
REVIEW OF THE 2006/07 ANNUAL REPORTS AND FINANCIAL STATEMENTS OF COUNCIL ORGANISATIONS AND OTHER ENTITIES

1. Purpose

This report reviews the annual reports or financial statements submitted by Council Organisations (COs) and a number of other external organisations. The purpose of this report is to highlight any of issues that the Subcommittee needs to consider.

Section 65 of the Local Government Act 2002 requires the Council to “...regularly undertake performance monitoring of that organisation to evaluate its contribution to the achievement of –

- (a) the local authority’s objectives for the organisation: and....
- (c) the overall aims and outcomes of the local authority.”

In many cases the objective and desired outcome of the Council’s involvement in and/or funding of a CO’s activities is not explicitly stated. This review is an initial step in that process. A number of other entities that are not classified as COs¹ have also been reviewed due to the financial commitment by the Council to those entities.

2. Recommendations

It is recommended that the Subcommittee

1. *Receive the information.*
2. *Confirm that there are no issues for the Chair of this Subcommittee to raise with the Council Organisations.*
3. *Confirm that there are no issues to raise with the Strategy and Policy Committee.*
4. *Note that the remaining CO annual reports will be tabled at the next Subcommittee meeting*

¹ To be a Council Organisation requires the Council to have the right to or to have board representation

3. Background

The annual reports received from COs have been reviewed by officers to assess any risks or issues from the perspective of the Council's interest. It is the Subcommittee's role to review this report and bring any matters of importance to the Strategy and Policy Committee's attention.

This paper only covers those organisations where financial reports have been received. A number of the entities are still completing their reports and these reports will be reported on at the next subcommittee meeting.

4. Organisations Reviewed

The following Council Organisations have been included in this review:

Organisation	Council Relationship
Now included with CCO reporting	
Wellington International Airport Ltd	34% Shareholding plus \$14m debt
Karori Wildlife Sanctuary Trust	Significant Funding
Carter Observatory Board	Funding
Marine Education Centre	Funding

Included in this report

Creative Communities Scheme	Administration of this scheme
Wellington City Lender of Last Resort Trust	Grant funding
Lyll Bay Reef Charitable Trust	Nil
Joe Aspell Trust	Accounting and audit services
Accounts still being completed	
NZ International Festival of the Arts Trust	Funding
Wellington Region 2020 Communications Trust	Grant Funding
Hannah Playhouse Trust	44% shareholding
Wellington Youth Orchestra	Grant funding
Adam Foundation Trust	Nil
Hutt Minoh Friendship House Trust	Nil
Wellington Xiamen Association	Grant Funding

Financial information has also been provided from the following entities due to the level of financial support provided to them.

Organisation	Council Relationship
Wellington Regional Orchestra Foundation Inc.	Grant Funding
Sink F69 Trust	Underwrite agreement to 600,000
Accounts still being completed	

Museum of New Zealand Te Papa Tongarewa	Funding
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The New Zealand Film and Television School, the New Zealand Schools of Dance and Drama Premises Management Trust and the Film Archive have been removed from this report as the Council loans have been repaid by these organisations.

There are a number of other entities that may also fall within the CO classification and the CCO unit will endeavour to update the Council records to keep them abreast of these organisations.

5. Discussion

The annual report of each organisation has been reviewed and summarised in the attached appendix. There are no significant issues with the organisations included in this report.

The Council is still to receive audited accounts from the SinkF69 Trust to enable the underwrite agreement with the Council to be terminated and the funds owed to the Council repaid. The committee wrote to the chair of the Trust in the first quarter 2007 in relation to this. The Trust has limited resources and activities and does not appear to be progressing resolution of this.

The Festival of Japan Trust, the Christmas Parade Trust and the NZ Academy of Sport Central have been wound up or are in the process of closing. The activities of the Christmas Parade Trust are being managed by the Council events team. The NZ Academy of Sport Central was closed following a review which recommended consolidating the sport academies in fewer locations.

6. Conclusion

The review of the Annual Reports provides an opportunity for the CCO Performance Subcommittee to identify any particular issues that need to be explored with the entities. It is proposed that the Subcommittee identify these issues for the CCO Unit to take up with each relevant Chair and raise at the next Strategy and Policy Committee.

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Supporting Information

1) Strategic Fit / Strategic Outcome

These entities and projects support the achievement of a range of outcomes across most strategy areas. Where relevant, reference is made to the 2006/07 Annual Plan.

2) LTCCP/Annual Plan reference and long term financial impact

Please refer to section 4 of the report.

3) Treaty of Waitangi considerations

This report raises no new treaty considerations. Where appropriate the entities do consult with the Council's Treaty Relations unit, and with the Tenth Trust, as part of normal operations.

4) Decision-Making

This is not a significant decision.

5) Consultation

a) General Consultation

Not applicable

b) Consultation with Maori

See section 3, above.

6) Legal Implications

There are no new legal issues raised in this report.

7) Consistency with existing policy

This report is consistent with existing WCC policy.