

Report No:	RFN11-11-07
File No:	
Date:	17 October 2011
<b>Decision Required</b>	

## REPORT SUMMARY

**Report to:** Chairman and Members, Corporate Services Committee  
**Meeting Date:** 10 November 2011  
**Subject:** Port Nelson Ltd – RFN11-11-07  
**Report Author:** Murray Staite, Corporate Services Manager

### EXECUTIVE SUMMARY

Port Nelson Ltd's Statement of Corporate Intent (SCI) for 2011 – 2012 has been considered by the Joint Shareholders Committee. The Joint Shareholders Committee noted that the Statement of Intent is similar to previous years but with a reduced debt to equity percentage.

The Joint Shareholders Committee was satisfied that the proposed amendment was satisfactory.

### RECOMMENDATION/S

That the draft resolution be adopted.

### DRAFT RESOLUTION

**THAT the Corporate Services Committee receives the Port Nelson Ltd report (RFN11-11-07) and approves for signing the Port Nelson Ltd Statement of Corporate Intent for 2011/2012, subject to it also being approved for signing by the Nelson City Council.**

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## 1. Purpose

- 1.1 To approve the Port Nelson Limited Statement of Corporate Intent (SCI) for 2011-2012.

## 2. Background

- 2.1 Port Nelson Ltd is required to complete an SCI by 30 June each year.
- 2.2 Although the attached SCI has been approved by the Joint Shareholders Committee, formal approval from this Committee is required.
- 2.3 The following resolution was passed by the Joint Shareholders Committee on 30 September 2011.

***Moved Crs Glover/Boswijk***

***THAT the Joint Shareholders Committee receives the Port Nelson Limited Statement of Corporate Intent and recommends to both Nelson City Council and the Tasman District Council that the Statement of Corporate Intent 2011-2012, with a debt equity not exceeding 45%, be approved for signing.***

***CARRIED***

## 3. Discussion

- 3.1 The key change in the SCI from the previous year is the reduction in the debt equity percentage.
- 3.2 This reduced debt equity percentage comes about as a result of the Port Company reviewing its ongoing operations and risks.
- 3.3 The reduced debt equity percentage will not have any affect on dividends.

#### **4. Options**

- 4.1 Option 1: Decline to approve the SCI and along with suggested changes refer the matter back to the Joint Shareholders Committee for further discussion.
- 4.2 Option 2: Approve the SCI without change subject to a similar resolution being passed from the Nelson City Council.

#### **5. Significance**

- 5.1 The SCI is significant in that it defines the Company's social, environmental and financial objectives over the next 12 months.

#### **6. Recommendation/s**

- 6.1 That the Corporate Services Committee approves for signing the Port Nelson Ltd Statement of Corporate Intent for 2011/2012, subject to it also being approved for signing by the Nelson City Council.

#### **7. Draft Resolution**

**THAT the Corporate Services Committee receives the Port Nelson Ltd report (RFN11-11-07) and approves for signing the Port Nelson Ltd Statement of Corporate Intent for 2011/2012, subject to it also being approved for signing by the Nelson City Council.**