

central plains water limited

Nature and Scope of Activities

The company is the operating arm of the Canterbury Plains Water Trust. As such, its assignment for the 04/05 financial year is to raise capital to apply for resource consents for the proposed Canterbury Plains Water Enhancement Scheme and undertake the necessary investigations to apply for those consents. The prospectus for raising the capital will have been issued in June 2004.

The consents, when obtained, will be held by the Canterbury Plains Water Trust.

An outline of a possible scheme may be found on the Trust's web site, <http://www.cpw.org.nz>

Policies and Objectives in regard to Ownership and Control

The Council recognises a major regional economic benefit in managing the water resource in the Central Canterbury Plains, including significant employment creation. The Council also wishes to be involved to ensure its own water supply will not be adversely affected by any proposed scheme.

Key Performance Targets

- Raise \$4.5 million in capital.
- Undertake investigations to support lodging applications for the necessary resource consents, in anticipation of being able to apply for the necessary consents in the 2005/06 financial year.

Subsidiary Company

Jet Engine Facility Limited

Nature and Scope of Activities

Christchurch City Facilities Limited is a property holding and operating company for certain of the Council's specialist properties or companies. Its responsibilities include:

- The Westpac Trust Centre
- The Town Hall
- The Christchurch Convention Centre
- Overseeing the contracted management of the above facilities
- Jet Engine Facility Limited

Policies and Objectives for Council Ownership

The Convention Centre, Town Hall and Westpac Centre, all managed by CCFL through a contract with NCC (New Zealand) Ltd, are important to the region in terms of economic development, culture and sport. The Council wishes the management of these facilities to be undertaken on a commercial and coordinated basis, and to build profitability while maintaining affordable community access. The company may also undertake other property related projects that have a commercial focus and/or a regional development impact (eg. Jet Engine Facility Ltd). Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key Performance Targets

Achieve a net operating profit before depreciation of \$900,000.

christchurch city holdings limited

Subsidiary Companies

Orion Group Ltd

Christchurch International Airport Ltd

Lyttelton Port Company Ltd

Red Bus Ltd

City Care Ltd

Nature and Scope of Activities

Manage the Council's portfolio of shares in key regional infrastructural trading companies, including

- Advising the Council on strategic issues relating to its investments
- Monitoring the performance and governance procedures of its subsidiary companies and other council-controlled trading organizations owned by the Council
- Encouraging subsidiary companies to increase shareholder value through growth and investment.

Policies and Objectives for Council Ownership

This enterprise is a company established to group the Council's interest in its trading activities under one umbrella, and to provide an interface between the Council and the commercial activities of its council controlled trading organisations. The company also borrows in the capital markets to provide a cost-efficient source of funding for the Council.

Key Performance Targets

Pay ordinary dividends to the Council totalling \$29.1 million.

Retain at least a "AA" credit rating from the international credit rating agency Standard and Poor's.

christchurch international airport limited

Nature and Scope of Activities

The company operates Christchurch International Airport for the benefit of both commercial and non-commercial aviation users and in accordance with its aerodrome licence. The company arranges for the design, provision and maintenance of runways, taxiways, turnouts and aprons in co-operation with the Airways Corporation of New Zealand and other airport users. The company also seeks to earn revenue by providing services and facilities meeting the needs of air travellers.

In addition to its primary business of serving the aviation industry and its customers, the company will actively market Christchurch, Canterbury and the South Island as a major destination for overseas visitors.

Policies and Objectives in regard to Ownership and Control

The Council considers that this company is a regional strategic asset and is interested in ensuring that all its strategic assets are operated in commercial manner, but also in a way that is beneficial for the region as a whole. Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

Key Performance Targets

Aircraft Departures (excluding general aviation)	42,800
Passengers	
Domestic	3,906,000
International	1,170,000
Dividend Payments	\$8,764,000



Christchurch International Airport

city care limited

Nature and Scope of Activities

City Care Limited is in the business of management, construction and maintenance of New Zealand's infrastructure and amenity assets. The activities in which the company is principally involved are roading and associated services, underground services such as water and sewerage systems, parks and waterways services, facilities maintenance, waste management services and providing miscellaneous services such as project management and plant hire.

The Company will operate a profitable, sustainable and innovative business which maintains a strong market presence in all areas of construction and maintenance of the infrastructure and amenity assets owned by its shareholder.

Policies and Objectives in regard to Ownership and Control

The Council considers that this company is a regional strategic asset and is interested in ensuring that all its strategic assets are operated in commercial manner, but also in a way that is beneficial for the region as a whole. Through a Statement of Intent, the Council establishes broad parameters reflecting the public nature of this company without inhibiting proper commercial management. To continue to do this the Council has a policy of maintaining a controlling interest in this company.

This company is an important contractor to the Council ensuring that there is capacity in the market to meet the Council's emergency obligations.

Key Performance Targets

Provide a quality service as attested by maintaining accreditation to quality standards such as ISO 9000 and ISO 14001.

Achieve a net operating profit after taxation of \$2.31 million



City Care replaces a water sub main

Nature and Scope of Activities

The company manages the affairs of Jade Stadium, a stadium with a fully seated capacity of 36,000 and wide range of international class hospitality facilities. Its activities include active promotion of the Stadium as well as its operation and maintenance.

Policies and Objectives in regard to Ownership and Control

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Key Performance Targets

- Exceed 500,000 visitors to the Stadium per annum.
- Attract at least one additional high profile, profitable sporting fixture to the Stadium per annum.
- Ensure a regular season National Rugby League fixture appears on the Stadium's calendar of events.
- Host one international class concert every two years.
- Host one sporting, entertainment or cultural event on average every two and a half days.



An aerial view of Jade Stadium

lyttelton port company limited

Nature and Scope of Activities

The company provides the land, facilities, plant and labour for receiving, delivering, stockpiling, stacking and shipping a wide range of products at the port in Lyttelton Harbour; including providing facilities associated with the repair and servicing of vessels.

Policies and Objectives in regard to Ownership and Control

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Key Performance Targets

International containers – import	TEUs	79,300
International containers – export	TEUs	73,000
Fuel – import	Tonnes	1,017,600
Coal – export	Tonnes	2,294,600
Cars – import	Units	48,500
Other cargo – import	Tonnes	989,600
Other cargo – export	Tonnes	577,900

(The above figures are based on 2003/04 forecasts and represent anticipated volumes)



The LPC's new tug boat "Blackadder"

Subsidiary Companies

- Connetics Ltd
- Manchester Holdings Inc
- Orion Exploration Ltd
- Orion New Zealand Limited
- Orion New Zealand Ventures Ltd
- Orion No. 2 Ltd
- Orion (Whisper Tech) Ltd
- Transflux Ltd
- Transflux Holdings Ltd

Nature and Scope of Activities

Plan, construct and maintain a reliable and secure electricity distribution network in the Christchurch / Central Canterbury region; a network whose capacity is matched as closely as possible to actual and forecast market demand.

The network consists of approximately 175,000 connections, approximately 12,000 km of lines and cables, and 9,500 distribution substations and pole-mounted transformers.

Policies and Objectives in regard to Ownership and Control

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Key Performance Targets

Achieve the following reliability measures for the Orion network overall:

Duration of supply interruptions per connected customer (SAIDI)	64 minutes in any one year
Number of supply interruptions per connected customer (SAIFI)	0.8 interruptions in any one year

Important note: The above performance measures are based on averages for a five year period. Actual performance for an individual year may vary



Before and after undergrounding work in Shakespeare Road

red bus limited

Subsidiary Company

CTL Properties Limited

Nature and Scope of Activities

- Providing scheduled urban public passenger transport services in Christchurch.
- Operating charter and leasing services.

Policies and Objectives in regard to Ownership and Control

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Key Performance Targets

- Carry 10,000,000 passengers per annum.
- Operate over 50% of the current fleet with engines complying to Euro-2 emission standards or better, with all new buses meeting Euro-111 emission standards or better.



The Red Bus service around the City

Nature and Scope of Activities

The core business of the company is to manage its forests and lands on a commercial basis using the most environmentally and commercially sustainable methods. In particular, to engage in any operations or industry relative to the planning, growing, silviculture, felling, cutting, extraction, removal, conversion, manufacture, transport, distribution, or sale of logs, timber or other forest products, and any management practices relevant to maximising land utilisation, including purchase and disposal.

Policies and Objectives in regard to Ownership and Control

The City Council has a minority interest in this company and holds it for investment purposes. It does not regard it as a strategic asset.

Key Performance Targets

Forest Operations:

Harvesting	176,000 tonnes
Replanting	75 hectares
New planting	250 hectares
Pruning / thinning	185 hectares

Ecological Objectives

Protect and manage representative examples of natural ecosystems that occur in company lands. For the 2004/05 financial year this includes obtaining base data and classifying all bodies of water within company land to provide for their long term management.

Community Objectives

Maintain efficient and timely communications with relevant stakeholders.



100+ year old Douglas Fir logs destined for the Temple Log market in Korea

transwaste canterbury limited

Nature and Scope of Activities

- Develop and operate a non-hazardous regional landfill to at least the standard determined by regulatory authorities.
- Enter into contractual arrangements to ensure provision of a haulage fleet for hauling solid waste economically and efficiently, and in compliance with relevant consents.
- Invest in due course in alternatives to landfilling for solid waste disposal should these alternatives be more environmentally sustainable and cost effective.

Policies and Objectives in regard to Ownership and Control

The City Council has a policy of maintaining a controlling interest in partnership with other local authorities in this trading activity as it is critical that it is managed to achieve not only commercial requirements, but also to achieve wider social and economic objectives.

Key Performance Targets

- Establish a regional landfill with all the necessary consents as soon as possible, with a target date of 31 May 2005.
- Operate the land fill once established with no breaches of its Resource Management Act consents.



Potential regional landfill site in Upper Kate Valley