



Statement of Intent 2013-2016

May 2013



Seaview Marina Limited Statement of Intent 2013/2016

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1 Purpose

The purpose of this Statement of Intent is to:

- state publicly the activities and intentions of this Council Controlled Organisation for the year and the objectives to which those activities will contribute
- provide an opportunity for shareholders to influence the direction of the organisation
- provide a basis for the accountability of the Directors to their shareholders for the performance of the organisation.

This Statement of Intent covers the year 1 July 2013 to 30 June 2016.

The Statement of Intent is prepared in accordance with section 64(1) of the Local Government Act 2002.

2 Introduction

Seaview Marina Limited (SML) is responsible for the profitable operation of the existing marina facilities and services, as well as for developing the marina to its full potential. SML operates as a Council Controlled Trading Organisation under the Local Government Act 2002 and has one shareholder, the Hutt City Council (HCC).

The SML Board has a strategy to develop SML into the best marina facility in the lower North Island. To achieve this, development of strategic services and facilities has been a key focus and this will continue to be a priority.

SML staff members are committed to providing the best marina facilities and services in the Wellington region.

3 History

In 1989 Wellington Harbour Board transferred the Seaview Marina development to the Hutt City Council. On completion in May 1992 the WRC issued HCC with a 35 year Coastal Permit.

The site is situated at the southern end of Port Road, Seaview and comprises of just under 17 hectares, 5 hectares being reclaimed ground and 12 hectares seabed.

Initially Seaview Marina was run under the Property Department of HCC. The HCC reviewed the operation and decided to set up Seaview Marina as a Council Controlled Organisation on 1 April 2003.

A professional manager was employed and a Board consisting of David Ogden (resigned on becoming HCC Mayor), Bryan Jackson (Chairman), Arthur Stewart and John Anderson.

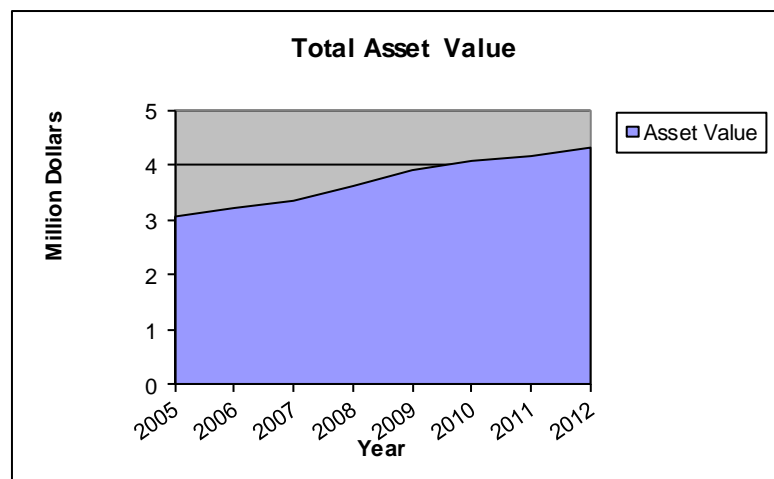
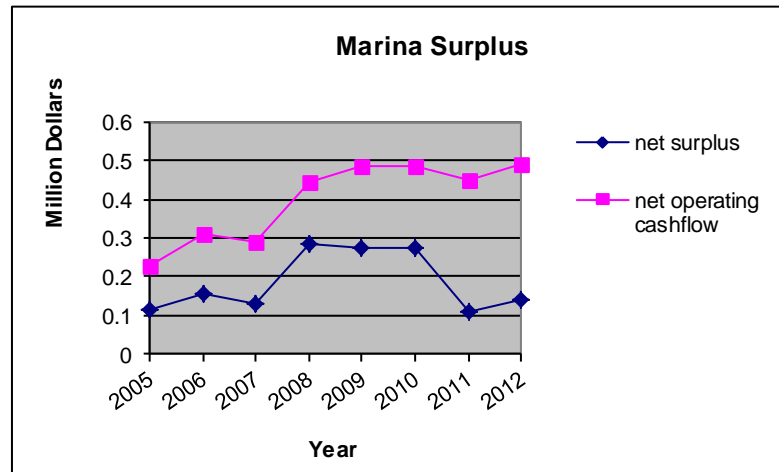
The marina is protected by a breakwater. The in-water facilities include 272 berths and 22 pole moorings. On the land area there are secure storage for 241 trailer boats and a four lane trailer boat launching ramp.

Other facilities include a diesel wharf and boat haul-out dockway. The hardstand has 32 cradles and is serviced by a 50 tonne boat hoist (purchased in 2010). Office and ablution blocks are situated in the centre of the marina. A 2000 square metre marine service centre was completed in August 2010 and is totally leased out.

The marina is focused on recreational activities related to the water. The organisation provides recreational boat owners with excellent facilities. A number of clubs and interest

groups make use of the facilities and sheltered waters of the marina. These include the Lowry Bay Yacht Club, New Zealand Have a Go Sailing, the Wellington Radio Controlled Model Yacht Club and Sailability. It also provides the general public with a pleasant recreational area. Walkers and cyclists are frequently found using the marina.

Since 2003 the marina has returned profits. Over the last two years these profits have been down against budget due to the depressed economic conditions.



4 Strategic Objective

The SML site is zoned as a Special Recreational Activity area under the City of Lower Hutt District Plan. Permitted activities include:

- Recreational activities
- Boat building, repairs, sail making and other associated activities
- Parks and reserves
- Lighthouses, navigational aids, and beacons
- Pipelines within the pipeline corridor

- Restaurants and cafes

The potential of the marina complex is yet to be maximised and the SML Board's focus has been to develop the site to provide facilities and services which are lacking elsewhere in the Wellington Region.

The SML Mission Statement is:

'To be the centre for recreational marine activities and facilities in the Wellington region.'

This is being achieved through:

- The provision of high quality boat storage facilities.
- The operation of a purpose built trailer boat launching ramp.
- Development of the best boat servicing hardstand area in the Wellington region.
- The provision of 'on site' services and facilities to attract marine support businesses to the marina.
- A first class client service approach.
- Development of the site for general recreation by local, national and international visitors.

5 Business objectives

SML's principal objectives are:

- to operate as a successful business, returning benefits to shareholders.
- to exhibit a sense of social and environmental responsibility by having regard to the interests of the community and to conduct its affairs in accordance with sound business practice.
- Provide a first class service to SML's licensees, tenants, casual users, contractors and the general public.

These objects align with Section 59 of the Local Government Act 2002, which details the principal objectives of Council Controlled Trading Organisations

In order to meet these objectives we focus our work on asset planning and development, capital project management, operations management, risk management, health and safety, environmental issues, strategic direction and corporate governance.

6 Nature and scope of activities

Since April 1 2003 SML has operated as a CCO and has achieved a trading profit each financial year since.

SML returns all financial benefits to its shareholder through increases in the capital value of the marina. All trading profits are retained by SML and invested in the strategic development programme.




Over the next five years SML is committed to continuing the development of the marina while maintaining the ROI agreed with the shareholder. The relationship with the shareholder will, of necessity, remain close as payments, general ledger and financial reporting are provided by the Finance and Accounts Departments of the Hutt City Council under a service level agreement.




Expanding the berth and storage facilities will remain the focus for development on the SML site. This development will be targeted to estimated demand for the facilities. Management will be required to keep a close eye on demand patterns for all SML facilities and make recommendations based on sound trends.

An important focus will be on providing more facilities for the general public. Upgrading the pedestrian and cycling areas, to make it more attractive for walkers and cyclists, will be a key focus over the next three years. Addition of seating, pathways and landscaping is planned.



Below is a summary of SML activities:

Activity	Nature	Scope	Measurement
<p>Provision of services</p> 	<p>The marina provides facilities and services for recreational and some small commercial vessels. The aim is to be a 'one stop' facility.</p>	<ul style="list-style-type: none"> ● Lease floating berths ● Lease trailer boat dry storage ● Lease of Sea Centre office and workshop space to marine related services ● Lift vessels to and from the water ● Lease of hardstand and boat cradle facilities ● Boat Ramp 	<ul style="list-style-type: none"> ● Achieve budgeted income targets for each category.
<p>Maintenance</p> 	<p>The marina is located in a harsh marine environment which is subject to strong winds from both the north west and the south. With a large capital component being floating berths maintenance is a critical issue .</p>	<ul style="list-style-type: none"> ● Programming maintenance schedules for each category of asset under SML's control ● Inspection of all assets on a prescribed schedule ● Provision of maintenance work either by contractors or by SML staff ● Review of the industry knowledge with regards to maintenance ● Where necessary replacement of worn or damaged facilities 	<ul style="list-style-type: none"> ● Achieve annual asset management plan objectives.
<p>Monitoring/Compliance</p> 	<p>Monitoring all aspects of the marinas operation provides the management and Board information to maintain the marina in good heart and complying will all regulatory requirements.</p>	<ul style="list-style-type: none"> ● Client service survey results ● Tenant satisfaction results ● Trade waste monitoring ● MAF surveys within the marina ● Health and Safety 	<ul style="list-style-type: none"> ● Biennial survey ● Biennial survey ● Six monthly testing ● As prescribed by MAF scientists (normally annually)

Activity	Nature	Scope	Measurement
<p>Management</p> 	<p>Ensure timely and efficient delivery of facilities and services to our clients coupled with necessity to provide the ROI required by the shareholder.</p>	<ul style="list-style-type: none"> Project management Service delivery Improvement opportunities Staff management Financial performance 	<ul style="list-style-type: none"> Achieved against Board established targets
<p>Development</p> 	<p>The Marina has the capacity to provide further storage and service facilities. Development also includes improving the aesthetics of the general environment.</p>	<ul style="list-style-type: none"> Completion of the in water marina berth capacity, which will provide an additional 140 berths Additional on shore facilities as required as the vessel numbers using the marina grows Possible expansion of both covered and uncovered trailer boat storage onto adjacent available areas along Port Road Joint venture opportunities with clubs or service providers where applicable 	<ul style="list-style-type: none"> The SML Strategic Plan provides targets for completion of each of the strategic developments. Management and staff will be monitored on the project management of achieving the completion of these projects
<p>Public Access</p> 	<p>SML is required under the District Plan to provide public access to the Marina land area. It is used extensively by walkers and bikers as a link between the Hutt River Trail to the west and the Eastern Bays to the east.</p>	<ul style="list-style-type: none"> Continue the designated walkway through the marina joining the two existing walkways Provide facilities and landscaping to encourage the use of the marina by the general public 	<ul style="list-style-type: none"> Establish a walkway around the water's edge of the central causeway, including landscaping and upgrades of public facilities. Timing of the stages of this development are detailed in the 2013/2016 Strategic Plan.

7 Key performance indicators

In line with the scope of activities outlined in Section 5 the Board has set up a number of key performance indicators for the 2013/2014 financial year. The management and staff are monitored on these criteria over the course of the year. The success of Seaview Marina will be measured against how well these are achieved.

Key performance indicators	Target			Reporting frequency
	2014	2015	2016	
Maintain asset management plans annually as detailed in the operational plan. Completion of maintenance programme	100% completion by 30 June.	100% completion by 30 June.	100% completion by 30 June.	Annually
Deliver budgeted operating activities for SML.	As detailed in the 2013/2014 operational plan	As detailed in the 2014/2015 operational plan	As detailed in the 2015/2016 operational plan	Annually
Manage and operate SML within 2013/14 approved budget.	Expenditure \$ Net Surplus \$	Expenditure \$ Net Surplus \$	Expenditure \$ Net Surplus \$	6 monthly

Provide an agreed return on equity (ROE) (after depreciation and tax) to the Hutt City Council	5.0%	5.0%	5.0%	Annually
Achieve excellent customer satisfaction, including all licensees, casual users of the marina and the general public	client service survey > 85% satisfaction rating (Jan 14)	N/A	client service survey > 85% satisfaction rating (Jan 16)	Every two years
Comply with financial, technical and regulatory standards	Full compliance	Full compliance	Full compliance	6 Monthly
Achieve the capital development projects as detailed in the 2013/2016 Strategic Plan	Complete the five projects for the year	Commence Pier developments Continue Walkway development Complete café development	Complete all developments (F&G pier and, commercial pier south side only) Complete walkway development	Annually

8 Financial Forecasts

The Board will continue to reinvest in the marina using profits and existing credit facilities to fund future developments. The Board continues to repay debt and maintain current facilities in accordance with asset management plans.

Period to 30 June	2013	2014	2015	2016
Total Revenue	2,004,523	2,071,300	2,198,435	2,357,988
Total Expenditure	(1,644,808)	(1,715,150)	(1,864,266)	(2,089,091)
Net Surplus/(Deficit) After Taxation	359,715	356,150	334,169	268,897
Total assets	7,783,820	8,260,299	8,719,468	9,848,364
Total liabilities	(3,077,913)	(3,198,242)	(3,323,242)	(4,183,241)
Total equity	(4,705,907)	(5,062,057)	(5,396,226)	(5,665,123)
Net cash flows from operating activities	717,248	729,152	715,409	706,072
Net cash flows from investing activities	(166,273)	(553,402)	(1,025,000)	(1,535,000)
Net cash flows from financing activities	(341,510)	125,000	125,000	860,000
Net movement in cash	209,465	300,750	(184,591)	31,072

Detailed financial projections for Seaview Marina, including the capital development program are shown in Appendix 1.

9 Corporate Governance

This statement provides an overview of SML's main corporate governance policies, practices and processes adopted by the Board.

9.1 The Board of Directors

The board of directors consists of four members. They are responsible for the proper direction and control of SML.

To ensure that SML has the continuity of the relevant knowledge, skills and experience, the expiry dates of their terms of office vary for each director. Each director may serve a maximum of three terms. Each term is three years with a maximum number of terms being three.

Unanimous approval of the Board is required for:

- 9.1.1. significant changes to the company's structure
- 9.1.2. extraordinary transactions (entering into any contract or transaction except in the ordinary course of business)
- 9.1.3. delegation of Directors' powers to any person
- 9.1.4. any decision to diversify into a business not forming part of or being naturally ancillary to the core business of managing water services
- 9.1.5. major transactions including establishment and renewal of contracts for delivery of services
- 9.1.6. disputes (commencing or settling any litigation, arbitration or other proceedings which are significant or material to the company's business)
- 9.1.7. borrowings in a manner that materially alter the company's banking arrangements, advancing of credit (other than normal trade credit) exceeding \$5,000 to any person except for making deposits with bankers, or giving of guarantees or indemnities to secure any person's liabilities or obligations
- 9.1.8. sale of assets (sell or dispose of fixed assets for a total price per transaction exceeding \$100,000 or a series of aggregated transactions exceeding \$200,000)
- 9.1.9. capital expenditure (other than in the ordinary course of doing business) at a total cost to the company, per transaction, exceeding \$100,000 or a series of aggregated transactions exceeding \$200,000.

The agreement of the Shareholder is required for:

- 9.1.10. any changes to the constitution
- 9.1.11. any increases in capital and the issue of further securities, share buybacks and financial assistance
- 9.1.12. any alteration of rights attaching to shares
- 9.1.13. any arrangement, dissolution, reorganisation, liquidation, merger or amalgamation of the company
- 9.1.14. any "major transactions" as that term is defined in the Companies Act 1993.

9.2 Ratio of consolidated shareholders funds to total assets

Ownership of infrastructural assets is retained by the shareholder (or other clients). As a business that returns all benefits to shareholders, a statement of the ratio of shareholders' funds to assets is not considered appropriate.

9.3 Accumulated profits and capital reserves

Seaview Marina returns all financial benefits to its shareholder through increases in the capital value of the marina. All trading profits are retained by Seaview Marina and invested in the strategic development programme.

9.4 Information to be provided to shareholders

In each year SML shall comply with the reporting requirements under the Local Government Act 2002 and the Companies Act 1993 and regulations. In particular SML will provide:

Statement of Intent

A statement of intent detailing all matters required under the Local Government Act 2002, including financial information for the next three years.

Quarterly report

Within one month after the end of each quarter the Company shall provide a report on the operations of SML to enable an informed assessment of its performance, including financial statements (in accordance with section 66 of the LGA 2002).

Half Yearly report

Within two months after the end of the first half of each financial year, the Company

shall provide a report on the operation of SML to enable an informed assessment of its performance, including financial statements (in accordance with section 66 of the LGA 2002).

Annual report

Within three months after the end of each financial year, SML will provide an annual report which provides a comparison of its performance with the statement of intent, with an explanation of any material variances, audited consolidated financial statements for that financial year, and an auditors report (in accordance with section 67, 68 and 69 of the LGA 2002).

9.5 Compensation from Local Authority

It is not anticipated that the company will seek compensation from the Hutt City Council other than in the context of normal commercial contractual relationships.

9.6 Commercial value of the shareholders' investment

The net value of the shareholders' investment in the company is estimated to be valued at \$4,325,985 as at 30 June 2012. This value shall be assessed by the Directors on completion of the annual accounts or at any other time determined by the Directors. The method of assessment will use the value of shareholders funds as determined in the annual accounts as a guide.

10 Statement of accounting policies

Basis of preparation

SML will apply the following accounting policies consistently during the year and apply these policies to the Statement of Intent. In accordance with the New Zealand Institute of Chartered Accountants Financial Reporting Standard 42 (FRS 42), the following information is provided in respect of the Statement of Intent.

Measurement base

The measurement basis applied is historical cost.

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

Cautionary note

Prospective financial information

The statement of intent's forecast financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.

Nature of prospective information

The financial information presented consists of forecasts that have been prepared on the basis of best estimates and assumptions on future events that Seaview Marina expects to take place.

Statement of compliance with International Financial Reporting Standard

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to International Financial reporting Standards (NZIFRS) and other applicable financial reporting standards, as appropriate for public benefit entities.

Reporting entity

SML is a company registered under the Companies Act 1993 and a Council Controlled Organisation as defined by Section 6 of the Local Government Act 2002. The current shareholder is the Hutt City Council.

The financial statements have been 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 SML is a public benefit entity.

Reporting period

The reporting period covers the 12 months from 1 July 2013 to 30 June 2014. Comparative projected figures for the year ended 30 June 2015 and 30 June 2016 are provided.

Early adopted amendments and revisions to standards

The following amendments and revision to standards have been early adopted.

NZ IFRS 7 Financial Instruments: Disclosures – The effect of early adopting these amendments in the following information is no longer disclosed:

- The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated; and
- The maximum exposure to credit risk by class of financial instrument if the maximum credit risk exposure is best represented by their carrying amount.

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

NZ IFRS 9 Financial Instruments has not been adopted. NZIFRS 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.

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 to the financial statements.

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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements that have a 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.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented

in these financial statements.

a) Revenue

SML derives revenue from its licensees and casual clients. The income is generated from a range of rentals for boat storage and building tenancies as well as services available through facilities provided by SML.

Revenue is recognised when earned and is reported in the financial period to which it relates.

b) Expenses

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

c) Taxation

Income tax expense is charged in the statement of financial performance in respect of the current year's earnings after allowing for permanent differences. Deferred taxation is determined on a comprehensive basis using the liability method.

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.

d) 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.

e) Financial instruments

SML 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 evaluates this designation at every reporting date.

Financial assets

SML 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.

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, and call deposits with up to three months maturity from the date of acquisition. These are recorded at their nominal value.

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. 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 of 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.

Financial liabilities

SML classifies its financial liabilities into the following categories: 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 of 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 of less than 12 months are recognised at their nominal value.

f) 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

Items of 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.

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.

Disposal

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.

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:

Telephone system	10.75 per cent
Furniture	7.80–18.60 per cent
Plant and equipment	7.80–48.0 per cent
Buildings	75 years

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 transferred to the relevant asset class when the project is completed and then depreciated.

g) Intangible assets

Acquired intangible assets are initially recorded at cost.

Intangible assets with finite lives are subsequently 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 five years

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.

h) Employee benefits

A provision for employee benefits (holiday leave) is recognised as a liability when benefits are earned but not paid. These include salaries and wages accrued up to balance date.

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.

i) Other liabilities and provisions

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.

j) 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 and retained earnings.

k) 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 charged as expenses 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 financial 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. Leases, which effectively transfer to the lessee substantially all the risks and benefits incident to ownership of the leased item, are classified as finance leases.

l) 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 a record of 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.

m) Related parties

A party is related to SML if:

- directly or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under common control with SML
- has an interest in SML that gives it significant influence over the control of the company
- has joint control over SML
- the party is an associate of SML
- the party is a director of SML
- the party is a member of key management personnel of SML
- the party is a close member of the family of any individual referred to above
- the party is an entity controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to above.

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.

11 Directory

Directors

Brian Walshe (Chairman)
Arthur Stewart
Chris Milne
Ross Jamieson

Chief Executive

Alan McLellan

Registered office

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Petone 5045
Lower Hutt

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64 4 5683736

Web

www.seaviewmarina.co.nz

Auditor

Audit New Zealand on behalf of the
Auditor-General

Bankers

Westpac New Zealand Limited
Lower Hutt
New Zealand

Solicitors

Thomas Dewar Sziranyi Letts
Level 2, Corner Queens Drive and
Margaret Street
Lower Hutt
New Zealand

APPENDIX 1 2013/2016 FINANCIAL PROJECTIONS



Statement of Financial Performance 30 June

	2011-12 \$	2012-13 \$	2013-14 \$	2014-15 \$	2015-16 \$
Revenue					
Rental Income	1,534,838	1,611,624	1,635,601	1,751,406	1,849,337
Other Income	260,189	392,899	435,700	447,029	508,651
Total Revenue	1,795,027	2,004,523	2,071,300	2,198,435	2,357,988
Expenses					
Personnel expenditure	290,294	279,530	287,100	359,564	413,913
Operating expenditure	852,050	848,713	904,200	926,254	948,881
Financial Expenditure	164,288	154,815	159,250	197,208	289,121
Depreciation	352,773	361,750	364,600	381,240	437,176
Total Expenditure	1,659,405	1,644,808	1,715,150	1,864,266	2,089,091
Net Surplus/(Deficit) before Taxation	135,622	359,715	356,150	334,169	268,897
Tax expense/(benefit)	-	-	-	-	-
Net Surplus/(Deficit) After Taxation	135,622	359,715	356,150	334,169	268,897

Statement of Changes in Equity for the Period Ended 30 June

Balance at 1 July	4,186,110	4,346,192	4,705,907	5,062,057	5,396,226
Total comprehensive income	160,082	359,715	356,150	334,169	268,897
Capital contributions	-	-	-	-	-
Total comprehensive income as restated	160,082	359,715	356,150	334,169	268,897
Closing balance					
Total Equity	4,346,192	4,705,907	5,062,057	5,396,226	5,665,123



**Statement of Financial Position
30 June**

	Actual June 2012 \$	Estimate June 2013 \$	Forecast June 2014 \$	Forecast June 2015 \$	Forecast June 2016 \$
EQUITY					
Accumulated losses	(16,935,711)	(16,575,996)	(16,219,846)	(15,885,677)	(15,616,780)
Share capital	21,281,903	21,281,903	21,281,903	21,281,903	21,281,903
Total equity	4,346,192	4,705,907	5,062,057	5,396,226	5,665,123
<i>Represented by:</i>					
CURRENT ASSETS					
Cash and cash equivalents	10,233	219,697	520,447	335,856	366,928
Debtors and other receivables	36,765	93,851	90,121	90,121	90,121
Diesel inventory	1,986	1,986	1,986	1,986	1,986
Other financial assets	-	-	-	-	-
Non-current assets held for sale	-	-	-	-	-
Prepayments	-	-	3,730	3,730	3,730
Advances to related party	-	-	-	-	-
Total current assets	49,483	315,534	616,284	431,693	462,765
NON-CURRENT ASSETS					
Property, plant and equipment	7,663,250	7,465,686	7,332,829	7,601,589	9,349,413
Intangible assets	3,683	2,600	2,600	2,600	2,600
Assets under construction	-	-	308,586	683,586	33,586
Total non-current assets	7,666,933	7,468,286	7,644,015	8,287,775	9,385,599
Total assets	7,716,416	7,783,820	8,260,299	8,719,468	9,848,364
CURRENT LIABILITIES					
Borrowings	3,200,000	150,000	300,000	350,000	350,000
Creditors and other payables	34,332	32,497	27,826	27,826	27,825
Income in advance	48,252	99,286	99,286	99,286	99,286
Employee entitlements	23,521	23,521	23,521	23,521	23,521
Advances from related party	64,119	22,609	22,609	22,609	22,609
Total current liabilities	3,370,224	327,913	473,242	523,242	523,241
NON-CURRENT LIABILITIES					
Borrowings	-	2,750,000	2,725,000	2,800,000	3,660,000
Employee benefits	-	-	-	-	-
Total non-current liabilities	-	2,750,000	2,725,000	2,800,000	3,660,000
Total liabilities	3,370,224	3,077,913	3,198,242	3,323,242	4,183,241
NET ASSETS	4,346,192	4,705,907	5,062,057	5,396,226	5,665,123

**Statement of Cash Flow for the Period Ended
30 June 2012**

	June 2012	June 2013	June 2014	June 2015	June 2016
	\$	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
<i>Cash was provided from:</i>					
Receipts from rentals	1,573,712	1,605,572	1,639,331	1,751,406	1,849,337
Receipts from user charges and other income	78,076	392,899	435,700	447,029	508,651
Interest received	-	-	-	-	-
	1,651,788	1,998,471	2,075,030	2,198,435	2,357,988
<i>Cash was disbursed to:</i>					
Payments to employees	(287,982)	(279,530)	(287,100)	(359,564)	(413,913)
Payments to suppliers	(645,553)	(846,878)	(899,529)	(926,254)	(948,882)
Interest paid	(164,288)	(154,815)	(159,250)	(197,208)	(289,121)
	(1,097,823)	(1,281,223)	(1,345,878)	(1,483,026)	(1,651,916)
Net cash flows from operating activities	553,965	717,248	729,152	715,409	706,072
CASH FLOWS FROM INVESTING ACTIVITIES					
<i>Cash was provided from:</i>					
Foreign exchange gain	-	-	-	-	-
Sale of assets held for sale	-	-	-	-	-
	-	-	-	-	-
<i>Cash was applied to:</i>					
Purchase of property, plant and equipment	(206,685)	(166,273)	(553,402)	(650,000)	(1,535,000)
Purchase of intangibles	(6,166)	-	-	-	-
Purchase of assets under construction	(34,765)	-	-	(375,000)	-
	(247,616)	(166,273)	(553,402)	(1,025,000)	(1,535,000)
Net cash flows from investing activities	(247,616)	(166,273)	(553,402)	(1,025,000)	(1,535,000)
CASH FLOWS FROM FINANCING ACTIVITIES					
<i>Cash was provided from:</i>					
Increase of borrowings	-	-	275,000	425,000	1,210,000
Capital Contributions	-	-	-	-	-
Net Increase in related party advances	2,196	-	-	-	-
	2,196	-	275,000	425,000	1,210,000
<i>Cash was applied to:</i>					
Repayment of borrowings	(300,000)	(300,000)	(150,000)	(300,000)	(350,000)
Net Repayment of related party advances	-	(41,510)	-	-	-
	(300,000)	(341,510)	(150,000)	(300,000)	(350,000)
Net cash flows from financing activities	(297,804)	(341,510)	125,000	125,000	860,000
Net increase/(decrease) in cash and cash equivalents	8,545	209,465	300,750	(184,591)	31,072
Plus cash and cash equivalents at beginning of the year	1,688	10,233	219,697	520,447	335,856
CASH AT END OF THE PERIOD	10,233	219,697	520,447	335,856	366,928
<i>Cash at end of the year comprises:</i>					
Bank balance	10,233	219,697	520,447	335,856	366,928
CASH AT END OF THE PERIOD	10,233	219,697	520,447	335,856	366,928

Three Year Capital Programme

Capital Programme	2013/14 \$	2014/15 \$	2015/16 \$
Café	275,000	275,000	
Commercial Pier		500,000	500,000
F & G Pier completion		260,000	260,000
Upgrade Toilet Block	60,000		
Purchase/develop Additional Hardstand area	100,000		
Construct internal pathway	75,000	75,000	75,000
Construct rubbish bin compounds	10,000		
Instal pier gate structures	25,000	25,000	50,000
Total	545,000	1,135,000	885,000