

Quarterly Review – Wellington Waterfront Limited

Wellington Waterfront Limited has presented its report for the quarter ended 30 September 2007 for review. A summary of key findings is presented below and the full report is attached.

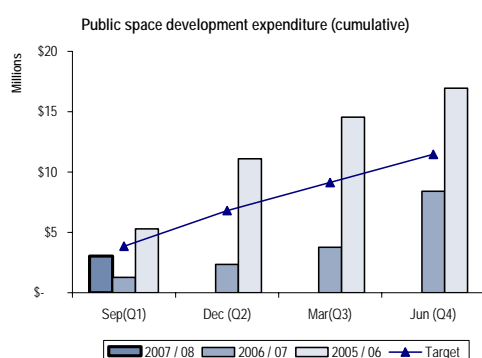
Highlights: achievements

- Receipt of the interim profit share on the Chaffers Dock redevelopment
- Structural upgrade of Shed 13 completed
- Shortlists drawn up for the Frank Kitts Park and Sites 8 – 10 design competitions

Activities during the quarter

- Construction of the Kumutoto public space continued during the quarter
- Michael Cashin took over as Chair following the resignation of Fran Wilde
- Resource consent for the OPT redevelopment was lodged by the developer Willis Bond

Performance



Financial Commentary

- The majority of the \$4.1m public space expenditure incurred during the quarter was on the continued development of Kumutoto
- Commercial proceeds of \$600k received ahead of budget relate to profit share from the Chaffers Dock redevelopment
- WWL drew down a further \$3.5m of the Council \$15m funding during the quarter, giving a total draw down to date of \$14.75m
- WWL haven't yet needed to call upon the temporary additional funding, as indicated in their business plan

Statement of Financial Performance

For the quarter ended 30 September 2007

\$'000	Q1 Actual	Q1 Budget	YTD Actual	YTD Budget	FY Budget
Income	656	611	656	611	2,426
Expenditure	1,755	1,946	1,755	1,946	9,712
Operating surplus / (deficit)	(1,099)	(1,335)	(1,099)	(1,335)	(7,286)

Macro Key Performance Indicators

The following KPI's have been reported by the company

Measure	Annual Target	Quarter Target	Quarter Actual
% residents visiting waterfront	95%	n/a	n/a
# Wellington Waterfront is a more interesting and exciting place to visit	90%	n/a	n/a
# project milestones achieved			
Capital expenditure (\$ million)	\$12.697m		\$4.118m
Commercial proceeds (\$ million)	\$7.150m	\$0.000m	\$0.600m

The survey of residents is an annual measure.

Statement of Financial Position

As at 30 September 2007

\$'000	Q1 Actual	2006/07 Actual	FY Budget
Current assets	5,142	5,180	1,022
Non-current assets	148,966	144,829	144,747
Current liabilities	3,280	2,295	1,110
Non-current liabilities	1	765	943
Equity	150,827	146,949	139,116
Current ratio	1.6 : 1	2.3 : 1	0.9 : 1
Equity ratio	98%	98%	95%

Statement of Cash Flows

As at 30 September 2007

\$'000	YTD Actual	2006/07 Actual	FY Budget
Public Space	(462)	(2,816)	(1,642)
Commercial Development	604	(7,655)	6,245
Operations	(61)	7,569	(4,618)
Net	81	(2,902)	(15)
Closing balance	1,026	945	631

Note: FY Budgets are as approved in the Business Plan.

Contact officer:

Sarah Polaschek

Profile - Wellington Waterfront Limited

Wellington Waterfront Limited (WWL) is a wholly owned subsidiary of the Council.

The Company is proprietor of approximately 20 hectares of land as bare trustee for the Council. The land – on the seaward side of the road – stretches from Wellington Railway Station to the Overseas Passenger Terminal. It also includes 12 hectares of harbour bed.

WWL manages the Lambton Harbour Development Project (the Project). From 1987 this was a joint venture between the Council and the Wellington Harbour Board. In 1989 the Harbour Board was dissolved, and its interests transferred to the Council. The waterfront has progressively been transformed from a working industrial port to one of the city's key recreational areas. Development is guided by the Wellington Waterfront Framework, which covers issues relating to the character of the waterfront.

WWL is letting contracts for commercial developments, generally for long term leases. This commercial income contributes significant funding to the public space developments. The balance is funded by the Council.

The Project was scheduled for completion by 2007 at a cost to Council of not more than \$15 million, plus the annual management fee. However, it is currently anticipated that waterfront development will continue to 2009 and beyond.



Entity Data

Established	28 September 1987	
Board	Michael Cashin (Chair) Cr Ray Ahipene-Mercer David Kernohan Stephen Kos Mark Petersen David Pritchard Alison Timms Robert Gray	<i>Term expires:</i> 31 Dec 08 Oct 2010 31 Dec 08 31 Dec 07 31 Dec 08 31 Dec 07 31 Dec 09 31 Dec 09
CEO	Ian Pike	
Balance date	30 June	
Number of FTE staff	10	
Website	www.wellingtonwaterfront.co.nz	
Type of entity	Company	
LGA designation	CCTO	
By reason of	Board control: all Directors appointed by Council	
Council interest	\$1,000 (book value)	
Type of interest	100% Shareholding	