

EDEN PARK

THE EDEN PARK TRUST

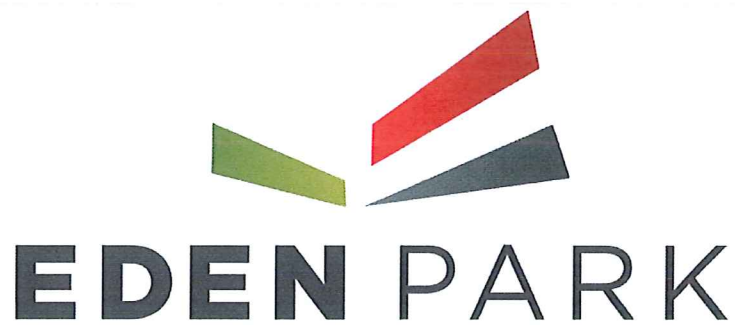


ANNUAL REPORT

31 OCTOBER 2013

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www.edenpark.co.nz

REPORT FROM THE CHAIRMAN

Introduction

It is my pleasure to present the Annual Report of The Eden Park Trust (EPT) for the year ended 31 October 2013. The comparative prior period is the 12 months to 31 October 2012.

The 2013 financial year was a year of steady progress, from both an operational and financial perspective. Key milestones in the year included the following:

Events

- Domestic cricket returned to Eden Park upon the restoration of the No. 2 Ground in November 2012;
- Test cricket returned to Eden Park, with a thrilling test match played between the Black Caps and England, which ended in a tense draw in March 2013;
- The Black Caps also played two other international cricket matches against England at Eden Park, a T20 and an ODI match, in February 2013;
- Eden Park was again host to most major winter sports codes, including rugby, soccer and rugby league, during the year;
- Rugby continues to be the predominant venue hirer. During the year Eden Park hosted Auckland, The Blues and The All Blacks for 14 matches in total;
- The annual secondary schools and club rugby finals were played before enthusiastic crowds in August 2013;
- The Wellington based Phoenix Football Club played their second match at Eden Park in February 2013;
- The Vodafone NZ Warriors rugby league team opened their NRL home season with a match against the Sydney City Roosters in March 2013;
- Eden Park-hosted community events including Sport Auckland's Get Set Go event for children featuring Olympian Valerie Adams in November 2012 and the annual Open Day in February 2013;
- Eden Park Catering hosted over 1,000 functions, ranging from three-day business conferences to school balls and weddings.

Financial

- Achieved a profit before depreciation of \$1.181m (prior year \$434k), (refer table on p5 to follow);
- Repaid \$2.6m of commercial loans and re-documented the one remaining bank facility which is not guaranteed by Auckland Council.

Governance and Management

The composition of the Board was unchanged in the year. The Crown has opened discussions with Auckland Council regarding the right to appoint the five Trustees currently appointed by the Crown. Auckland Council has agreed and is working with the Crown to implement the decision.

The board currently includes four Crown appointees (one position remains vacant) and two each from Auckland Rugby Union (ARU) and Auckland Cricket Association (ACA). The appointees are:

- John Waller (Chairman)
- Michelle Boag
- Derek Dallow

- Morris Pita
- Grant Carruthers, appointed by ARU
- Ken Baguley, appointed by ARU
- Rex Smith, appointed by ACA
- Paul Lucas, appointed by ACA

This group continues to provide diversity and strength to the governance of Eden Park.

There were two changes to the Executive Management Team during the year. Heidi Beech (General Manager, Corporate Services) resigned after a period of maternity leave. Tracy Morgan also resigned her role as General Manager, Sales and Marketing. Adrienne Bonell has replaced Tracy Morgan, while the Corporate Services role has been consolidated into the non-executive role of Corporate Legal Manager.

Senior executives of EPT are:

- David Kennedy (Chief Executive Officer)
- Steve Donaghy (General Manager, Operations and Infrastructure)
- Adrienne Bonell (General Manager, Sales and Marketing)
- Brett Winstanley (Chief Financial Officer)

During the year Mark Perham, the Trust's Turf Manager for more than ten years, resigned. Mark will continue to work with Eden Park as a consultant. Blair Christiansen has been promoted from Assistant Turf Manager to the role of Turf Manager.

I would like to thank the Trustees, the Senior Managers and all staff, past and present, for their contributions and support during the year.

Operations

Eden Park has a highly experienced team of turf, facilities and game day operations personnel. Their strong working relationships with subcontractors (including caterers, security and cleaners) and external parties, including venue hirers, Auckland Council, Auckland Transport, the Police, the Fire Service and all other services, are essential to Eden Park's high standard of event delivery, endorsed by positive feedback from spectators as well as all other parties concerned with event delivery.

The first events of the 2013 financial year were domestic cricket matches held on the No. 2 ground. Three televised HRV Cup T20 matches were played on the No.1 ground, attracting average crowds of 5,500. Three international cricket fixtures between the Black Caps and England took place in February and March. The match atmosphere was enhanced by the enthusiasm of the English "Barmy Army". The total test match attendance of over 38,000 fans across the five days should ensure Eden Park remains a regular cricket test venue in future.

The Phoenix Football Club and Perth Glory contested the second A-League football match to be played at Eden Park, on 2 February 2013. The Phoenix are scheduled to return for another match on 1 February 2014. We hope to continue hosting the Phoenix as a regular event at Eden Park.

The Warriors began their NRL home season on 16th March with a match against the eventual season premiers, the Sydney City Roosters. This match featured the appearance of Sonny-Bill Williams for the first time in New Zealand since switching back to rugby league. The crowd attendance of over 30,000 was

the Warriors highest for the year. We look forward to increasing the Warriors' schedule to three fixtures in 2014.

Although the opportunity to host a rugby league international match did not occur in the year, we remain committed to hosting both NRL and international rugby league matches at Eden Park whenever possible in the future.

The Blues began their Super Rugby home season with a convincing victory over the Crusaders on 1 March 2013. This promising start under new coach and former Eden Park crowd favourite Sir John Kirwan could not be sustained throughout the season, unfortunately. We look forward to improved results from the exciting Blues squad in 2014.

Eden Park was host to All Blacks tests against France in June and South Africa in September. Both matches were played before full-capacity crowds. The All Blacks were successful in both matches. These victories increased their unbeaten record at Eden Park to 31 matches, stretching back to 1994.

The South African test was the year's largest event due to temporary seating which boosted the capacity to over 48,000 patrons. Pleasingly 48% of those patrons used public transport to attend, while a further 7% used private coaches, providing considerable relief to the control of private traffic in the local environment. This again accentuates the legacy of improved access to Eden Park, as provided by RWC 2011.

The rugby season was rounded out with the condensed ITM Cup programme. Once again, despite the Auckland team's strong performances this year, patron numbers were disappointing for this competition.

Finance

The financial results attached are briefly summarised as follows:

\$000	2013	2012
Total operating income	12,731	12,563
Total operating expenses	(10,528)	(10,277)
Net operating profit/(loss)	2,203	2,286
Interest (net)	(1,913)	(2,187)
Other comprehensive income	891	335
Profit before depreciation	1,181	434
Depreciation	(8,395)	(8,397)
Total comprehensive income	(7,214)	(7,963)

Eden Park hosted a similar schedule of events in 2013 compared to 2012. The main difference was not hosting a rugby league international in 2013. The resulting net operating profit of \$2.203m (2012: \$2.286m) is better than budgeted. A reduction in net interest costs and an increase in other comprehensive income compared to the prior year left an overall profit before depreciation of \$1,181k (2012: \$434k). After depreciation of \$8.395m, EPT recorded a loss of (\$7.214m) for the year (2012: (\$7.963m)).

As was stated last year, the current general economic climate remains challenging for Eden Park and its stakeholders. This remains a common theme for stadiums throughout the region, country and across the globe. Revenue from the sale of memberships and corporate boxes was slightly ahead of last year, as

was venue hire revenue and related food and beverage revenue. Function revenue from non-game day activities fell slightly below the prior year revenue.

Other income variances to the prior year included an increase in grant and sponsorship income but a decrease in revenue from investment properties, as a result of the recent property sales to repay debt.

There were no significant variances in expenses compared to the prior year. Costs associated with membership schemes increased slightly, as did maintenance costs, although game day costs reduced.

Interest costs have reduced due to the relatively stable cost of borrowing and the effect of reducing debt upon the sale of seven residential houses in the period August to November 2012. The depreciation expense was similar to the prior year.

Other comprehensive income in the year includes the annual revaluation of both investment properties and stadium land.

Upon the sale of the residential properties noted above, EPT repaid a range of commercial loans with a total value of \$2.6m. During the year we undertook the re-documentation of an existing loan facility with the ASB Bank. The \$7.618m non-guaranteed facility (including a \$500k overdraft facility) is now re-drawable. This will enable EPT to reduce borrowings when cash flow allows but retain the previous credit limit, should the extra facility be needed. Other terms generally reflect the new Council guaranteed \$40m facility established in 2010.

EPT's asset base remains strong. The balance sheet at year end indicates net equity of \$234.2million. This has decreased by \$7.2m compared to the prior year, due to the depreciation charge of \$8.4m for the year.

Looking ahead, the risk of future increases in the cost of borrowing is a significant threat to Eden Park's financial performance. For instance, at current debt levels in excess of \$50m, every increase of 1% in interest rates will have a \$500k cost.

On a positive note, an increased schedule of events is planned for FY2014. EPT will again host two All Blacks tests. In addition, the inaugural NRL Nines event will take place over two days in February 2014, the Warriors have three matches scheduled and the finals matches of the Junior Rugby World Cup (U20's) will be held at Eden Park in June 2014.

These additional events go some way towards the greater utilisation of the stadium by other sporting codes such as rugby league and soccer which is required to achieve ongoing revenue growth. Further growth and cost management are necessary to achieve the long term objectives of the Trust, which include the obligation to provide, from income, sufficient reserves to meet the future costs of repairs, refurbishment and replacement of Eden Park's facilities. In the meantime, the current financial performance is sufficient to achieve a better than a break even position on an annual basis, before depreciation costs. However, this is not sufficient to provide for significant long term reinvestment, as contemplated under the Trust Deed.

Sponsors

The ongoing generous support of sponsors and other key partners is critical to the success of Eden Park. We appreciate and thank our family of sponsors including ASB Bank, Lion Breweries, Mastercard, Panasonic, Pernod Ricard, Philips, Telecom and Vector. The ASB Bank increased their sponsorship of

Eden Park this year, which runs to 2022. The long term sponsorship support of the ASB Bank has been critical to the success of Eden Park for many years. We look forward to continuing our strong relationship with the ASB for many years to come.

We also greatly appreciate and are heavily dependent on charitable donations received in the year from Four Winds Foundation, Infinity Foundation, Lion Foundation, North and South Trust, Southern Trust and Trillian Trust.

Memberships

I would like to thank Eden Park's members for their contribution to Eden Park. Be they suite holders, corporate or ground members, the members are the foundation of our customer base. Their enthusiasm and loyalty are at the heart of the game-day experience at Eden Park. Many are frequent users of the facilities for other events as well.

Management continues to focus on achieving growth in memberships of all classes, through a variety of offerings to suit customer needs. Eden Park has a number of different membership options available, all of which have access to various member-only lounges and benefits.

Regional Stadiums Strategy

EPT has worked closely with Auckland Council and Regional Facilities Auckland (RFA) to assist in meeting their strategic goals for more efficient use of Auckland's stadium assets, as outlined in the RFA's paper titled *Regional Stadiums Auckland – Proposed Strategic Direction*. This review could provide the stimulus for wider use of Eden Park, which is critical to its long term financial sustainability. After review by the Council in 2013, the RFA's proposals will be subject to further public consultation during 2014.

Unitary Plan

Auckland Council's draft Unitary Plan is now published and open for submissions. The Unitary Plan will set planning guidelines for Auckland for the next 20 to 25 years. Accordingly Eden Park must seek to achieve the planning flexibility it will require in the long term under this process. Eden Park will seek to improve its operational flexibility for events and seek wider available uses for the No. 2 Ground.

Local Community

EPT continues to enjoy a strong relationship with the local community, managed through the regular meetings and communications of the Community Liaison Group. EPT would like to thank the local community for their ongoing input into Eden Park's operations.

During the course of the redevelopment of Eden Park, EPT established a strong relationship with the people of Ngati Whatua o Orakei. Among other things this culminated in the design and carving of the four magnificent tekoteko located in each corner of the ground. More recently, in November 2012, our connection was further enhanced when representatives of Ngati Whatua blessed the Number 2 Ground upon its completion.

The annual Open Day, in support of St John, continues to be a popular event. It offers a behind the scenes look at non-public areas such as team dressing rooms, coaches' boxes as well as activities hosted by various sporting codes. The generous support of the sports codes, including rugby, rugby league, cricket, soccer and the Breakers basketball team, is greatly appreciated.

EPT recently hosted a barbecue to thank our neighbours for their support during the year. The event was attended by more than 200 guests, who enjoyed refreshments and a special appearance by Santa. Eden Park's meeting and function rooms have also been made available to a wide range of community groups throughout the year.

Centennial Year

2013 has been celebrated as Eden Park's centennial year, marking the 100-year anniversary of the first public grandstand being erected at Eden Park, thereby creating a stadium on the site for the first time. Special events included marking the cricket test against England from 22nd March and the rugby test against France on 8th June as Centennial Tests. Both events included celebratory lunches hosted by special guests, including All Black captain Richie McCaw at the French test. NZRU permitted Eden Park to design a commemorative centennial jersey, worn by the All Blacks squad for their captain's run on the No. 1 Ground on the eve of the test match.

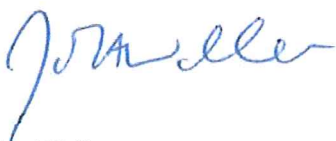
A new 100-person capacity lounge was created from four corporate boxes in the South Stand to enhance Eden Park's function capacity and has been named the Centenary Lounge.

Future of Eden Park

EPT is committed to providing a facility for the use and benefit of the people of the Auckland Region, in accordance with the objects of the Trust. EPT is also committed to preserving Eden Park's history. In 2012 a programme of events to raise funds for the gradual restoration of the Hall of Legends was initiated. These events included an inaugural fundraising lunch, hosted by political reporter Duncan Garner and Cabinet Minister, Paula Bennett. A similar event was held in 2013. Gross funds raised have reached over \$200k. The net funds are held separately for use towards the Hall of Legends project.

Conclusion

The quality of event delivery at Eden Park remains to be of the highest standard. Eden Park is well placed to deliver a broader range of events which will be necessary for its future success. EPT looks forward to working with all stakeholders to achieve greater utilisation of the Park with more activities and increased revenue. Finally, I would like to extend my sincere thanks to the staff and the Board for making 2013 another successful year for Eden Park.



John Waller
Chairman, The Eden Park Trust

KEY EVENTS

SPORTING FIXTURES

A summary of the major fixtures played on the Eden Park no. 1 ground during the year, the results and the estimated attendances are detailed as follows:

DATE	EVENT	RESULT	CROWD	
Rugby Fixtures 2013				
<i>International</i>				
8 June 2013 (Sat)	All Blacks v France	All Blacks	23 - 13	46,100
14 September 2013 (Sat)	All Blacks v South Africa	All Blacks	29 - 15	48,300
<i>Super Rugby</i>				
1 March 2013 (Fri)	Blues v Crusaders	Blues	34 - 15	26,700
10 March 2013 (Sun)	Blues v Bulls	Bulls	28 - 21	22,400
5 April 2013 (Fri)	Blues v Highlanders	Blues	29 - 18	14,500
13 April 2013 (Sat)	Blues v Hurricanes	Blues	28 - 6	23,400
11 May 2013 (Sat)	Blues v Rebels	Blues	36 - 32	14,500
25 May 2013 (Sat)	Blues v Brumbies	Brumbies	20 - 13	10,000
13 July 2013 (Sat)	Blues v Chiefs	Chiefs	26 - 16	25,100
<i>ITM Cup</i>				
18 August 2013 (Sun)	Auckland v North Harbour	Auckland	27 - 20	5,500
31 August 2013 (Sat)	Auckland v Bay of Plenty	Auckland	32 - 17	5,600
4 September 2013 (Wed)	Auckland v Counties Manukau	Auckland	22 - 20	2,500
19 September 2013 (Thurs)	Auckland v Northland	Auckland	41 - 10	2,700
28 September 2013 (Sat)	Auckland v Canterbury	Auckland	39 - 19	6,200
<i>Other Rugby</i>				
3 August 2013 2013 (Sat)	Auckland Rugby Club Finals Pakuranga v University	Pakuranga	55 - 12	4,000
24 August 2013 2013 (Sat)	Secondary Schools Rugby Final St Kentigern v Auckland Grammar School	St Kentigern	13 - 11	7,000
Total Attendance for Rugby Fixtures			264,500	
Cricket Fixtures 2012/13				
<i>International</i>				
9 February 2013 (Sat)	Blackcaps v England Twenty20	England	40 runs	23,800
23 February 2013 (Sat)	Blackcaps v England ODI	England	5 wickets	17,600
22 – 26 March 2013 (Fri – Tues)	Blackcaps v England test match	Draw	n/a	38,300
<i>HRV Cup</i>				
21 December 2013 (Fri)	HRV Aces v Canterbury Wizards	Aces	8 runs	5,300
28 December 2013 (Fri)	HRV Aces v Wellington Firebirds	Firebirds	10 runs	4,400
4 January 2013 (Fri)	HRV Aces v Otago Volts	Volts	5 wickets	6,800
Total Attendance for Cricket Fixtures			96,200	

(Continued on page 10).

(Continued from page 9)

Football Fixtures for 2012/13 Season

2 February 2013 (Sat)	Wellington Phoenix v Perth Glory	Phoenix	1 - 0	<u>10,600</u>
Total Attendance for Football Fixtures				<u>10,600</u>

Rugby League Fixtures for 2013 Season

16 March 2013 (Sat)	Vodafone Warriors v Sydney Roosters	Roosters	24 - 20	<u>30,300</u>
Total Attendance for Rugby League Fixtures				<u>30,300</u>

Total Attendance for All Fixtures				<u>401,600</u>
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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.

FINANCIAL STATEMENTS

The audited financial statements for The Eden Park Trust for the twelve months ended 31 October 2013 are presented on pages 12 to 36.



Level 4 balcony, South Stand

The Eden Park Trust

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 October 2013

	NOTE	2013 \$000	2012 \$000
Income			
Operating Income	2	11,976	11,604
Rugby World Cup Activities Income	15	4	88
Other Income		751	871
Total Operating Income	2	12,731	12,563
Expenses			
Operating Expenses	2	10,377	10,207
Rugby World Cup Activities Expenses	15	4	(71)
Other Expenses		147	141
Total Operating Expenses	2	10,528	10,277
Net Operating Profit		2,203	2,286
Plus/(Less):			
Interest Income		162	26
Interest Expense		(2,075)	(2,213)
Change in Fair Value of Investment Properties	7	265	375
Loss on Disposal of Investment Properties		-	(144)
Depreciation	6	(8,395)	(8,397)
Impairment Losses	6	(68)	(3)
Redevelopment Expenses		(56)	(393)
Net Loss before Taxation		(7,964)	(8,463)
Income Tax Expense	1(f)	-	-
NET LOSS FOR THE YEAR	2	(7,964)	(8,463)
Other Comprehensive Income			
Land Revaluation	6	750	500
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	2	(7,214)	(7,963)

The accompanying notes form part of these financial statements.

The Eden Park Trust

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 October 2013

	NOTE	Retained Earnings \$000	Deferred Maintenance Reserve \$000	Asset Revaluation Reserve \$000	TOTAL EQUITY \$000
Balance at 31 October 2011		235,476	207	13,581	249,264
Net Loss for the Year		(8,463)	-	-	(8,463)
Revaluation of Land	6	-	-	500	500
Transfer to Deferred Maintenance Reserve	11	(7)	7	-	-
Transfer from Deferred Maintenance Reserve	11	127	(127)	-	-
Balance at 31 October 2012		227,133	87	14,081	241,301
Net Loss for the Year		(7,964)	-	-	(7,964)
Revaluation of Land	6	-	-	750	750
Transfer to Deferred Maintenance Reserve	11	(3)	103	-	100
Balance at 31 October 2013		219,166	190	14,831	234,187

The accompanying notes form part of these financial statements.

The Eden Park Trust
STATEMENT OF FINANCIAL POSITION
As at 31 October 2013

	NOTE	2013 \$000	2012 \$000
CURRENT ASSETS			
Cash at Bank	4	4,799	5,318
Trade and Other Receivables	5	2,435	1,937
Short Term Investments	4	225	87
Inventory	6	64	85
Prepayments		-	56
		7,523	7,483
NON-CURRENT ASSETS			
Work in Progress: Stadium Developments	6	1,430	1,158
Property, Plant and Equipment	6	289,156	295,946
Investment Properties	7	2,760	6,750
		293,346	303,854
TOTAL ASSETS		300,869	311,337
CURRENT LIABILITIES			
Trade and Other Payables	8	2,088	2,420
Income in Advance		5,287	5,053
Short Term Loans	9	-	637
Financial Liabilities	10	79	83
		7,454	8,193
NON-CURRENT LIABILITIES			
Income in Advance		4,883	5,672
Long Term Loans	9	51,442	53,189
Advances	9,15	1,643	1,643
Financial Liabilities	10	1,260	1,339
		59,228	61,843
TOTAL LIABILITIES		66,682	70,036
EQUITY			
Asset Revaluation Reserve		14,831	14,081
Deferred Maintenance Reserve		190	87
Retained Earnings		219,166	227,133
TOTAL EQUITY		234,187	241,301
TOTAL LIABILITIES AND EQUITY		300,869	311,337

For and on behalf of The Eden Park Trust who approved these financial statements for issue on 21 January 2014:



John Waller
 Chairman, The Eden Park Trust



Morris Pita
 Trustee, The Eden Park Trust

The Eden Park Trust

STATEMENT OF CASH FLOWS

For the year ended 31 October 2013

	NOTE	2013 \$000	2012 \$000
Cash Flows from Operating Activities			
Operating Receipts		11,595	22,125
Interest Received		162	26
Payments to Suppliers and Employees		(11,111)	(15,126)
Interest Payments		(1,975)	(1,967)
NET CASH FLOW FROM OPERATING ACTIVITIES	14	(1,329)	5,058
Cash Flows from Investing Activities			
Sale of Investment Properties		4,255	1,528
Stadium Redevelopment		-	(1,158)
Purchase of Property, Plant and Equipment		(923)	(1,484)
NET CASH FLOW FROM INVESTING ACTIVITIES		3,332	(1,114)
Cash Flows from Financing Activities			
Drawdown/(Purchase) of Investments (Net)		(138)	149
Drawdown/(Repayment) of Loans (Net)		(2,384)	(355)
NET CASH FLOW FROM FINANCING ACTIVITIES		(2,522)	(206)
Net (Decrease)/Increase in Cash Held		(519)	3,738
Cash at Start of the Year		5,318	1,580
CASH AT END OF THE YEAR		4,799	5,318
REPRESENTED BY:			
Cash at Bank		4,799	5,318
CASH AT END OF THE YEAR		4,799	5,318

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

1. STATEMENT OF ACCOUNTING POLICIES

Statement of Compliance

The Eden Park Trust ("the Trust") is a New Zealand registered charitable trust under the Charities Act 2005 and is an issuer under the Financial Reporting Act 1993. 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 entity in accordance with the Public Audit Act 2001.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"), and the requirements of the Financial Reporting Act 1993. The financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The financial statements also comply with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

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

Basis of Preparation

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The Trust has adopted accounting requirements for Public Benefit Entities.

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 financial statements are presented in accordance with NZ IAS 1 *Presentation of Financial Statements*. The Trust has elected to present the Statement of Comprehensive Income in one statement.

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

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.

Business Sections

Sections are reported in line with the organisational structure and take into account the nature of activities undertaken. Previously activities have been disclosed separately for Operational Activity and Redevelopment Activity. Due to the completion of redevelopment activities separate disclosure is no longer appropriate. Operational activities are defined as follows:

Operational Activity

The Operational Activity encompasses activity arising from the provision of Eden Park's facilities primarily as a sporting venue and function facility.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

Critical Judgments in Applying Accounting Policies

In the application of NZ IFRS, 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 periods.

Critical judgments made by the Trustees primarily relate to the valuation of Investment Properties and the land. 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 NZ IFRS 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 financial year.

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 6.

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.

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 12.

Loans and Advances

The advances from Auckland Rugby Union Incorporated and Auckland Cricket Association have no fixed redemption date. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

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. The following specific recognition criteria apply to the following revenue streams:

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 recognised in line with the benefits delivered, and a liability (Income in Advance) is reported for the unfulfilled portion of the licence.

Sports Events, Functions and Sponsorship Income

Sports events and functions income is recognised in the year 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.

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 year in which they become receivable.

Investment Properties

Rental income from investment properties is recognised in the year 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 Income 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

(f) **Taxation**

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.

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 profit or loss, 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 12.

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

Financial Assets

For the purpose of subsequent measurement, 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 profit or loss;
- 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 profit or loss or in other comprehensive income.

All financial assets except for those at fair value through profit or loss 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, trade and other receivables, related party receivables and amounts due from related parties fall into this category of financial instruments.

The Trust does not currently have any financial assets designated into the following categories:

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

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 profit or loss, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

The Trust's financial liabilities include loans and borrowings, trade and other payables, related party payables and amounts due to related parties.

The Trust's financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognised in profit or loss include interest rate swaps, if applicable.

The Trust does not currently have any financial liabilities designated into the following category:

- Derivative financial instruments.

(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 the Statement of Comprehensive Income.

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 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 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 in the Statement of Comprehensive Income and is calculated as the difference between the income from the sale and the carrying value of the item.

Land is revalued at each reporting date by an independent valuer with any gain or loss recognised in Other Comprehensive Income and credited to the Asset Revaluation Reserve in Equity.

Depreciation is provided on a straight line basis on all property, plant and equipment 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 in use.

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

Land	No depreciation
Buildings and Other Improvements	3 to 33 years
Plant and Equipment - Owned	1 to 50 years
Plant and Equipment - Leased	2 to 7 years
Furniture and Fittings	6 to 13 years
Work In Progress - Buildings and Other Improvements	No depreciation

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

(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 assets 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 the Statement of Comprehensive Income.

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, annual leave and long service 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 Cash Flows**

The Statement of Cash Flows has been prepared using the direct approach. The following are the definitions used in the Statement of Cash Flows:

Cash at Bank - comprises cash on hand and demand deposits that are highly liquid, are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Operating Activities - are the principal revenue producing activities of the entity and other activities that are not investing or financing activities.

Investing Activities - are the acquisition and disposal of long term assets and other investments not included in cash at bank.

Financing Activities - are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Cash and Cash Equivalents - are short term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

(n) **Changes in Accounting Policies**

The accounting policies adopted are consistent with those of the previous financial year.

(o) **Financial reporting developments for Not-for-Profit Entities**

The External Reporting Board (XRB) is currently introducing a revised Accounting Standards Framework.

The revised Framework is based on a multi-sector, multi-tiered reporting approach and is being rolled-out progressively during the next three financial years.

The new Accounting Standards Framework is being implemented in three stages:

Stage 1 (mainly involving changes to the accounting standards for for-profit entities) is effective for periods beginning on or after 1 December 2012.

Stage 2 (mainly involving changes to the accounting standards for public sector public benefit entities) is effective for periods beginning on or after 1 July 2014.

Stage 3 (mainly involving changes to the accounting standards for private not-for-profit public benefit entities) is expected to be effective for periods beginning on or after 1 April 2015.

The revised framework will see the introduction of accounting standards for Public Benefit Entities (PBEs) based on International Public Sector Accounting Standards (IPSAS) that have been modified, as appropriate, for New Zealand circumstances.

The Financial Reporting Act 2013 has resulted in the XRB revising its Accounting Standards Framework. Until 1 April 2014 the financial reporting requirements for PBEs have been frozen in the short-term by the XRB. This means that all NZ IFRS with a mandatory effective date for annual reporting commencing on or after 1 January 2012 are not applicable to all public benefit entities. Accordingly no disclosure has been made about new or amended NZ IFRS has been made because all PBEs have been removed from having to follow this financial reporting requirement.

The financial reporting requirements for the year ended 31 October 2013 remain the same as for the year ended 31 October 2012 and will have no impact on The Eden Park Trust.

Under the revised Framework the Trustees have assessed The Eden Park Trust will be a public sector public benefit entity. The Trustees will be required to change the basis of accounting from NZ IFRS to New Zealand equivalents to International Public Sector Accounting Standards (NZ IPSAS). The impact of these changes has still to be fully evaluated by the Trustees, but preliminary work undertaken so far does not indicate that significant changes to financial statements as current presented will be required.

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

2. PROFIT/(LOSS) FROM OPERATIONS

	NOTE	2013 \$000	2012 \$000
Income			
<i>Operating Income consists of the following:</i>			
Sports Events Income		5,010	4,703
Membership Income		6,238	6,116
Functions Income		728	785
Operating Income		11,976	11,604
Income from Grants		525	532
Investment Properties Rental Income		141	309
Other Operational Income		85	30
Income from Rugby World Cup Activities	15	4	88
Total Operating Income		12,731	12,563
<i>Interest Income</i>			
Investments		162	26
		162	26
<i>Change in Fair Value of Investments</i>			
Revaluation of Investment Properties	7	265	375
		265	375
Total Income		13,158	12,964
Expenditure			
<i>Operating Expenses consists of the following:</i>			
Sports Events Expenses		5,704	5,148
Membership Contributions to Sports Bodies	15	1,643	1,745
Functions and Membership Expenses		529	556
Personnel Expenses		2,501	2,758
Operating Expenses		10,377	10,207
Investment Property Expenses		147	105
Other Operational Expenses		-	36
Expenditure from Rugby World Cup Activities	15	4	(71)
Total Operating Expenses		10,528	10,277
<i>Interest Expenses</i>			
Bank Interest		1,856	1,984
Other Interest		219	229
		2,075	2,213
<i>Redevelopment Expenses</i>			
Redevelopment Expenses		56	393
		56	393
<i>Other Expenses</i>			
Loss on Disposal of Investment Properties		-	144
		-	144
<i>Change in Fair Value of Assets and Liabilities</i>			
Impairment of Property, Plant and Equipment	6	68	3
Depreciation of Property, Plant and Equipment	6	8,395	8,397
		8,463	8,400
Total Expenses		21,122	21,427
Net Profit/(Loss) for the Year		(7,964)	(8,463)
<i>Other Comprehensive Income</i>			
Land Revaluation	6	750	500
Total Comprehensive Income/(Loss) for the Year		(7,214)	(7,963)

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

3. REMUNERATION OF AUDITORS

	2013 \$000	2012 \$000
Audit of the Financial Statements	41	43
Total Remuneration of Auditors	41	43

4. CASH AND INVESTMENTS

	2013 \$000	2012 \$000
Current Portion		
Cash on Call	4,799	5,318
Short Term Investments	225	87
Total Cash and Investments	5,024	5,405

The effective interest rate of call deposits was 3.06% (2012: 3.09%). The deposits had an average of four days to maturity at year end (2012: 11 days).

5. TRADE AND OTHER RECEIVABLES

	2013 \$000	2012 \$000
Trade Receivables	2,435	2,037
Valuation Allowance relating to Trade Receivables	-	(100)
Total Trade and Other Receivables	2,435	1,937

Trade and other receivables includes nil (2012: nil) of GST receivable. The balance is primarily made up of Eden Park membership scheme income.

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

6. PROPERTY, PLANT AND EQUIPMENT

	Land \$000	Buildings and Other Improvements \$000	Plant and Equipment \$000	Leased Plant and Equipment \$000	Furniture and Fittings \$000	TOTAL \$000
Cost/Revaluation						
Balance at 1 November 2011	18,500	306,077	7,500	28	371	332,476
Revaluations	500	-	-	-	-	500
Additions	-	1,237	139	104	4	1,484
Transfers	-	-	-	-	-	-
Disposals	-	(13)	(887)	-	-	(900)
Balance at 31 October 2012	19,000	307,301	6,752	132	375	333,560
Revaluations	750	-	-	-	-	750
Additions	-	404	519	-	-	923
Transfers	-	-	-	-	-	-
Disposals	-	(92)	(37)	-	-	(129)
Balance at 31 October 2013	19,750	307,613	7,234	132	375	335,104
Accumulated Depreciation						
Balance at 1 November 2011	-	23,946	5,959	17	192	30,114
Impairment Loss	-	1	2	-	-	3
Transfers	-	-	-	-	-	-
Depreciation Expense	-	7,896	407	52	42	8,397
Disposals	-	(13)	(887)	-	-	(900)
Balance at 31 October 2012	-	31,830	5,481	69	234	37,614
Impairment Loss	-	26	42	-	-	68
Transfers	-	-	-	-	-	-
Depreciation Expense	-	7,938	362	53	42	8,395
Disposals	-	(92)	(37)	-	-	(129)
Balance at 31 October 2013	-	39,702	5,848	122	276	45,948
Net Carrying Value						
Balance at 31 October 2012	19,000	275,471	1,271	63	141	295,946
Balance at 31 October 2013	19,750	267,911	1,386	10	99	289,156

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Allocation of Property, Plant and Equipment

The total of \$289,156,000 (2012: \$295,946,000) is categorised as non-current assets.

Land

Land was revalued to the net current value at 31 October 2013 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 the carrying value of the land increasing by \$750,000 (2012: valuation increased by \$500,000) to a carrying value of \$19,750,000 (2012: carrying value \$19,000,000). 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 dated 2 September 2011 by Beca Valuations Limited, an independent registered valuer, for insurance purposes, the buildings and improvements had a replacement value of \$361,103,000 which after accumulated depreciation resulted in a depreciated replacement value of \$337,157,000 compared to the carrying value of these assets of \$282,131,000 at 31 October 2011. No revaluation was carried out in the current year because no material change to the value of Buildings and Improvements is anticipated since the completion of the redevelopment for the Rugby World Cup, in the year ended 31 October 2011.

Impairment Assessment

The annual review of Property Plant and Equipment by management on 31 October 2013 identified several items thought to be beyond their useful life. These were written down to reflect their remaining useful life. Accordingly Property, Plant and Equipment were written down by \$68,000 (2012: \$3,000) to the carrying value of \$289,156,000 (2012: \$295,946,000).

Work in Progress

	2013	2012
	\$000	\$000
Stock in Trade	64	85
Work in Progress	1,430	1,158
Carrying Value at End of the Year	1,494	1,243

During the year \$272,000 (2012: \$1,158,000) was capitalised for Work in Progress in relation to the construction of the acoustic screen, resulting in a carrying value of \$1,430,000 (2012:\$1,158,000). Included in Work in Progress were borrowing costs capitalised during the year ended 31 October 2013 of \$ nil (2012: \$22,000). This represents the portion of the funding facility utilised in association with the acoustic screen during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

7. INVESTMENT PROPERTIES

	2013	2012
	\$000	\$000
Carrying Value at Beginning of the Year	6,750	8,005
Disposals	(4,255)	(1,630)
Revaluation of Investment Properties	265	375
Carrying Value at End of the Year	2,760	6,750

During the year properties at 6, 8, 10, 12 & 14 Cricket Ave were sold for \$815,000 ; \$815,000; \$855,000; \$920,000 and \$849,500 respectively. The sales were the last of seven proposed sales and arose due to the Trust no longer requiring the properties in that location for potential redevelopment of the stadium. In the previous year properties at 16 Cricket Ave and 16 Raleigh St were sold for \$900,000 and \$730,000 respectively.

Investment Properties were revalued to the net current value at 31 October 2013 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 remaining properties of \$265,000 (2012: increase of \$375,000). Overall, the carrying value of the Investment Properties (after transfers, purchases, disposals and revaluations) decreased by \$3,990,000 (2012: decreased by \$1,255,000). Investment Properties are valued at \$2,760,000 (2012: \$6,750,000).

8. TRADE AND OTHER PAYABLES

	2013	2012
	\$000	\$000
Current Portion		
Trade Payables and Accruals	1,783	2,063
Employee Benefits	305	357
Total Trade and Other Payables	2,088	2,420

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

9. LOANS AND ADVANCES

	2013 \$000	2012 \$000
Loans:		
Secured Bank Loans	44,850	47,204
Secured Other Loans	6,545	6,575
Unsecured Loans	47	47
	51,442	53,826
Advances:		
Auckland Rugby Union Incorporated Advance	1,043	1,043
Auckland Cricket Association Advance	600	600
	1,643	1,643
Total Loans and Advances	53,085	55,469
Current	-	637
Non Current	53,085	54,831
Total Loans and Advances	53,085	55,469

The Secured Bank Loans of \$44,850,000 (2012: \$47,204,000) are between ASB Bank Limited and the Trust. \$40,000,000 (2012: \$38,150,000) 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 4.07% and 4.61% (2012: between 3.97% and 5.75%) with no fixed repayment date (2012: between five days and no fixed repayment date). In addition to the reported loans, the Trust has an overdraft facility of \$500,000 (2012: an overdraft facility of \$100,000) 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 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 (2012: \$6,575,000) is between Auckland City Council and the Trust (2012: Auckland City Council, Telecom 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 3.14% (2012: between 3.14% and 10%) and has no fixed repayment date (2012: between 0 to 1 year and no fixed repayment date).

The Unsecured Loan of \$47,000 (2012: \$47,000) is between the Auckland Rugby Union Incorporated and the Trust. The current interest rate is 0% (2012: 0%) with no fixed repayment date (2012: 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 (2012: \$1,043,000 and \$600,000 respectively) are documented in Deeds of Covenant and are not secured. The current interest rate is 0% (2012: 0%) and they have no fixed repayment date. Please also see the Key Sources of Estimation Uncertainty as disclosed in Note 1.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

10. 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 fulfillment 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 2013 is \$1,339,000 (2012: liability of \$1,422,000). The liability is discounted to fair value and represents the likely outflow of economic resources. The liability is split between current \$79,000 (2012: \$83,000) and non-current liabilities \$1,260,000 (2012: \$1,339,000).

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.

11. EQUITY

The Trust allocated \$103,000 (2012: allocation of \$7,000) to the Deferred Maintenance Reserve during the year. The trust utilised \$ nil (2012: \$127,000) from the Deferred Maintenance Reserve for scheduled and urgent works to the existing stadium facilities. This brings the total funds in the Deferred Maintenance Reserve to \$190,000 (2012: \$87,000). These funds are held in a separate bank account and are retained to meet unforeseen important facility costs, at the discretion of the Trustees.

12. 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 2013, the interest free advances from Auckland Cricket Association and Auckland Rugby Union have a carrying value of \$1,643,000 (2012: \$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 2013, is an interest free loan from Auckland Rugby Union Incorporated that had a carrying value of \$47,000 (2012: \$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

No derivative financial instruments were used by the Trust during the year ended 31 October 2013 (2012: nil).

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

13. FINANCIAL INSTRUMENT RISKS

Credit Risk

Credit risk refers to the risk that a counterparty will default on its commercial obligations, resulting in a financial loss to the Trust. Financial instruments which potentially subject the Trust to credit risk consist primarily of Cash at Bank, Trade Receivables and Investments. The Trust has a credit policy which is used to manage its exposure to credit risk. Reputable financial institutions are used for bank transactional purposes. The maximum credit risk is the carrying value of these assets.

Cash at Bank, Trade Receivables and Investments are not secured or impaired.

Interest Rate Risk

Interest Rate Risk is the risk that the value of the Trust's assets will fluctuate due to changes in market interest rates. The entity is exposed to interest rate risk primarily through its Investments and Loans. The Loans have varied long term interest rate arrangements and terms to mitigate the risk.

Interest Rate Sensitivity

Sensitivity has been determined based on the exposure to interest rates for financial instruments at reporting date. For floating rate liabilities, the estimate assumes the amount of liability outstanding at year end date was outstanding for the whole year. A change in interest rates of +1% represents the Trust's assessment of the reasonably possible change in interest rates. This is equivalent to an increase in loss and decrease in equity of \$464,000.

Interest Rate Profile

	Weighted Average Effective Interest Rate	Variable Interest Rate	Repricing Dates				TOTAL
			Less Than 1 Year	1-2 Years	3-5 Years	5+ Years	
	%	\$000	\$000	\$000	\$000	\$000	\$000
31 October 2013							
Financial Assets							
<i>Non-interest bearing</i>							
Trade and Other Receivables		-	2,435	-	-	-	2,435
<i>Interest Bearing</i>							
Cash at Bank	3.0%	839	3,960	-	-	-	4,799
Investments	3.8%	-	225	-	-	-	225
Total Financial Assets		839	6,620	-	-	-	7,459
Financial Liabilities							
<i>Non-interest bearing</i>							
Trade and Other Payables		-	2,088	-	-	-	2,088
Loans		-	-	-	-	47	47
Advances		-	-	-	-	1,643	1,643
<i>Interest Bearing</i>							
Loans	4.1%	-	51,395	-	-	-	51,395
Total Financial Liabilities		-	53,483	-	-	1,690	55,173

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

13. FINANCIAL INSTRUMENT RISKS (Continued)

	Weighted Average Effective Interest Rate %	Variable Interest Rate \$000	Repricing Dates				TOTAL \$000
			Less Than 1 Year \$000	1-2 Years \$000	3-5 Years \$000	5+ Years \$000	
31 October 2012							
Financial Assets							
<i>Non-interest bearing</i>							
Trade and Other Receivables		-	1,937	-	-	-	1,937
<i>Interest Bearing</i>							
Cash at Bank	3.1%	5,318	-	-	-	-	5,318
Investments	3.3%	-	87	-	-	-	87
Total Financial Assets		5,318	2,024	-	-	-	7,342
Financial Liabilities							
<i>Non-interest bearing</i>							
Trade and Other Payables		-	2,420	-	-	-	2,420
Loans		-	-	-	-	47	47
Advances		-	-	-	-	1,643	1,643
<i>Interest Bearing</i>							
Loans	4.0%	-	53,749	-	-	-	53,749
Finance Leases	10.0%	-	30	-	-	-	30
Total Financial Liabilities		-	56,199	-	-	1,690	57,889

Liquidity Risk

Liquidity risk is the risk arising from the Trust not being able to meet its obligations.

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the Trust's short, medium and long term funding and liquidity management requirements. The Trust manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Trust's objective is to maintain a balance between continuity of funding and flexibility through the use of the revolving credit facilities. At present a \$500,000 (2012: \$100,000) overdraft facility is also available for short term liquidity needs if the Trust requires it.

Capital Management

The Trust's Capital encompasses the Retained Earnings, Deferred Maintenance Reserve and Asset Revaluation Reserve. The Trust's Capital is calculated as follows:

	2013 \$000	2012 \$000
Equity as per the Statement of Financial Position	234,187	241,301
Total Capital as managed by the Trustees	234,187	241,301
Capital to Total Asset Ratio	78%	78%

The Trust's capital management objective is to maintain a strong capital base, to sustain future development and maintain market confidence. The Trust has adopted a prudent approach towards obtaining debt and maintains a strong capital to asset ratio. The Trust may obtain additional debt to fund future developments, while ensuring the retention of a strong capital base and capital to asset ratio.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

13. FINANCIAL INSTRUMENT RISKS (Continued)**Liquidity Profile**

The following table details the Trust's exposure to Liquidity risk. The table is based on expected repayment dates. Gross Contractual Value includes interest to maturity. Carrying Value is the face value of the assets and liabilities at reporting date.

	Maturity Dates						Gross Contractual Value	Carrying Value
	Less than 1 year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5+ Years		
31 October 2013	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets								
Cash at Bank	4,799	-	-	-	-	-	4,799	4,799
Trade and Other Receivables	2,435	-	-	-	-	-	2,435	2,435
Investments	225	-	-	-	-	-	225	225
Total Financial Assets	7,459	-	-	-	-	-	7,459	7,459
Financial Liabilities								
Trade and Other Payables	2,088	-	-	-	-	-	2,088	2,088
Loans	2,093	2,093	4,218	4,136	4,055	82,501	99,097	51,442
Advances	-	-	-	-	-	1,643	1,643	1,643
Total Financial Liabilities	4,181	2,093	4,218	4,136	4,055	84,144	102,828	55,173

	Maturity Dates						Gross Contractual Value	Carrying Value
	Less than 1 year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5+ Years		
31 October 2012	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Financial Assets								
Cash at Bank	5,319	-	-	-	-	-	5,319	5,318
Trade and Other Receivables	1,937	-	-	-	-	-	1,937	1,937
Investments	88	-	-	-	-	-	88	87
Total Financial Assets	7,344	-	-	-	-	-	7,344	7,342
Financial Liabilities								
Trade and Other Payables	2,420	-	-	-	-	-	2,420	2,420
Loans	2,762	2,569	2,717	4,818	4,719	75,178	92,763	53,796
Advances	-	-	-	-	-	1,643	1,643	1,643
Finance Leases	31	-	-	-	-	-	31	30
Total Financial Liabilities	5,213	2,569	2,717	4,818	4,719	76,821	96,857	57,889

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

14. RECONCILIATION OF NET PROFIT/(LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES

	2013	2012
	\$000	\$000
Net Profit/(Loss)	(7,964)	(8,463)
Items Classified as Investing/Financing Activities		
Add Non-Cash Items		
Depreciation	8,395	8,397
Change in Fair Value of Investment Properties	(265)	(375)
Loss on Disposal of Investment Properties	-	102
Impairment of Property, Plant and Equipment	68	3
	8,198	8,127
Movement in Working Capital		
Decrease/(Increase) in Trade Receivables	(498)	6,048
Increase/(Decrease) in Trade Payables	(586)	(4,736)
Increase/(Decrease) in Income in Advance	(556)	3,986
(Increase)/Decrease in Prepayments	56	75
(Increase)/Decrease in Inventory	21	21
	(1,563)	5,394
Net Cash Flows from Operating Activities	(1,329)	5,058

15. RELATED PARTIES

Auckland Cricket Association and Auckland Rugby Union Incorporated

Until 20 September 2009, Auckland Cricket Association and Auckland Rugby Union Incorporated received beneficial enjoyment of the Trust property. From 21 September 2009, Auckland Cricket Association and Auckland Rugby Union Incorporated 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 year (2012: nil).

The following key transactions were undertaken with Auckland Cricket Association and Auckland Rugby Union Incorporated:

	2013	2012
	\$000	\$000
Income - Venue Facilities and Services:		
Auckland Cricket Association	405	341
Auckland Rugby Union Incorporated	1,096	1,037
Expenses - Match Ticket and Membership Costs:		
Auckland Cricket Association	(508)	(574)
Auckland Rugby Union Incorporated	(1,135)	(1,171)
Net Income/(Expense)	(142)	(367)

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

15. RELATED PARTIES (Continued)

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

	2013	2012
	\$000	\$000
Accounts Receivable:		
Auckland Cricket Association	4	3
Auckland Rugby Union Incorporated	37	38
Accounts Payable:		
Auckland Cricket Association	(63)	(1)
Loans:		
Auckland Rugby Union Incorporated	(47)	(47)
Advances:		
Auckland Cricket Association	(600)	(600)
Auckland Rugby Union Incorporated	(1,043)	(1,043)
Net Asset/(Liability)	(1,712)	(1,650)

Details of the terms and conditions of the related party Loans and Advances are outlined in Note 9.

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.

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 \$104,000 (2012: \$118,000). 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.

Rugby Sales (LP) Joint Venture

The principal activity of the Joint Venture with the Auckland Rugby Union and Experience Group Limited, known as Rugby Sales (LP), was to act as an agent for the sale of ticket and accommodation packages for the Rugby World Cup 2011. Rugby World Cup related income of \$4,000 (2012: \$88,000) included \$4,000 (2012: \$78,000) in distributions from surplus from the Joint Venture. Rugby World Cup related costs recovered were \$ nil (2012: \$71,000 expense).

The joint venture ceased trading on the completion of the agency sales for the Rugby World Cup 2011 and has been wound up.

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

Key Management Personnel Compensation

	2013 \$000	2012 \$000
Short Term Employee Benefits	1,395	1,535
Total Key Management Compensation	1,395	1,535

16. LEASE COMMITMENTS

Finance Lease Commitments

	2013 \$000	2012 \$000
Less than one year	-	30
1 to 2 Years	-	-
2 to 5 Years	-	-
Greater than 5 Years	-	-
Finance Lease Commitments	-	30

Finance leases, as outlined in Note 6, are secured over the leased plant and equipment. The future minimum lease payments are materially equal to the net present value of future lease payments.

Operating Lease Commitments

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

	2013 \$000	2012 \$000
Current (within 1 year)	82	82
1 to 2 Years	63	82
2 to 5 Years	83	152
Greater than 5 Years	-	-
Operating Lease Commitments	228	316

The Operating lease commitments impose no significant restrictions or obligations on the Trust. The rights of renewal are between 0 and 5 years (2012: between 0 and 5 years).

The total operating lease expense for the year was \$89,000 (2012: \$87,000).

17. CAPITAL COMMITMENTS

In accordance with requirements of the redevelopment of Eden Park, an acoustic screen is to be constructed behind the East Stand. The Trust has paid \$272,000 (2012: \$1,512,000) towards the construction of the acoustic screen during the year ended 31 October 2013. An estimated \$1.8m more is required to complete the project, including \$1.5m contracted for and an estimated \$300k for work not contracted for.

The Eden Park Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 October 2013

18. CONTINGENT LIABILITIES

As at 31 October 2013, there are no contingent liabilities (2012: nil).

19. PROVISIONS

Provisions held by the Trust can be summarised as follows:

	2013	2012
	\$000	\$000
Carrying Value at Beginning of the Year	-	115
Reductions	-	(115)
Carrying Value at End of the Year	-	-

20. GOING CONCERN

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 its commitments as they fall due for the foreseeable future and established external funding lines were renewed in 2012 through to 30 November 2015.

21. SUBSEQUENT EVENTS

No events have occurred subsequent to balance date that would materially impact the financial statements as at 31 October 2013.



Independent Auditor's Report

Audit

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To the Readers of The Eden Park Trust's Financial Statements for the Year Ended 31 October 2013

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 her behalf.

We have audited the financial statements of the Trust on pages 12 to 36, that comprise the statement of financial position as at 31 October 2013, the statement of comprehensive income, statement of changes in equity 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.

Opinion

In our opinion the financial statements of the Trust on pages 12 to 36:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Trust's:
 - financial position as at 31 October 2013; and
 - financial performance and cash flows for the year ended on that date.

Our audit was completed on 21 January 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Trust's financial statements that fairly reflect the matters to which they relate. We consider internal control 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.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Trustees;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also we did not evaluate the security and controls over the electronic publication of the financial statements.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Trustees

The Trustees are responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Trust's financial position, financial performance and cash flows.

The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Trustees are also responsible for the publication of the financial statements, whether in printed or electronic form.

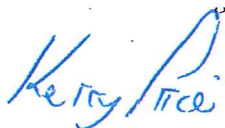
Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Trust.



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

DIRECTORY OF BOARD MEMBERS

Eden Park Trust Board Members

Mr John A Waller (Chairman)
Ms Michelle A Boag
Mr Derek J Dallow
Mr Morris C Pita
Mr Grant D Carruthers
Mr Ken Baguley
Mr Rex F Smith
Mr Paul Lucas

Appointed By

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

Finance and Audit Committee

Mr Morris C Pita (Chairman)
Mr Ken Baguley
Mr Paul Lucas

BOARD MEMBER BIOGRAPHIES

John Waller

John Waller is Chairman of The Eden Park Trust. He was originally appointed in 2007 to the Eden Park Redevelopment Board to oversee the redevelopment project for Rugby World Cup 2011. Mr Waller is Chairman of the Bank of New Zealand and an independent director of a number of large companies, including Fonterra Co-operative Group, National Australia Bank and Sky Television Network.

Ken Baguley

Ken Baguley is a qualified Chartered Accountant with 40 years' experience in Chartered Accountancy, specialising in IT services. Ken was Chairman of Auckland Rugby from 2001 to 2010. He was an Auckland City Councillor and Chairman of Transport Committee from 2007 to 2010. He is currently an Orakei Local Board Member – Auckland Council. He is also a Trustee of The Halberg Trust and Auckland Rescue Helicopter Trust. Ken holds RMA Making Good Decisions certification, valid until June 2014.

Michelle Boag

Michelle Boag has 30 years' experience in government, consultancy and corporate public relations and is currently a principal of Boag Allan SvG, a Strategic Communications Consultancy. She has an extensive background in the not-for-profit sector, including as a current Trustee of the Auckland Rescue Helicopter Trust and as a former President of Variety Club New Zealand. She has previously served on the boards of the Auckland Cricket Association, Manu Samoa Rugby Limited, the Mt Smart Advisory Board, Television New Zealand and the Auckland Surf Lifesaving Association.

Grant Carruthers

Grant Carruthers has been self employed as a company director since 2005 and is currently a director of a number of private companies. He was previously employed in the forest industry for many years, both

within his own company and in senior roles with major companies, Carter Holt Harvey and NZ Forest Products. He was also a Director of Auckland Rugby from 2001 to 2012 and was previously on the Eden Park Board of Control.

Derek Dallow

Derek Dallow retired in 2012 as a solicitor, with over 30 years' experience and as a Partner at Davenports Harbour Lawyers in Auckland. Mr Dallow has extensive experience in the practice of business, property and sports law. During 2013 he retired as a Director of Regional Facilities Auckland, an Auckland Council CCO which oversees arts, culture and heritage, leisure, sport, and entertainment venues. He has consulted to several stadium and trust boards on commercial arrangements, funding options and sponsorship agreements, and is trustee of over 600 trusts in his personal and professional capacity. Mr Dallow recently qualified as a teacher from Massey University.

Paul Lucas

From an initial accounting background, Paul has accumulated in excess of 35 years' business experience. He was the founder of the EDL Group of Companies, comprising a branch network throughout Australia and NZ. Having sold the businesses, Mr Lucas has for the last eight years been a company director, business consultant and investor in a range of private companies. Mr Lucas has previously served on the board of the Auckland Cricket Association, 1996 – 2000 and in 2008 was co-opted back to the board, serving currently as Deputy Chairman and a member of the finance committee. He is also Chairman of the Auckland Cricket Development Foundation.

Morris Pita

Morris Pita has worked in New Zealand and in the United Kingdom in a range of commercial, strategic and project management roles for Mighty River Power, BG Group and Ernst & Young. Mr Pita has an MBA from the University of Oxford, in addition to a Master of Laws and a Bachelor of Arts from the University of Auckland. He operates a boutique consultancy business, Shea Pita & Associates, advising organisations working in Maori economic development, particularly in the energy sector. He is also a member of the Auckland and Waitemata District Health Boards.

Rex Smith

Rex Smith has more than 40 years' experience in property negotiation specialising in the central and local government sectors. He currently operates his own property consultancy business. Mr Smith holds a post graduate degree in Political Studies from the University of Auckland. A former member of the Eden Park Board of Control, he is the current Chairman of the Auckland Cricket Association.