

Quarterly Review – Wellington Waterfront Limited

Wellington Waterfront Limited has presented its report for the quarter ended 31 December 2012 for review. A summary of key findings is presented below and the full report is attached.

Highlights

- During the quarter the Council signed off on the proposal for the construction of a temporary convention venue in Shed 6 and seismic strengthening of the Shed 6 Wharf. Contract documentation was completed and preparations made for work to begin in January 2013. WWL will lead the wharf seismic strengthening aspect of the project.
- After public consultation, the North Kumutoto design brief was signed off by Council on 22 November 2012. Following this, WWL began work on seeking expressions of interest from potential developers.
- In November, WWL received a highly commended award for the development of Wellington's waterfront at the inaugural NZ Urban Design Forum awards.

Progress – KPIs

- Seismic strengthening of Shed 11 was completed in October
- During the quarter, WWL completed its Disaster Recovery and Business Continuity Plan
- Construction work was begun on the structure for The Overseas Passenger Terminal.
- The installation of Michael Tuffery's *Nga Kina* sculpture in the Kumutoto precinct was completed, blessed and opened at a ceremony in November.
- The recreational jump platform on the Taranaki Street wharf was completed and officially opened in November by HRH the Prince of Wales. It has proven to be a very popular addition to activities along the Waterfront although concern has been raised over water quality around the jump platform
- The wharf maintenance programme on Queen's Wharf and the Outer-T was completed on time and on budget.

Public Events

- Preparations were made during the quarter for introducing a Thursday-evening summertime hot food market (January to April) on the Taranaki Street Wharf promenade.
- HRH the Prince of Wales and his wife Camilla participated in a public walkabout on the waterfront in November as part of his 64th birthday celebrations. There was good public support for the event.
- WWL continued to work with the WCC events on planning for the International Rugby Sevens event in February 2013.
- The Middle Earth Hobbit market in November attracted 60k visitors over 5 days to Waitangi park
- An estimated 30k people watched the Pelorus Trust Sky Show fireworks from within the Waterfront precinct
- The Kids Christmas party in December attracted a record 6k people to Waitangi Park, along with a crowd of 12k for Carols by Candlelight.

Macro Key Performance Indicators

The following KPI's have been reported by the company

Measure	Annual Target	Quarter Target	Quarter Actual
Capital expenditure (\$,000)	\$2,666	\$596	\$619
Commercial proceeds (\$,000)	\$0	\$0	\$0

- Major capital expenditure during the quarter was \$304k towards wharf repiling costs and \$144k towards the strengthening of Shed 11.
- In October, the Council approved increasing WWL's capital programme by \$2.9m for Shed 6 Wharf strengthening.

Activities during the quarter

- In December, WWL convened a half-day consultation meeting with Councillors and selected stakeholders to discuss each party's vision for the future development of the North Kumutoto precinct. The results of this session will be incorporated into the information given to prospective developers of the sites.
- A new 12-year lease was signed with the tenant of Shed 5. The building is planned for temporary closure in 2013 to allow for significant remodelling work on the interior
- The planned maintenance programme continued with work on repainting the Bascule Bridge and Lagoon Bridge.

Financial Commentary

- The YTD net operating deficit was (\$2.9m) against a budgeted deficit of (\$2.3m). The main reason for the \$594k unfavourable variance is YTD depreciation being over budget by \$1.2m. This is due largely to the revaluation of Waterfront Assets in June 2012.
- Depreciation will continue at a higher than budgeted amount for the rest of the year and is still expected to finish \$2m higher than budget at year end.
- At the end of Q2, the advance from Council was \$17.891 million. This is expected to increase through Q3 by \$200k, with a year-end forecast of \$20.409 million

Statement of Financial Performance

For the quarter ended 31 December 2012

\$'000	Q2 Actual	Q2 Budget	YTD Actual	YTD Budget	FY Budget
Income	1,198	1,107	2,427	2,252	4,608
Expenditure	2,715	2,212	5,362	4,593	9,058
Operating surplus / (deficit)	(1,517)	(1,105)	(2,935)	(2,341)	(4,450)

Statement of Financial Position

As at 31 December 2012

\$'000	2012/13 YTD Actual	2012/13 FY Budget	2011/12 FY Actual
Current assets	1,792	1,925	2,098
Non-current assets	234,056	236,333	234,715
Current liabilities	2,467	824	3,384
Non-current liabilities	17,892	22,382	15,001
Equity	215,489	215,052	218,428
Current ratio	.73	2.3	.62
Equity ratio	91%	90%	92%

Statement of Cash Flows

For the quarter ended 31 December 2012

\$'000	2012/13 YTD Actual	2012/13 YTD Budget	2011/12 Actual
Operating	(521)	279	68
Investing	(2,019)	(2,324)	(4,808)
Financing	2,891	1,882	4,000
Net	351	(163)	(740)
Closing balance	542	28	191

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

Contact officer:

Richard Hardie

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.



In June 2007, Council approved \$15m of temporary additional funding to the Project, to be drawn down and repaid over a three year period.

In September 2009, the Council reconsidered its previous decision to transfer the management of the waterfront project into Council and confirmed that WWL should continue to manage the projects indefinitely, subject to a further review in mid 2012.

In February 2011, the Council undertook a review of the implementation agency options for the Waterfront and concluded that a 'reduced status quo' mandate for Wellington Waterfront Limited was the preferred option, with the recommendations subsequently implemented.

In June 2012, the Council approved extending loan financing to the Project to \$20.582m through to 30 June 2014 pending the receipt of \$24.075m in commercial revenues over the next three years.

Entity Data

Established	28 September 1987	
Board	Robert Gray (chair) Jane Black Derek McCorkingdale Justin Lester (WCC)	<i>Term expires:</i> 30 June 13 31 Dec 12 31 Dec 14 31 Oct 13
CEO	Ian Pike	
Balance date	30 June	
Number of FTE staff	8	
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	

Wellington Waterfront Limited

QUARTERLY REPORT

to the

Council Controlled Organisations Performance

Subcommittee

Wellington City Council



Quarter ended 31 December 2012

Wellington Waterfront Limited
February 2013

Contents

1. EXECUTIVE SUMMARY	3
1.1 The Wellington Waterfront Project	3
1.2 The Company – Wellington Waterfront Limited	4
2. THE WELLINGTON WATERFRONT PROJECT	5
2.1 Work Plan Implementation	5
Kumutoto	5
North Kumutoto	5
Wellington Waterfront Motorhome Park	6
Nga Kina Sculpture	6
Queens Wharf	7
Shed 5	7
Shed 6	8
Wharf Pile Repairs and Replacement – Queens Wharf	8
Taranaki St Wharf Precinct	9
Waitangi Precinct	9
Clyde Quay Wharf (ex-Overseas Passenger Terminal)	9
2.2 General Operations	10
Property Management	10
Disaster Recovery & Business Continuity Plan	10
Maintenance	10
Public Events	10
2.3 Financial Performance	11
Statement of Financial Performance	11
Statement of Financial Position	11
Liquidity	11
Forecast	11
3. THE COMPANY – WELLINGTON WATERFRONT LIMITED	12
3.1 Comment on Progress	12
3.2 Financial Performance	12

Appendices:

- Appendix A - KPI's
- Appendix B - Financial Statements

1. EXECUTIVE SUMMARY

Wellington Waterfront Limited (WWL) is pleased to present its report for the quarter ending 31 December 2012 outlining progress of the Wellington Waterfront Project and the Company.

1.1 *The Wellington Waterfront Project*

Key events during the quarter include:

- WWL completed the majority of the remaining items of planned wharf maintenance wharf pile repairs/replacement programmed for the current year
- WWL completed seismic re-strengthening of Shed 11 on time and budget. The tenant (New Zealand Portrait Gallery) relocated back into the building in October 2012
- WWL commenced development of a mobile phone application of its Disaster Recovery & Business Continuity Plan for expected completion in Q3
- WWL completed contract documentation for the proposed January commencement of seismic upgrading of shed 6 to be followed by construction of a temporary convention centre for Wellington Venues Ltd
- WWL successfully completed negotiations and documented a new 12 year lease with the incumbent tenant in Shed 5 Restaurant & Bar
- Following WCC councillor endorsement of the North Kumutoto Design Brief in November 2012, WWL publicly advertised and received expressions of interest from developers wanting to engage with WWL in early 2013 on the planned future development of sites 9 and 10
- WWL project managed the off-site construction and successful on-site installation of the Wellington Sculpture Trust sponsored 'Nga Kina' at the Kumutoto declamation immediately north of the Meridian building
- WWL project managed the off-site construction and successful on-site installation of a new eight metre high recreational jump platform at Taranaki Street wharf. The structure was officially opened in November by HRH The Prince of Wales on a successful walk around the waterfront that attracted a large public turnout
- WWL continued to work collaboratively with the developer of Clyde Quay Wharf (ex-Overseas Passenger Terminal). Tangible signs of progress

became apparent during the quarter with the appearance of some of the new building's structural steel frame at the end of the wharf

- WWL engaged two new part-time staff members to assist with the successful ongoing operation of the Wellington Waterfront Motorhome Park over the busy summer season
- WWL was the recipient of a highly commended award for the development of Wellington's waterfront at the NZ Urban Design Forum inaugural awards ceremony in Auckland in November
- WWL worked collaboratively with the WCC events team on advance planning for the waterfront's role in the international rugby 7's tournament on 1 & 2 February 2013

1.2 The Company – Wellington Waterfront Limited

- A series of monthly promotional advertorials containing features on various precincts on Wellington Waterfront in the Saturday Dominion Post concluded during the quarter. The intention of the advertorials was to promote more public awareness and a better understanding of WWL's work and achievements

- NZHPT is currently considering WWL and other stakeholder opposition to NZHPT's proposed registration of the Wellington Harbour Board Historic Area and is reviewing its position prior to further engagement with all parties in early 2013.

2. THE WELLINGTON WATERFRONT PROJECT

2.1 *Work Plan Implementation*

Progress on implementing the work plan is reported below.

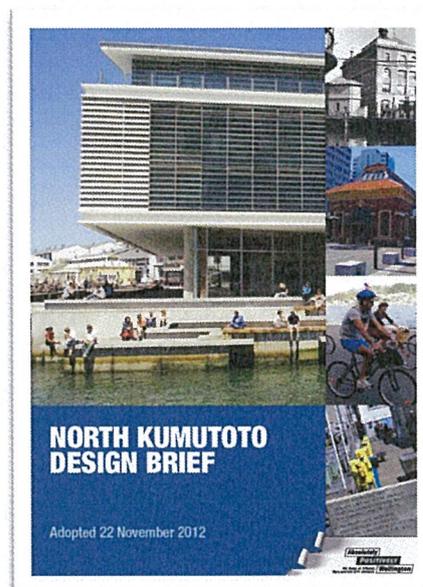
Kumutoto

North Kumutoto

The North Kumutoto Design Brief was presented by council planning officers to the Strategy & Policy Committee meeting in early October.

SPC's requirement for a four week period of public consultation on the North Kumutoto Design Brief was undertaken through October and early November. Public submissions were received and taken into account and the modified brief was re-submitted, debated and approved by council on 22 November 2012.

WWL subsequently sought and has received a good response to a request for Expressions of Interest from developers interested in developing sites 9 and 10 and WWL proposes to engage further with short-listed developers in early 2013.



WWL also convened a half-day consultation meeting in mid-December with selected stakeholders and councillor representatives to share and discuss each party's vision for the future development of north Kumutoto. The outcome of the meeting will be useful in WWL's future engagement with developers.

WWL has engaged consultants to review and update the public realm master plan for North Kumutoto in early 2013.

Wellington Waterfront Motorhome Park

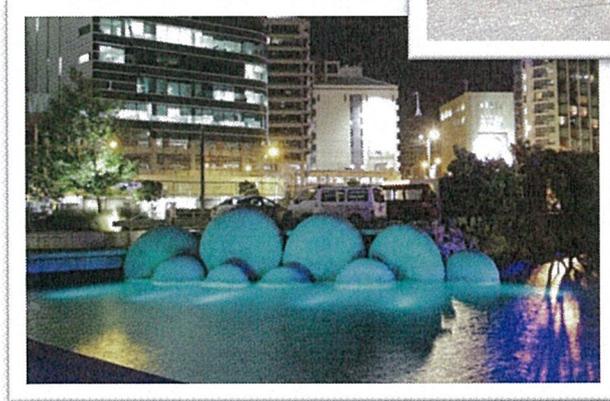
Two new part-time staff members were recruited during the quarter to assist with the expected busy summer season at the Wellington Waterfront Motorhome Park.



Nga Kina Sculpture

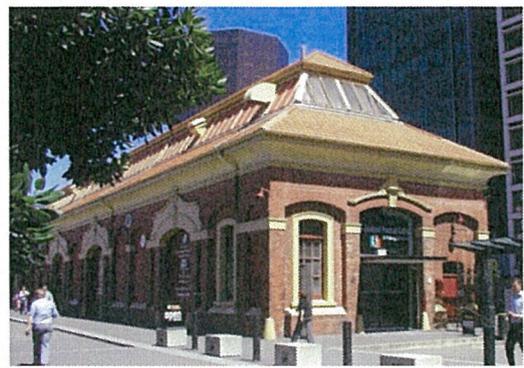
WWL has collaborated closely with the Wellington Sculpture Trust for this new artwork by renowned artist Michel Tuffery in the declamation at Kumutoto.

Nga Kina was blessed and opened at a well attended on-site gathering in November. The piece has become a popular and admired addition to this part of the waterfront.



Shed 11 (NZ Portrait Gallery)

Seismic strengthening of Shed 11 was successfully completed during the quarter and the tenant (NZ Portrait Gallery) re-occupied its building in October.



The upgrading of the front entry, provision of a new wind lobby and internal refurbishment of the building have made a considerable contribution to the appearance and operation of the NZ Portrait Gallery and will serve it well for many years to come.

Queens Wharf

Shed 5

A new 12 year lease with the incumbent tenant of Shed 5 was completed and signed in late 2012.

The building is planned for temporary closure during April and May 2013 to allow the tenant to undertake major remodelling of part of the interior of the building.

The bar at the southern end of the building is to be converted for use as a casual/family friendly seafood themed restaurant.



Shed 6

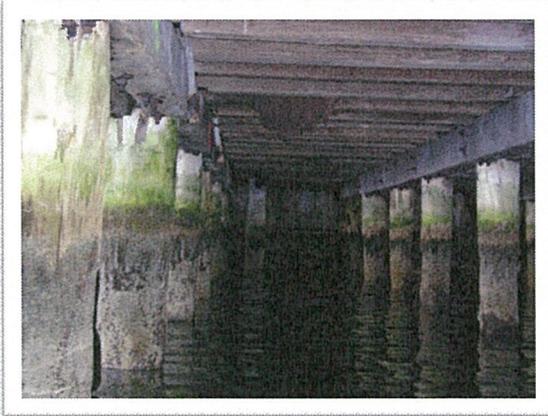
WWL completed contract documentation for the proposed January commencement of construction of a temporary convention centre for Wellington Venues Ltd in Shed 6.

Seismic strengthening and construction work for the temporary convention centre is programmed to be completed by August 2013.



Wharf Pile Repairs and Replacement – Queens Wharf

Wharf pile repairs and wharf pile replacement work to the Queens Wharf outer-T and stem were satisfactorily completed on time and on budget during the quarter.



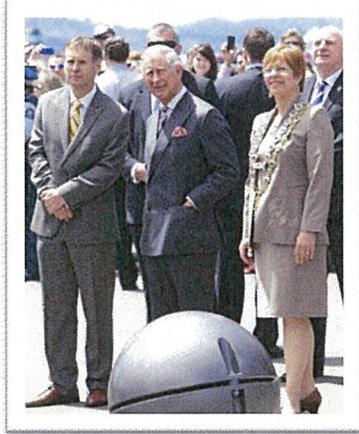
Further wharf deck repairs and wharf pile replacement work adjacent to the south end of Shed 5 Restaurant & Bar is programmed to commence in April 2013.

Taranaki St Wharf Precinct

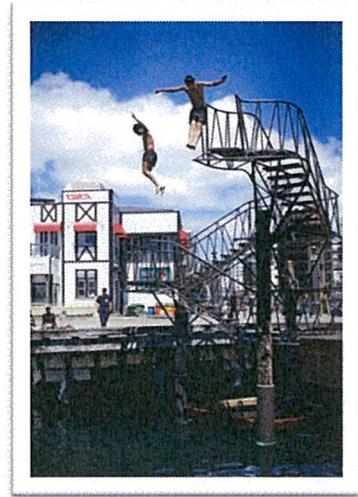
Jump Platform

WWL project managed the off-site construction and successful on-site installation of a new eight metre high recreational jump platform at Taranaki Street wharf.

This initiative was partly in response to the illegal and dangerous scaling of nearby structures by young people seeking water related leisure activities on the waterfront.



The structure was officially opened in November by HRH The Prince of Wales and it has proven to be a very popular and readily accepted addition to the waterfront.

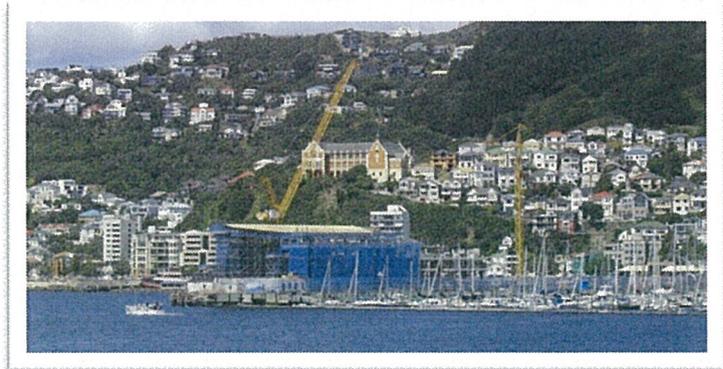


Waitangi Precinct

Clyde Quay Wharf (ex-Overseas Passenger Terminal)

WWL has continued to work collaboratively with the developer of Clyde Quay Wharf. Tangible signs of progress became apparent during the quarter with the appearance of some of the new building's structural steel frame at the end of the wharf.

Construction is on programme and due for completion in mid-2014.



2.2 General Operations

Property Management

Disaster Recovery & Business Continuity Plan

WWL commenced development of a mobile phone application of its Disaster Recovery & Business Continuity Plan for expected completion in Q3.

WWL proposes to take a lead role in heightening the awareness of the need for emergency preparedness, disaster recovery and business among tenants and stakeholders on the waterfront.

Maintenance

Maintenance and repainting of the Bascule Bridge in the Taranaki Street Wharf precinct and the lagoon bridge continued during the quarter.

Electricity Supply

WWL participation in the 'All of Government' tender of electricity buying rates in the previous quarter resulted in a competitive price regime with new lower rates to commence from 1 February 2013.

WWL Website

Preliminary work has commenced on the redesign and improvement of the company website. A design brief has been provided to the website developer for a proposal and price.

Public Events

NZ Urban Design Awards

WWL was the recipient of a highly commended award for the development of Wellington's waterfront at the NZ Urban Design Forum inaugural awards ceremony in Auckland in November.

Royal Waterfront Walkabout

HRH the Prince of Wales and his wife Camilla officially opened the jump platform as part of a very well attended public walkabout on the waterfront on 14 November his 64th birthday.

International Rugby 7's

WWL worked collaboratively with the WCC events team on advance planning for the waterfront's role in the international rugby 7's tournament on 1 & 2 February 2013.

Summertime Evening Market

WWL is planning to introduce a Thursday evening summertime hot food market from late January to early April on the Taranaki Street wharf promenade with hot food vendors from the popular Sunday Harbourside Market. The market will also include live music and free salsa dancing lessons.

2.3 Financial Performance

Statement of Financial Performance

The YTD net operating deficit is \$2.935 million against a budgeted deficit of \$2.341 million. The main factor contributing to the \$594,000 unfavourable variance is YTD depreciation being over budget by \$1.16 million. This is partially offset by planning costs being under budget by \$312,000 and operating recoveries being over budget by \$144,000.

Statement of Financial Position

The net assets/equity position of the Project remains strong. The major capital expenditure items in the second quarter were \$304,000 towards wharf repiling costs and \$144,000 towards the seismic strengthening of Shed 11.

Liquidity

The Project's bank balance at 31 December 2012 totalled \$542,000.

Current Assets and Current Liabilities totalled \$1.792 million and \$2.467 million respectively with a working capital ratio of 0.73:1.

Forecast

As at 31 December 2012 WWL has borrowed \$17.891 million from Council. This borrowing is forecast to increase during the third quarter by \$200,000.

3. THE COMPANY – WELLINGTON WATERFRONT LIMITED

3.1 *Comment on Progress*

The WWL Board continues its focus on ensuring the design, consultation, funding and planning requirements of the waterfront development are completed effectively by WWL management in accordance with the Framework.

3.2 *Financial Performance*

The YTD Net Surplus is \$9,000 compared to the budgeted deficit of \$65,000. The major item contributing to the \$74,000 favourable variance are administration costs being \$64,000 under budget.

For the Board of:
Wellington Waterfront Limited



.....
Ian Pike
Chief Executive Officer
February 2013

Performance Targets and Other Measures for 2012/13

Performance Indicator	Measure	Target/Result
Successful completion of the marketing of Shed 5, Queens Wharf	Long term lease entered into by Qtr 2	Achieved
Transition site, Waitangi Park	Enter into a Memorandum of Understanding with Te Papa	Advance the long term solution for the transition site
Wharf pile refurbishment, Queens Wharf	Complete stage 2 of these works within budget	Continued infrastructural upgrade of the waterfront
Asset Management and Business Continuity Plans	Complete identified improvement of these plans	Ensure ongoing development of these working documents
Website	Refresh the WWL website and ensure all information is current, up to date and relevant	Ensure WWL is represented appropriately in the social media network
Jump Platform, Taranaki Street Wharf	Implement the delivery of the jump platform within the Circa cut-out space, on time and within approved budget	Achieved
Overseas Passenger Terminal, Waitangi Park	Complete the urban design proposal for the public space and achieve Technical Advisory Group sign-off	Ensure WWL delivers its contractual obligations regarding public space around the completed OPT
Sites 9 & 10, Kumutoto	Upon completion of the revised North Queens Wharf Brief, call for expressions of interest for the development of these sites	Achieved. Engagement with developers and RFP process to follow in Q3
Maintenance Projects	Ensure waterfront-wide maintenance and infrastructure renewal is delivered to budgetary expectations	Ongoing. Maintain high standard of property management and maintenance
Queens Wharf master planning	Investigate development options for Queen Wharf – including Sheds 1 & 6 and the TSB Bank Arena and make recommendation to WCC by Qtr4	Continued planning of specific projects within the Queens Wharf precinct
Shared Services – WCC	Ensure fully integrated shared services platform is established and maintained	Deliver on WCC's objective to roll out a shared services division
Revenue Maximisation	Maximise rental income streams through judicious asset management and by seeking additional revenue opportunities	Improvement to WWL's overall cash flow
Events Management	Continue to work with WCC and WWL events team and develop for the waterfront.	Continued development of the waterfront as a leading edge and innovative space

Performance Indicator	Measure	Target/Result
Financial	Manage our budget to ensure at year end: <ul style="list-style-type: none"> <li data-bbox="496 293 1007 322">▪ Waterfront Operating Costs \$6.227m <li data-bbox="496 322 1007 351">▪ Public Space Development \$2.666m <li data-bbox="496 351 1007 409">▪ Proceeds from Operating Receipts & Commercial Development \$5.494m <li data-bbox="496 409 1007 439">▪ Loan Finance Balance \$14.862m <li data-bbox="496 439 1007 468">▪ Wharf Repiling Loan Balance \$5.720m 	Continued prudent financial management of the waterfront

WELLINGTON WATERFRONT PROJECT
and
WELLINGTON WATERFRONT LIMITED

FINANCIAL STATEMENTS

for the quarter ending 31 December 2012

CONTENTS

	Page
Wellington Waterfront Project (WWP)	
Statement of Financial Performance	1
Statement of Movements in Equity	1
Statement of Financial Position	2
Statement of Cashflows	3
Capital Expenditure - Current Year	4
Wellington Waterfront Limited (WWL)	
Statement of Financial Performance	5
Statement of Financial Position	6
Statement of Cashflows	7

Note:

The Wellington Harbour Board and Wellington City Council Vesting and Empowering Act 1987 requires the Wellington City Council to effect the preparation of financial statements for the Lambton Harbour Development Project (as defined in the Act).

The term "Wellington Waterfront Project" as used in these financial statements is synonymous with "Lambton Harbour Development Project".

WELLINGTON WATERFRONT PROJECT
STATEMENT OF FINANCIAL PERFORMANCE
for the quarter ending 31 December 2012

Second Quarter				Year to Date			Full Year
<i>Actual</i>	<i>Plan</i>	<i>Variance</i>		<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Budget</i>
<i>\$000's</i>	<i>\$000's</i>			<i>\$000's</i>	<i>\$000's</i>	<i>\$000's</i>	<i>\$000's</i>
REVENUE							
1,043	991	52	Lease revenue	2,051	2,020	31	4,009
-	2	(2)	Sundry income	-	4	(4)	15
5	-		Venue hire/Sponsorship	5	-	5	131
146	108	38	Operating recoveries	360	216	144	429
4	6	(2)	Interest income	11	12	(1)	24
1,198	1,107	91	TOTAL REVENUE	2,427	2,252	175	4,608
EXPENSES							
2,148	1,429	(719)	Property Costs	4,200	3,025	(1,175)	5,990
10	187	177	Public and Commercial Planning	64	376	312	600
12	9	(3)	Public Relations and Sponsorship	25	18	(7)	55
545	587	42	Administration	1,073	1,174	101	2,413
2,715	2,212	503	TOTAL EXPENSES	5,362	4,593	(769)	9,058
(1,517)	(1,105)	(412)	NET OPERATING SURPLUS / (DEFICIT)	(2,935)	(2,341)	(594)	(4,450)

WELLINGTON WATERFRONT PROJECT
STATEMENT OF MOVEMENTS IN EQUITY
for the quarter ending 31 December 2012

Second Quarter				Year to Date			Full Year
<i>Actual</i>	<i>Plan</i>	<i>Variance</i>		<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Budget</i>
<i>\$000's</i>	<i>\$000's</i>	<i>\$000's</i>		<i>\$000's</i>	<i>\$000's</i>	<i>\$000's</i>	<i>\$000's</i>
216,738	216,920	(182)	OPENING EQUITY	217,888	217,888	-	217,888
(1,517)	(1,105)	(412)	Net deficit attributable to WCC	(2,935)	(2,341)	(594)	(4,450)
-	-	-	Movement in asset revaluation reserve	-	-	-	-
268	268	-	Contribution from WCC - Management fee	536	536	-	1,075
-	-	-	Contribution from WCC - Public space	-	-	-	-
215,489	216,083	(594)	CLOSING EQUITY	215,489	216,083	(594)	214,513

WELLINGTON WATERFRONT PROJECT
STATEMENT OF FINANCIAL POSITION
as at 31 December 2012

	<i>Actual Dec-12 \$000's</i>	<i>Actual Sep-12 \$000's</i>
CURRENT ASSETS		
Deposits/bank	542	892
Operating receivables	573	598
Prepayments	664	932
Intercompany	13	10
TOTAL CURRENT ASSETS	1,792	2,432
NON CURRENT ASSETS		
Fixed assets	222,096	222,715
Shares in Chaffers Marina Holdings Ltd	890	890
Option asset	26	26
Meridian Building Receivables	369	369
Long term receivable	10,675	10,675
TOTAL NON CURRENT ASSETS	234,056	234,675
TOTAL ASSETS	235,848	237,107
CURRENT LIABILITIES		
Accounts payable	791	1,663
Retentions and bonds	107	115
Deferred income	1,569	1,572
TOTAL CURRENT LIABILITIES	2,467	3,350
NON CURRENT LIABILITIES		
Advance from associate company	1	1
Long term advance - WCC	17,891	17,000
TOTAL NON CURRENT LIABILITIES	17,892	17,001
EQUITY		
Wellington City Council	134,913	136,175
Asset revaluation reserves	80,576	80,581
TOTAL EQUITY	215,489	216,756
TOTAL FUNDS EMPLOYED	235,848	237,107

WELLINGTON WATERFRONT PROJECT
STATEMENT OF CASHFLOWS
for the quarter ending 31 December 2012

Second Quarter			Year to Date			Full Year
<i>Actual</i>	<i>Plan</i>	<i>Variance</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Budget</i>
\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
OPERATIONS						
1,274	1,094	180	2,499	2,224	275	4,414
(1,865)	(889)	(976)	(3,020)	(1,945)	(1,075)	(6,211)
(591)	205	(796)	(521)	279	(800)	(1,797)
INVESTMENT						
-	-	-	-	-	-	-
(650)	(596)	(54)	(2,019)	(2,324)	305	(2,666)
(650)	(596)	(54)	(2,019)	(2,324)	305	(2,666)
FINANCING						
891	450	441	2,891	1,882	1,009	4,282
-	-	-	-	-	-	-
891	450	441	2,891	1,882	1,009	4,282
(350)	59	(409)	351	(163)	514	(181)
892	(31)	923	191	191	-	191
542	28	514	542	28	514	10

REPRESENTED BY:

Cash						
542	28		542	28	895	544
542	28		542	28	514	10

WELLINGTON WATERFRONT PROJECT
CAPITAL EXPENDITURE - CURRENT YEAR
as at 31 December 2012

	Year To Date			Year end
	Actual	Budget	Variance	Plan
	\$'000	\$'000	\$'000	\$'000
PUBLIC SPACE				
<i>Overseas Passenger Terminal</i>				
Overseas Passenger Terminal	71	48	(23)	100
Total Overseas Passenger Terminal	71	48	(23)	100
<i>Kumutoto NQW</i>				
<i>Wharf Maintenance</i>				
Wharf Maintenance	1,116	1,482	366	1,482
Total Wharf Maintenance	1,116	1,482	366	1,482
<i>Minor Works</i>				
Other	8	-	(8)	100
CAPEX Renewals	62	144	82	284
Shed 11 Seismic	511	500	(11)	500
Jump Platform	134	50	(84)	100
Shed 11 - Canopy	101	100	(1)	100
Total Minor Works	831	794	(37)	1,084
TOTAL PUBLIC SPACE	2,018	2,324	306	2,666
TOTAL CAPITAL EXPENDITURE	2,018	2,324	306	2,666

WELLINGTON WATERFRONT LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
for the quarter ending 31 December 2012

<i>Second Quarter</i>				<i>Year to Date</i>			<i>Full Year</i>
<i>Actual</i>	<i>Plan</i>	<i>Variance</i>		<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Budget</i>
\$000's	\$000's			\$000's	\$000's	\$000's	\$000's
REVENUE							
268	270	(2)	Management Fees	538	540	(2)	1,075
4	3	1	Interest	8	6	2	10
272	273	(1)	TOTAL REVENUE	546	546	-	1,085
EXPENSE							
204	219	(15)	Personnel	424	438	14	868
22	18	4	Governance	40	36	(4)	76
36	69	(33)	Other	73	137	64	270
262	306	(44)	TOTAL EXPENSE	537	611	74	1,214
10	(33)	43	NET SURPLUS (DEFICIT)	9	(65)	74	(129)

WELLINGTON WATERFRONT LIMITED
STATEMENT OF FINANCIAL POSITION
as at 31 December 2012

	<i>Actual Dec-12 \$000's</i>	<i>Actual Sep-12 \$000's</i>
CURRENT ASSETS		
Deposits/Bank	462	460
Accounts Receivable	348	25
Prepayments	8	16
	<u>818</u>	<u>501</u>
NON CURRENT ASSETS		
Office Equipment	6	6
Computer Equipment	28	33
Motor Vehicle	-	-
	<u>34</u>	<u>39</u>
TOTAL ASSETS	852	540
CURRENT LIABILITIES		
Accounts Payable / Accruals	146	117
Tax Provision	-	-
Management Fee in advance	632	363
	<u>778</u>	<u>480</u>
EQUITY		
Paid Up Capital	1	1
Retained Earnings	73	59
TOTAL EQUITY	<u>74</u>	<u>60</u>
TOTAL FUNDS EMPLOYED	852	540

WELLINGTON WATERFRONT LIMITED
STATEMENT OF CASHFLOWS
for the quarter ending 31 December 2012

Second Quarter			Year to Date			Full Year
Actual	Plan	Variance	Actual	Budget	Variance	Budget
\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
OPERATIONS						
305	322	(17)	626	645	(19)	1,293
(303)	(354)	51	(699)	(708)	9	(1,419)
2	(32)	34	(73)	(63)	(10)	(126)
INVESTMENT						
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2	(32)	34	(73)	(63)	(10)	(126)
460	504	(44)	535	535	-	535
462	472	(10)	462	472	(10)	409

REPRESENTED BY:

Cash						
462	28		462	28	895	544
462	472		462	472	(10)	409