

City Care Limited

Cost of Proposed Services

2001/02 BUDGET \$		2002/03 BUDGET \$
43,700,000	Revenue	43,000,000
39,609,000	Operating, Financing and Depreciation Costs	38,350,000
39,609,000	Total Expenditure	38,350,000
4,091,000	Net Profit before Taxation	4,650,000

Net Profit Before Taxation

Projected Net Profit before Taxation 2003/04	\$4,365,000
Projected Net Profit before Taxation 2004/05 (Subject to Board ratification.)	\$4,250,000

Nature and Scope

The company provides construction, maintenance and mechanical services for Waste and Water, Parks and Waterways, Roding, Housing and other CCC owned facilities and assets. In addition the company also provides a full range of construction and maintenance services to external customers.

City Care Ltd has benchmarked and renegotiated a number of former Works Operations contracts.

Relationship to the Council

City Care Limited is a Local Authority Trading Enterprise, 100% owned by the Christchurch City Council. The Council retains control over the activities of the company through approval of the Company's Annual Statement of Corporate Intent.

For a list of the Company directors see page 169.

The Council's interest in this Company is in accordance with its Strategic Objective: F4 (as printed in the Strategic Statement).

Overall Service Objective

To operate a profitable, sustainable and innovative business which maintains a strong market presence in all areas of construction and maintenance of the infrastructural assets owned by the shareholder.

The company shall ensure that:

- It will continue to compete in Christchurch markets and aggressively target a significant share of work offered for tender by the shareholder where this offers outcomes of value to the shareholder.
- It will maximise the success of its business in terms of sustainable market share, growth into new markets and new market areas (in and beyond the Christchurch region).

Objectives for 2002/03

1. To yield a projected return by way of dividend.

Performance Indicators

1. Projected dividend to shareholders of \$1,500,000.

Sources of Funding

