

2012/2013

# Wellington Cable Car Limited STATEMENT OF INTENT



## CONTENTS

Introduction .....	4
Purpose of Statement of Intent .....	4
Planning WCCL'S Place in Wellington's Future .....	4
Board Structure and Function.....	5
Responsibilities of the Directors .....	6
Delegated Functions .....	6
Board Performance Review.....	6
Primary Business Activities of WCCL – Nature and Scope.....	6
The Objectives of WCCL's Board .....	7
General Objectives of WCC for WCCL.....	8
Specific Topics – 2012/13.....	11
Risk Management .....	21
Procedure for Share Acquisitions, Purchase/Sale of Assets .....	22
Performance Targets and Other Measures for 2012/13, 2013/14 and 2014/15, (unless otherwise noted) .....	23
Cable Car Service Performance Measures.....	23
Trolley Bus Overhead Network Service Performance Measures .....	23
All of WCCL Activities Performance Measures.....	24
Cable Car Patronage .....	26
Trips Paid by Multi-trip Concession Ticket .....	26
Trips Paid by Cash (Single or Return).....	26
All Passenger Trips.....	26
Wellington Residents Satisfaction Survey:.....	27
Dividend Policy .....	28

Information provided to the Shareholder..... 28

Activities for which Compensation is Sought..... 28

Ratio of Consolidated Shareholder’s Funds to Total Assets..... 29

Board’s Estimate of Commercial Value Of The Shareholder’s Investment ..... 29

Statement of Accounting Policies ..... 29

Community Outcomes..... 38

## INTRODUCTION

This Statement of Intent has been prepared by Wellington Cable Car Limited (WCCL), as required by the Local Government Act 2002 for a Council Controlled Trading Organisation (CCTO).

WCCL was established in 1991 as a CCTO by Wellington City Council, to:

- a) Own, maintain and operate the Wellington Cable Car system from passenger fare income (i.e. without public passenger transport subsidies); and
- b) Own and maintain the Wellington trolley bus overhead wire network in order that it can be utilised to provide trolley bus services, as specified in a contract between the Greater Wellington Regional Council (GWRC) and its nominated bus company. WCCL's maintenance of the trolley bus overhead network is met by payments from GWRC.

## PURPOSE OF STATEMENT OF INTENT

The purpose of a Statement of Intent (SOI) is to publicly state the activities and intentions of WCCL for the period encompassed by the SOI. It provides Wellington City Council (WCC), as the shareholder, with the opportunity to influence the direction of the company. The SOI also provides a basis for accountability of the Directors of WCCL to the shareholder, for the performance of the company.

This SOI sets out the objectives and performance targets for WCCL for the twelve months to 30 June 2013, and describes the nature and scope of the activities to be undertaken by WCCL to achieve its objectives and performance targets.

## PLANNING WCCL'S PLACE IN WELLINGTON'S FUTURE

This SOI has a life of one year. It is part of a legislative framework created by the Local Government Act 2002 which, through Wellington City Council's Long Term Plan, sets forth the activities to be undertaken and the services to be provided for Wellington over a ten year period, together with their financial dimensions.

In 2011 WCC signed off on its vision for the future of Wellington through *Wellington Towards 2040: Smart Capital*. The vision is expressed through four core themes for community outcomes:

- People-centred city;
- Connected city;
- Eco-city;
- Dynamic central city.

It is an aspirational strategy and will inform the future work and investments of the WCC.

The WCC Long Term Plan is currently being updated and is intended to align WCC-led projects and activities with the goals of *Wellington Towards 2040: Smart Capital*.

WCC has also adopted other individual strategies and plans, including:

*Wellington City Economic Development Strategy*, which aims to attract, retain and grow investment, to create jobs, and to support sustainable economic growth in Wellington City.

*Accessible Wellington Action Plan*, which aims to enhance Wellington's reputation as an inclusive and socially responsible city and one that is accessible, safe and easy to get around.

WCCL intends to align its strategic priorities and planning with the outcomes desired by relevant strategies of WCC. In previous SOI's, WCCL has summarised the way its activities support WCC's desired community outcomes by reference to the WCC Long Term Plan. For this SOI, WCCL has summarised the way its activities support WCC's community outcomes by reference directly to *Wellington Towards 2040: Smart Capital*.

## BOARD STRUCTURE AND FUNCTION

The Board of Directors normally comprises three members. All are appointed by WCC for varying terms, according to WCC policy.

The Chairman is appointed by WCC.

The Board is currently formally meeting bi-monthly.

## RESPONSIBILITIES OF THE DIRECTORS

The responsibilities of the directors include:

Exercising prudence and skill in their governance of the company, and to act in accordance with the requirements of the Companies Act 1993 and all other relevant legislation in the execution of their duties;

Managing WCCL to meet:

The objectives of WCCL's Board;

General objectives of WCC for WCCL as expressed from time to time;

Monitoring and addressing policy, solvency and statutory matters of the company;

Monitoring all of the company's activities and ensuring the company acts in accordance with its stated objectives.

## DELEGATED FUNCTIONS

The Board of Directors delegates the day to day management of the company to the Management team, who are required to act in accordance with the Board's approved delegations policy.

## BOARD PERFORMANCE REVIEW

The Board of Directors annually undertakes a review of its performance as a Board and as individuals on the Board.

## PRIMARY BUSINESS ACTIVITIES OF WCCL – NATURE AND SCOPE

The primary business activities of WCCL are:

Provision of the Cable Car passenger service, to meet the needs of local commuters and other users from within New Zealand and internationally, financed from passenger fare income and any additional revenue developed from increasing WCCL's tourism related activity;

Provision of the trolley bus overhead network for use by trolley bus services in Wellington City, with income from payments by GWRC under a contract, on a cost recovery basis, to cover reactive and planned maintenance of the existing overhead network;

Maintain WCCL's pole network funded via a contract with GWRC and pole user charges from utilities using WCCL's poles to support their networks; and

Infrastructure-related activities undertaken within Wellington City on a profit earning basis, being:

- i) Projects initiated by parties other than GWRC requiring the overhead network to be relocated and/or modified;
- ii) Protection of the trolley bus overhead network from damage by escorting high loads through the city, and protection of parties requiring safe access in proximity to overhead lines by de-energising the lines.

## THE OBJECTIVES OF WCCL'S BOARD

Effective management of the primary business activities of WCCL;

Ensuring high importance is placed on safety, for the well-being of staff, contractors and members of the public, to meet statutory requirements and to provide the appropriate levels of service reliability:

Ensuring the on-going safe and efficient operation of the Cable Car system;

Ensuring the ongoing safe and efficient operation of the Trolley Bus Overhead Network.

Customer service standards such that the cable car business is enhanced and meets or exceeds standards measured through ratepayer surveys conducted by WCC;

Embrace the vision of WCC for the future of Wellington expressed through *Wellington Towards 2040: Smart Capital* and where practicable align the strategic priorities and planning of WCCL with the community outcomes sought by it, while remaining aligned with the WCC Long Term Plan.

Effective management of WCCL's transition from a Public Benefit Entity to a Profit Oriented Entity;

Earning an appropriate rate of return on the pole assets through revenue from the pole users;

Ensuring that the trolley bus overhead network costs are not subsidised by other activities of WCCL;

Ensuring that the company's risk profile is appropriate, through review of the Risk and Vulnerability schedule prepared by management. This schedule identifies risks and their impacts, and the actions necessary to mitigate or control the risks:

The routine management reports to the Board of Directors will continue to identify issues which impact on the companies risk profile;

The company's management of risk will be reviewed and reported upon by the Auditor on an annual basis;

External resources will be deployed to supplement the skills that are held by Directors, management and staff;

Practice environmental responsibility with respect to the company's activities, by considering the effects of its activities on climate change, waste minimisation and carbon costs, and planning and implementing practical responses;

Ensuring that actions arising from specific topics raised by WCC in its Letter of Expectations for 2012/13 (as noted in a following section) are appropriately planned and implemented.

## GENERAL OBJECTIVES OF WCC FOR WCCL

In its Letter of Expectations dated 16 December 2011, WCC has noted its general objectives for WCCL. The following table records the activities that WCCL will undertake to meet WCC's general objectives for WCCL.



**Table of General Objectives of WCC for WCCL**

<b>WCC General Objectives</b>	<b>WCCL Activities to meet WCC's General Objectives</b>
i) <i>Have partnership approach with WCC and other CCOs</i>	The company will: <ul style="list-style-type: none"> <li>a) Communicate with the Shareholder on a regular basis particularly after Board meetings;</li> <li>b) Remain committed to its relationship with WCC, and ensure a “no surprises” policy of open communication;</li> <li>c) Co-operate with other CCOs in developing future packages and enhancements for tourism related activities.</li> </ul>
ii) <i>Have a regional focus, where this is appropriate</i>	The company's Marketing Plan will include attracting visitors from other regions of New Zealand and internationally.
iii) <i>Appropriately acknowledge the contribution of WCC</i>	The company includes WCC logos on marketing material and communications where appropriate.
iv) <i>Achieve maximum effectiveness and efficiency of service delivery</i>	The company will: <ul style="list-style-type: none"> <li>a) Manage the operation of the cable car within the timetable to maximise the throughput of passengers without detracting from the overall experience of visitors to the facility;</li> <li>b) Manage the cable car assets through its Cable Car Asset Management Plan, anticipating potential obsolescence and failure modes with the objective of having zero breakdowns due to asset failure;</li> <li>c) Train cable car staff to ensure that breakdowns due to operator error are minimised;</li> <li>d) Manage the maintenance of the trolley bus overhead network through its Trolley Bus Overhead Network Asset Management Plan, with the objective of minimising breakdowns and facilitating an effective trolley bus service, as required by the GWRC and the trolley bus operator;</li> <li>e) Monitor overseas developments in equipment and techniques and adopt as appropriate.</li> </ul>

Table of General Objectives of WCC for WCCL		
WCC General Objectives		WCCL Activities to meet WCC's General Objectives
v)	<i>To operate at breakeven or better after depreciation expense.</i>	<p>The company will:</p> <p>Continue to develop other sources of income arising from the ownership and management of its assets:</p> <p>Providing third party services on a commercial basis;</p> <p>Establishing pole user charges from all parties utilising WCCL's pole assets;</p> <p>Continue to obtain adequate contract payments from the Greater Wellington Regional Council to cover the expenditure to provide adequate asset maintenance and necessary upgrades in functionality (including safety) for the trolley bus overhead network, (working within GWRC processes and in consultation with WCC);</p> <p>Set revenue targets for the cable car operation to cover the operation and maintenance expenditure.</p>

Discussion of specific topics for WCCL raised by WCC in its Letter of Expectations for 2012/13:

### **Funding arrangements and change to Dividend Policy**

WCCL operates the cable car service funded by passenger fares.

In 2010, WCCL reviewed its Kelburn Terminus, which requires substantial maintenance. WCCL saw the opportunity to enhance the visitor experience at the Kelburn attractions, beyond what WCCL could justify for its own operation, by replacing the Kelburn Terminus. WCC supported WCCL's vision. To contribute to the project, in recognition of the benefits to the city and its visitors, WCC acknowledged that WCCL could retain the amount that would otherwise be paid as dividend, to meet the additional capital cost.

This arrangement applied to the results of the financial years 2009/10 and 2010/11.

WCCL intends to resume dividend payments to WCC as shareholder in 2012/13, from the profit earned in the 2011/12 year. WCCL will seek to obtain alternative loan finance for the Kelburn Terminus, the cost of which may impact on the amount of dividend paid to WCC.

### **Strategic View for Cable Car Service**

The strategy to continue improving the attractiveness of the cable car offering is as follows:

- a) In simple terms, a passenger trip on the Cable Car is a means of travel between two of the stations on the track.
- b) As the Cable Car is a unique means of travel, in New Zealand, this provides the basis for an interesting message to the public to enjoy the experience of riding on the Cable Car.
- c) However, the Cable Car, in addition to being an attraction in its own right, is located within an environment where there are several other valuable Wellington attractions:

#### **Kelburn Precinct**

- Panoramic city and harbour view
- Cable Car Museum
- Carter Observatory
- Dominion Observatory
- Botanic Garden entrance
- Start of walk to City via historic Thorndon site, Parliament and wharves
- Zealandia Experience at Karori Sanctuary (transit point)

## **CBD**

- Vibrancy of the Central Business District

## **Waterfront**

- Wellington Museum

By linking with these other attractions, we have the foundation for a compelling marketing message that explains how taking a trip on the Cable Car offers access to wide-ranging and memorable experiences.

- d) The marketing message expands beyond a five or ten minute ride on the Cable Car, to ways in which even a whole day could be spent experiencing the attractions in the vicinity.
  - e) As some of the linked attractions do not charge admission fees, the opportunity to create chargeable services is restricted. However, the opportunities to do so will be pursued.
  - f) The underlying commercial intent of WCCL is for passengers to use the Cable Car, benefiting the company by increased fare revenue and profit
  - g) Steps taken to implement strategy:
- WCCL has had an information map created which illustrates the attractions that can be visited through use of the Cable Car, to assist visitors to plan their activities to enjoy the area.
  - WCCL recently introduced a new brochure, which contains the Cable Car map and devotes space to 'thumbnail' the associated attractions. It has been well received by users. A copy of the printed brochure is enclosed overleaf – note that it is folded in normal presentation, with the map being the inside spread.
  - In addition to the large scale maps installed into Cable Car Lane, a new trip planning and ticket guide is being finalised for a display area on the wall of Cable Car Lane.

## **Plan to better leverage marketing**

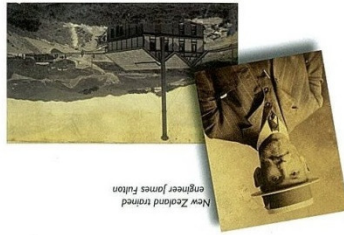
WCCL notes the request by WCC that it participate in the development of a plan by PWT, Parks and Gardens, Zealandia and the Museum Trust in conjunction to better leverage marketing between the attractions in the Kelburn precinct. This approach is welcomed and WCCL will participate fully.

**WELLINGTON CABLE CAR**  
SINCE 1902

The Cable Car has a single track with a passing loop half way. The cars are fitted with flanged wheels on one side and flat wheels on the other, which means they can steer around the loop using the flanged wheels whilst the flat wheels slide across the central rail. The system has numerous safety features including two gripper brakes on each car as well as passenger load sensing, overload prevention and earthquake protection.



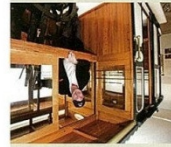
**how it works**



New Zealand trained engineer James Fulton

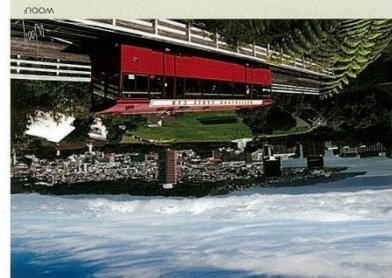
The successful Wellington businessman Martin Kennedy is credited with the original idea for the Wellington Cable Car. With his many business and political connections he persuaded the Upland Estate Company to include it in their plans for the suburb of Kelburn. The cable car was designed by New Zealand trained engineer James Fulton, who also surveyed and set out the Kelburn suburb. Construction of the cable car started in 1899 and was opened on 22 February 1902, carrying over 4,000 people on its first weekend of operation. By 1904 trailers had been added to the cars to increase seating capacity to 62 and a Tea House had been built at the summit. In 1933 electricity replaced steam as the power for the cable car. In 1978 the original system which had remained largely unchanged since 1902 made its last run and was replaced by a new Swiss designed system which remains in operation today.

**how it all started**



This award winning Museum brings to life the story of Wellington's iconic cable car. Situated within the original winding house the museum is home to two of the original cars and the winding gear once used to haul the cars up the steep incline. **Free Admission** [www.museumswellington.org.nz](http://www.museumswellington.org.nz)

**Cable Car Museum**  
Botanic Garden are adjacent to the lookout. Cable Car Museum and top entrance to the Harbour of Tara - Te Whanganui Tara. The City of Wellington and out over the Great



**at the top**

**more to explore**

**Wellington Botanic Garden**

Features 25 hectares of unique landscape, protected native forest, conifers, specialized plant collections and colourful floral displays. It is classified as a garden of national significance by the Royal New Zealand Institute of Horticulture and is a Historic Places Trust heritage area. Enjoy a leisurely downhill walk through the gardens and back to town. **Free Admission**



**Carter Observatory and Planetarium**

Situated just 2 minutes from the top of the Cable Car. Discover the importance of the stars in traditional Maori life, explore the multimedia exhibitions and view some of New Zealand's most prestigious astronomical artefacts. Enjoy the show in the digital full-dome planetarium. Planetarium shows are scheduled throughout the day. **Admission charges apply** [www.carterobservatory.org.nz](http://www.carterobservatory.org.nz)



**Zealandia**

Just 5 minutes from the top of the cable car by free shuttle or a leisurely 25 minute walk through Kelburn. Zealandia is New Zealand's award winning eco attraction. A must see if you want to get a real taste of New Zealand's amazing natural heritage. Your Zealandia experience includes the exhibition centre and 225 hectares of the eco sanctuary. **Admission charges apply** [www.visitzealandia.com](http://www.visitzealandia.com)



- **A car every 10 minutes**  
Monday to Friday 7am to 10pm  
Saturday 8:30am to 10pm  
Sunday and public holidays 9am to 9pm  
closed Christmas Day
- For latest fare and timetable information [www.wellingtoncablecar.co.nz](http://www.wellingtoncablecar.co.nz)



- The lower terminus is situated in Cable Car Lane which is on Lambton Quay opposite Grey Street and next to McDonalds
- The Cable Car is fully accessible to wheelchairs, mobility scooters and pushchairs.
- Bicycles carried at the discretion of the Company.



The Cable Car is proudly owned, operated and maintained by Wellington Cable Car Limited



**WELLINGTON CABLE CAR**  
SINCE 1902

**WELLINGTON'S TOP SPOTS**  
**A CAR EVERY 10 MINUTES**



## Proposed New Kelburn Terminal

### The Existing Building

The Kelburn Terminus building was constructed in 1978, when the current cable car vehicles were installed.

Remedial action is now necessary on the existing building.

### Building elements requiring improvement

The building elements that require improvement include:

1. **Roof** – There are three different materials in the existing roof (timber shingles, rubber membrane over plywood and glass), and all have failed. There is danger to passengers of wet floors from roof leaks and glass that appears not to meet current safety codes. These items have been raised by NZTA in its Rail Safety Assessment. The current building design makes remedial work difficult and will require closure of all cable car services for at approximately 7 days, due to erection of scaffolding on the track;
2. **Guttering and spouting** – The complex roof design has created gutters with difficult access for cleaning, and are consequently continuously blocked;
3. **Rainwater discharge** – The spouting and downpipes simply discharge rainwater onto the ground, leading to flooding in heavy downpours;
4. **Structural beams** – Some roof beams around the perimeter of the structure are very low – in some cases lower than 1.8m, and are a danger to the public;
5. **Exterior wall glazing** – the glass has been identified as non-safety glass and requires replacement;
6. **Paving** – The existing ground is sealed with a mixture of asphalt and tiles, with the asphalt old and well worn;
7. **Winding Room Access** – The stairs down to the winding room are steep and exposed to the weather and accumulate debris and rubbish. The surrounding balustrade is too low. Enclosing access within the Terminus Building would provide a safe after-hours environment for maintenance workers.

### Desirable Improvements to Building Elements

1. **Security** – The precinct is subject to tagging, intrusions after hours and vandalism. There is easy access onto the roof which gives easy access after hours to the stabled cable car, as the design of the building prevents all points of entry being closed off;

2. **Waiting Areas** – The current waiting area is limited and has only two seats. The area is draughty and subject to rain ingress;
3. **Inclement Weather Protection** – There is not sufficient protection against the southerly weather, which affects cable car passengers embarking and disembarking;
4. **Staff Facilities** – The control room currently does not have staff facilities which ideally should be readily available – WC, shower and a kitchenette. In addition, maintenance staff needing to leave the site for the WC when working at night leads to security issues;
5. **Cable Car / bogie maintenance** – The current arrangements for removal and entry of bogies or a cable car are not well designed for easy use, and lead to damage of the paving. A gantry beam system would significantly improve the carrying out of this work.

### **Courses of Action**

It was imperative to either undertake significant repairs, with an associated closure of service for a short period, or replace the structure and gain benefits for the operation of the cable car service, and also the wider community. The benefits to the wider community of the city from replacement have been recognised. The Kelburn precinct is a centre of visitor attractions (e.g. Botanic Garden, Cable Car Museum, Carter Observatory and as a transit point for Zealandia) and the new terminus will help provide improved enjoyment of the area for the many tourists and visitors to the city.

There were three courses of action open to WCCL:

- Do nothing – As some of the required work relates to necessary improvements to health and safety matters, this is not a practical option;
- Decide in favour of refurbishment - Refurbishment largely maintains the status quo of the service standards inherent in the existing design of the terminal. Where necessary and possible, building elements would be made code compliant, particularly to meet safety regulations. Necessary staff amenities would be created within the existing structure.
  - Estimated cost \$550,000 - \$600,000;
- Decide in favour of replacement – Replacement increases the level of amenity and service with benefits for not only WCCL, but also the wider community.
  - Estimated cost \$1.875 million (2013)

The Directors of WCCL decided that replacement was their preferred course of action, as it was considered to be short-sighted to commit only to refurbishment that still does not meet the proposed project brief, and would represent a lost opportunity to enhance the experience of the Cable Car and the surrounding area.

The project construction will be undertaken during the period April to August 2013, to avoid disruption during the tourist and visitor season.



The project is being managed by a professional Project Manager who has previously undertaken a successful project for WCCL.

### **Strategic Vision for the Kelburn Terminus**

The Directors strategic vision for the Kelburn Terminus is consistent with its strategic view for the Cable Car Service referred to in the prior section. The vision for the Kelburn Terminus is that it will add positively to the experience of visitors to the cable car and the attractions linked to it, with benefits for all parties and stakeholders.

### **Benefits of Replacing Terminus**

The benefits of replacement of the terminus to the various parties involved with the Kelburn area include:

- **WCCL** – After hours security of premises, overnight stabling of Cable Car with weather protection, significantly improved work amenities and environment, increased revenue from additional passengers using internal viewing platform on days with inclement weather;
- **Visitors** – provision of internal viewing platform of benefit, offering another vantage point over the city, increased waiting area and seating, better protection against inclement weather;
- **Kelburn Precinct Attractions** – increased level of amenity and quality environment at the centre of activity in the Kelburn precinct, additional patronage from additional cable car passengers, kiosk for Friends of Botanic Garden;
- **Wellington Community** - enhancement of a community facility that supports the emphasis of Wellington City Council on developing visitor experiences in the city.
- **WCC** – enhances the gateway to the key attractions in the area, in which WCC has an interest.

### **Reflection of strategic co-operation with other Kelburn entities**

The proposed design incorporates features that reflect the co-operation between other entities in the area.

- **Botanic Gardens** – A kiosk area is included in the Terminus to be the base from which the Friends of the Botanic Garden will offer their guiding services to Botanic Garden visitors, particularly on days when cruise ships are in port. Initially, Botanic Garden advised it would contribute to the capital cost, but it is now unable to do so. However WCCL has continued with its intention to make the space available, at WCCL's cost.
- **Cable Car Museum and Carter Observatory** – The Museum Trust, in considering the design proposals, indicated a strong preference for a structure that maintained the sense of space and openness and sight lines to the adjacent attractions, which the selected design provides.
- **Skyline Building** – Discussions continue with the new operator on the interface between the Terminus and the proposed café area.

- **Zealandia** – Signage (at least) to inform visitors of shuttle service departing from Kelburn Terminus.
- **Kelburn Village** – Signage to inform visitors of direction.

## Consultation

Extensive consultation was undertaken.

The first round of consultation was with key Stakeholders closely associated with the Kelburn Terminus area (including Botanic Garden and Museums Trust for Cable Car Museum). Initial feedback was incorporated into the project design brief.

The second round of consultation was during the design phase.

Feedback was received from a wide range of Stakeholders, including:

- Wellington Museums Trust;
- Botanic Garden;
- Friends of the Botanic Garden;
- WCC officers from the Property, Planning, and Urban Design teams;
- Councillor Portfolio Leaders for Natural Environment and Built Environment;
- Senior WCC officers;
- The public through feedback display sites of proposals at Public Library, Lambton Quay and Kelburn Terminus, and online, with form for online feedback.

Key points of feedback included support in principle or constructive comments from all parties (e.g.):

- Friends of the Botanic Garden were keen to ensure they had a “base” within the development;
- Some accessibility issues were identified which will be followed up on through the detailed design process;
- Cable Car Museum advocated for an open structure for view lines.

## **Health and Safety Management**

The two operating divisions of WCCL (Cable Car Service and Trolley Bus Overhead Network) each have their own health and safety plans and management.

WCCL believes it has in place appropriate health and safety policies to meet its responsibilities covering hazard identification and management, emergency planning, accident reporting and investigation management, contractor management and safe work procedures. However, as each operating division has separately developed policies, to meet the operating environment of each division, external review of them is being sought to ensure consistency across both divisions.

This review will be undertaken by 30 September 2012.

## **Insurance Programme**

The insurance programme for the respective operating divisions is as follows:

### **Cable Car Service**

All assets related to the cable car service are covered by a policy with Lloyds of London.

The amount of cover necessary has been calculated on the basis of Probable Maximum Loss, as advised by the structure and earthquake engineering consultant who surveyed the assets and reported to WCCL.

### **Material Change**

Following the Canterbury earthquakes, it was not possible to get continued cover from the then insurer, or from any other NZ-based insurer. The placement was made with Lloyds on the best terms that could be achieved, but not for full replacement. WCCL was able to get its cover only on the strength of the consultant's report and his assessment of Probable Maximum Loss.

### **Trolley Bus Overhead Network**

The trolley bus overhead network itself (poles, stays wires, contact wire and other equipment) is not insured, and has never been. WCCL has attempted to get quotations for cover, but have not been successful. We understand that lines companies generally do not have insurance cover. The warehouse and contents, including inventory and equipment is insured with a NZ based insurer.

Motor Vehicles are insured with a NZ based insurer.

Liability covers are insured with a NZ based insurer.

### **Business Continuity Plan**

WCCL does not have a formal business recovery plan, and intends to document one formally, which will be done by 30 September 2012. However, it does have a disaster recovery plan, which focuses on IT systems and data recovery.

### **Charges for access and use of trolley bus poles**

WCCL wishes to obtain an acceptable rate of return on its investment in trolley bus poles, which are also used by telecommunications and electricity utilities to support their networks. WCCL's ability to charge for their access and use of the trolley bus poles is made difficult by the ambiguous wording of the relevant legislation. WCCL is committed to resolve this issue through negotiation if possible, but through the courts if needed and, as a last resort, through legislative change.

This is a key strategic initiative. WCCL will require the assistance from WCC and GWRC to support approaches to the utility companies.

### **Technical Review Group**

The Technical Review Group (comprising WCCL, Wellington Electricity Lines Ltd (WELL) and NZ Bus) was set up to consider whether or not WELL and NZ Bus should be able to implement as of right a provision in their electricity supply contract, but which WCCL was not party to, that WCCL's network would be re-configured to maintain power supply in the event that there is a failure in WELL's DC supply assets.

This phase of work also identified that there was a risk that the DC power supply would terminate on 30 June 2017 if more immediate forward planning was not undertaken by GWRC. This matter was brought to GWRC's attention and the TRG is now focusing on forward issues.

WCCL also introduced to the TRG the power supply issue that has arisen in the re-configured Manners Mall, and that forum has proposed a solution that is being implemented in the 2011/12 year.

## RISK MANAGEMENT

The company's Risk Management Policy is that risk is assessed on at least an annual basis and documented in the Risk and Vulnerability Schedule, under the following categories of risk:

- a) Financial
- b) Disaster Recovery and Systems backup
- c) Assets and their Management
- d) Personnel Management
- e) Statutory Risks
- f) Commercial Risks

In each category all aspects of the business are considered and the level of risk assessed and mitigation actions determined as appropriate. The Board of Directors considers Risk and Vulnerability issues as they arise, updates the Risk and Vulnerability Schedule as required, and formally reviews the Schedule annually.

As the nature of the business involves electrical and mechanical equipment, as well as involving passenger transport, day to day business involves frequent assessments of the risks.

It considers WCCL has the following risks that have a high risk assessment:

Risk Defined	Risk Assessment	Method of Control
<b>Assets and their Management</b>		
Potential for serious injury/fatality due to risk of the trolley bus overhead network not having adequate protection against short circuits.	High	Mitigation Steps: <ul style="list-style-type: none"> <li>- Electrical protection consultant engineer has designed a solution which is under going implementation.</li> <li>- Regular inspection regime initiated, to continue until protection equipment installed.</li> </ul>
<b>Financial</b>		
In the event of earthquake damage to cable car assets, WCCL may have insufficient funds to meet maximum cost of excess/deductible under Material Damage Insurance policy.	High	Mitigation methods to be determined. Consider: <ul style="list-style-type: none"> <li>- Amending Insurance Policy terms.</li> <li>- Investigate financing methods including self-insurance reserve fund.</li> </ul>
In the event of earthquake damage to trolley bus overhead network, WCCL may have insufficient funds to meet cost of	High	Mitigation methods to be determined. Consider: <ul style="list-style-type: none"> <li>- Obtain insurance cover</li> </ul>

reinstatement of trolley bus overhead network.

- Notify Greater Wellington Regional Council, NZ Bus, and network utility companies with assets fixed to the poles.

## PROCEDURE FOR SHARE ACQUISITIONS, PURCHASE/SALE OF ASSETS

The Company will only issue shares or acquire shares in other companies or become a partner with any other business with the express prior permission of WCC.

The Company will fully investigate and report to WCC any proposal to enter into partnerships or to sell any buildings or other significant assets before commitments are entered into.

**PERFORMANCE TARGETS AND OTHER MEASURES FOR 2012/13, 2013/14 AND 2014/15, (UNLESS OTHERWISE NOTED)**

**CABLE CAR SERVICE PERFORMANCE MEASURES**

<b>Performance indicator</b>	<b>Measure</b>	<b>Target/Result</b>
Cable car vehicles, track, tunnels, bridges, buildings and equipment are maintained to required safety standards	Approval by NZTA to be obtained each year.	Timely approval received
Cable Car service reliability	Percentage reliability	Greater than 99%
Cable Car Service has Qualmark endorsement to confirm that the Cable Car Service meets established tourism standards	Qualmark endorsement held.	Qualmark endorsement maintained

**TROLLEY BUS OVERHEAD NETWORK SERVICE PERFORMANCE MEASURES**

<b>Performance indicator</b>	<b>Measure</b>	<b>Target/Result</b>
Inspection, maintenance and repair of trolley bus overhead network are carried out to provide appropriate levels of reliability	Number of network failures due to inadequate maintenance	Nil failures
Trolley Bus Overhead Network Draft Asset Management Plan prepared	Draft Asset Management Plan completion	Draft Annual AMP for ensuing year prepared by 30 August of each year
Trolley Bus Network Poles identified in each year's AMP as requiring urgent and critical replacement are programmed for replacement	Pole replacements completion	Completed in accordance with the programme
Overhead components replacement or repairs	Component programme completion	Replacement completed in

		accordance with the programme
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<b>Performance indicator</b>	<b>Measure</b>	<b>Target/Result</b>
WCCL pole occupants have formal contracts and appropriate pole user charges are being paid.	Number of contracts current	All recent users have current contracts.  All "Existing Works" users have contracts signed by 30 June 2013, and continue with current contracts
GWRC funding agreement being complied with.	Number of breaches of agreement	Nil breaches by WCCL
Performance requirements in the GWRC Trolley Bus Overhead funding agreement are met.	GWRC Contract payments received  Other Contract Requirements	Paid in accordance with agreed funding levels  No complaints from GWRC

#### ALL OF WCCL ACTIVITIES PERFORMANCE MEASURES

<b>Performance indicator</b>	<b>Measure</b>	<b>Target/Result</b>
Compliance with appropriate regulations and statutes	Number of adverse comments from the relevant regulatory authorities.	Nil adverse comments
Budgetary requirements approved by the WCCL Board are met	Degree of variance from budget	Within 10% or Board approved variance
Board delegations are adhered to	Board and management approvals of commitments and expenditure	All approvals of expenditure and commitments are in accordance with delegations policy
Company Risks and Vulnerabilities are maintained at an acceptable limit and identified in the Risk and Vulnerability register.	Number of Risk and Vulnerabilities not identified, and where possible, mitigated to an acceptable limit	Nil Risks and Vulnerabilities not identified  Nil Risks and Vulnerabilities not mitigated to acceptable limit
Contribute to review of back office functions	Positive participation in the back office review to	Participation assessed to be positive



	be undertaken for efficiency gains	
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## CABLE CAR PATRONAGE

### TRIPS PAID BY MULTI-TRIP CONCESSION TICKET

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
2012/13	71,700	52,700	77,900	69,500	271,800
2013/14	72,400	53,200	78,700	70,200	274,500
2014/15	73,100	53,700	79,500	70,900	277,200

### TRIPS PAID BY CASH (SINGLE OR RETURN)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
2012/13	150,200	236,700	270,600	144,400	801,900
2013/14	151,700	239,100	273,300	145,800	809,900
2014/15	153,200	241,500	276,000	147,300	818,000

### ALL PASSENGER TRIPS

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
2012/13	221,900	289,400	348,500	213,900	1,073,700
2013/14	224,100	292,300	352,000	216,000	1,084,400
2014/15	226,300	295,200	355,500	218,200	1,095,200

## WELLINGTON RESIDENTS SATISFACTION SURVEY:

The annual survey conducted by WCC asks the questions below:

<b>Question</b>	<b>Target</b>
Have you used the cable car in the last 12 months?	30% of respondents have used cable car
How do you rate the standard and operational reliability of the cable car (Good/Very good)	95% of respondents with some knowledge of the cable car rate it Good/Very good

## DIVIDEND POLICY

The company will pay the shareholder a dividend of 60% of Net Profit after Tax, subject to the directors discharging their statutory duty in making that decision each year.

The Directors are cogniscent of the shareholder's ten year Long Term Plan and are committed to providing a return to the shareholder commensurate with that plan.

## INFORMATION PROVIDED TO THE SHAREHOLDER

Reports will be provided to the shareholder as required by legislation and as mutually agreed.

These include:

Details relating to any proposal by the company to diversify the range or scope of activities beyond those described in this Statement of Intent.

A quarterly report in respect of all activities of the company that will include comment on the performance of the Cable Car passenger service and the maintenance of the trolley bus overhead network.

Half yearly reports prepared in accordance with Local Government Act 2002.  
An annual report and audited financial statement as required by the Financial Reporting Act 1993 and clause 67 of the Local Government Act 2002.

Advice, as far as practicable, of any significant events or activities that may impact on either party will be brought to their attention as soon as it can be reasonably done.

The information set out above will be provided at regular times as agreed with the Council's Monitoring Subcommittee.

## ACTIVITIES FOR WHICH COMPENSATION IS SOUGHT

The Company obtains funding from the following sources:

- The company will pursue to the greatest practicable extent the funding from the GWRC needed to maintain and replace the trolley bus overhead network. The other activities of WCCL will not subsidise the funding needed for the maintenance and replacement of the trolley bus overhead network;
- The cable car operation will be funded from fares and any enhanced tourism activities.

However, should the shareholder require the company to undertake obligations or services which cannot be covered by the funding from these sources, the company will

seek compensation from WCC to restore an adequate level of income to meet the business's requirements.

## RATIO OF CONSOLIDATED SHAREHOLDER'S FUNDS TO TOTAL ASSETS

### Definition of Terms

**Shareholders funds:** Represents the net equity the shareholder has contributed to the Company since its incorporation. This amount includes issued share capital, revaluation reserves and retained earnings. For completeness, this amount would also include any balances in the shareholder current account that exist; however there is a nil balance in the shareholder current account. As at 30 June 2011, the shareholders funds equated to \$6.8m

**Total Assets:** Represent the total assets, both intangible and tangible of the Company, disclosed in accordance with applicable financial reporting standards. For completeness it is noted that any tax liabilities in respect of GST and deferred tax are classified as liabilities irrespective of them being a debit or credit balance. As at 30 June 2011, the Total Assets of the Company equated to \$8.4m

**Ratio** of Shareholders Funds to Total Assets as at 30 June 2011 - 80.96%

## BOARD'S ESTIMATE OF COMMERCIAL VALUE OF THE SHAREHOLDER'S INVESTMENT

The estimate of commercial value is equal to the equity value of the company as at 30 June 2011, being \$6.8 M

The commercial value is reassessed annually, following completion of the annual accounts.

## STATEMENT OF ACCOUNTING POLICIES

### Statement of compliance with international financial reporting standard

The financial statements will be prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They will comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for profit oriented entities and those that apply differential reporting.

### Reporting Entity

Wellington Cable Car Limited (the Company or WCCL) is a company wholly owned by Wellington City Council and is registered under the Companies Act 1993. It is a Council-controlled Trading Organisation as defined by Section 6 of the Local Government Act 2002.

The financial statements will be prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 1993 and the Local Government Act 2002.

For the purposes of financial reporting the Company is a profit oriented entity.

## **Reporting**

The reporting period for the financial statements is the year ended 30 June.

## **Accounting Policies**

The accounting policies set out below will be applied consistently to all periods presented in the financial statements.

The financial statements will be prepared under the historical cost convention, as modified by the revaluation of certain assets as identified in specific accounting policies below.

The accrual basis of accounting will be used unless otherwise stated. These financial statements will be presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

## **Differential Reporting**

The company is a qualifying entity within the Framework for Differential Reporting. The company qualifies on the basis that it is not publicly accountable and there is no separation between the owners and governing body of Wellington Cable Car Limited. The company will adopt the differential reporting exemption for NZ IFRS 8 in respect to Operating segments.

## **Judgements and Estimations**

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or will be provided in the relevant note.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when

the revision affects only that period. If the revision affects both current and future periods, it is reflected in the current and future periods.

Judgements that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the relevant notes.

## **Revenue**

Wellington Cable Car Limited derives revenue from the cable car passenger service with fares being the sole source of income. Additional revenue is received from projects to modify the network at the request of outside parties and pole occupancy licences.

Revenue is recognised when billed or earned on an accrual basis.

## **Government grants**

The trolley bus overhead wiring system funding is from contract payments by the Greater Wellington Regional Council.

Grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

## **Expenses**

Expenses are recognised when the goods or services have been received on an accrual basis.

## **Taxation**

Income tax expense is charged in the statement of financial performance in respect of the current year's results. Income tax on the profits or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets

and liabilities, using tax rates enacted or substantively enacted at balance date. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### **Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

### **Financial Instruments**

WCCL classifies its financial assets and financial liabilities according to the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

#### ***Non Derivative Financial Instruments***

WCCL has the following non-derivative financial instruments (to be stated if applicable).

#### **Financial assets**

WCCL classifies its investments into the following categories:

- Financial assets at fair value through profit and loss and loans and receivables.
- Loans and receivables comprise cash and cash equivalents, trade and other receivables.
- Trade and other receivables are financial assets with fixed or determinable payments. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Trade and other receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for loans of a similar maturity and credit risk. Trade and other receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.
- Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity from the date of acquisition. These are recorded at their nominal value.

#### **Financial liabilities**

Financial liabilities are classified as financial liabilities at fair value through profit and loss or other financial liabilities.



Financial liabilities comprise trade and other payables and borrowings. Financial liabilities with duration more than 12 months are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised in the Statement of Financial Performance as is any gain or loss when the liability is derecognised. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

### **Foreign Currency Transactions**

Transactions in foreign currencies that are settled in the accounting period are translated at the settlement rate. Transactions in foreign currency that are not settled in the accounting period, resulting in monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated to NZD at the foreign exchange rate ruling at that date. Foreign exchange differences arising on their translation are recognised in the Statement of Financial Performance.

### **Inventory**

Inventory has been valued at the lower of cost (average weighted cost price) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost and current replacement cost.

### **Property, Plant and Equipment**

#### **Recognition**

Property, plant and equipment consist of operational assets. Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Costs that do not meet the criteria for capitalisation are expensed.

#### **Measurement**

Property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment includes the purchase consideration and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential and that can be measured reliably is capitalised. In accordance with IAS 23, borrowing costs are capitalised if they are directly attributable to the acquisition, construction, or production of a qualifying asset.

### ***Infrastructure Assets***

The infrastructure asset (being the Traction network) is valued at its fair value based on an Income approach to their valuation. This valuation is completed annually using a model prepared by PricewaterhouseCoopers. Between valuations, expenditure on asset improvements is capitalised at cost only if it is probable that future economic benefits associated with the item will flow to Wellington Cable Car Limited and the cost of the item can be reliably measured. The Cable Car assets are reviewed annually to ensure their carrying value is appropriately recorded in the financial statements.

### ***Impairment***

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Statement of Financial Performance, unless the asset is carried at a re-valued amount in which case any impairment loss is treated as a revaluation decrease.

### ***Revaluations***

The result of any revaluation of the Cable Cars infrastructure asset is credited or debited to the asset revaluation reserve for that asset. Where this results in a debit balance in the reserve for a class of property, plant and equipment, the balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Financial Performance will be recognised firstly in the Statement of Financial Performance up to the amount previously expensed, and then secondly credited to the revaluation reserve for that class of property, plant and equipment.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the re-valued amount.

### ***Disposal***

Realised gains and losses arising from the disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Performance in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to Retained Earnings.

## **Depreciation**

Depreciation is provided on all property, plant and equipment, except for assets under construction (work in progress). Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The depreciation rates of the major classes of property, plant and equipment are as follows:

Cable Car Tracks & Wires	2%
Cable Car Equipment	2%
Cable Car Equipment	10%-33%
Computer Equipment	33%
Motor Vehicles	20%
Furniture & Fittings	20%
Trolley Bus Overhead Wire System & Fittings	20%
Trolley Bus Overhead Wire System Equipment	10%

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance date.

## **Work in progress**

The cost of projects within work in progress is either expensed or transferred to the relevant asset class when the project is completed. It is transferred to the relevant asset class only if it is probable that future economic benefits associated with the item will flow to Wellington Cable Car Limited and the cost of the item can be reliably measured. Otherwise the item is expensed.

## **Intangible Assets**

Intangible assets comprise computer software which has a finite life and is initially recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Statement of Financial Performance on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these assets are as follows:

Computer Software	3 years
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Realised gains and losses arising from disposal of intangible assets are recognised in the Statement of Financial Performance in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Statement of Financial Performance.

## **Employee Benefit Liabilities**

A provision for employee benefits (holiday leave) is recognised as a liability when benefits are earned but not paid.

Holiday leave is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) and 16(4) of the Holidays Act 2003.

## **Other Liabilities and Provisions**

Provisions are recognised for future expenditure of uncertain timing or amount when there is a present obligation as a result of a past event and it is probable that expenditures will be required to settle the obligation. Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

## **Equity**

Equity is the shareholders interest in the entity and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity within the entity.

The components of equity are accumulated funds, retained earnings and revaluation reserve for infrastructure assets.

## **Leases**

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under these leases are expensed in the Statement of Financial Performance in the period in which they are incurred. Payments made under operating leases are recognised in the Statement of Performance on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Financial Performance as an integral part of the total lease payment.

## **Statement of Cash Flows**

The statement of cash flows has been prepared using the direct approach.

Operating activities include cash received from all income sources of the company and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to activities that change the equity and debt capital structure of the company.

## **Related Parties**

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties also include key management personnel or a close member of the family of any key management personnel.

Directors' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a Director during the reporting period. Directors' remuneration does not include reimbursement of legitimate work expenses or the provision of work-related equipment such as cell phones and laptops.

## **Comparative figures**

To ensure consistency with the current year, certain comparative information has been restated or reclassified where appropriate. This has occurred:

- where classifications have changed between periods,
- where comparative amounts have been restated to comply with the new standards and interpretations, and
- where the entity has made additional disclosure in the current year, and where a greater degree of desegregation of prior year amounts and balances is therefore required.

## **Changes in Accounting Policies**

There will be appropriate explanation if there have been changes in accounting policies from the previous year..

## **Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Company, are:**

- NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus or deficit. The new standard is required to be adopted for the

year ended 30 June 2014. The Company has not yet assessed the effect of the new standard and expects it will not be early adopted.

- FRS-44 New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with IFRS and Australian Accounting Standards (Harmonisation Amendments) – These were issued in May 2011 with the purpose of harmonising Australia and New Zealand’s accounting standards with source IFRS and to eliminate many of the differences between the accounting standards in each jurisdiction. The amendments must first be adopted for the year ended 30 June 2012. The Company has not yet assessed the effects of FRS-44 and the Harmonisation Amendments.

**The following amendments and revision to standards have been early adopted:**

- NZ IAS 24 Related Party Disclosures (Revised 2009) – The early adoption of NZ IAS 24 has had no effect on related party disclosures.

## COMMUNITY OUTCOMES

The contributions by WCCL which support community outcomes sought by *Wellington Towards 2040: Smart Capital* are summarised in the following four tables:

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## Wellington Towards 2040: Smart Capital

### Goal: People Centred City

Our city will be healthy, vibrant, affordable and resilient, with a strong sense of identity and 'place'.

### Drivers of the Goal relevant to WCCL

#### Suburbs with unique identities:

Support strong links and access to good transport between suburban areas and the CBD

#### Wellington as a 'Smart' City

Use new technologies to improve quality and efficiency of city infrastructure ...

#### Active communities that support innovation and resilience

Develop spaces and places (physical) to engage with each other

#### Healthy and safe communities

Respond to changing populations by investing in healthy and safe access to recreation activities for older people across a range of different abilities

### Contributions by WCCL

- Maintain safe and reliable cable car service between Kelburn and CBD
- Maintain the trolley bus overhead network to a safe and reliable standard
- Investigate opportunities to use new technologies and consider their implementation
- Support activities that keep the cable car terminus at Kelburn as a focal point of Wellington
- Investigate courses of action that improves use of the cable car service by a range of different abilities

## Wellington Towards 2040: Smart Capital

### Goal: Connected City

Our people, places and ideas will link to networks across physical, virtual and social connections.

### Drivers of the Goal relevant to WCCL

#### Effective and efficient regional infrastructure

Continue to improve the city's public transport and pedestrian/cycling infrastructure as a distinctive feature of Wellington, aligned with low-carbon goals

#### National and international connections that support Wellington's economic, social and cultural goals

Clear understanding of Wellington's unique characteristics (the Wellington 'story') and role in wider networks, nationally and internationally

### Contributions by WCCL

- Operate the cable car service as an efficient, reliable and safe transport service
  - Maintain the trolley bus overhead network to a safe and reliable standard
  - Continue policy to allow cycles to be carried on cable cars subject to comfort of other passengers being unaffected
  - Promote walking as an activity to be undertaken in conjunction with cable car rides
- 
- Promote the cable car and the attractions that can be accessed by it as 'must see and do' attractions for visitors to Wellington



## Wellington Towards 2040: Smart Capital

### Goal: ECO City

Our city will take an environmental leadership role as the Capital of clean and green New Zealand

### Drivers of the Goal relevant to WCCL

#### **A city with a green economy**

Require businesses to integrate sustainability into their business models

#### **Infrastructure to create a secure and resilient city**

Continue to prioritise the council's work to develop an approach to earthquake resilience in the city, consistent with the work of central government

Invest in infrastructure to build resilience to climate change impacts, sea level rise and unexpected natural events

### Contributions by WCCL

- Implement appropriate sustainability initiatives
- Monitor and investigate cable car infrastructure assets – tunnels, bridges and track, for earthquake resilience and upgrade as necessary
- As above

## Wellington Towards 2040: Smart Capital

### Goal: Dynamic Central City

The central city will be a place of creativity, exploration and innovation offering the lifestyle of a much larger city

### Drivers of the Goal relevant to WCCL

#### Supporting the central city as Wellington's economic engine room of the wider Wellington city and region

Continue to invest in growing economic activity in the central city for the benefit of the wider city and region

#### Wellington's 'story' told through built form and natural heritage

Showcase what Wellington values – respect for the natural environment, heritage, and creativity

### Contributions by WCCL

- Invest to maintain safety and reliability of the cable car service to ensure it remains an iconic attraction and transport service
- As the cable car track has heritage status, ensure it is maintained in a manner sensitive to its values