

MEDIA RELEASE

22 March 2010

Chairman's Monthly Release –March 2010

FINANCIAL OVERVIEW

While DWC remains ahead of budget for the period ended 31 January 2010, the month delivered a loss of \$802,785 for the fund. The loss was caused by a decrease in the value of the Trust's investments. A surplus of \$8.4 million was recorded for the 10 month period ahead of the \$4.9 million budget for the year.

The Trust's equity at 31 January 2010 stands at circa \$111.9 million.

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) Agreeing on the annual budget and plan.

Investment Fund

The Investment Fund is managed with independent advisors and, as at 31 January 2010, totalled \$103 million with the following asset allocation:

New Zealand Equity	4.93%
Australian Equity	9.04%
International Equity	12.10%
Australasian Listed Property	3.75%
Alternative Investments	5.35%
New Zealand Fixed Interest	54.53%
Floating Deposits	00.00%
Term Deposits	6.86%
Non Term Deposits	3.11%
On Call Cash Accounts Misc	0.33%

February again saw world markets volatile and unpredictable. Our view remains 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. Funds available for distribution is approx \$14.5 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.

PROPERTY INVESTMENT

The board has commissioned a group to establish clear criteria for the investment into property with an emphasis on the West Coast. The main goals will be to earn a steady reliable income and to achieve a long term appreciation in value for the fund.

CLARIFICATION OF THE OBJECTS OF THE TRUST

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:

- *Clause 4.1(a) (to PROMOTE sustainable employment opportunities in the West Coast region);*
OR
- *Clause 4.1(b) (to generate sustainable economic benefits for the West Coast);*
OR
- *If it is to meet 4.1(c) (to support projects not normally the responsibility of local authorities or central government), 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.

BOARD CHARTER

The Boarder Charter has now been published on our web site, www.dwc.org.nz. The Charter clarifies:

- Meeting procedures
- The Trust's approach to communications and dissemination of information
- Transparency
- Conflicts of interest
- Breaches of the Charter
- Relationships with staff, Advisory Body and the community
- Review of the Charter
- Publication of the Charter
- Expected standards of behaviour for Trustees
- Duties in regard to confidentiality

We believe the adoption of the Charter is a further step in growing your Trust in a commercial, ethical and transparent way, which will benefit present and future generations of West Coasters.

ACROSS THE REGION

MDI funding has been approved for each District as follows:

Organisation	\$ Approved
Buller	
Solid Energy Centre	6,000,000
Arts & Cultural Centre	700,000
	6,700,000
Grey	
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
	6,570,000
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
	2,104,082
Total	\$15,374,082

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.

An investment in Franz Josef has been approved by Trustees and details will be provided in next month's report.

Trustees are nearing the completion of their review of the operations of Cranberries New Zealand based at Fairdown near Westport. It is intended the investment structure will be changed.

End

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