

**Report 99.426**  
23 July 1999  
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Report to the Policy and Finance Committee  
from Greg Schollum, Chief Financial Officer

## **1999/2000 Statement of Corporate Intent – WRC Holdings Group**

### **1. Purpose**

To receive the draft 1999/00 Statement of Corporate Intent of the WRC Holdings Group.

### **2. Background**

WRC Holdings Ltd and its subsidiary companies, Pringle House Ltd and Port Investments Ltd, are LATE's as defined under the Local Government Act 1974. Those companies, together with CentrePort, form the WRC Holdings Group.

A single Statement of Corporate Intent can be provided for the group under section 594T of the Local Government Act.

Pursuant to the Local Government Act a draft Statement of Corporate Intent is to be provided to shareholders by 31 July which covers the projected results for the ensuing three years (the financial year in which it is delivered and each of the immediately following two financial years).

The Local Government Act requires the WRC Holdings directors to consider any comments made by the shareholders before 31 August on the draft Statement of Corporate Intent and to deliver the completed Statement of Corporate Intent back to shareholders by 30 September.

### 3. **Comment**

The draft Statement of Corporate Intent for 1999/00 and the immediately following two years is attached as **Attachment 1** to this report. It was considered by the directors of the WRC Holdings Group on 20 July 1999.

The wording of the draft Statement of Corporate Intent is modelled on that used in previous years. However, the key performance measures have been changed to more closely align with the SCI of CentrePort given that the group investment in CentrePort is now the dominant part of the group.

All financial information has been consolidated for the WRC Holdings Group, including CentrePort Ltd.

Any comparison with the previous year's SCI for WRC Holdings is a little meaningless given the significant change in the activities of the group since the acquisition by PIL of Council's interest in CentrePort Ltd.

The reduction in dividend stream and in returns, as highlighted on page 3 of **Attachment 1**, relate to the prudent assumption to budget for CentrePort dividends at 50% of net profit after tax rather than 60% in 2000/01 and beyond. This assumption will be reviewed as part of the development of Council's next LTFS.

### 4. **Recommendations**

- (1) *That the report be received and the contents noted.*
- (2) *That the draft Statement of Corporate Intent of WRC Holdings Ltd for 1999/2000 and the immediately following two years, be received and officers forward any comments or recommendations to the WRC Holdings directors for their consideration.*

GREG SCHOLLUM  
Chief Financial Officer

**Attachment 1: WRC Holdings Group – Draft Statement of Corporate Intent 1999/00**