

Report 99.598
27 October 1999
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Report to the Policy and Finance Committee
from Greg Schollum, Chief Financial Officer

Stadium Trust: Quarterly Report to 30 September 1999

1. Purpose

To receive the Stadium Trust quarterly report for the period 1 July – 30 September 1999. (refer **Attachment 1**)

2. Background

The funding deed signed by the Wellington Regional Council, Wellington City Council and the Wellington Regional Stadium Trust requires the Trust to produce quarterly reports on progress during the construction period (6 monthly reports thereafter).

The receipt of the attached report from the Trust for the quarter ended 30 September 1999 is a formal component of Council's governance framework over the Trust.

3. Comment on the September Quarter Report

The attached report for the September quarter indicates continued positive progress on the Stadium project. Commenting where appropriate on some of the headings included in the Stadium Trust's report:

3.1 Construction Progress

It is pleasing to see that there is continued positive progress on the construction of the Stadium with Fletchers on schedule with their construction programme. The Trust now expects to be within 1% of the project budget

which reinforces the appropriateness of the Lump Sum Fixed Price contracting strategy adopted by the Trust.

3.2 Fund Raising

The continued positive interest in Stadium memberships is very encouraging and now allows the Trust to increase the focus on other areas of capital fundraising.

The question of the tax status appears to be back on the agenda. At the time of writing this report, I have been unable to ascertain the extent of the current uncertainty in this area.

3.3 Operational Matters

Key staff appointments by the Trust provide further evidence that the Stadium will soon be fully operational.

3.4 Events

Confirmation of the Rugby 7's tournament for the next three years and the prospect of an additional night at the Edinburgh Tatroo should help to generate further positive interest in the Stadium.

3.5 Basin Reserve

Arrangements with the Basin Reserve appear to be settling in well, which will prove crucial as the Stadium moves into the operational phase, particularly where the summer and winter codes overlap.

3.6 Financial Accounts to 30 September 1999

The general comments made on the 1998/99 financial statements (refer report 99.596) equally apply to the quarterly financial statements to 30 September 1999.

3.7 Cashflow Projections

It is encouraging to see both, that the Trust is reassessing its cashflow projections for the next five years and that such projections are indicating more positive cashflows than currently budgeted. This should ease the pressure somewhat on meeting ongoing cashflow requirements.

3.8 Risk Issues and Contingent Liabilities

It is reassuring to see that the Trust does not face any major contingent liabilities.

4. **Communications**

Not required.

5. **Recommendation**

That the report be received and the contents noted.

GREG SCHOLLUM
Chief Financial Officer

**Attachment 1: Wellington Regional Stadium Trust - Quarterly Report
September 1999**