infrastructure and service delivery.

Greg has an MBA from the University of Auckland and has studied with the Darden Business School (University of Virginia) and the Said Business School (Oxford University). He is an independent Director of the Auckland Rugby Union.



**ALAN GOURDIE**

Alan has 25 years of experience as a CEO and Marketing Director of global organisations within the telecommunications and FMCG industries. His roles have been based in Amsterdam, Singapore and London with the Heineken organisation and in New Zealand as CEO for Spark (formally Telecom) Retail. He is currently the Founder/Managing Director at Quantiful, an Independent Director for Australasia's largest strategy, design and interactive company Designworks and on the Advisory Board of Aotearoa Fisheries Ltd.



**PAUL LUCAS**

From an initial accounting background, Paul has more than 40 years' business experience. He was the founder of the EDL Group of companies in 1975 and after selling the businesses in 2001 diversified his investments. Paul has a wealth of commercial experience as a company director, investor and business consultant. He previously served on the board of the Auckland Cricket Association, 1996 - 2000 and in 2008 was co-opted back to the board, serving as Deputy Chairman and a member of the finance committee until standing down from the ACA board in 2014.



**VICKI SALMON**

Vicki Salmon is an experienced CEO and Director of private and public sector entities with extensive business experience in New Zealand, Australia and Canada. Vicki is a self-employed business consultant and a Director of Coopers Creek Vineyard. From a background in Chartered Accountancy, Vicki's past experience includes roles as CEO and Director of Group Rentals and publicly listed Restaurant Brands and as a Director of Auckland District Health Board. Vicki also brings extensive event business experience to the Park, as a former CEO of the Ellerslie Flower Show and involvement with the Netball World Championships.



**VICTORIA TOON**

Victoria is a chartered accountant and restructuring specialist. She is the owner and director of Auckland insolvency firm Corporate Restructuring Ltd. Victoria has held various roles within the Auckland Branch of Chartered Accountants Australia & New Zealand and is currently the chair of the Auckland Public Practice Special Interest Group. Victoria has been a member of the Eden Park Residents Association for 11 years and is the first neighbour to be appointed to the Board.



# EXECUTIVE LEADERSHIP TEAM

- Nicholas (Nick) Sautner, Chief Executive Officer
- Brett Winstanley, Chief Financial Officer
- Blair Christiansen, Turf Manager
- Kate Simkiss, Corporate Legal Manager
- Ben Svensen, Commercial Manager





## Highlights from the 16 February T20 BLACKCAPS v AUSTRALIA

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Australia's score of

# 5-245

was the highest successful run chase in the history of all T20 cricket.

---

It was also the highest second-innings score in T20 internationals and the second-highest second innings score in all T20s. It was the fifth-highest total in all T20 internationals.

---

The

# 32 SIXES

scored in the match was an equal record in T20 internationals.

---

The

# 488

runs scored at Eden Park was the second-highest match aggregate in T20 internationals.

---

The

# 18

wides NZ conceded was the fourth-most in T20 internationals. The match total of 26 was the third-most in a game.

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# 6-243

New Zealand's was the highest score Australia has conceded in T20 cricket. It also equaled the BLACKCAPS highest T20 total.

---

# 49 BALLS

Martin Guptill's century from was the fastest by a New Zealander, overtaking Brendon McCullum's previous record of 50 deliveries.

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# 2,140

During his innings, Guptill also overtook McCullum's mark of to be the highest run-scorer in the history of T20 Internationals. He reached 2,188 career runs.

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# FINANCIAL STATEMENTS

The audited financial statements for The Eden Park Trust for the twelve months ended 31 October 2018 are presented on pages 40 to 58.

## THE EDEN PARK TRUST

### STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

For the year ended 31 October 2018

	NOTE	2018 \$000	2017 \$000
<b>Revenue</b>			
<i>Income from Exchange Transactions</i>			
Sports Events Income		5,804	8,646
Membership Income		8,509	9,878
Functions Income		1,038	873
Investment Properties Rental Income		147	148
Revaluation of Investment Properties	6	115	310
Other Operational Income		797	383
Interest Income		101	103
		16,511	20,341
<i>Income from Non-Exchange Transactions</i>			
Grants Income		611	640
		611	640
<b>Total Revenue</b>		17,122	20,981
<b>Expenses</b>			
Sports Events Expenses		7,733	7,509
Membership Contributions to Sports Bodies	14	2,403	4,198
Functions and Membership Expenses		671	633
Personnel Expenses		2,440	2,615
Investment Property Expenses		43	24
Bank Interest		1,415	1,463
Other Interest		160	163
Depreciation	5	9,983	8,627
<b>Total Expenses</b>		24,848	25,232
<b>Net (Deficit) for the Year</b>		(7,726)	(4,251)
<i>Other Comprehensive Revenue and Expenses</i>			
Revaluation of Stadium Land	5	400	600
		400	600
<b>Total Comprehensive (Loss) for the Year</b>		(7,326)	(3,651)

The accompanying notes form part of these financial statements.

## THE EDEN PARK TRUST

### STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 October 2018

	NOTE	Retained Earnings \$000	Deferred Maintenance Reserve \$000	Asset Revaluation Reserve \$000	TOTAL EQUITY \$000
<b>Balance at 31 October 2016</b>		198,292	686	19,081	218,059
Net (Deficit) for the Year		(4,251)	-	-	(4,251)
Other Comprehensive Income		600	-	-	600
Revaluation of Land Transferred to Reserve	5	(600)	-	600	-
Transfer to Deferred Maintenance Reserve	12	(15)	222	-	207
<b>Balance at 31 October 2017</b>		194,026	908	19,681	214,615
Net (Deficit) for the Year		(7,726)	-	-	(7,726)
Other Comprehensive Income		400	-	-	400
Revaluation of Land Transferred to Reserve	5	(400)	-	400	-
Transfer to Deferred Maintenance Reserve	12	(24)	424	-	400
<b>Balance at 31 October 2018</b>		186,276	1,332	20,081	207,689

The accompanying notes form part of these financial statements.



THE EDEN PARK TRUST

## STATEMENT OF FINANCIAL POSITION

As at 31 October 2018

	NOTE	2018 \$000	2017 \$000
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	1,157	538
Receivables from Exchange Transactions	4	5,144	5,855
Short Term Investments	3	1,820	2,275
Inventory	5	55	17
		8,176	8,685
<b>NON-CURRENT ASSETS</b>			
Work in Progress: Stadium Developments	5	11	129
Property, Plant and Equipment	5	257,322	265,760
Investment Properties	6	4,500	4,385
		261,833	270,274
<b>TOTAL ASSETS</b>		270,009	278,959
<b>CURRENT LIABILITIES</b>			
Payables under Exchange Transactions	7	2,340	2,206
Payables under Non-Exchange Transactions	8	98	59
Employee Benefits	9	450	531
Income in Advance	1a	6,409	6,320
Short Term Loans	10	40,000	-
Financial Liabilities	11	169	165
		49,466	9,281
<b>NON-CURRENT LIABILITIES</b>			
Income in Advance	1a	1,703	2,849
Long Term Loans	10	8,592	49,592
Advances	10, 14	1,643	1,643
Financial Liabilities	11	916	979
		12,854	55,063
<b>TOTAL LIABILITIES</b>		62,320	64,344
<b>EQUITY</b>			
Asset Revaluation Reserve	1m	20,081	19,681
Deferred Maintenance Reserve	1m	1,332	908
Retained Earnings	1m	186,276	194,026
<b>TOTAL EQUITY</b>		207,689	214,615
<b>TOTAL LIABILITIES AND EQUITY</b>		270,009	278,959

For and on behalf of The Eden Park Trust who approved these financial statements for issue on 21 December 2018:



Doug McKay  
Chairman, The Eden Park Trust



Vicki Salmon  
Trustee, The Eden Park Trust

The accompanying notes form part of these financial statements.

THE EDEN PARK TRUST

## STATEMENT OF CASH FLOWS

For the year ended 31 October 2018

	NOTE	2018 \$000	2017 \$000
<b>Cash Flows from Operating Activities</b>			
Receipts from Sports Events		4,658	8,703
Receipts from Memberships		9,203	8,651
Receipts from Functions		1,038	873
Receipts from Other Exchange Transactions		944	531
Receipts from Non-Exchange Transactions		650	563
Interest Received		101	103
Payments to Suppliers		(10,324)	(12,557)
Payments to Employees		(2,524)	(2,583)
Interest Payments		(1,555)	(1,709)
<b>NET CASH INFLOWS FROM OPERATING ACTIVITIES</b>		2,191	2,575
<b>Cash Flows from Investing Activities</b>			
Purchase of Property, Plant and Equipment		(1,027)	(2,396)
<b>NET CASH OUTFLOWS FROM INVESTING ACTIVITIES</b>		(1,027)	(2,396)
<b>Cash Flows from Financing Activities</b>			
Drawdown/(Purchase) of Investments (Net)		455	162
Drawdown/(Repayment) of Loans (Net)		(1,000)	(1,000)
<b>NET CASH OUTFLOWS FROM FINANCING ACTIVITIES</b>		(545)	(838)
Net (Decrease)/Increase in Cash Held		619	(659)
Cash at Start of the Year		538	1,197
<b>CASH AT END OF THE YEAR</b>		1,157	538
REPRESENTED BY:			
Cash at Bank	3	1,157	538
<b>CASH AT END OF THE YEAR</b>		1,157	538

The accompanying notes form part of these financial statements.



## 1. STATEMENT OF ACCOUNTING POLICIES

**Reporting Entity**

The Eden Park Trust ("the Trust") is a New Zealand registered charitable trust under the Charities Act 2005. The Trust was governed by the Eden Park Trust Act 1955 until 20 September 2009. Amendments to that Act were made with effect from 21 September 2009. The Trust is now governed by the Eden Park Trust Act 1955, as amended by the Eden Park Trust Amendment Act 2009 ("the Eden Park Trust Act"). As a consequence of the change in governing legislation, from 21 September 2009 the Crown appoints the majority of the Board members. Therefore the Trust is a public sector public benefit entity in accordance with the Public Audit Act 2001.

The business operations of the Trust encompass activity arising from the provision of Eden Park's facilities primarily as a sporting venue and function facility.

The Trust's principal place of business is Eden Park, Reimers Avenue, Kingsland, Auckland, New Zealand.

**Statement of Compliance**

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime ("PBE IPSAS RDR") and other applicable financial reporting standards as appropriate. For the purposes of complying with NZ GAAP, the Trust is a public benefit entity and is eligible to apply Tier 2 Public Sector PBE IPSAS RDR on the basis that for financial reporting purposes under the framework it does not have public accountability and it is not defined as large.

The Board of Trustees has elected to report in accordance with Tier 2 PBE IPSAS RDR and in doing so has taken advantage of all applicable disclosure concessions.

**Basis of Preparation**

The financial statements have been prepared on the basis of historical cost, as modified by the revaluation of investment property and certain property, plant and equipment. Cost is based on the fair value of the consideration given in exchange for assets.

The financial statements and notes are presented in New Zealand dollars (\$) which is the entity's functional currency. All financial information has been rounded to the nearest thousand dollars (\$000).

The Statement of Financial Position presentation discloses assets and liabilities as current or non-current.

The financial statements have been prepared under the assumption that the Trust operates on a going concern basis. See **Note 10** for disclosure of a material uncertainty in respect of going concern.

**Segment Reporting**

The Trust's principal activity is the provision of a quality multi-purpose stadium. The Trust operates in one industry and one geographical location. The Trust reports as one business segment with additional reporting based on business sections.

**Critical Judgments in Applying Accounting Policies**

In the application of PBE IPSAS RDR, the Trustees are required to make judgments, estimates and assumptions about carrying values of assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates

are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects current and future periods, it is reflected in those reporting periods.

Critical judgments made by the Trustees primarily relate to the valuation of Investment Properties and the Land, which are revalued annually. The carrying value is based on a valuation by an independent registered property valuer.

**Key Sources of Estimation Uncertainty**

Judgments made by the Trust in the application of PBE IPSAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the reporting year are disclosed, where applicable, in the relevant notes to the financial statements and below.

**Impairment**

An impairment loss is recognised when the carrying value of an asset exceeds its value in use. To determine the value in use, the remaining life of the asset is estimated. In the process of estimating the remaining life of the asset, assumptions are made about future events and circumstances based on all the information available. Actual results may vary and may cause adjustments to the Trust's assets within the next reporting period. Impairment losses are recognised in the Statement of Comprehensive Revenue and Expense.

**Useful Lives of Depreciable Assets**

The useful lives of depreciable assets are reviewed at each reporting date. It is determined whether the carrying amounts at the reporting date represent the expected utility of the assets to the Trust. The carrying amounts are analysed in **Note 5**.

**Change in Fair Value of Investment Properties**

The change in fair value of Investment Properties takes into account the intended future use of certain properties and known and confirmed future events and circumstances, at the time the independent valuation was undertaken. Such changes are recognised in Other Comprehensive Revenue and Expense.

**Fair value of Financial Instruments**

Valuation of the financial instruments is undertaken utilising market and other appropriate information where no active market quotes are available. Details of the assumptions used are given in **Note 13**.

**Loans and Advances**

The advances from Auckland Rugby Union Incorporated and Auckland Cricket Association have no fixed redemption date and have therefore not been recorded at fair value. However, it is the opinion of the Trustees that these advances will be repaid and have been classed as Non-Current Liabilities because this repayment is anticipated to take place at least 12 months after the reporting date.

**Specific Accounting Policies****(a) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured. Revenue is recognised at the fair value of consideration received. The following specific recognition criteria apply to the following revenue streams:

**Revenue from Non-Exchange Transactions****Grants**

Grants are recognised as income once the conditions are met. Grants that are receivable to offset expenses or losses already incurred or for the purpose of giving immediate financial support to the Trust with no future related costs are recognised as income in the reporting period in which they become receivable.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

**Revenue from Exchange Transactions***Membership Revenue*

Membership revenue comprises revenue from licences for the use of facilities at Eden Park including corporate suites, corporate boxes, corporate reserve seats and club memberships. Income received from premiums paid on corporate facilities is recognised evenly over the life of the licence agreement. The annual licence fee is initially recognised as Income in Advance and then recognised in revenue over the period of the agreement.

*Sports Events, Functions and Sponsorship Income*

Revenue from sports events and functions is recognised at the time of the fixture or function. Sponsorship is recognised over the period of the contract as the benefits are supplied by the Trust under the contract.

*Investment Properties*

Rental income from investment properties is recognised in the reporting period that the income relates to.

*Interest Income*

Interest income is recognised using the effective interest method. For term investments, interest is recognised on a straight line basis over the term of the investment.

**(b) Expense Recognition**

Expenses are recognised to the extent that it is probable that the economic obligations will be made and the expenses can be reliably measured. The following specific recognition criteria apply to the following expense streams:

*Reimbursed Expenses*

Where the Trust incurs expenses on behalf of other entities, the reimbursed amount is offset against the total amount paid to report the net expense to the Trust.

*Interest Expenses*

Interest expenses are recognised on a time-proportionate accruals basis.

**(c) Leases**

Operating Leases - Leases other than finance leases are included in the Statement of Comprehensive Revenue and Expenses in equal instalments over the lease term.

**(d) Goods and Services Taxation**

All amounts in these financial statements are recognised net of goods and services tax (GST), except for trade receivables and payables which are recognised inclusive of GST.

**(e) Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the first in first out method.

**(f) Taxation**

Due to its Charitable status the Trust is exempt from income tax pursuant to the Income Tax Act 2007.

**(g) Financial Instruments**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through surplus or deficit, which are measured initially at fair value.

For financial instruments traded in active markets, the quoted market prices or dealer price quotations are used as a measure of fair value. Where quoted market prices do not exist, fair values are estimated using present value or other market accepted valuation techniques, using methods and assumptions that are based on market conditions and risks existing at each reporting date. An analysis of fair values of financial instruments and further details on how they are measured are explained in **Note 13**.

Financial assets and financial liabilities are measured subsequently as described below.

*Financial Assets*

Financial assets other than those designated as hedging instruments are classified into the following categories upon initial recognition:

- Loans and receivables;
- Financial assets at fair value through surplus or deficit;
- Held-to-maturity investments; or
- Held-for-sale financial assets.

The category determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

*Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any impairment allowance.

The Trust's cash and cash equivalents, receivables from exchange transactions, related party receivables and amounts due from related parties fall into this category of financial instruments.

The Trust does not currently have, at the end of each reporting period, any financial assets designated into the following categories:

- Financial assets at fair value through surplus or deficit;
- Held-to-maturity investments; or
- Held-for-sale financial assets.

*Financial Liabilities*

Financial liabilities are measured subsequently at amortised cost using the effective interest rate method, except for financial liabilities held for trading or designated at fair value through surplus or deficit, that are carried subsequently at fair value with gains or losses recognised in the statement of revenue and expenses.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

The Trust's financial liabilities include long term loans and borrowings, payables under exchange and non-exchange transactions, related party payables and amounts due to related parties.

The Trust does not currently have any financial liabilities held for trading or designated at fair value through surplus or deficit, designated into the following category:

- Derivative financial instruments, other than as disclosed in **Note 13**.

**(h) Investment Properties**

Investment Properties are recognised at fair value based on an independent valuation by a registered valuer. Any movement in the valuation is recognised in surplus or deficit within the Statement of Comprehensive Revenue and Expenses.

When an investment property is no longer retained for rental income or capital appreciation and is instead utilised for the Trust's operating purposes, the property is transferred from Investment Properties to Property, Plant and Equipment at the carrying value, which is equivalent to the fair value, on the date of the change of use.

**(i) Property, Plant and Equipment**

Property, Plant and Equipment (including Land) is initially recorded at cost. Cost includes the original purchase consideration and those costs directly attributable to bringing the item of property, plant and equipment to the location and condition for its intended use. After recognition as an asset, property, plant and equipment (except for Land) is carried at cost less accumulated depreciation and impairment losses.

When an item of property, plant and equipment is disposed of, any gain or loss is recognised within the Statement of Comprehensive Revenue and Expense and is calculated as the difference between the income from the sale and the carrying value of the item at the date of disposal.

Land is revalued at each reporting date by an independent valuer with any gain or loss recognised in Other Comprehensive Income and in the Asset Revaluation Reserve in the Statement of Changes in Net Assets.

Depreciation is provided on a straight line basis on all property, plant and equipment (except for Land, which is not depreciated) at depreciation rates calculated to allocate the cost, less estimated residual value, over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. Depreciation commences once the asset is available for use.

Major classes of property, plant and equipment and their depreciation periods are:

Land	No depreciation
Buildings and Other Improvements	3 to 40 years
Plant and Equipment	1 to 50 years
Furniture and Fittings	6 to 13 years
Work In Progress - Buildings and Other Improvements	No depreciation

**(j) Impairment of Assets**

The carrying amounts of the Trust's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in profit or loss within the Statement of Comprehensive Revenue and Expenses.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

Estimated recoverable amount of receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at their original effective interest rate. Receivables with a short duration are not discounted.

Impairment losses on an individual basis are determined by an evaluation of the exposures on a receivable by receivable basis. All individual receivables are subject to this approach.

Estimated recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

**(k) Membership and Sponsorship Income in Advance**

Membership and sponsorship income in advance represents the unexpired portion of the premium and licence fee paid by corporate members, and the unexpired portion of sponsorship revenue.

**(l) Employee Entitlements**

Provision is made for benefits accruing to employees in respect of salaries and annual leave entitlements when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within twelve months are measured using the remuneration rate expected to be applied at the time of settlement.

**(m) Statement of Changes in Net Assets**

The following are the definitions of categories used in the Statement of Changes in Net Assets:

Asset Revaluation Reserve - comprises the effect of movements in the annual valuation of Land, as determined annually by an independent registered valuer.

Deferred Maintenance Reserve - represents the available balance of funds set aside for unusual or unexpected capital or maintenance costs required for the upkeep of the Park's facilities.

Retained Earnings - represents the accumulated balance of the excess of total comprehensive revenue and expenses, after allowing for reserves as noted above.

**(n) Changes in Accounting Policies**

The accounting policies adopted are consistent with those of the previous financial year except as described above.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

	2018 \$000	2017 \$000
<b>2. REMUNERATION OF THE AUDITOR</b>		
Audit of the Financial Statements	45	44
<b>Total Remuneration of the Auditor</b>	45	44
<b>3. CASH AND INVESTMENTS</b>		
<b>Current Portion</b>		
Cash on Call	1,157	613
Short Term Investments	1,820	2,275
Bank Overdraft	-	(75)
<b>Total Cash and Investments</b>	2,977	2,813
The effective interest rate of call deposits was 3.28% (2017: 3.32%). The deposits had an average of five days to maturity at year end (2017: five days). The combined value of cash on call and the bank overdraft is \$1,157,000 (2017: \$538,000). The effective bank overdraft interest rate was 5.62% p.a. (2017: 5.7% p.a.).		
<b>4. RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>		
Trade Receivables	5,185	5,919
Prepayments	34	11
Impairment Allowance	(75)	(75)
<b>Total Receivables from Exchange Transactions</b>	5,144	5,855
Receivables from exchange transactions includes GST receivable of nil (2017: nil). The balance is primarily made up of Eden Park membership income.		

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

	Land \$000	Buildings and Other Improvements \$000	Plant and Equipment \$000	Furniture and Fittings \$000	TOTAL \$000
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>					
<b>Cost/Revaluation</b>					
<b>Balance at 1 November 2016</b>	24,000	309,385	8,653	384	342,422
Revaluations	600	-	-	-	600
Additions	-	336	2,049	11	2,396
Transfers	-	(129)	-	-	(129)
Disposals	-	(31)	-	-	(31)
<b>Balance at 31 October 2017</b>	24,600	309,561	10,702	395	345,258
Revaluations	400	-	-	-	400
Additions	-	287	727	13	1,027
Transfers	-	118	-	-	118
Disposals	-	-	-	-	-
<b>Balance at 31 October 2018</b>	25,000	309,966	11,429	408	346,803
<b>Accumulated Depreciation</b>					
<b>Balance at 1 November 2016</b>	-	63,552	6,957	362	70,871
Transfers	-	-	-	-	-
Depreciation Expense	-	7,971	649	7	8,627
Disposals	-	-	-	-	-
<b>Balance at 31 October 2017</b>	-	71,523	7,606	369	79,498
Transfers	-	-	-	-	-
Depreciation Expense	-	9,129	847	7	9,983
Disposals	-	-	-	-	-
<b>Balance at 31 October 2018</b>	-	80,652	8,453	376	89,481
<b>Net Carrying Value</b>					
<b>Balance at 31 October 2017</b>	24,600	238,038	3,096	26	265,760
<b>Balance at 31 October 2018</b>	25,000	229,314	2,976	32	257,322



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

## 5. PROPERTY, PLANT AND EQUIPMENT (Continued)

**Allocation of Property, Plant and Equipment**

A total of \$257,322,000 (2017: \$265,760,000) is categorised as non-current assets.

**Land**

Land was revalued to the net current value at 31 October 2018 by Tony Gardner of Gardner Valuations Limited, an independent registered valuer and a member of the New Zealand Institute of Valuers, who has recent experience in the location and category of the Property, Plant and Equipment valued. The valuation resulted in an increase of \$400,000 to the carrying value of the land (2017: \$600,000), therefore leaving a carrying value of \$25,000,000 (2017: carrying value \$24,600,000). The valuation method adopted was the intended/continued use basis. Land is assessed by the valuer on a GST exclusive basis.

**Buildings and Improvements**

Based on a valuation for insurance purposes dated 19 October 2017 by Beca Valuations Limited, an independent registered valuer, the buildings and improvements had a replacement value of \$442,443,000. The most recent prior valuation in September 2014 produced a valuation of \$376,459,000. After accumulated depreciation, the current depreciated replacement value is \$361,791,000 (2017: \$370,920,000). The carrying value of these assets is \$229,314,000 at 31 October 2018 (2017: \$238,038,000), in accordance with the Trust's accounting policy for the valuation of Property, Plant and Equipment.

The annual review of Property Plant and Equipment by management on 31 October 2018 identified assets with a carrying value of \$1,088,000 thought to be beyond their useful life and of no residual economic value (2017: no writedown). These assets constitute component parts for an acoustic screen which is not considered likely to be erected in its current form. These assets have been fully depreciated and therefore written off in the Statement of Comprehensive Revenue and Expenses during the year.

	2018 \$000	2017 \$000
<b>Work in Progress</b>		
Carrying Value at End of the Year	11	129
Work in Progress costs of \$11,000 have been incurred towards the cost of replacing the No.1 ground turf (2017: \$129,000).	11	129
<b>Inventory</b>		
Carrying Value at End of the Year	55	17

Inventory consists of merchandise including clothing and books.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

	2018 \$000	2017 \$000
<b>6. INVESTMENT PROPERTIES</b>		
Carrying Value at Beginning of the Year	4,385	4,075
Revaluation of Investment Properties	115	310
<b>Carrying Value at End of the Year</b>	<b>4,500</b>	<b>4,385</b>
There were no sales or purchases of investment properties in the year.		
Investment Properties were revalued to the net current value at 31 October 2018 provided by Tony Gardner of Gardner Valuations Limited, an independent registered valuer and member of the New Zealand Institute of Valuers, who has recent experience in the location and category of the Investment Properties valued. The valuation method adopted was the Sales Comparison method, based on market evidence. The valuation resulted in an increase to the carrying value of the properties of \$115,000 (2017: increase of \$310,000). Overall, the carrying value of the Investment Properties (after transfers, purchases, disposals and revaluations) increased by \$115,000 (2017: increased by \$310,000). Investment Properties are valued at \$4,500,000 (2017: \$4,385,000).		
<b>7. PAYABLES UNDER EXCHANGE TRANSACTIONS</b>		
<b>Current Portion</b>		
Trade Payables and Accruals	2,340	2,206
<b>Total Payables under Exchange Transactions</b>	<b>2,340</b>	<b>2,206</b>
<b>8. PAYABLES UNDER NON-EXCHANGE TRANSACTIONS</b>		
<b>Current Portion</b>		
Grant Income received in advance	98	59
<b>Total Payables under Non-Exchange Transactions</b>	<b>98</b>	<b>59</b>
<b>9. EMPLOYEE BENEFITS</b>		
Employee Benefits	450	531
<b>Total Employee Benefits</b>	<b>450</b>	<b>531</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

	NOTE	2018 \$000	2017 \$000
<b>10. LOANS AND ADVANCES</b>			
<b>Loans:</b>			
Secured Bank Loans		42,000	43,000
Secured Other Loans		6,545	6,545
Unsecured Loans		47	47
		48,592	49,592
<b>Advances:</b>			
Auckland Rugby Union Incorporated	14	1,043	1,043
Auckland Cricket Association	14	600	600
		1,643	1,643
<b>Total Loans and Advances</b>		50,235	51,235
Current		40,000	-
Non Current		10,235	51,235
<b>Total Loans and Advances</b>		50,235	51,235

The Secured Bank Loans of \$42,000,000 (2017: \$43,000,000) are between ASB Bank Limited and the Trust. \$40,000,000 (2017: \$40,000,000) of the secured bank loans are guaranteed by Auckland Council. The loans are secured over the Land and Investment Properties of the Trust. The current interest rates are variable and range between 2.83% and 4.11% (2017: between 2.82% and 4.14%). The \$40,000,000 facility has a fixed repayment date of 30 September 2019. The remaining \$2,000,000 loan has no fixed repayment date (2017: no fixed repayment date for either loan). In addition to the reported loans, the Trust has an overdraft facility of \$500,000 (2017: \$500,000) secured over the assets of the Trust. The fair value of the assets is in excess of the loans and credit facility secured over those assets.

The Trust has engaged in ongoing discussions with the ASB Bank as lender and Auckland Council as guarantor regarding the future of the \$40,000,000 facility. Auckland Council has advised the ASB Bank that they do not intend to extend their guarantee beyond the current expiry date of the facility, 30 September 2019. Accordingly the Bank could exercise their rights under the guarantee if required, upon the termination of the facility. The Trust expects that either the guarantee will be reinstated and the facility will be renewed, at the Bank's discretion, or Auckland Council will acquire the loan from the Bank by assignment upon expiry, if not before.

Therefore there is a material uncertainty surrounding the refinancing and repayment of this \$40,000,000 loan due 30 September 2019. If refinancing was not secured by the maturity date and the ASB Bank Limited did not seek to recover or could not recover the loan from the guarantee provided by the Auckland Council, the Trust's ability to continue as a going concern may be in doubt. If that event was to happen the Trust may be unable to realise its assets at amounts they are currently recorded in the statement of financial position and the Trust may have to provide for further liabilities that may arise.

The Trust has honoured its covenant obligations, namely the debt service cover ratio, with the ASB Bank and Auckland Council, since the current facility was established in August 2010.

The Secured Other Loans of \$6,545,000 (2017: \$6,545,000) are between Auckland Council and the Trust. The loans are secured over the Cash, Cash Investments, Investment Properties and the Property, Plant and Equipment of the Trust. The current interest rate is 2.47% (2017: 2.43%) and has no fixed repayment date (2017: no fixed repayment date).

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

The Unsecured Loan of \$47,000 (2017: \$47,000) is between the Auckland Rugby Union Incorporated and the Trust. The current interest rate is 0% (2017: 0%) with no fixed repayment date (2017: no fixed repayment date).

The Advances to the Trust from the Auckland Rugby Union Incorporated and the Auckland Cricket Association of \$1,043,000 and \$600,000 respectively (2017: \$1,043,000 and \$600,000 respectively) are documented in Deeds of Covenant and are not secured. The current interest rate is 0% (2017: 0%) and they have no fixed repayment date. Please also see the Key Sources of Estimation Uncertainty as disclosed in *Note 1*.

**11. FINANCIAL LIABILITIES**

In accordance with an agreement to sell land to and purchase land from the Barbarians Rugby Football Club ("the Barbarians"), the Trust has an obligation to provide clubrooms to the Barbarians. In fulfilment of this obligation, the Barbarians have the right to occupy two corporate suites for 35 years from 2010 at a rate less than market value. The liability, being the difference between market rate and contract value, at 31 October 2018 is \$979,000 (2017: liability of \$1,044,000). The liability is discounted to fair value and represents the likely outflow of economic resources. The liability is split between current \$63,000 (2017: \$66,000) and non-current liabilities \$916,000 (2017: \$979,000).

In the event that the Barbarians surrender their licence to occupy before the end of 2020, the Trust has an obligation to pay the Barbarians Club an amount of up to the present value of \$1,000,000 at August 2008, at the time the licence is surrendered.

The mark to market value of the interest rate hedge of \$106,000 (2017: \$99,000) is also recognised as a current financial liability (refer also *Note 13* below).

**12. EQUITY**

The Trust allocated \$424,000 (2017: allocation of \$515,000) to the Deferred Maintenance Reserve during the year. The Trust utilised no funds (2017: \$293,000) from the Deferred Maintenance Reserve for scheduled and urgent works to the existing stadium facilities in the period. This brings the total funds in the Deferred Maintenance Reserve to \$1,332,000 (2017: \$908,000). These funds are held in a separate bank account and are retained to meet unforeseen important facility costs, at the discretion of the Trustees.

**13. FINANCIAL INSTRUMENTS****Fair Value of Financial Instruments**

The fair value of financial instruments is equivalent to the carrying value, except for advances from Auckland Cricket Association and Auckland Rugby Union Incorporated.

As at 31 October 2018, the interest free advances from Auckland Cricket Association (ACA) and Auckland Rugby Union Incorporated (ARU) have a carrying value of \$1,643,000 (2017: \$1,643,000). As these advances have no fixed repayment date, a fair value cannot be reasonably ascertained.

Included in Long Term Loans at 31 October 2018 is an interest free loan from ARU that had a carrying value of \$47,000 (2017: \$47,000). As this loan has no fixed payment date, a fair value cannot be reasonably ascertained.

The carrying value of all other financial assets and liabilities is materially equal to the fair value.

**Derivatives**

On 2 July 2014 the Trust entered into an agreement with the ASB Bank in a format prepared by the International Swaps and Derivatives Association (ISDA) under which it may undertake derivative transactions in the form of interest rate swaps. On 1 July 2016 the Trust entered into an interest rate swap transaction with a commencement date of 3 July 2017 and a termination date of 30 September 2019 for a notional amount of \$30,000,000 at a fixed rate of 2.2975%. The contract will be settled and reset quarterly for differences between the fixed and designated floating rates. At the reporting date the mark to market value of the contract is a charge of \$106,000 (2017: \$99,000), which has been accrued as an expense in the current period. No other derivative financial instruments were used by the Trust during the period ended 31 October 2018 (2017: No other derivative financial instruments used).



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2017

## 14. RELATED PARTIES

**Auckland Cricket Association (ACA) and Auckland Rugby Union Incorporated (ARU)**

Until 20 September 2009, ACA and ARU received beneficial enjoyment of the Trust property. From 21 September 2009, ACA and ARU each had one representative on The Eden Park Trust's nine person Board. In accordance with the Eden Park Trust Act this increased to two representatives each from 21 September 2012. The Trust transacts with these organisations primarily for the provision of venue facilities and services and pays for certain match tickets for matches controlled by the entities. The Trust legislation provides for a number of these services to be charged at below market rate. In addition, the Trust incurs expenses on behalf of these entities which are oncharged at the cost of the transaction to the Trust. No debts were written off or forgiven during the reporting period (2017: nil).

The following key transactions were undertaken with ACA and ARU:

	2018 \$000	2017 \$000
<b>Income - Venue Facilities and Services:</b>		
Auckland Cricket Association	424	387
Auckland Rugby Union Incorporated	1,383	3,814
<b>Expenses - Match Ticket and Membership and Other Costs:</b>		
Auckland Cricket Association	(620)	(506)
Auckland Rugby Union Incorporated	(1,623)	(3,416)
<b>Net Income/(Expense)</b>	<b>(436)</b>	<b>279</b>

The following balances were outstanding with Auckland Cricket Association and Auckland Rugby Union Incorporated at each reporting date:

<b>Accounts Receivable:</b>		
Auckland Cricket Association	6	5
Auckland Rugby Union Incorporated	189	61
<b>Accounts Payable:</b>		
Auckland Cricket Association	(66)	(64)
Auckland Rugby Union Incorporated	(9)	-
<b>Loans:</b>		
Auckland Rugby Union Incorporated	(47)	(47)
<b>Advances:</b>		
Auckland Cricket Association	(600)	(600)
Auckland Rugby Union Incorporated	(1,043)	(1,043)
<b>Net Asset/(Liability)</b>	<b>(1,570)</b>	<b>(1,688)</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2017

## 14. RELATED PARTIES (Continued)

**Crown**

The Crown is entitled to appoint five out of the nine Trustees of the Trust. There have been no transactions between the Crown and the Trust during the year (2017: no transactions).

**Trustees**

All Trustees are required to record possible conflicts of interest and are required to abstain from voting on those matters. The Trust complied with the obligations under the Eden Park Trust Act in relation to registers and notices of potential conflicts of interest.

Trustee Fees were paid to Trustees for services as a Trustee during the year of \$144,000 (2017: \$144,000). Trustee fees are payable in accordance with the Eden Park Trust Act.

Other than those disclosed, there have been no dealings with Trustees or parties related to the Trustees on terms other than in the ordinary course of business.

**Key Management Personnel Compensation**

	2018 \$000	2017 \$000
Short Term Employee Benefits	1,118	1,234
<b>Total Key Management Compensation</b>	<b>1,118</b>	<b>1,234</b>
Number of Full Time Equivalent employees	5	5



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

**15. LEASE COMMITMENTS****Finance Lease Commitments**

The Trust has no finance lease commitments (2017: \$nil).

**Operating Lease Commitments**

Obligations payable after balance date under non-cancellable operating leases are as follows:

	2018 \$000	2017 \$000
Current (within 1 year)	90	77
1 to 5 Years	93	106
Greater than 5 Years	-	-
<b>Operating Lease Commitments</b>	<b>183</b>	<b>183</b>

The Operating lease commitments impose no significant restrictions or obligations on the Trust. The rights of renewal are between 0 and 5 years (2017: between 0 and 5 years).

The total operating lease expense for the reporting period was \$90,000 (2017: \$90,000).

**16. CAPITAL COMMITMENTS**

The redevelopment of Eden Park included plans for an acoustic screen to be constructed behind the East Stand, after completion of RWC 2011. The purpose of the screen was to attenuate noise to within the limits of its resource consent. The Trust continues to meet its requirements with respect to noise attenuation through other means, including programmed management of decibel levels through the PA system. The Trust has taken the decision to write down the value of materials on hand for the construction of the acoustic screen as summarised in **Note 5**. Accordingly the Trust no longer has any commitment to the construction of an acoustic screen. There are no other capital commitments (2017: An estimated \$1.8m more is required to complete the project, for which no construction contract is in place).

**17. CONTINGENT LIABILITIES**

As at 31 October 2018, there are no contingent liabilities (2017: nil).

**18. GOING CONCERN**

Significant losses have been reported for both reporting periods. The Trust does not currently generate sufficient operating surpluses to cover its ongoing depreciation charges. However, the Going Concern assumption has been adopted in the preparation of these financial statements, on the basis that current projections of profit and loss and cash flows indicate that the Trust can meet all its commitments as they fall due for the foreseeable future, taking into consideration the comments regarding the continuation of the \$40,000,000 loan facility and the material uncertainty upon maturity, as included under **Note 10**, which was renewed in 2016 through to 30 September 2019.

**19. SUBSEQUENT EVENTS**

No events have occurred subsequent to each reporting date that would materially impact the financial statements as presented.

## INDEPENDENT AUDITOR'S REPORT

**TO THE READERS OF THE EDEN PARK TRUST'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018**

The Auditor-General is the auditor of The Eden Park Trust (the Trust). The Auditor-General has appointed me, Kerry Price, using the staff and resources of Grant Thornton New Zealand Audit Partnership, to carry out the audit of the financial statements of the Trust on his behalf.

**Opinion**

We have audited the financial statements of the Trust on pages 40 to 58 that comprise the Statement of Financial Position as at 31 October 2018, the Statement of Comprehensive Revenue and Expenses, Statement of Changes in Net Assets and Statement of Cash Flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the Trust:

- present fairly, in all material respects:
  - its financial position as at 31 October 2018; 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 Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime.

Our audit was completed on 21 December 2018. This is the date at which our opinion is expressed.

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

**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.

**Material Uncertainty Related to Going Concern**

We draw attention to note 18 in the financial statements that outlines why the Trustees have elected to use the going concern basis of accounting, taking into consideration the \$40million loan from the ASB Bank Limited, which is due to be repaid on 30 September 2019. As outlined in note 10 in the financial statements, the loan is secured by Trust assets, and a financial guarantee from the Auckland Council, which expires on 1 October 2019. As stated in note 10, there is a material uncertainty surrounding the refinancing and/or repayment of the loan, which may cast doubt about the Trust's ability to continue as a going concern. We consider these disclosures in the financial statements to be adequate, and our opinion is not modified in respect of these matters.

**Responsibilities of the Trustees for the financial statements**

The 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 Trustees are responsible for such internal control as they determine is necessary to enable them to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless the Trustees intend to wind up the Trust or to cease operations or have no realistic alternative but to do so.

The Trustees' responsibilities arise from clause 15.3 of the Trust Deed of the Trust.

**Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, 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.

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

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 risk of material misstatement of the financial statements, 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 Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the 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, 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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 Trustees are responsible for the other information. The other information comprises the Report of the Chairman, Message from the CEO, Key Events, Directory of Board Members, Board Member Biographies, and Senior Executives, but does not include the financial statements, and our auditor's report thereon.

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

**Independence**

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

Other than in our capacity as auditor, we have no relationship with, or interests in, the Trust.

Kerry Price  
Grant Thornton New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland, New Zealand

# OUR PARTNERS

We value the relationships we have with our partners and friends.

**Legacy Code Partners**



**Principal Partner**



**Icon Partners**



**Partners**



**Suppliers**







**EDEN** PARK

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NEW ZEALAND'S NATIONAL STADIUM