

Quarterly Review – Wellington Cable Car Limited

Wellington Cable Car Limited has presented its report for the quarter ended 31 December 2004 for review. A summary of key findings is presented below and the full report is attached.

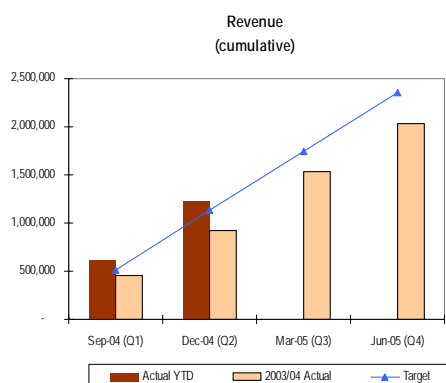
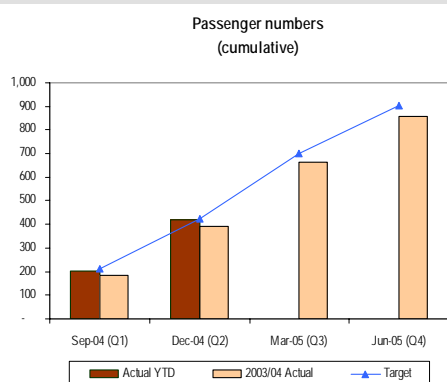
Highlights: achievements

- Cable Car passenger numbers continue to be higher than the previous year; 6.2% for the quarter and 8.7% higher than the first six months last year.

Activities during the quarter

- GWRC has agreed to pay for trolley bus overheads maintenance at increased levels until January 2005. GWRC has requested a rollover of the contract till 31 July 2005 and discussions are continuing on this.
- Draft plans for the Lambton Cable Car terminal are being evaluated including the possibilities of automated access and ticketing.

Performance



Macro Key Performance Indicators

The following KPI's have been reported by the company

Measure	Annual Target	Quarter Target	Quarter Actual
Cable Car passengers ('000)	904	215	215
Cable Car reliability	100%	100%	100%
Overhead reliability (hrs outage)	<20	-	n/a
Fare & subsidy income (\$'000)	2,168	544	573
\$/km overhead expenditure	9,700	-	-

Overhead measures are still in development. The current proxies are annual measures, so no data is available to date.

Financial Commentary

- Income is 11% ahead of budget, primarily from unbudgeted trolley bus network alignment work and the improved quarters result for fares and subsidy income.
- Uncertainty still exists over the future of the trolley bus overheads. GWRC have been unable to advise WCCL of a final decision on the future of the system. This uncertainty continues to hamper planning for the future.

Statement of Financial Performance

For the quarter ended 31 December 2004

\$'000	Q2 Actual	Q2 Budget	YTD Actual	YTD Budget	FY Budget
Income	631	594	1,237	1,110	2,359
Expenditure	499	576	1,052	1,116	2,258
Operating surplus	132	18	185	(6)	101

Operating margin	8.7%	-	8.7%	-	4.3%
Return on equity	-	-	-	-	2.9%

Statement of Financial Position

As at 31 December 2004

\$'000	YTD Actual	2003/04 Actual	FY Budget
Current assets	1,148	1,069	990
Non-current assets	2,629	2,654	2,661
Current liabilities	152	282	130
Non-current liabilities	-	-	-
Equity	3,625	3,441	3,521

Current ratio	7.6:1
Equity ratio	96%

Statement of Cash Flows

For the quarter ended 31 December 2004

\$'000	YTD Actual	2003/04 Actual	FY Budget
Operating	20	172	186
Investing	(22)	(39)	(107)
Financing	(24)	(216)	-
Net	(26)	(83)	79

Closing balance	440	480
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Note: FY Budgets are as approved in the Business Plan.

Contact officer:

Wayne Maxwell

Profile - Wellington Cable Car Limited

Wellington Cable Car Limited (WCCL) is a wholly owned subsidiary of the Council.

The company maintains the Cable Car assets and oversees the passenger service contract (for operations of the Cable Car). This is currently held by Serco. It also contracts the maintenance and repair of the trolley bus overhead system, and monitors the day-to-day performance of this contractor (currently Stagecoach). WCCL is required to maintain an inventory of materials for the maintenance of the overhead system.



WCCL negotiates a transport subsidy from the Wellington Regional Council to cover the costs of the trolley bus overhead system. The Cable Car operation does not receive any subsidy.

Entity Data

Established	1 July 1991	
Board	Rob Thompson (Chair) John Rutledge Jeremy Ward	<i>Term expires:</i> 31 Dec 05 31 Dec 05 31 Dec 05
General Manager	Brian Brown	October 2004
Balance date	30 June	31 December 2005
Number of FTE staff	3	
Website	www.wellingtonnz.com/cablecar/	
Type of entity	Company	
LGA designation	CCTO	
By reason of	Board control: all Directors appointed by Council	
Council interest	\$3.5 million (<i>book value</i>)	
Type of interest	100% Shareholding	