

# Selwyn Plantation Board Limited

## Cost of Service

2001/02 BUDGET \$		2002/03 BUDGET \$
8,822,000	Revenue	10,424,858
6,221,000	Maintenance & Operating Costs	7,277,900
120,000	Depreciation	120,000
6,341,000	Total Expenditure	7,397,900
2,481,000	Net Profit Before Taxation	3,026,958

## Net Profit Before Taxation

Projected Net Profit Before Taxation 2002/03	3,026,960
Projected Net Profit Before Taxation 2003/04	3,100,000

## Capital Expenditure

Capital expenditure of \$1,570,000 is provided for in the 2002/03 budget.

## Nature and Scope

The core business of the Company is forestry. The primary activity is to manage the Company's forests on a commercial basis using the most environmentally and commercially sustainable methods. The Company manages 13,000 hectares of land, of which 10,000 hectares are stocked with exotic production forestry.

## Relationship to the Council

Selwyn Plantation Board Ltd is a local authority trading enterprise jointly owned by the Selwyn Council Trading Enterprises Ltd (61%) and Christchurch City Holdings Ltd (39%). The Council exercises influence on the Board through a Statement of Corporate Intent.

The Council's interest in this Company is in accordance with its Strategic Objectives: F1 and F2 (see pages 11 to 13).

For a list of the Company directors see page 185.

The Council transferred its share in Selwyn Plantation Board Ltd to its wholly owned holding company Christchurch City Holdings Ltd on 15 March 2002.

## Overall Service Objective

The primary objective of the Company shall be to operate a profitable, sustainable and innovative business consistent with shareholders' expectations, including:

- Increasing the net worth of shareholder value while prudently managing assets.
- Protecting and enhancing the Company's long term marketing competitive position and being responsive to our customers' needs.
- Minimising any adverse effects of our activities and facilities on the environment.
- ensuring business activities comply with all regulatory requirements.
- Being committed to excellence in health and safety management.
- Providing a good faith culture that recognises the importance of our employees' contribution to the success of the Company. To acknowledge and reward them in a fair and equitable way and provide opportunities for personal development.
- Being a good corporate citizen in the community and meeting our social obligations.

## Objectives for 2002/03

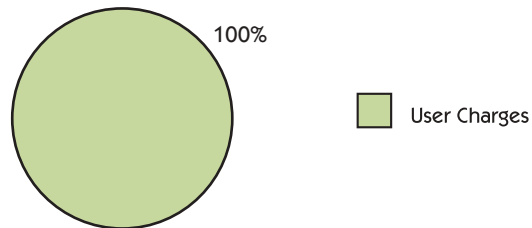
1. Harvesting	170,000 m <sup>3</sup>
2. New planting/replanting	500 ha
3. Pruning/thinning	180 ha

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## Performance Indicators

1. Produce programmed wood volume.
2. Complete programmed new planting/replanting.
3. Complete programmed pruning and thinning.

## Sources of Funding



A Bell Loader - logging operations at Lowmount Plantation.



Douglas Fir export logs being loaded at McHughs Plantation, Darfield.