

## 15. REPORT FROM CHRISTCHURCH CITY HOLDINGS LIMITED

<b>Officer responsible</b> Company Secretary, Christchurch City Holdings Ltd	<b>Author</b> Bob Lineham, DDI 3711-411 Richard Simmonds, DDI 3711-817
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The purpose of this report is to provide information to the Council on recent activities of Christchurch City Holdings Limited ('CCHL'), and to make recommendations on any matters arising.

### 1. LYTTTELTON PORT COMPANY LIMITED ('LPC')

#### **Draft Statement of Corporate Intent**

LPC have submitted their final draft Statement of Corporate Intent ('SCI') for the year ending 30 June 2002.

The SCI is similar in format and content to previous years. While Stock Exchange Listing Rules and securities legislation effectively prevent the company from including forecast financial information in the SCI, it is considered that within these constraints, the document appropriately reflects the priorities of LPC and its shareholders.

The SCI has been separately circulated to Councillors.

**Recommendation:** That the Council approve LPC's Statement of Corporate Intent for the year ending 30 June 2002.

### 2. RED BUS LIMITED

#### 2.1 **Draft Statement of Corporate Intent**

Red Bus Ltd have submitted their final draft Statement of Corporate Intent ('SCI') for the year ending 30 June 2002. The SCI is similar in format and content to previous years. As part of the consultation process, representatives from Red Bus held a detailed briefing and discussion session with the CCHL Board, and some amendments have been made from the initial draft presented.

The SCI has been separately circulated to Councillors.

**Recommendation:** That the Council approve Red Bus Ltd's Statement of Corporate Intent for the year ending 30 June 2002.

#### 2.2 **Convertible Note Deed**

Following Red Bus Ltd's success in recent tender rounds, it has significant capital commitments for new Super Low Floor buses. Part of the funding for this capital expenditure will be through the issue of convertible notes to CCHL, following the signing of a deed between the two companies. The debt will be subordinate to other creditors. Interest will be payable at commercial rates. CCHL has the option in the future of converting any notes it holds into equity, although it is intended that Red Bus will repay the notes from cash flows generated from operations over the short to medium term.

### 3. SELWYN PLANTATION BOARD LIMITED ('SPBL')

#### **Draft Statement of Corporate Intent**

SPBL have submitted their final draft Statement of Corporate Intent ('SCI') for the year ending 31 March 2002. CCHL reviewed the earlier first draft and, after a number of changes, recommends that the revised version now be approved by the Council. As part of the consultation process, representatives from SPBL held a detailed briefing and discussion session with the CCHL Board.

The SCI has been separately circulated to Councillors.

**Recommendation:** That the Council approve SPBL's Statement of Corporate Intent for the year ending 31 March 2002.

4. **JADE STADIUM LIMITED ('JSL')**

**Half yearly report to 31 December 2000**

JSL have issued their half yearly financial statements to 31 December 2000. Points of note include:

- \$8 million of development costs incurred and capitalised up to balance date
- Receipt of the final tranche of the Council's agreed equity contribution of \$4 million
- Net deficit for the six month period of \$102,000

Steady progress is being made towards the transfer of the responsibility for the Victory Park Board operations to JSL, and the vesting of the land to the Council.

The report has been separately circulated to Councillors.

**Recommendation:** That the Jade Stadium Ltd half yearly financial statements to 31 December 2000 be received.

**Chairman's**

**Recommendation:** That the above recommendation be adopted.