

CANROAD CONSTRUCTION LIMITED

Cost of Proposed Services

1998/99 BUDGET		1999/00 BUDGET
\$		\$
(5,310,000)	Revenue	(5,400,000)
<hr style="border-top: 1px dashed black;"/>		
5,230,000	Operating, Financing and Depreciation Costs	5,280,000
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5,230,000	Total Expenditure	5,280,000
<hr style="border-top: 1px dashed black;"/>		
(80,000)	Net Profit before Taxation	(120,000)
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Projected Net Profit before Taxation 2000/01 (100,000)
 Projected Net Profit before Taxation 2001/02 (110,000)

(Subject to Board ratification.)

Planned Services

1. Provision of roading construction and maintenance work.
2. Manufacture and sale of bitumen based roading products.
3. Provision of laboratory services to the roading industry.

Relationship to the Council

Canroad Construction Limited is a Local Authority Trading Enterprise, 100% owned by the Christchurch City Council.

The Company was incorporated on 14 May 1996. The Council retains control over the activities of the company through approval of the Company's annual Statement of Corporate Intent. The Council's interest in this Company is in accordance with its Strategic Objectives: F1, F2 and F4 (see page 34).

Overall Service Objective

1. To operate a successful business providing maintenance and construction work in roading, bitumen products, laboratory services and other related activities in an efficient and economical manner for the maximum benefit of the shareholders.

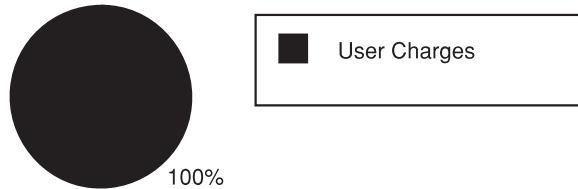
Objectives for 1999/00

2. To yield projected return on investment.

Performance Indicators

- 2.1 Minimum after tax return on shareholders' funds of 10%.

Sources of Funding



CHRISTCHURCH CITY FACILITIES LIMITED

Cost of Service

Estimated Net Profit Before Tax Nil

Planned Services

Christchurch City Facilities Limited is a property holding and operating company which was set up to maintain the Convention Centre, the WestpacTrust Centre and the Town Hall.

Relationship to the Council

This Company was established as a Local Authority Trading Enterprise which is 100% owned by the Christchurch City Council. The Company was incorporated in June 1997. The Council retains control over the activities of the Company through approval of the Company's annual Statement of Corporate Intent.

The Council's interest in this Company is in accordance with its Strategic Objective: F4 (see page 34).

Overall Service Objective

1. To ensure that the Council's specialist facilities (the Convention Centre, the WestpacTrust Centre and the Town Hall) are maintained and operated to a high standard which meets the expectations of the Council, major sponsors and partners.

Objectives for 1999/00

2. To manage cash inflows and outflows to best advantage.
3. To ensure financial accountability of the three venues which are under contract management.

Performance Indicators

- 2.1 To achieve projected financial performance.
- 3.1 The Company to report on its operations by way of an Annual Statement of Corporate Intent, a half yearly report and an Annual Report.

Sources of Funding

