

## MEDIA RELEASE

22<sup>nd</sup> February 2010

### Chairman's Monthly Release – February 2010

#### FINANCIAL OVERVIEW

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DWC performed ahead of budget for the period ended 31 December 2010. A surplus of \$9.2 million was recorded for the 9 month period.

Trustees and staff continue to be focused on the four aspects of the Trust's operations:

- a) Income from the investment fund;
- b) Distribution fund advances and investments aimed at assisting West Coast business and the general community;
- c) Containing overheads;
- d) Reviewing the policies of the Trust.

#### Investment Fund

The Investment Fund is managed with independent advisors and, as at 31<sup>st</sup> December 2010 totalled. \$103 million with the following asset allocation:

New Zealand Equity	5.00%
Australian Equity	9.54%
International Equity	12.14%
Australasian Listed Property	3.78%
Alternative Investments	4.95%
New Zealand Fixed Interest	53.78%
Floating Deposits	0%
Term Deposits	9.72%
Non Term Deposits	0.47%
On Call Cash Accounts Misc	0.62%

The Trust's equity at the 31<sup>st</sup> December 2010 stands at circa \$112 million.

January saw world markets retreat significantly and reinforces the Trust's stance to remain very cautious on the world outlook.

## **Distribution Fund**

The income from the Investment Fund is transferred to the Distribution Fund which is used to promote the objects of the Deed. The available Distribution Fund as at 31 December 2009 stands at approximately \$15.4 million.

This Fund is controlled by Trustees with all distributions over \$100,000 requiring a positive recommendation from the Advisory Body before approval by Trustees.

This is your Trust and the funds are available for sustainable projects that will promote employment and economic benefits.

Applications under \$100,000 may be handled under the CEO delegation and will significantly reduce the time needed to give you a decision.

If you require business funding, visit <http://www.dwc.org.nz/Finance/> - the information outlines the application process and you can download an application form. If you do wish to make an application, please contact one of our Business Development Managers to discuss your proposal and get you started with your application.

## **PROPERTY INVESTMENT**

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The board has commissioned a group to establish clear criteria for the investment into property with an emphasis on the West Coast and this has progressed well. Using your funds to invest in West Coast based property is we believe a conservative and sensible approach which will benefit future generations of West Coast inhabitants.

Our main goals will be to earn a steady reliable income and to achieve a long term appreciation in value for the fund. We are also proactive in promoting the opportunities that exist for property based investment on the West Coast and we will lead by example.

## MAJOR SECTOR INTEREST

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The West Coast has a number of major industries that offer opportunities for investment. Our dairy industry is a world leader – tourism continues to out-perform other markets and our funding of Tourism West Coast is a commitment to ensure the West Coast can continue to attract its share of the tourist dollar even if numbers are down nationally.

The Trust has a role to play as an investor and to help draw the focus of potential investors to the outstanding opportunities that exist on the West Coast.

## CLARIFICATION OF THE OBJECTS OF THE TRUST.

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Trustees have clarified section 4.1 of the Trust Deed. Having sought legal advice, the following has been adopted:

*To meet the objects of the deed a project must meet either:*

- *4.1(a) to PROMOTE sustainable employment opportunities in the West Coast region;*  
*OR*
- *4.1(b) to generate sustainable economic benefits for the West Coast;*  
*OR*
- *If it is to meet 4.1(c) it must first meet both 4.1(a) and 4.1(b)*

This clarification will assist applicants to Trust to more clearly evaluate if their application meets the objects of the Deed.

## ACROSS THE REGION

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MDI funding has been approved for each District as follows. It is published in much more detail at <http://www.dwc.org.nz/Community/MDI/> :

<b>Buller</b>	
Solid Energy Centre	6,000,000
Arts & Cultural Centre	700,000
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	<b>6,700,000</b>
<b>Grey</b>	
Aquatic Centre	6,000,000
Cobden Sports Complex	50,000
West Coast Theatre Trust	400,000
Grey United Tennis Club	20,000
Westurf Recreation Trust	100,000
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	<b>6,570,000</b>

## Westland

Westland i-Site	296,952
Hokitika Regent Theatre (Stage I)	340,000
Library Relocation	489,392
Donovan's Store Refurbishment	78,375
Hokitika Gorge Upgrade	82,014
Westland Boys' Brigade Hall	247,349
Hokitika Regent Theatre (Stage II)	570,000
	<u>2,104,082</u>

With the intended change in community grants it is my intention to initiate a review of the level of grants made to each region and to look to implement the Trust's policy of ensuring a fair allocation of distribution funds across the region over any 9 year period of time.

## FURTHER INFORMATION

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Visit [www.dwc.org.nz](http://www.dwc.org.nz) for more information, including:

- What's happening today at the Trust?
- Live currency updates
- Upcoming [Enterprise Training workshops](#)
- View the [Board Charter](#)
- [Annual Reports](#)
- [How the Trust invest its funds?](#)

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For further information, contact Tony Williams, Chair, DWC, ph 021 348 150