



Report 03.610
Date 16 October 2003
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Committee Council
Authors Councillors Rick Long, Terry McDavitt and Margaret Shields

WRC Holdings Group Meeting - 30 September 2003

1. Purpose

To report to Council the proceedings of the WRC Holdings Group meeting held on Tuesday, 30 September 2003.

2. Comment

2.1 Regional Council Centre Operational Report

The Directors of Pringle House Ltd were updated on the progress of key operational projects affecting the Regional Council Centre (RCC). Directors discussed the publicly notified development proposed for the Rialto Theatre and Old Markets site in Cable Street and noted that O'Brien Property Consultancy would be providing Directors with detailed advice and a recommendation as to whether Pringle House Ltd should object to the proposed development.

2.2 Annual Financial Statements of CentrePort Ltd for the Year Ended 30 June 2003

Officers presented the annual financial statements for CentrePort Ltd. It was noted that, while the results were not as good as 2002, the Company had performed well, given the loss of P & O Nedlloyd's big ships.

2.3 Annual Financial Statements for WRC Holdings Group for the Year Ended 30 June 2003

Audit New Zealand presented the audit results on the annual financial statements, commenting that the audit of the companies had gone very well. Directors then approved the annual financial statements for WRC Holdings Ltd, Pringle House Ltd and Port Investments Ltd, subject to Council approving the payment of a dividend by WRC Holdings Ltd.

2.4 Dividends for the Year Ended 30 June 2003

The Directors of Pringle House Ltd approved the payment of a dividend of \$68,152 from Pringle House Ltd to WRC Holdings Ltd and the Directors of Port Investments Ltd approved the payment of a dividend of \$813,280 from Port Investments Ltd to WRC Holdings Ltd.

The Directors of WRC Holdings Ltd approved the proposed dividend from WRC Holdings Ltd to the Wellington Regional Council, subject to shareholder approval. The dividends, which are 100% of the net profit after tax excluding valuation gains, are due to be approved by Council at today's meeting.

2.5 Statement of Corporate Intent 2003/04 for CentrePort Ltd

Directors received the final Statement of Corporate Intent (SCI) for CentrePort Ltd and noted its contents. They had already provided feedback to CentrePort on the draft SCI and noted consequent changes made to the document.

2.6 Resolutions in Lieu of Annual General Meetings for WRC Holdings Ltd Subsidiary Companies

The Directors of WRC Holdings Ltd agreed to pass resolutions instead of holding an Annual General Meeting for Pringle House Ltd and Port Investments Ltd. The resolutions approved the companies' financial statements and re-appointed the Auditor General as the auditor for next year.

2.7 Tranz Metro (Wellington)

Directors agreed that the future of Tranz Rail remained unclear. They noted that, until certain outcomes such as whether Toll Holdings acquires Tranz Rail and the nature of track access arrangements had been determined, it would be difficult to know who would own and/or operate Tranz Metro. Toll Holdings had only received acceptances for 53 per cent of Tranz Rail's shares at the time of the Directors meeting.

3. Recommendation

That the report be received and the contents noted.

Report approved by:

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Report approved by:

Rick Long
Director, WRC Holdings Ltd

Margaret Shields
Director, WRC Holdings Ltd

Terry McDavitt
Director, WRC Holdings Ltd