

**MITRE 10 PARK**  
**HAWKE'S BAY**

**Hawkes Bay Regional Sports Park Trust**  
**Trading as Mitre 10 Park**

**Annual Report**

**30 June 2020**

Trustees:	Tania Kerr Mark Aspden Graeme Taylor Alwyn Corban Henry Heke
Chief Executive Officer	Jock Mackintosh
Postal Address:	P O Box 528 Hastings
Street Address:	Percival Road Hastings
Bankers:	Westpac, Napier
Solicitors:	Bannister and von Dadelszen
Auditors:	Audit New Zealand On behalf of The Auditor-General

# Mitre 10 Park

## Entity Information for the year ended 30 June 2020

### **Legal name**

Hawke's Bay Regional Sports Park Trust ("The Trust").

### **Type of entity and legal basis**

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957.

### **The Trust's purpose or mission**

To create an environment that drives outstanding performances from our sportspeople and contributes strongly to the wellbeing of the people of Hawke's Bay. The charitable purposes of the Trust as set out in the Trust Deed specifically identify the following:

- a) Establish, promote, and administer a regional sports and recreation park in Hastings (the "Regional Sports Park") and to develop and to maintain its land and facilities,
- b) Encourage the use of the Regional Sports Park by the public in general, through recreation or other leisure-time activities, in order to improve public health, fitness and well-being.
- c) By promoting use of the Regional Sports Park to enhance economic growth, employment, and development opportunities in the Hawke's Bay Region, and
- d) Provide facilities for organised and informal sporting and recreational activities.

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

The Trust comprises a Board of five Trustees who oversee the governance of the Trust, a Chief Executive who is responsible for the day-to-day operations of the Trust and reporting to the Trustees. Hastings District Council staff provide support to the Chief Executive in delivering against the Trust's objectives. The Trustees are appointed by the Regional Sports Park Trust Appointments Panel.

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

Operating grants received from the Hastings District Council and sponsorship revenue are the primary sources of funding to the Trust.

## Report from the Chairman and CEO

Mitre 10 Park continues to evolve both in terms of its operations and development. From an operational perspective it achieved another solid financial surplus and is in a good position to meet major, planned, asset replacement expenditure that will be required in the next few years. Meanwhile development is continuing at pace and reflects increasing interest in the package of sport facilities that are available here.

Covid 19 did impact our operations and while the future remains uncertain, the effect to date has been manageable when compared to budget revenue 2019/20. We took a \$30,000 revenue hit (which was partially offset by post balance date resilience funding from Sport NZ) and our user numbers were down by 70,000.

Long standing Trustees Rex Graham and Ngahiwi Tomoana retired during the year. Rex has been with the Trust since day one and has witnessed the Park evolve from a green paddock to the multi-million dollar asset it is today. More importantly, as Chair for the last four years, he has overseen a period of improving financial stability, not an easy task when running a cost hungry, predominantly outdoor venue. Ngahiwi meanwhile has overseen a greater integration with Maori interests and been instrumental in bringing Te Matatini to the Park - easily the largest and most successful event we have hosted. Ngahiwi was also the driving force behind our largest annual event - the Waitangi Day celebrations.

### **Future developments complement existing facilities**

Completion of the \$660,000 outdoor aquatic centre, in February of this year was a development highlight. While this facility has been many years in the making, the actual construction time was under four months. This development timeframe is a reflection of the enthusiasm and effort of Canoe Polo Hawke's Bay. The club literally rolled up its sleeves contributing volunteer time and cash support. Canoe Polo Hawke's Bay is most deserving of its "club of the year" award at the Hawke's Bay Sports Awards.

While canoe polo is the main user of the aquatic centre, it will also be used for mini triathlons, including the Weet Bix Tri in February and we are in negotiation with Wakaama Kahungunu with a view to it becoming a waka training venue.

The facility has had high use from day one. In fact, it hosted its first major tournament the day after its official opening. In the six months following, it has hosted multiple regional and national events and training camps. It is easily New Zealand's best venue and we expect tournament hosting requests to increase. We also expect the sport to grow strongly as it becomes exposed to our 300,000 annual users.

Installation of additional lighting to the netball courts and sports fields is now in process. This \$300,000 project provides lighting to an additional 6 courts and one and a half sports fields accommodating increasing user numbers.

The next major development is a community cricket and sports centre. This is a large 1,500 square metre building that will accommodate indoor cricket training facilities and will provide a permanent

training venue for Giants Boxing. Central District Cricket will be an “anchor tenant” for the cricket facility alongside school, club and community users. The facility is endorsed by NZ Cricket and we expect it to be a North Island training venue.

Giants Boxing will continue its work with Hawkes Bay Youth, using boxing as a platform “to instil discipline and provide a structure of Olympic style boxing to teach young men and women how to be fit, well-mannered and active members of our community.”

The Community Fitness Centre Trust, managers of the EIT Institute of Sport & Health, celebrated the first anniversary of its new building in July 2020. This Trust has exciting and substantial development plans of its own. In particular it has been successful in accessing multi-million dollar funding for an indoor aquatic centre and 60 bed accommodation hostel. The aquatic centre in particular, is a major milestone for the Park and indeed the whole region. Hawke’s Bay has coveted a 50m pool for many years and this is going to be achieved through the fundraising efforts of Sir Graeme Avery and his team.

### **Operations**

As signalled in the 2019 annual report, the Trust commenced an arrangement with naming rights sponsor Mitre 10, in October 2019. This sponsorship is a direct community investment by the Ricketts’ families, owners of Mitre 10 in Hastings, Napier and Kapiti. The Park and indeed the region is fortunate that it has citizens who invest in the community to this extent and in doing so keep costs down for the users of Park facilities.

Brendon Smith of PAK’nSAVE Hastings continues the Smith family’s support of our Netball centre and we remain fortunate to retain the support of Higgins and Unison. The importance of our major sponsors cannot be overstated.

Our user numbers, at 256,000, were approximately 70,000 down on where we expected them to be. This was a direct result of the first Covid shut down which occurred as we were approaching our peak time of winter sport use. Subsequent use has also been affected through level 2 Covid restrictions. While some of our venues are approaching capacity at times – especially netball on Saturdays in winter – others continue to grow strongly. For example, we estimate 50,000 members of the public make use of the casual facilities annually. This includes the 2.3km limestone track and our outdoor basketball and cycle skills areas.

Sarah Kay continued her excellent work in developing the Park’s event portfolio. While there was also frustration through Covid cancellations the long term prospects in this area are good through events as diverse as an inaugural Maori League tournament through to “Top Team”, the latter being a variation on the popular 1980s television event. Meanwhile the regular events including Waitangi Day, Christmas in the Park and Relay for Life continue to evolve and grow.

The suite of facilities at the Park and those that are planned are making Mitre 10 Park the country’s pre-eminent sports village and while we have hosted many national and international events, more are in the pipeline. In 2021 and 2022 we will host the NZ Athletic champs. The 2021 event takes on greater significance because it will be just 4 months before the revised Olympic Games date. The

William Nelson Athletics venue regularly hosts New Zealand athletes for training and competitive purposes. This is a result of the quality of the facility, the support of the EIT institute and the “Hawke’s Bay package” of great weather, recreation and accommodation options.

### **Financial Performance**

Mitre 10 Park generated an operating surplus of \$93,052 for the year (2019: \$180,981), before depreciation and capital income. This is \$75,444 below budget and was a direct result of Covid related revenue reductions. In particular the Trust provided financial support to our sporting tenants through rent reductions and we were restricted in the amount of external funding we could raise.

Notwithstanding the revenue reductions, we remain on track to meet our future asset replacement obligations. In 2023 we anticipate spending \$500,000 to replace our athletics track. While fundraising will still be required to meet this cost the Trust will be a significant contributor to the project.

Hastings District Council remains a strong and important supporter of the Park. 37% of our operational revenues are provided by the Council in what is a mutually beneficial arrangement. The Trust’s structure enables it to deliver asset and services in a way that would not be possible under a Council structure with the net result being substantial savings to the ratepayer. We are proud to be playing our part in this way.

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Tania Kerr  
Chair

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Jock Mackintosh  
Chief Executive

The Hawke's Bay Regional Sports Park Trust is proud to have the support of the following organisations:



HASTINGS



# FINANCIAL STATEMENTS

30 June 2020

## Hawke's Bay Regional Sports Park Trust

### Statement of Financial Performance

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Revenue</b>			
Operating Grants Received – Hastings District Council	1	305,800	305,800
Interest & Dividends Received		7,640	2,186
Venue Hire		153,299	163,336
Other Revenue	2	364,790	290,386
<b>Total revenue</b>		<b>831,530</b>	<b>761,708</b>
<b>Expenses</b>			
Grounds & Building Maintenance		131,856	121,729
Trustee Fees & Expenses	3	46,667	40,200
Audit Fees		11,439	7,326
Operational Expenses	4	548,516	411,472
<b>Total expenses</b>		<b>738,478</b>	<b>580,727</b>
<b>Net Operating Surplus before Depreciation</b>		<b>93,052</b>	<b>180,981</b>
Depreciation	9	531,214	526,314
<b>Net Operating Deficit</b>		<b>(438,162)</b>	<b>(345,333)</b>
<b>Income for Capital Projects</b>			
Capital Grants Received – Hastings District Council	1	250,000	250,000
Other Capital Grants & Sponsorship	5	448,823	150,000
<b>Net Surplus from Capital Projects</b>		<b>698,823</b>	<b>400,000</b>
<b>Net Surplus</b>		<b>260,660</b>	<b>54,667</b>

The Statement of Accounting Policies and notes to the Financial Statements form part of these accounts.

# Hawke's Bay Regional Sports Park Trust

## Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
<b>Current assets</b>			
Bank accounts and cash	6	75,598	106,911
Term Deposit	7	349,000	99,000
Debtors & Other Receivables	8	103,118	215,452
Total current assets		<u>527,716</u>	<u>421,363</u>
<b>Non-current assets</b>			
Property, Plant & Equipment	9	15,672,129	15,456,175
Capital Work in Progress		1,166	4,460
Total non-current assets		<u>15,673,295</u>	<u>15,460,635</u>
<b>Total assets</b>		<u><b>16,201,011</b></u>	<u><b>15,881,998</b></u>
<b>Current liabilities</b>			
Creditors & Other Payables	10	147,930	45,792
Deferred Income		173,512	188,695
Employee costs payable		26,950	6,151
Total current liabilities		<u>348,391</u>	<u>240,638</u>
<b>Non-current liabilities</b>			
Deferred Income		131,824	181,224
<b>Total liabilities</b>		<u><b>480,215</b></u>	<u><b>421,862</b></u>
<b>Total assets less total liabilities</b>		<u><b>15,720,796</b></u>	<u><b>15,460,136</b></u>
<b>Equity</b>			
Equity at start of period		15,460,136	15,405,469
Surplus for the year		260,660	54,667
<b>Total equity</b>	<b>11</b>	<u><b>15,720,796</b></u>	<u><b>15,460,136</b></u>

For and on behalf of the Trustees:

\_\_\_\_\_  
T Kerr  
Chair

\_\_\_\_\_  
A Corban  
Trustee

Date:

The Statement of Accounting Policies and notes to the Financial Statements form part of these accounts.

**Hawke's Bay Regional Sports Park Trust**  
**Statement of Cash Flows**  
For the Year Ending 30 June 2020

	Notes	2020	2019
<b>Statement of cash flows from operating activities</b>			
Receipts of Council funding		555,800	555,800
Receipts from sale of goods and services		447,454	252,248
Interest, dividends and other investment receipts		7,640	2,186
Receipts of other grants and donations		589,551	178,411
Receipts from other revenue		18,774	9,150
Payments to suppliers and employees		(609,020)	(572,696)
GST (net)		(41,116)	(12,653)
Net cash flow from operating activities		969,084	412,446
<b>Cash flows from investing and financing activities</b>			
Receipts from sale of investments		-	-
Receipts from sale of property, plant and equipment		-	870
Payments to acquire investments		(250,000)	(99,000)
Payments to acquire property, plant and equipment		(750,397)	(339,237)
<i>Net cash flows from investing and financing activities</i>		(1,000,397)	(437,367)
<b>Net increase/(decrease) in cash for the year</b>		(31,313)	(24,921)
Add opening bank accounts and cash, including overdraft		106,911	131,832
<b>Closing bank accounts and cash, including bank overdraft</b>	6	75,598	106,911

The Statement of Accounting Policies and notes to the Financial Statements form part of these accounts.

## **Hawke's Bay Regional Sports Park Trust**

### **Statement of Accounting Policies**

**For the Year Ending 30 June 2020**

#### **Basis of Preparation**

The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

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

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

#### **Significant Accounting Policies**

There have been no changes to accounting policies during the reporting period.

#### **Revenue**

##### Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met (“use or return condition”). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

##### Sponsorship

Sponsorships received are recognised in the Statement of Financial Performance when the requirements under the sponsorship agreement have been met. Any sponsorship for which requirements under the sponsorship agreements have not been completed are carried as liabilities until all the conditions have been fulfilled.

##### Sale of services

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

##### Interest and dividend revenue

Interest revenue is recorded as it is earned during the year. Dividend revenue is recognised when the dividend is declared.

##### Venue hire

Venue hire revenue is recognised as the services are provided.

#### **Bank accounts and cash**

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

Bank overdrafts are presented as a current liability in the statement of financial position.

### **Debtors**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### **Investments**

Investments comprise investments in terms deposits with banks, listed bonds, and listed shares.

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

### **Property, plant and equipment**

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows.

Buildings	1 – 10% SL
Computer Equipment	15 – 50% SL
Furniture & Fittings	5 – 50% SL
Plant & Machinery	2 – 50% SL

Land is not depreciated

### **Creditors and accrued expenses**

Creditors and accrued expenses are measured at the amount owed.

### **Income tax**

The Trust has been registered as a charitable trust and is exempt from income tax under income tax legislation.

### **Goods & Services Tax**

The Statement of Financial Performance has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated exclusive of GST, with the exception of account receivables and payables.

**Employee costs payable**

A liability for employee costs payable is recognised when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

**Tier 2 PBE Accounting Standards Applied**

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

# Hawke's Bay Regional Sports Park Trust

## Notes to the Financial Statements

For the Year Ending 30 June 2020

### 1. Council funding

	2020	2019
Operating grants from HDC	305,800	305,800
Capital grants from HDC	250,000	250,000
<b>Total Council funding</b>	<b>555,800</b>	<b>555,800</b>

### 2. Other Revenue

Other Revenue includes the following:

<b>Operating Grants</b>	<b>2020</b>	<b>2019</b>
First Light Community Foundation	50,728	59,121
North & South	-	7,500
Grassroots	5,000	25,996
Infinity Foundation	-	4,298
One Foundation	-	15,806
Wakes Fruit Co	-	690
<b>Total grants and funding subject to conditions</b>	<b>\$55,728</b>	<b>\$113,411</b>

<b>Sponsorship</b>	<b>2020</b>	<b>2019</b>
Mitre10	133,333	-
Unison	49,400	49,400
Gemco	2,000	6,000
Higgins	50,000	50,000
Pak'n Save Hastings	55,555	55,555
HB Technologies	-	6,000
<b>Total sponsorship subject to conditions</b>	<b>\$290,288</b>	<b>\$166,955</b>

<b>Other Income</b>	<b>2020</b>	<b>2019</b>
Concession Income	3,773	9,150
Other Hireage Income	15,000	0
Asset Sales	-	870
<b>Total</b>	<b>\$18,773</b>	<b>\$10,020</b>

<b>Other Revenue Total</b>	<b>\$364,790</b>	<b>\$290,386</b>
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<b>Trustees Fees &amp; Expenses</b>	<b>2020</b>	<b>2019</b>
Ngahiwi Tomoana (Full Year)	10,000	10,000
Rex Graham (Full Year)	10,000	10,000
Tania Kerr (Full Year)	10,000	10,000
Alwyn Corban (March 2020 – June 2020)	3,333	-
Graeme Taylor (March 2020 – June 2020)	3,333	-
Mark Aspden – paid to Sport HB (Full Year)	10,000	10,000
<b>Total Trustees Fees</b>	<b>46,666</b>	<b>40,000</b>
Trustee Expenses	-	200
<b>Total Trustees Fees &amp; Expenses</b>	<b>46,666</b>	<b>40,200</b>

### 3. Operational Expenses

Operational Expenses include:

	<b>2020</b>	<b>2019</b>
Operating grant to HB Community Fitness Trust	66,666	-
Payments to Employees	200,576	133,121
Payments to Suppliers & Contractors	281,274	278,351
<b>Total Operational Expenses</b>	<b>548,516</b>	<b>411,472</b>

### 4. Other Capital Grants and Sponsorship

During the year construction and fundraising for the Outdoor Aquatic Facility, including a four court canoe polo pond, continued. The administration building that was originally part of the design has been removed reducing the expected project cost to \$719,000.

Other Capital Grants and Sponsorship include:

	<b>Project</b>	<b>2020</b>	<b>2019</b>
HB Community Fitness Centre Trust (Capital Grant)	Car Park	-	150,000
NZ Lottery Grant Board	Aquatic	139,150	-
NZ Community Trust	Aquatic	80,000	-
Hawke's Bay Canoe Polo	Aquatic	70,000	-
Eastern & Central Community Trust	Aquatic	70,000	-
Lion Foundation	Aquatic	40,000	-
NZ Racing Board	Aquatic	15,000	-
Grassroots	Golf Cart	9,850	-
First Light Foundation	Aquatic	24,823	-
<b>Total Other Grants and Sponsorship</b>		<b>\$448,823</b>	<b>\$150,000</b>

### 5. Bank accounts and cash

	<b>2019</b>	<b>2018</b>
Cash on hand	-	-
Cheque account	75,598	106,911
<b>Total bank accounts and cash</b>	<b>\$75,598</b>	<b>\$106,911</b>

### 6. Term Deposits

	<b>2020</b>	<b>2019</b>
Maturity 20/08/20 @ 1.40% pa	33,000	33,000
Maturity 14/09/20 @ 1.15% pa	33,000	33,000
Maturity 15/10/20 @ 1.75% pa	33,000	33,000
Maturity 21/08/20 @ 2.75% pa	100,000	-
Maturity 18/11/20 @ 1.71% pa	150,000	-
<b>Total Term Deposits</b>	<b>\$349,000</b>	<b>\$99,000</b>

## 7. Debtors and other receivables

	2020	2019
Gross debtors	103,118	215,452
Provision for impairment	-	-
Net debtors	<u>103,118</u>	<u>215,452</u>
Other receivables	-	-
<b>Total debtors and prepayments</b>	<b><u>\$103,118</u></b>	<b><u>\$215,452</u></b>

## 8. Property, plant and equipment

<b>Cost</b>	<b>Furniture &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Plant &amp; Machinery</b>	<b>Land &amp; Buildings</b>	<b>Total</b>
Balance as at 1 July 2018	22,247	30,003	3,935,618	15,233,367	19,221,235
Additions	-	-	-	339,852	339,852
Disposals	-	(3,766)	(4,844)	-	(8,610)
Balance as at 30 June 2019	22,247	26,237	3,930,774	15,573,219	19,552,477
Balance as at 1 July 2019	22,247	26,237	3,930,774	15,573,219	19,552,477
Additions	-	-	11,578	735,591	747,169
Disposals	-	-	-	-	-
Balance as at 30 June 2020	22,247	26,237	3,942,351	16,308,810	20,299,646
<b>Accumulated Depreciation and Impairment Losses</b>	<b>Furniture &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Plant &amp; Machinery</b>	<b>Land &amp; Buildings</b>	<b>Total</b>
Balance as at 1 July 2018	11,685	29,362	1,254,519	2,283,033	3,578,599
Depreciation Expense	2,212	404	212,145	311,552	526,313
Impairment Losses	-	-	-	-	-
Disposals	-	(3,766)	(4,844)	-	(8,610)
Balance as at 30 June 2019	13,897	26,001	1,461,820	2,594,585	4,096,303
Balance as at 1 July 2019	13,897	26,001	1,461,820	2,594,585	4,096,303
Depreciation Expense	2,212	236	208,345	320,422	531,214
Impairment Losses	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 30 June 2020	16,109	26,237	1,670,165	2,915,007	4,627,517
<b>Carrying Amounts</b>	<b>Furniture &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Plant &amp; Machinery</b>	<b>Land &amp; Buildings</b>	<b>Total</b>
At 30 June 2019	8,350	236	2,468,954	12,978,634	15,456,174
At 30 June 2020	6,138	-	2,272,186	13,393,803	15,672,129

## 9. Creditors and accrued expenses

	2020	2019
Creditors	90,911	38,692
Accrued expenses	57,019	7,100
<b>Total creditors and accrued expenses</b>	<b><u>\$147,980</u></b>	<b><u>\$45,792</u></b>

## 10. Equity

	2020	2019
<b>Accumulated surpluses</b>		
Balance at 1 July	15,460,136	15,405,469
Surplus for the year	260,660	54,667
<b>Total equity</b>	<b><u>\$15,720,796</u></b>	<b><u>\$15,460,136</u></b>

## **11. Commitments**

There are no commitments as at 30 June 2020 (2019 also \$nil).

## **12. Contingent assets and liabilities**

The Trust has no contingent assets or liabilities (2019 also \$nil).

## **13. Related Parties**

While the related-party disclosures requirements do not require disclosure of transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances, they have however been included below for full transparency.

The Trust has entered into transactions with related parties during the year. During the year, the Trust has received operational grants/rentals of \$305,800 (2019 \$309,680) and capital funding grants of \$250,000 (2019 \$250,000) from the Hastings District Council. The balance outstanding from Hastings District Council at 30 June 2020 was \$nil (2019 \$nil).

Hastings District Council also provided a number of services to the Trust during the year including Building Consents & Insurance totalling \$65,171 (2019 \$96,603). Accounting and administrative support is provided free of charge (2019 \$nil). A nominal lease of \$1 per annum exists but has not been called upon by Hastings District Council for lease of 30 hectares of land occupied by the Sports Park. The balance outstanding to Hastings District Council at 30 June 2020 was \$40,895 (2019 \$nil).

Tania Kerr is a Trustee of the Trust and Deputy Mayor of the Hastings District Council. Hastings District Council also provided a number of services to the Trust during the year (detailed above).

Alwyn Corban is a Trustee of the Trust and Councillor of the Hastings District Council. His son Abe Corban is principal at SoCo Marketing Limited which provided services totalling \$8,537 during the year (2019: \$nil).

The Trust engaged Julie Greene to conduct fundraising and sponsorship initiatives during the year at a total cost of \$22,150 (2019 \$24,008). Julie Greene is the wife of Rex Graham who was Chairman through part of the financial year. The balance outstanding at 30 June 2020 was \$nil (2019 \$nil).

Mark Aspden is a Trustee of the Trust and Chief Executive Officer of Sport Hawke's Bay. Mark is also a Trustee of the Hawke's Bay Community Fitness. The Trust received \$835 funding from Sport Hawkes Bay during the year (2019 \$800). The balance outstanding from Sport Hawkes Bay at 30 June 2020 is \$nil (2019 \$nil). The Trust received \$38,699 from the

Hawke’s Bay Community Fitness Trust (2019 \$150,920) for sports park operational expenses & capital projects shared between the two trusts. The Trust paid \$67,296 to Hawke’s Bay Community Fitness Trust (2019: \$nil) as a grant during the year.

Sport Hawkes Bay has also provided a number of services to the Trust during the year totalling \$10,000 (2019 \$10,000). The balance outstanding to Sport Hawkes Bay at 30 June 2020 was \$2,875 (2019 \$2,875).

Graeme Taylor is a Trustee of the Trust and also a Trustee of Sports Hawke’s Bay.

Rex Graham was Chairman of the Trust through part of the year and also Chairman of the Hawke’s Bay Regional Council. The Hawke’s Bay Regional Council provided services to the Trust during the year totalling \$5,307 (2019: \$765). The balance outstanding to the Hawke’s Bay Regional Council at 30 June 2020 was \$3,041 (2019 \$Nil).

Bannister & von Dadelszen provide legal services at rates favourable to the Trust; albeit no services were provided this year (2019: \$1,758)

No related party debts have been written off or forgiven during the year.

#### 14. The effect of Covid 19

The trust has considered the impact of Covid-19 as part of its ongoing operations and in relation to its capital programme and its valuations within the Statement of Financial Position. There is still significant uncertainty in how Covid-19 will impact on New Zealand, especially in regard to organised sporting events that the sports park is likely to attract (international and domestic). During the March/April lockdown some delays were incurred in the parks capital programme and some events could not proceed. As at 30 November 2020 sponsorship and grant revenue streams are assessed to be secure and the capital programme is expected to proceed as planned.

ASSET	COVID-19 ASSESSMENT
Cash at Bank & Term Deposits	No impact to carrying value
Debtors and other receivables	No impairment is required as there is no significant impact from Covid-19 on collectibility
Property, plant & equipment	Facilities are carried at fair value less depreciation. Whilst Covid 19 has introduced uncertainty in the valuation of assets there is no significant adverse impact upon the sports park facilities.

## **15. Events after balance date**

In July 2020, the Minister for Small Business, Stuart Nash made the announcement that up to \$32 million has been approved in principle by the Government for a new regional aquatic centre at the Mitre 10 Park in Hawke's Bay. This will be a project undertaken by the Hawke's Bay Community Fitness Centre Trust.

## **16. Trust Deed Compliance**

The Hawke's Bay Regional Sports Park Trust deed section 5(a) requires "The Board shall hold an Annual General Meeting in each year no later than three months after the end of the financial year of the Trust, at a time and place fixed by the Board". Audited annual accounts/annual report are required to be presented at the AGM.

Covid-19 impacts led to later financial reporting and audit of the Annual Report. The Audit opinion was provided on 18 March 2021. The audited annual accounts/annual report are to be presented at the next Trust Board meeting.