

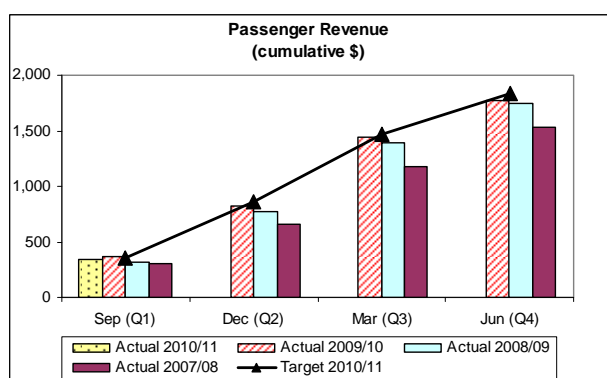
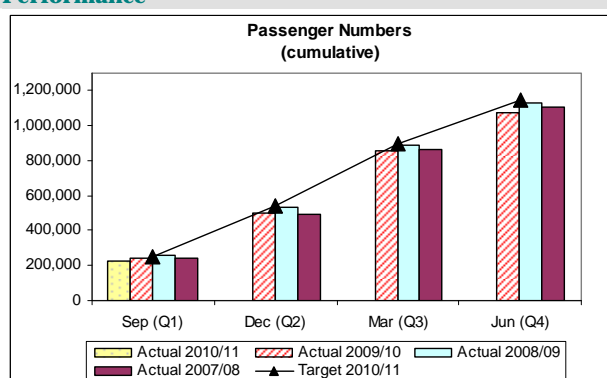
Quarterly Review – Wellington Cable Car Limited

Wellington Cable Car Limited has presented its report for the quarter ended 30 September 2010 for review. A summary of key findings is presented below and the full report is attached.

Highlights / Summary

- The cable car passenger number for the quarter was 228,809, which was 7.8% below budget and 11.8% below the same period in the previous year. The result is primarily attributable to the current economic climate.
- WCCCL is concerned about the recent lower patronage of some of the passenger categories, especially commuters, and is commissioning a survey to obtain data on this trend. Based on these results, action will be taken as appropriate.
- The reliability of the cable car was 99.93% for the quarter.

Performance



Macro Key Performance Indicators

The following KPIs have been reported by the company:

Measure	Annual Target	Quarter Target	Quarter Actual	YTD Target	YTD Actual
Passenger trips	1,146,000	248,200	228,809	248,200	228,809
Cable Car reliability (%)	> 99%	> 99%	99.93%	> 99%	99.3%
Fare income \$k	1,840	359	343	359	343

Activities during the quarter

- Following the completion of the Manners Mall work, activity on the overhead trolley bus network will be concentrated on asset replacements in the Asset Management Plan. All of the planned replacements for 2010/11 are expected to be completed.

Financial Commentary

- The Q1 operating surplus of \$77k was above the budgeted deficit of \$41k. This is mainly due to higher income from external activities because of the timing of activities in the preparation phases. Lower than budgeted cable car maintenance and administration costs also contributed. These all largely reflect timing issues.
- With the lower passenger numbers, cable car fare income was 4.4% below budget and 5% below the same quarter in 2009/10.
- Income and expenses for the overhead division were below budget due to timing issues. Revenue should match expenditure over the full year and will be close to budget.

Statement of Financial Performance

For the quarter ended 30 September 2010

\$000	Q1 Actual	Q1 Budget	YTD Actual	YTD Budget	2010/11 FY Budget
Income	1,877	1,526	1,877	1,526	11,575
Expenditure	1,801	1,566	1,801	1,566	11,197
Operating surplus	77	(41)	77	(41)	378

Operating margin	4%	(3%)	4%	(3%)	3%
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Statement of Financial Position

As at 30 September 2010

\$000	YTD Actual	2009/10 FY Actual	2010/11 FY Budget
Current assets	2,427	2,426	2,170
Non-current assets	5,989	6,012	6,386
Current liabilities	777	872	850
Non-current liabilities	735	688	745
Equity	6,904	6,878	6,961

Current ratio	3.1	2.8	2.6
Equity ratio	82%	82%	81%

Statement of Cash Flows

For the quarter ended 30 September 2010

\$000	YTD Actual	2009/10 FY Actual	2010/11 FY Budget
Operating	(135)	237	1,360
Investing	(46)	(40)	(1,155)
Financing	(2)	(130)	(389)
Net	(183)	68	(185)
Closing balance	721	905	1,070

Note: 2010/11 FY Budget is as approved in the Business Plan.

Appendix 1

Profile - Wellington Cable Car Limited

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

The company owns, maintains and operates the cable car assets. The cable car operation does not receive any external funding or subsidy.

It also owns and is responsible for maintenance of the trolley bus overhead wire network. Income is derived from the overhead wire network from: contract payments from the regional council to cover maintenance; third party projects requiring the overhead network to be relocated or modified; pole occupancy rentals; and a management fee for handling high load escorts through the city.



Entity Data

Established	1 July 1991	
Board	Roger Drummond (Chair) Christine Southey Jeremy Ward	<i>Term expires:</i> 31 Dec 2011 31 Dec 2010 31 Dec 2010
CEO	Des Laughton	
Balance date	30 June	
Number of FTE staff	17.5	
Website	www.wellingtoncablecar.co.nz	
Type of entity	Company	
LGA designation	CCTO	
By reason of	Board control: all Directors appointed by Council	
Council interest	\$3.81 million (<i>book value</i>)	
Type of interest	100% Shareholding	