

Council Controlled Organisations

The Council has established two Council Controlled Organisations (CCO) to fulfil specific objectives. Each CCO must annually complete a Statement of Intent that sets out activities and objectives of the CCO, provides opportunity for shareholders to influence the CCO's direction and provides a basis for the accountability of the CCO.

The full Statement of Intent for each CCO is available for inspection from the Council.

Timaru District Holdings Limited (TDHL) and subsidiaries

(Based on Draft Statement of Intent dated 27.02.15)

Mission Statement: To be a successful and growing business increasing the value of the Company and its return to its shareholder, while taking into account the special needs of the shareholder.

Nature and Scope of Activities

TDHL's business is that of an investor in companies in which Council has a substantial interest; specifically Alpine Energy Ltd – 47.5% shareholding, PrimePort Timaru Ltd – 50.0% shareholding and Te Ana Whakairo Ltd – 21.0% shareholding. TDHL also owns a portfolio of investment properties located in the vicinity of PrimePort Timaru.

Performance Measures and Targets:

TDHL oversees the governance of the subsidiary trading companies of Alpine Energy Limited and PrimePort Timaru Limited through monitoring the individual company's compliance with its Statement of Corporate Intent, regular monthly reporting against the company's budgets and meetings between representatives of the companies and TDHL, at both Board and Officer level.

	2013/14 Actual	2014/15 Forecast	2015/16 Forecast	2016/17 Forecast	2017/18 Forecast
Net profit after tax to shareholders funds	82.76%	7.93%	8.57%	8.97%	8.78%
Net assets per fully paid share	\$48.25	\$50.03	\$52.26	\$54.77	57.35
Earnings per fully paid share	\$39.93	\$3.97	\$4.48	\$4.91	\$5.03
Dividend per fully paid share	\$2.09	\$2.19	\$2.25	\$2.40	\$2.45
Shareholders funds to total assets	54.37%	55.79%	58.36%	61.05%	64.02%

Council Controlled Organisations

Aoraki Development Business and Tourism (ADBT)

(Based on Draft Statement of Intent dated 24/02/15)

Vision

The South Canterbury region is the place of choice to live, work, play and invest.

Mission

To facilitate and support smart, sustainable economic development.

- The purpose of Local Economic Development (LED) is to build up the economic capacity of a local area to improve its economic future and quality of life for all.
- It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.
- Involves short and long term strategies out 10-20 years.

Objectives

- Strategy 1: Effectively support existing businesses.
- Strategy 2: Provide an effective information hub for the District (Business and Visitor).
- Strategy 3: Facilitate and develop strategic partnerships to maximise District benefit.
- Strategy 4: Showcase and promote the District.
- Strategy 5: Attract, facilitate and support new businesses and initiatives (for quantifiable benefit).
- Strategy 6: Facilitate forward planning for growth.

Nature and scope of Activities

1. Seeking to sustain, grow and attract effective business activity in the region and support the cultural activities that

are essential to underpin the Community.

2. Seeking to enhance the provision of information on the Timaru District as a destination for businesses, families, investment and lifestyle.
3. Advocating on behalf of the relevant sectors, providing input into planning and development projects, assistance with the development of products and services for the region, and industry coordination and education.

Performance Measures and Targets

Performance shall be assessed against the following targets:

- Delivery of an annual business plan of core business activities with performance subsequently reported against targets. The business plan for 2015/16 will cover activity in the following areas:
 - Effective support provided to businesses
 - Effective information services (business and visitor)
 - Effective and strategic industry relationships and partnerships
 - Effective marketing, promotion and communications
 - Effective facilitation and support new businesses and initiatives
 - Effective support for growth, innovation and pride.
- Supply a six monthly report to the Timaru District Council covering statement of financial position and financial performance.
- Provide an outline of key activities and relationships.
- Provide commercial accommodation monitor rates.