

# SELWYN PLANTATION BOARD LIMITED

## Cost of Service

1999/00 BUDGET \$		2000/01 BUDGET \$
(5,367,000)	Revenue	(8,811,500)
4,300,000	Maintenance & Operating Costs	6,238,000
130,000	Depreciation	120,000
4,430,000	Total Expenditure	6,358,000
(937,000)	Net Profit Before Taxation	(2,453,500)

## Net Profit Before Taxation

Projected Net Profit Before Taxation 2000/01 \$2,453,500  
 Projected Net Profit Before Taxation 2001/02 \$2,453,500

## Capital Expenditure

Capital expenditure of \$405,000 is provided for in 2000/01.

## Nature and Scope

The Company manages 13,000 hectares of land, of which 9,868 hectares are stocked with an assessed wood volume at 31 March 2000 of 1.93 million tonnes.

## Relationship to the Council

Selwyn Plantation Board Ltd is a local authority trading enterprise jointly owned by the Selwyn District Council (61%) and the Christchurch City Council (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 page 33).

The possible sale of the Council shareholding in Selwyn Plantation Board Ltd was the subject of a public consultation programme. The submissions have been considered and a final decision whether or not to sell will be made by the Council some time in the future.

## Overall Service Objective

- To operate a successful forest-based business consistent with conservation and the provision of shelter objectives on the plains of Canterbury, involving:
  - Economically utilising the renewable resource base of the company's forests to maintain a sustainable dividend to its owners.
  - Acting as a good corporate citizen in all aspects including:
  - Innovative forest management to provide round wood of a quality suitable for both local and export consumption at a price that these markets will stand.
  - Sustained yield forest management that takes cognisance of, and makes allowances for, the vagaries of the Canterbury weather.
  - Acknowledging that plantations have a very important shelter function on the Canterbury plains.
  - Achieving a balance between the recreational use of forests and the commercial objectives of forestry.

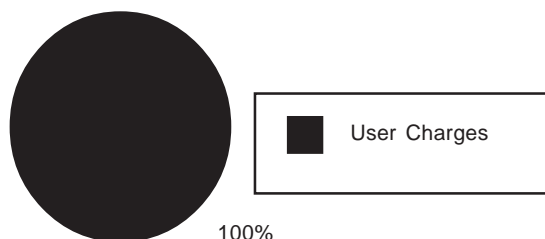
## Objectives for 2000/01

- Continue the scheduled planting programme.
- Produce programmed wood volume.

## Performance Indicators

- 2.1 Plant 500 hectares by 31 March 2001.
- 3.1 Produce 153,000 tonnes of wood by 31 March 2001.

## Sources of Funding



President Jiang Zemin of China inspecting logging machinery at a Selwyn Plantation Board Ltd forest, Darfield - September 1999.