



MEDIA RELEASE

16 June 2010

Chairman's Monthly Release – June 2010

FINANCIAL OVERVIEW

DWC continues to work towards completing annual accounts with the report preparation and audit running to schedule.

The annual meeting for the Trust will be held in Hokitika on Wednesday 25 August 2010 and we encourage you to come along and hear what the Trust has been working on and its achievements.

The Trust's equity at 30 April 2010 stood at circa \$113 million. The month of April produced a surplus of \$160,000.

World markets have been and remain extremely volatile and we expect severe swings in equity prices to continue for many months.

The risk profile of the Trust has changed with an emphasis on building the fund to ensure both current and future West Coasters benefit from it. To achieve this, Trustees are continuing to work towards the approval and implementation of a reserving policy. Such a policy will ensure the Trust continues to grow its funds at the rate of inflation (at a very minimum) over the medium to long term.

As the fund builds it will increase the amount of money that can be reinvested back into the community via distributions or community grants.

Trustees and staff continue to focus on three 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) Ensuring DWC's cost structure is appropriate for the nature of its business and delivering value for money.

As Chairman, my aim in the new financial year is to complete the overhaul of the policies that govern the Trust's operations.

INVESTMENT FUND

The Investment Fund is managed with independent advisors and, as at 30 April 2010, totalled \$100 million with the following asset allocation:

New Zealand Equity	4.29%
Australian Equity	10.12%
International Equity	14.47%
Australasian Listed Property	3.49%
Alternative Investments	5.14%
New Zealand Fixed Interest	55.52%
Term Deposits	6.10%
Non Term Deposits	0.61%
On Call Cash Accounts Misc	0.26%

The month of May again saw world markets volatile and unpredictable. Our view remains very cautious as demonstrated in the Trust's conservative investment strategy with 62.2% of the Trust's funds invested in New Zealand fixed interest and term and non term deposits and cash as at 30 April 2010.

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 as at 30 April 2010 were circa \$12.3 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.

COMMUNITY GRANTS

At the June meeting of Trustees a number of community grants were approved. Details will be advised once applicants have been contacted.

POLICY AND PLANNING

Trustees and management continue to work on DWC's operating environment and internal control systems.

The following matters were considered at the June Trustee meeting:

- Roadmap and operational budget for 2010-2011 – considered and adopted
- Statement of Investment Policy and Objectives – reviewed and adopted

End

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