

6. REPORT FROM CHRISTCHURCH CITY HOLDINGS LIMITED

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Corporate Plan Output: Trading activities monitoring	

The purpose of this report is to provide information to the Council on recent activities of Christchurch City Holdings Limited ('CCHL').

CCHL ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2000

CCHL's audited group and parent company financial statements were signed on 29 September 2000. Points of note in respect of the group result:

- The group net profit after tax was \$52.3 million, compared with \$146.3 million in the preceding year. The earlier year's result included Orion's gain on sale of its electricity and gas retailing activities. The more recent gain on sale of the North Island gas network and related assets (\$187 million) will be reflected in the 2001/02 financial year;
- Group equity reduced by \$162 million following a capital repatriation of the same amount to the Council.

Key features of the parent company's results were detailed in an earlier report.

The annual report is currently with the printers and is expected to be available for public release by the end of November.

FINAL DIVIDEND

CCHL has approved the payment of a final dividend of \$20.3 million which, added to the previous interim and special dividends, makes a total dividend for the year of \$62.8 million. This total includes a special dividend of \$29.2 million (sourced from special dividends of \$22.5 million paid by Christchurch International Airport Limited and \$6.7 million by Lyttelton Port Company Limited).

The final dividend is due to be paid in December.

CAPITAL REINVESTMENT PROJECT

Work is continuing on formulating a recommendation to the Council in respect of the disposition of the Orion gas sale proceeds.

An update seminar will be arranged for Councillors.

Chairman's

Recommendation: That the information be received.