

# **AORANGI STADIUM TRUST**

## **Annual Report for the year ended 30 June 2024**

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## **Entity information: Who we are**

Aorangi Stadium Trust (“the Trust”) was incorporated on 14 August 2001 under the Charitable Trusts Act 1957. The Trust is controlled by Timaru District Council as a council-controlled organisation (CCO) as defined in section 6 of the Local Government Act 2002.

The registration number for the Trust on the Charities Register is CC22027.

### **Contact details**

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The Trust has a Board of four Trustees who oversee governance of the Trust and Timaru District Council manage the facility and administer the Trust.

The Trustees during the year to 30 June 2024 were:

Peter Burt (Chairman)  
Allan Booth  
Sally Parker  
Stu Piddington

There were no changes in Trustees from the last balance date at 30 June 2023.

The main source of resources for the Trust is grants and support from the Timaru District Council. The Trust has engaged in external fundraising in previous financial years; and does not use volunteers.

## **Trustees' Report and what we do, with statement of service performance**

The purpose of the Trust is to continue the development, maintenance and operation of the Aorangi Stadium in Aorangi Park in Timaru.

The Stadium was leased to Timaru District Council which was responsible for day-to-day maintenance with the Trust being responsible for the landlord elements of the property.

The Trust works with Timaru District Council to manage the Stadium in the interests of the people of Timaru and South Canterbury and the Council provides expertise to assist in this process.

### **Statement of service performance:**

There are specifically agreed objectives for the Trust as a Council Controlled Organisation to ensure that it is being managed effectively:

<b>Description and outcomes of agreed targets for the Trust:</b>	<b>Actual 2024</b>	<b>Actual 2023</b>
Regular liaison occurs with the tenant (Timaru District Council) on at least a six-monthly basis.	Met	Met
Audited annual report completed within 3 months of financial year end.	Not met	Not met
Promote ongoing development and maintenance of Aorangi Stadium on Morgans Road Recreation Reserve.	Met	Met
Undertake, with Timaru District Council, a review of the future costs and funding of maintenance and depreciation; and the options for the ownership structure of the stadium.	Met	Partially met

Following consideration by the Trustees of various options regarding the future of the stadium it was decided that the future development funding requirements would best be met by it being directly in the ownership of Timaru District Council.

There were no immediately feasible funding options other than from Council directly and it was becoming increasingly difficult to adequately maintain the stadium to an acceptable standard without significant investment. This was exacerbated by the lowered earthquake rating which if the building was to be strengthened would require substantial additional funding.

While these considerations were being undertaken Council was assessing the development of Aorangi Park generally and having the stadium in the park but owned by another entity, even if it is a Council Controlled Organisation, complicated planning for the future.

No significant maintenance work was performed on the stadium during 2024 as its future was being considered, including deferred maintenance work provided for in the deferred maintenance provision or earthquake strengthening work included in contingent liabilities, however essential maintenance work was undertaken. It was assessed that in the 2023 financial year the provision for deferred maintenance should have been escalated by an inflationary increase in the absence of a full reassessment of the projected costs of deferred maintenance. This has been done in this year as a prior period adjustment to the 2023 comparative values.

The land on which the stadium is built is owned by Timaru District Council and was leased from Council by the Trust for the emplacement of the stadium. The Trustees agreed that they would advise Council of their intention to allow the lease for the land on which the stadium is built to lapse and consequently the ownership of the building on that land, the stadium, moved ownership to Timaru District Council.

Following this decision the Trustees agreed that the Trust would cease operation in the 2024/25 financial year and that this would be the final annual report prepared and presented for the Trust. Any cash remaining will be remitted to Timaru District Council on the condition that it is utilised solely for the purposes of the Trust and Council has agreed to this stipulation.

Council continues to work on development options for the park including the stadium and have undertaken to ensure that the deferred maintenance work required for the stadium is addressed and is committed to ensuring that the stadium earthquake rating is substantially improved as part of its development.

The Board of Trustees did not comply with section 67 of the Local Government Act in that the Board did not report by 30 September 2024, three months after the financial year end, by when CCO's are required to have completed their annual report and delivered it as stipulated by the Act.

The Trustees wish to thank Timaru District Council for its substantial financial support towards building the stadium and subsequently to utilise and maintain it; to thank all those who have served as trustees; and to particularly thank those who worked to establish the stadium originally and who raised the initial funds to enable it to be built.

## **Statement of Financial Performance**

for the year ended 30 June 2024

	Notes	Actual 2024 \$	Budget 2024 \$	Actual (Restated) 2023 \$
<b><u>Revenue</u></b>				
Subsidies and grants	2	145,547	105,000	102,901
Gain on sale of assets	2	-	-	30,219
Finance revenue	2	25,039	3,500	22,592
<b>Total Revenue</b>		<b>170,586</b>	<b>108,500</b>	<b>155,712</b>
<b><u>Expenses</u></b>				
Maintenance expenses	3	1,574,127	(50,000)	(281,079)
Net loss on disposal of assets		(173,290)	-	-
Donation paid	15	(567,283)	-	-
Other expenses	4	(94,835)	(84,468)	(184,506)
Depreciation	9	(32,067)	(45,611)	(45,611)
<b>Total expenses</b>		<b>706,652</b>	<b>(180,079)</b>	<b>(511,196)</b>
<b>Net surplus/(deficit) for the year</b>		<b>877,238</b>	<b>(71,579)</b>	<b>(355,484)</b>

## **Statement of Financial Position**

as at 30 June 2024

	Notes	Actual 2024 \$	Budget 2024 \$	Actual (Restated) 2023 \$
<b><u>Assets</u></b>				
<b><u>Current Assets</u></b>				
Cash and cash equivalents	6	84,942	308,742	546,368
Receivables	8	-	400,000	240,233
Prepayments	8	-	10,000	4,242
<b>Total Current Assets</b>		<b>84,942</b>	<b>718,742</b>	<b>790,843</b>
<b><u>Non-Current Assets</u></b>				
Property, plant and equipment	9	-	133,468	179,079
<b>Total Non-Current Assets</b>		<b>-</b>	<b>133,468</b>	<b>179,079</b>
<b>Total Assets</b>		<b>84,942</b>	<b>852,210</b>	<b>969,922</b>
<b><u>Liabilities</u></b>				
<b><u>Current Liabilities</u></b>				
Payables and deferred revenue	10	(84,942)	(5,000)	(233,033)
Provisions	11	-	(425,393)	(388,623)
<b>Total Current Liabilities</b>		<b>(84,942)</b>	<b>(430,393)</b>	<b>(621,656)</b>
<b><u>Non-Current Liabilities</u></b>				
Provisions	11	-	(1,145,600)	(1,225,503)
<b>Total non-current liabilities</b>		<b>-</b>	<b>(1,145,600)</b>	<b>(1,225,503)</b>
<b>Total Liabilities</b>		<b>-</b>	<b>(1,575,993)</b>	<b>(1,847,159)</b>
<b>Net Assets (Total Assets less Total Liabilities)</b>		<b>-</b>	<b>(723,783)</b>	<b>(877,237)</b>

	Notes	Actual 2024 \$	Budget 2024 \$	Actual (Restated) 2023 \$
<b><u>Accumulated Funds</u></b>				
Capital contributed by members	14	3,050,631	3,050,631	3,050,631
Accumulated surpluses/(deficits)	14	(3,050,631)	(3,774,414)	(3,927,868)
<b>Total Accumulated Funds</b>		<b>-</b>	<b>(723,783)</b>	<b>(877,237)</b>

Trustee

Trustee



## **Statement of Cash Flows**

**for the year ended 30 June 2024**

	<b>Actual 2024 \$</b>	<b>Budget 2024 \$</b>	<b>Actual 2023 \$</b>
<b><u>Cash Flows (to)/from Operating Activities</u></b>			
<u>Cash was received from:</u>			
Donations, fundraising and other similar receipts	248,448	105,000	-
Interest, dividend and other investment receipts	25,039	1,750	22,592
Net GST	-	-	12,208
<u>Cash was applied to:</u>			
Payments to suppliers	(734,914)	(169,143)	(200,015)
<b>Net Cash Flows from Operating Activities</b>	<b>(461,427)</b>	<b>(62,393)</b>	<b>(165,215)</b>
<b>Net increase/(decrease) in cash</b>	<b>(461,427)</b>	<b>(62,393)</b>	<b>(165,215)</b>
Opening Cash	546,369	308,742	711,584
Closing Cash	84,942	371,135	546,369
<b><u>This is represented by:</u></b>			
Bank current account and short-term deposits	6 84,942	371,135	546,369

## Notes to the Financial Statements

for the year ended 30 June 2024

### 1 Statement of Accounting Policies

#### REPORTING ENTITY

Aorangi Stadium Trust (the Trust) is a charitable trust incorporated on 14 August 2001 under the Charitable Trusts Act 1957 (CTA).

The Trust is controlled by Timaru District Council (the Council) as a Council Controlled Organisation (CCO) as defined in section 6 of the Local Government Act 2002 (LGA), with all Trustees being appointed by the Council.

It is fully domiciled and operated in New Zealand.

The purpose of the Trust is to continue the development, maintenance and operation of the Aorangi/Timaru Stadium and adjoining areas on Aorangi Park in Timaru. As a charity the Trust does not operate to make a financial return.

The annual reporting date of the Trust is 30 June.

The Trust has been designated as a Public Benefit Entity (PBE) for the purpose of complying with Generally Accepted Accounting Practice (GAAP).

These financial statements of the Trust are for the year ended 30 June 2024.

The financial statements were authorised for issue by the Trustees on XXX.

#### BASIS OF PREPARATION

The financial statements are prepared in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) or PBE SFR-A (PS), as the Trust is deemed to be a public entity subject to public sector standards and has total annual expenses of equal to or less than \$2,000,000. All transactions are reported using the accrual basis of accounting. This Annual Report is prepared on the basis that the Trust will cease to operate in the succeeding year and that these are the final financial statements to be prepared for the Trust.

#### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

#### Changes in accounting policies and disclosures

There have been no changes in accounting policies during the year.

### **Prior period adjustment**

Following an assessment of the provision for deferred maintenance, prior to its full reversal in 2024, it has been determined that in 2023 the provision should have been escalated by an inflationary factor. This has been done for 2023 as a prior period adjustment and is reflected in the 2023 comparative values.

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies which do not relate to a specific note are outlined below.

#### **Goods and Services Tax**

Items in the financial statements are stated exclusive of goods and services tax (GST) except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to the IRD is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed exclusive of GST.

#### **Income Tax**

The Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions as it is deemed a charitable trust for taxation purposes.

#### **Budget figures**

The budget figures presented in this report are those approved by the Trustees for 2023/24 unless stated otherwise. The budget figures have been prepared in accordance with GAAP, using accounting policies that are consistent with those adopted by the Trust in preparing these financial statements.

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

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are:

- Estimating the provisions for deferred maintenance (Note 11)

### **Critical judgments in applying accounting policies**

Management has exercised the following critical judgments in applying accounting policies:

- Valuation methodology for property, plant and equipment (Note 9)

### **Note 2: Revenue**

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

#### *Grants received*

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

#### *Interest*

Interest revenue is recognised using the effective interest method.

### **Note 3: Maintenance Expenses**

Maintenance expenses are expensed as they are incurred except that where related to a provision an offsetting release from that provision is made.

### **Note 6: Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### **Note 7: Reconciliation of net surplus/(deficit) after tax to net cashflow from operating activities**

#### *Cashflow statement*

Operating activities include cash received from all revenue sources of the Trust, and expenditure payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of current and non-current securities, and any non-current assets.

Financing activities are those activities relating to the changes in equity, and debt structure of the Trust.

### **Note 9: Property, plant and equipment**

Property, plant and equipment consists of operational assets including buildings and buildings improvements and furniture and equipment, which are utilised by the Trust to deliver services.

Buildings and building improvements and furniture and equipment are measured at cost less accumulated depreciation and impairment losses.

Unless specifically stated, acquisitions are initially valued at cost.

#### *Additions*

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably and is greater than \$1,500, subject to individual asset assessment.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

#### *Disposals*

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### *Depreciation*

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings and building improvements 1% - 30% Straight line

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

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount and the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in surplus or deficit.

#### **Note 10: Payables and deferred revenue**

Short-term creditors and other payables are measured at the amount payable.

Payables are generally non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of payables approximates their fair value.

Deferred revenue represents receipts the conditions of which have not yet been fulfilled but which are expected to be recognised as revenue within 12 months.

#### **Note 11: Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed annually to determine their appropriateness, including the value of the provision.

#### **Note 14: Equity/Accumulated Funds**

Equity is the community's interest in the Trust and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

Contributed capital: this represents the funds initially contributed by the members of the Trust particularly from public fundraising;

Accumulated surpluses/(deficits): this represents the accumulation of all financial results since the inception of the Trust.

## 2 Revenue

### i. Subsidies and grants

	Actual 2024 \$	Actual 2023 \$
Grants from Timaru District Council: General funding	52,000	52,000
Grants from Timaru District Council: Insurance reimbursement	93,547	50,901
Total	<u>145,547</u>	<u>102,901</u>

There are no unfulfilled conditions and other contingencies attached to recognised grants.

### ii. Finance revenue

	Actual 2024 \$	Actual 2023 \$
Interest revenue:		
- term deposits	25,039	22,592
Total	<u>25,039</u>	<u>22,592</u>

### iii. Other gains

	Actual 2024 \$	Actual 2023 \$
Gain on sale of assets	-	30,219
Total	<u>-</u>	<u>30,219</u>

### 3 Maintenance expense

	<b>Actual 2024 \$</b>	<b>Actual (Restated) 2023 \$</b>
Maintenance costs incurred	(39,999)	(77,757)
Maintenance provision release	40,287	21,711
Change in provision for maintenance costs	1,573,839	(225,033)
<b>Total maintenance costs</b>	<b>1,574,127</b>	<b>(281,079)</b>

### 4 Other expenses

	<b>Actual 2024 \$</b>	<b>Actual 2023 \$</b>
Audit fees for financial statement audit: current year	(7,782)	(6,690)
Audit fees: other	-	(689)
Insurance	(65,989)	(50,206)
Property valuation report	(6,930)	-
Stadium development review	-	(126,152)
Legal fees	(9,860)	-
Other expenses	(4,274)	(769)
<b>Total</b>	<b>(94,835)</b>	<b>(184,506)</b>



## 5 Tax

Aorangi Stadium Trust is a charitable organisation and not subject to income tax.

	<b>Actual 2024 \$</b>	<b>Actual (Restated) 2023 \$</b>
Surplus/(deficit) before tax	652,204	(355,484)
Tax credit/(expense) at 28% (2023: 28%)	(182,617)	99,536
Non-taxable income @ 28%	47,764	43,599
Non-deductible expenditure @28%	134,853	(143,135)
Tax expense/(benefit)	-	-

## 6 Cash and cash equivalents

	<b>Actual 2024 \$</b>	<b>Actual 2023 \$</b>
Cash at bank	84,942	546,369

Following the decision to allow ownership of the stadium to transfer to Timaru District Council it was agreed that all remaining funds held by the Trust would be granted to Timaru District Council on the condition that they be used solely for the maintenance and development of the stadium, furthering the objects of the Trust.

Council have undertaken to comply with that condition and have advised Trustees that the funds will be treated as a restricted reserve, which means that the funds can only be used for the purpose specified.

Any funds remaining after 30 June, following settlement of final invoices, will also be remitted to Council on the same basis.

**7 Reconciliation of net surplus/(deficit) to net cash flow from operating activities**

	<b>Actual 2024 \$</b>	<b>Actual (Restated) 2023 \$</b>
Surplus/(deficit)	877,238	(355,484)
<b>Add/(less) non-cash items:</b>		
Depreciation charges	32,067	45,611
Movement in impairment provision	-	(537)
Movement in provisions	(40,287)	(21,711)
Changes to provisions for maintenance costs	(1,573,839)	225,033
<b>Add/(less) items classified as investing activities:</b>		
(Gains)/losses on disposal of property, plant and equipment	173,290	(30,219)
<b>Add/(less) movements in working capital items:</b>		
Accounts receivable	233,328	229,424
Accounts payable	(163,224)	(257,332)
Net cash inflow/(outflow) from operating activities	<u>(461,427)</u>	<u>(165,215)</u>

**8 Receivables**

	<b>Actual 2024 \$</b>	<b>Actual 2023 \$</b>
Other receivables	-	5,402
Related party receivables	-	234,831
	-	240,233
Prepayments	-	4,242

Total	-	244,475
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No receivables are past due as at 30 June 2024 and no impairment provisions have been made relating to them.

## 9 Property, plant and equipment

Asset Class	Opening Carrying Value \$	Purchases \$	Disposals \$	Depreciation/ Impairment \$	Closing Carrying Value \$
<b>2024</b>					
Buildings	179,079	26,278	(173,290)	(32,067)	-
<b>Total</b>	<b>179,079</b>	<b>26,278</b>	<b>(173,290)</b>	<b>(32,067)</b>	<b>-</b>
<b>2023</b>					
Buildings	317,432	4,436	(97,178)	(45,611)	179,079
<b>Total</b>	<b>317,432</b>	<b>4,436</b>	<b>(97,178)</b>	<b>(45,611)</b>	<b>179,079</b>

During 2024 the ownership of the stadium was transferred to Timaru District Council and this is reflected in the movement in Property, Plant & Equipment. No non-current assets have been retained by the Trust. The stadium was disposed of at its net written down value.

### Insurance on assets

	Actual 2024 \$	Actual 2023 \$
The maximum amount to which insured assets are insured	-	25,310,000
The total value of all Trust assets covered by insurance contracts*	-	25,310,000
The total value of all Trust assets covered by financial risk-sharing arrangements	-	-
Maximum amount available to the Trust under financial risk-sharing arrangements	-	-
Total value of assets that are self-insured	-	-
Value of funds maintained for self-insurance	-	-

\*The carrying value of assets is calculated on deemed cost, separate insurance valuations are obtained for significant assets.

Following the transfer of the stadium to the ownership of Timaru District Councils the insurance raised by the Trust has concluded and is now the responsibility of the Council.

## 10 Payables and deferred revenue

	Actual 2024 \$	Actual 2023 \$
Trade payables and accrued expenses	7,659	190,865
Amounts due to related parties	77,283	42,169
<b>Total</b>	<b>84,942</b>	<b>233,034</b>

Trade payables and accrued expenses are exchange transactions. Amounts due to related parties are non exchange transactions.

## 11 Provisions

### i. Provision for deferred maintenance

<b>Current provision</b>	Actual 2024 \$	Actual (Restated) 2023 \$
Opening balance	388,623	265,204
Changes in provision made during the year	(348,336)	54,180
Transfer from non-current provision	-	90,950
Amounts used during the year	(40,287)	(21,711)
<b>Closing balance</b>	<b>-</b>	<b>388,623</b>

<b>Non-current provision</b>	Actual 2024 \$	Actual (Restated) 2023 \$
Opening balance	1,225,503	1,145,600

Changes in provision made during the year	(1,225,503)	170,853
Transfer from non-current provision	-	(90,950)
Closing balance	-	1,225,503

	<b>Actual 2024 \$</b>	<b>Actual (Restated) 2023 \$</b>
<b>Total provision</b>		
Opening balance	1,614,126	1,410,804
Changes in provision made during the year	(1,573,839)	225.033
Amounts used during the year	(40,287)	(21,711)
Closing balance	-	1,614,126

During 2021 a report was received regarding maintenance requirements for the stadium and partially provided for. In 2022 projected costs until 2024 were fully provided for. Following the transfer of ownership of the stadium to Timaru District Council this provision has been reversed following its utilisations for the final applicable maintenance costs in 2024. Timaru District Council will now be responsible for the maintenance of the stadium.

#### **Restatement of the maintenance expense and the provision for deferred maintenance**

The deferred maintenance provision was established in 2022 based on the 2021 report regarding projected maintenance requirements for the stadium. In 2023, in lieu of a full reassessment of the maintenance required, it has been determined that the existing provision should have been escalated by inflation to reflect the increased costs in future work.

To rectify this an adjustment has been made to the maintenance expense and deferred maintenance provision in 2023 and the financial statements for 2023 have been restated accordingly.

Affected financial statements are summarised in the following tables:

	<b>Year ended 30 June 2023 (Audited) \$000</b>	<b>Adjustment for assessed inflationary increase \$000</b>	<b>Year ended 30 June 2023 (Restated) \$000</b>

Statement of Financial Performance (extract)

Maintenance expenses	(56,046)	(225,033)	(281,079)
Total expenses	(286,163)	(225,033)	(511,196)
Net surplus/(deficit) for the year	(130,451)	(225,033)	(355,484)
<b>Statement of Financial Position (extract)</b>			
Total liabilities	1,622,126	225,033	1,847,159
Provisions (current)	334,443	54,180	388,623
Provisions (non-current)	1,054,650	170,853	1,225,503
Accumulated surpluses/(deficits)	(3,702,835)	(225,033)	(3,927,868)
Total equity	652,204	225,033	877,237

## 12 Contingencies

Last year an updated report was received regarding earthquake strengthening requirements for the stadium. The estimate cost relating to this being \$12m which continues in 2024. Following the transfer of ownership of the stadium to Timaru District Council this contingency will be the responsibility of Council.

No contingent assets have been identified.

## 13 Commitments

There are no capital commitments or financial guarantees at balance date (2023: Nil).

## 14 Accumulated funds

June 2024

Description	Capital contributed by owns or members	Accumulated surpluses/ (deficits)	Total accumulated funds
Opening balance	3,050,631	(3,927,868)	(877,237)
Surplus/(deficit)		877,238	877,238
Other movements		1	1
Closing balance	3,050,631	(3,050,631)	-

June 2023 (Restated)

Description	Capital contributed by owners or members	Accumulated surpluses/ (deficits)	Total accumulated funds
Opening balance	3,050,631	(3,572,382)	(521,751)

Surplus/(deficit)		(355,484)	(355,484)
Other movements		(2)	(2)
<b>Closing balance</b>		<b>3,050,631</b>	<b>(3,927,868)</b>

## 15 Related party transactions

During the year the Trust entered into various transactions with its parent, Timaru District Council. Related party disclosures have not been made for transactions with Council that are within normal supplier or client/recipient relationships and on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the Council at arm's length in the same circumstances.

Description of related party relationship	Transaction description (cash or in-kind)	Value of transactions (cash paid/received)		Amount outstanding	
		2024 \$	2023 \$	2024 \$	2023 \$
General grant received from Timaru District Council	Cash	52,000	52,000	-	-
Insurance grant received from Timaru District Council	Cash	93,547	50,901	-	-
Transfer of Assets / Purchase of Assets	Cash	26,278	131,930	-	-
Accounting services expense	Cash	5,000	1,000	-	-
Site lease fee expense	Cash	-	105	-	-
Donation to Timaru District Council	Cash & Accrual	490,000	-	77,283	-

## 16 Explanation of major variances against budget

Revenue and expenditure	Actual 2024 \$
Planned surplus	(71,579)
<b>Increases/(reductions)</b>	
Grants	40,547
Gains/(losses) on disposal of assets	(173,290)
Finance revenue	21,539
Donations paid	(567,283)

Maintenance	1,624,127
Depreciation	13,544
Other expenses	(10,367)
Surplus/(deficit)	<u>877,238</u>

The major reasons for the variance between the actual and budgeted net surplus/(deficit) are:

- There was a positive variance for grants revenue of \$40k primarily due to insurance costs being higher than anticipated (\$40k).
- The stadium and its components were disposed of which resulted in loss on disposal of \$173k.
- Higher levels of cash were retained due to the delayed maintenance work plus higher interest rates resulted in the positive finance revenue variance of \$21k.
- Donations paid to the Council were not budgeted, resulting in a negative variance of \$490k. The estimated cash balance left after paying the remaining invoices of \$77k have been accrued as a donation also. The funds donated can only be utilised for the same purposes as the Trust.
- Maintenance costs were budgeted at \$50k, however because of the stadium being transferred to the Council the provision for maintenance was reversed resulting in a positive variance of \$1.6m.
- Depreciation expenses decreased from the budgeted amount of \$45k to \$32k due to the disposal taking effect on 30 April 2024.
- Other expenses are above budget by \$10k due to the property valuation report fee and solicitors' fees.

## 17 Going concern

Following the decision to allow the stadium to transfer to the ownership of Timaru District Council and to close the Trust this is the final annual report for Aorangi Stadium Trust. All remaining assets will be transferred to Timaru District Council and utilised solely for the purposes of the Trust.

## 18 Statutory disclosure

The Board of Trustees did not comply with section 67 of the Local Government Act in that the Board did not report by 30 September 2023, three months after the financial year end, by which CCOs are required to have completed their annual report and delivered it as stipulated by the act.