

## CHRISTCHURCH INTERNATIONAL AIRPORT LIMITED

### Cost of Service

1995/96 BUDGET		1996/97 BUDGET
\$		\$
43,341,000	Revenue	46,871,000
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17,011,000	Maintenance and Operating Costs	17,752,000
2,632,000	Financing and Interest Costs	3,154,000
4,138,000	Depreciation	4,743,000
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23,781,000	Total Expenditure	25,649,000
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(19,560,000)	Net Profit Before Taxation	(21,222,000)
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### Operating Surplus Before Income Tax

Projected Operating Surplus Before Taxation 1997/98	(20,435,000)
Projected Operating Surplus Before Taxation 1998/99	(19,587,000)

### Capital Expenditure

Projected Capital Expenditure 1996/97	42,140,000
Projected Capital Expenditure 1997/98	39,813,000
Projected Capital Expenditure 1998/99	8,568,000

Capital expenditure for the next two years includes an expansion to the current international terminal building anticipated to cost \$80M.

### Scope and Resources Employed

- Operating Christchurch International Airport for commercial and non-commercial aviation users in accordance with its aerodrome licence.
- Providing appropriate Airport landside facilities and designing, providing and maintaining runways, taxiways, turnouts and aprons in co-operation with the Airways Corporation and other airport users and in accordance with actual and forecast market demand.
- Generating non-aeronautical revenue by providing for associated services and facilities meeting the needs of air travellers.
- Promoting Christchurch International Airport as a major destination for international air services, thereby attracting additional in-bound and out-bound flights.

The company is responsible for 750 hectares of land providing aerodrome facilities for over 37,000 aircraft movements involving over 3.9 million passengers and 29,000 tonnes of international freight. It provides a mixture of commercial and industrial buildings to satisfy the accommodation requirements of airport users and employs 175 FTE staff.

### Relationship to the Council

Christchurch International Airport Limited is a private company jointly owned by Christchurch City Council (75%) and the Crown (25%). The Christchurch City Council exercises influence on the company through the negotiation of an annual Statement of Corporate Intent.

The Council's interest in the company is in accordance with its Strategic Objectives: C10 and D8 (see pp 19-23).

### Overall Objective

1. Ensure economic benefits for Christchurch by providing the tourist, business traveller and airfreight gateway to the South Island and Antarctica through operating Christchurch International Airport as a successful business at internationally competitive standards of quality, efficiency and profitability.

### Objectives for 1996/97

2. Achieve through service provision and promotion targeted aircraft, passenger and international airfreight movements.
3. Maintain acceptable safety standards.
4. Achieve projected dividend payments.

### Performance Indicators

- 1.1 Record at least 38,490 aircraft departures, 4.14 million passenger movements and 30,970 tonnes of international airfreight.
- 2.1 100% compliance with the standards and conditions laid down in the aerodrome licence issued by the Civil Aviation Authority.
- 3.1 Subject to Directors recommendation, a dividend payment of 40% of the operating surplus after income tax amounting to \$5,624,000 (CCC 75% share equals \$4,218,000).

### Sources of Funding

