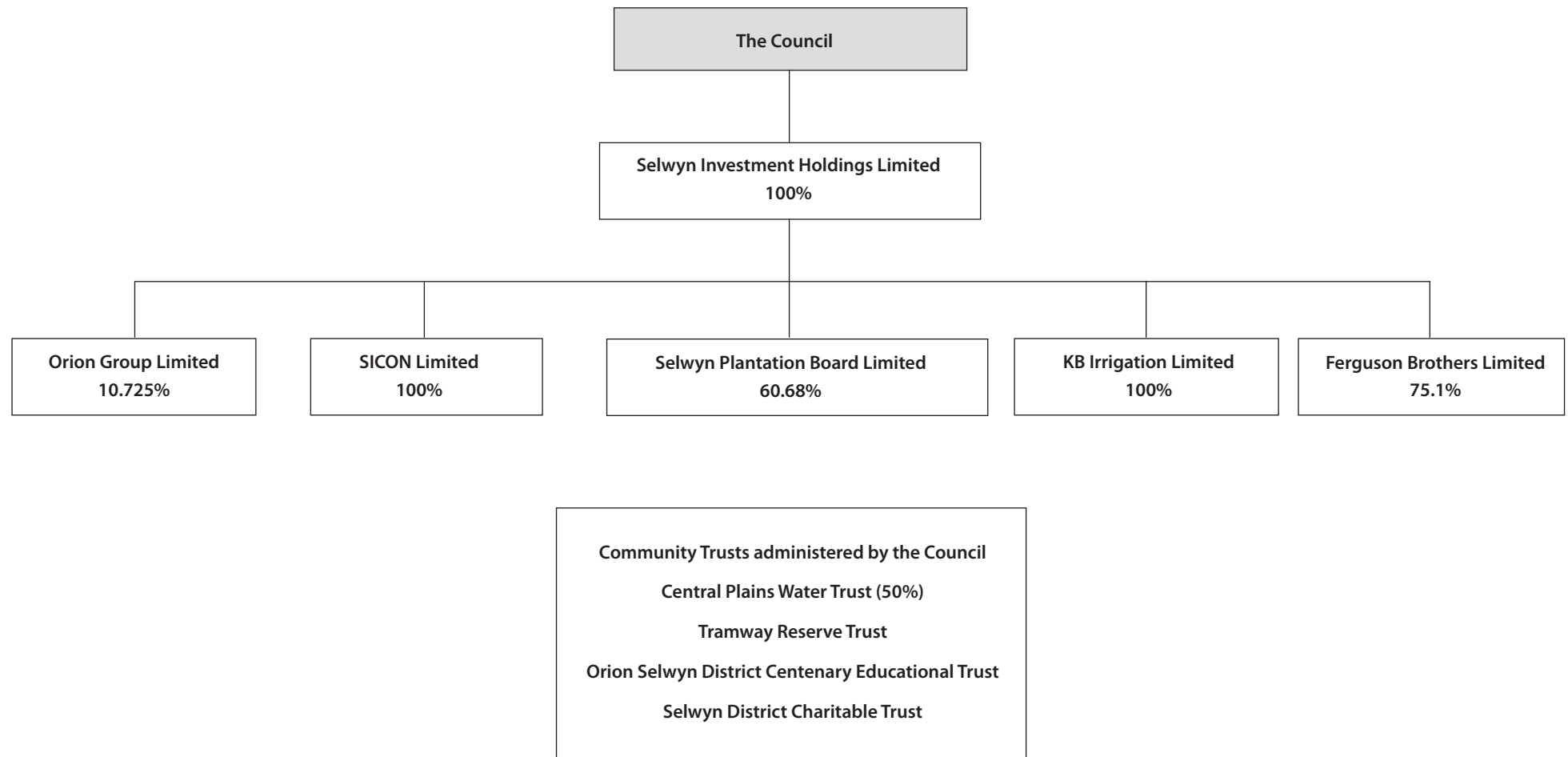


COUNCIL CONTROLLED ORGANISATIONS





FINANCIAL INTERESTS



SELWYN INVESTMENT HOLDINGS LTD

Relationship to the Council

The Council retains control over the activities of Selwyn Investment Holdings Ltd (the Company) through the Company's annual Statement of Intent, the Company's Constitution and the ability to appoint directors.

Nature and scope of the Company

This enterprise is a company established to combine the Council's trading investments under one umbrella and thereby facilitate effective management of the Council's investments and cash flows. This arrangement is aimed to separate the trading investments from the ordinary operations of the Council and ensure that the Council's relationship with its investment companies is handled in a commercial manner. The security provided by this ownership enables the Council a facility to efficiently borrow in commercial markets.

The Company's revenue is in the form of dividends from Orion Group Limited, SICON Limited, Selwyn Plantation Board Ltd, KB Irrigation Limited and Ferguson Brother Limited. Net income is distributed to the Council via a fixed dividend distribution policy.

Objective

To enable the efficient management of the Council's trading investments.

Key performance targets

The performance targets of the company for 2009/10 are set out below.

- debt/total assets 9.7%
- return on total assets 3.8%
- return on shareholders' funds 4.4%

SICON LIMITED

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the company

SICON Limited is a supplier of asset management, maintenance and construction services. Consistent with its objective, the company will pursue activities designed to ensure the efficient and prudent utilisation of its capital assets and human resources.

Objective

To operate as a successful, growth focused contracting business and follow these key principles which are central to its business strategy:

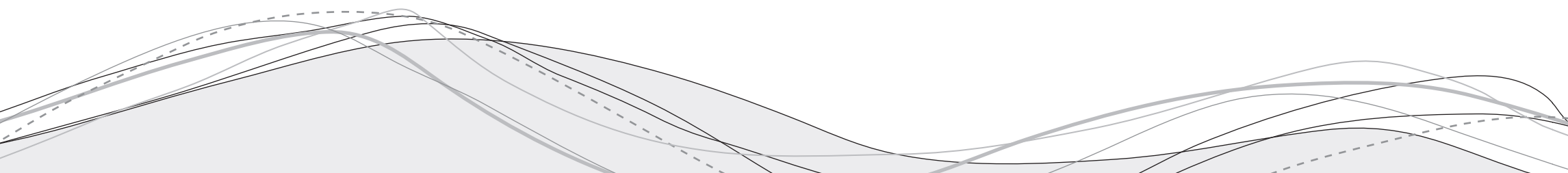
- commitment to quality;
- commitment to its shareholders;
- commitment to selwyn district;
- commitment to its people;
- commitment to health and safety;
- commitment to the environment;
- commitment to future growth.

Key performance targets

The performance targets of the company for 2009/10 are set out below.

1. Financial:

- return after tax to opening shareholder funds 10.1%
- return before interest in tax on total assets 9.4%



2. **Quality services – to maintain ISO 9001:2000 Quality Standard Certification.**
3. **Health and safety:**
 - to maintain acc wsmc certification to tertiary level;
 - to maintain NZS 4801 Safety Management Systems Certification.
4. **Environmental – to maintain NZS 14001 Environmental Standard Certification.**

SELWYN PLANTATION BOARD LTD

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the Company

The core business of the Selwyn Plantation Board Ltd is to manage the Company's forests, farms and land on a commercial basis using the most environmentally and commercially sustainable methods.

The Company will engage in any operations or industry relative to the planting, growing, silviculture, felling, cutting, extraction, removal, conversion, manufacture, transport, distribution, or sale of logs, timber or other forest products and any management practices relevant to maximising land utilisation including purchase and disposal.

Objective

The Company's mission is to operate a financially successful forestry, farming and land utilisation business on the plains and foothills of Canterbury in an environmentally and socially sustainable manner and to promote the provision of shelter on the Canterbury Plains. The primary objective of the Company is to operate a profitable, sustainable and innovative business consistent with shareholder expectations that will increase the net worth of shareholder value by prudently managing assets for long term capital growth.

Key performance targets

The performance targets of the company for 2009/10 are set out below.

1. **Forest operations:**

- | | |
|------------------------|----------------|
| • harvesting | 150,000 tonnes |
| • replanting | 160 hectares |
| • new planting | nil |
| • pruning and thinning | 200 hectares |

2. Ecological management plan:

Goal – to protect and manage representative examples of natural ecosystems that occur in our lands (termed *Ecological Management Areas or EMAs*).

- To develop a clear understanding of the effects of herbivores on EMAs to allow appropriate management actions to be developed.
- To have an evidence portfolio of positive changes to EMAs through EMA management plan implementation.

3. Community relations plan:

Goal – ongoing analyses of the types of relationships the Company has with various stakeholders and provide appropriate resources for managing these on a day-to-day basis and in times of change where social assessment is needed, including the management of disputes, thus having a good open relationship with our local community and key stakeholders.

- To produce efficient and timely communications to relevant stakeholders by establishing and maintaining an annually updated database of names and addresses of all stakeholders.
- To be proactively communicating strategies to all stakeholders, via various communication mediums.

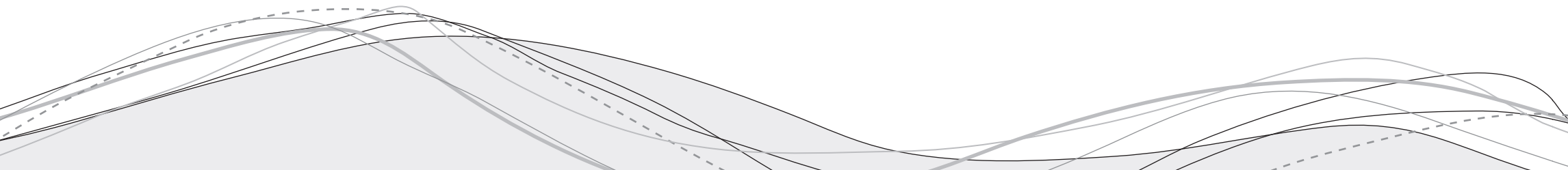
4. Farming:

Goal - to operate all SPBL farms using recognised best management practice in an endeavour to achieve acceptable financial returns in line with national performance standards under comparable conditions.

- To create a sustainable and profitable farming enterprise with a balanced livestock and arable portfolio to minimise market and climate risk to the Company.
- To monitor international and domestic financial and market trends to ensure the Company's farms meet acceptable production and financial returns, measure all farm inputs against pre-set budgets to achieve pre-determined performance levels whilst maintaining animal health and welfare, irrigation efficiencies, crop and pasture productivity, personnel and environmental standards across all areas of the farm operations.

5. Financial:

• Ratio of equity to total assets	95.0%
• Return before interest and tax to total assets	1.5%
• Return after tax to equity	1.1%



KB IRRIGATION LIMITED

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the company

KB Irrigation Limited's business is the provision of quality pastoral irrigation services throughout the South Island. Consistent with its objectives, the company will conduct its business in a technically responsible manner to provide quality solutions to its clients and to continually look at opportunities to maintain a competitive advantage. It will pursue activities designed to ensure the efficient and prudent utilisation of its capital assets and human resources.

Objective

To operate as a successful, growth focused irrigation business and follow these key principles which are central to its business strategy:

- commitment to quality;
- commitment to its shareholders;
- commitment to its people;
- commitment to health and safety;
- commitment to the environment;
- commitment to future growth.

Key performance targets

The performance targets of the company for 2009/10 are set out below.

- | | |
|---------------------------------|-------|
| • debt/total assets – forecast | 83.0% |
| • return on total assets | 4.0% |
| • return on shareholders' funds | 25.0% |

Return is defined as net surplus after interest and tax. Shareholders' Funds is defined as opening Shareholders' Funds at the start of the period.

FERGUSON BROTHERS LIMITED

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the company

Ferguson Brothers Limited's business is the provision of quality contracting services. Consistent with its objective, the company will pursue activities designed to ensure the efficient and prudent utilisation of its capital assets and human resources.

Objective

To operate as a successful roading, earthworks and civil contracting business and follow these key principles which are central to its business strategy:

- commitment to quality;
- commitment to its shareholders;
- commitment to its people;
- commitment to health and safety;
- commitment to the environment;
- commitment to future growth.

Key performance targets

The performance targets of the company for 2009/10 are set out below.

- | | |
|---------------------------------|-------|
| • debt/total assets | 50.0% |
| • return on total assets | 2.3% |
| • return on shareholders' funds | 6.3% |

Return is defined as net surplus after interest and tax. Shareholders' Funds is defined as opening Shareholders' Funds at the start of the period.

ORION GROUP LIMITED

Relationship to the Council

Selwyn Investment Holdings Limited has a 10.725% shareholding in Orion Group Limited.

The shareholders exercise influence on the company through the negotiation of the annual Statement of Intent.

Nature and Scope of the Company

Orion's activities are to:

- construct and maintain a reliable and secure electricity distribution network in the Christchurch and Central Canterbury region;
- provide efficient processes that support competition amongst electricity retailers and generators;
- seek investment/acquisition opportunities in the infrastructure and energy sectors;
- manage, grow and if appropriate, realise other subsidiary and associate company interests.

Objective

To operate as a successful business and provide shareholders with appropriate returns on their investments and pursue strategies that aim to ensure Orion's long-term success as a business.

Key performance targets

The performance targets of the company for 2009/10 are set out below.

1. Financial

- Orion's financial performance targets for the parent company for the year ended 31 March 2010 are as follows:

Profit after tax	\$42.7m
Profit after tax / average shareholders' equity	6.1%

2. Reliability - all interruptions

	Urban	Rural	Overall
Duration of supply interruptions in minutes per year per connection.	20	432	68
Number of supply interruptions per year per connection	0.5	4.0	0.9

3. Reliability – Orion network interruptions

	Urban	Rural	Overall
Duration of supply interruptions in minutes per year per connection.	19	412	64
Number of supply interruptions per year per connection	0.4	3.6	0.8

4. Environmental targets

- Incorporate the cost of carbon into our network investment decisions.
- Continue to undertake and encourage demand side management.
- Undertake a safety and efficiency driving course for all Orion and Connetics employees who regularly drive operational vehicles.
- Consider the potential to replace operational vehicles in the Orion and Connetics fleet with more fuel efficient models.
- Assess the feasibility and desirability of becoming carbon neutral.
- Continue our support for and sponsorship of Community Energy Action (CEA).
- Work with CEA to ensure that at least a further 500 low income homes are insulated this financial year in Christchurch.
- Support the Christchurch City Council's sustainable energy strategy.

CENTRAL PLAINS WATER TRUST

Relationship to the Council

Central Plains Water Trust is a Council Controlled Organisation (CCO), jointly controlled by Selwyn District Council (50%) and Christchurch City Council (50%). The Council exercises significant influence over the activities of the Trust through its ability to appoint the Trustees

Nature and Scope of Activities

Central Plains Water Trust is a trust for the benefit of present and future generations of Christchurch City and Selwyn district residents.

The Trust will hold all necessary resource consents, when obtained by Central Plains Water Limited.

Objectives

The Council recognises a major regional economic benefit in managing the water resource in the Central Canterbury Plains, including significant employment creation. The Council also wishes to be involved to ensure its own infrastructure will not be adversely affected by any proposed scheme.

Key performance targets

- To improve assistance to Central Plains Water Limited and monitor progress of accumulating scientific studies necessary to support obtaining the necessary resource consents for the Central Plains irrigation scheme on behalf of the Trust.
- To consult, and develop scheme recreational opportunities and environmental community enhancers.

TRAMWAY RESERVE TRUST

Relationship to the Council

Tramway Reserve Trust is a Council Controlled Organisation (CCO) of the Council.

Nature and scope of activities

Tramway Reserve, at the east end of Tramway Reserve Road, will be subject to restoration and enhancement to be led by the Tramway Reserve Trust. The restoration project was agreed as mitigation for the past and ongoing use of Tramway Reserve Drain for waste water management. The Trust was established as part of that agreement between Ngai Tahu and the Council as a condition of the upgraded Leeston (Ellesmere) Sewage Treatment site.

Key performance targets

The Trust will continue work towards returning the Tramway Reserve waterway to its natural state and facilitating public access.

ORION SELWYN DISTRICT CENTENARY EDUCATIONAL TRUST

Relationship to the Council

Orion Selwyn District Centenary Educational Trust is a CCO of the Council.

Nature and scope of activities

The Trust was established in November 2003 by Orion New Zealand Limited. The purpose of the Trust is to promote and support the education of students who are attending Ellesmere College, Lincoln High School and Darfield High School and any other high school established in the Selwyn district in the future, and who are intending to undertake a course of tertiary education in New Zealand.

Key performance targets

The Trust expects to receive enough investment income each year to be able to pay out scholarships to recipients from the three current high schools in the area.

SELWYN DISTRICT CHARITABLE TRUST

Relationship to the Council

Selwyn District Charitable Trust is a CCO of the Council.

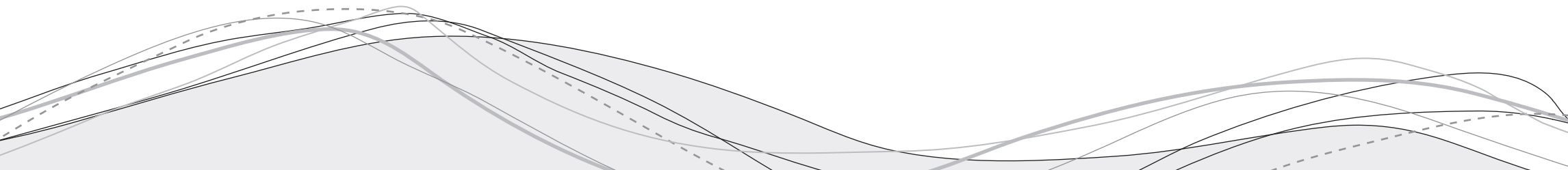
Nature and scope of activities

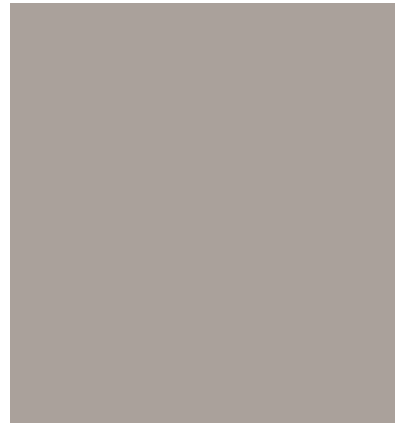
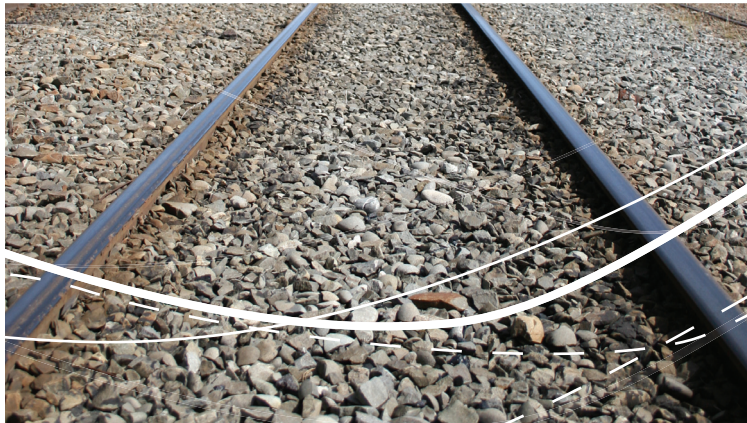
The Trust receives funds in the form of charitable donations and makes them available for the charitable activities of the Council.

Key performance targets

The Trust will aim to:

- distribute all the funds it receives in the year of receipt;
- achieve investment returns in line with those achieved by the Council.





COUNCIL INFORMATION



COUNCIL INFORMATION

Mayor and Councillors contact details

<i>Mayor</i>		<i>Deputy Mayor (Malvern Ward Councillor)</i>	
Kelvin Coe	513 The Lake Road RD 3 LEESTON 7683 (H) (03) 329 1768 (F) (03) 329 1786 (C) 027 267 7732 kelvin.coe@selwyn.govt.nz	John Morten	224 Waireka Road RD 1 DARFIELD 7571 (H) (03) 317 9001 (C) 027 200 2578 john.morten@selwyn.govt.nz
Selwyn Central Ward			
Gary Doyle	782 Weedons Road RD 8 CHRISTCHURCH 7678 (H) (03) 347 8458 (C) 027 364 5834 gary.doyle@selwyn.govt.nz	Annette Foster	54 Dynes Road RD 8 CHRISTCHURCH 7678 (H) (03) 347 8651 (C) 027 526 6388 annette.foster@selwyn.govt.nz
Sarah Walters	143 Midhurst Road RD 1 CHRISTCHURCH 7671 (H) (03) 318 1227 (F) (03) 318 1229 (C) 027 270 1215 sarah.walters@selwyn.govt.nz		
Malvern Ward			
Vacant as at 24 June 2009 due to the death of Paul Stewart			

Springs Ward

Lindsay Philps	14 Lyttelton Street LINCOLN 7608 (H) (03) 325 7670 (F) (03) 325 2139 (C) 027 295 3868 lindsay.philps@selwyn.govt.nz	Malcolm Lyall	520 Springs Road PREBBLETON 7604 (H) (03) 349 7990 (C) 027 433 9964 malcolm.lyall@selwyn.govt.nz
Debra Hasson	152 Chamberlains Road RD 4 CHRISTCHURCH 7674 (H) (03) 329 5445 (C) 027 435 5055 debra.hasson@selwyn.govt.nz		

Ellesmere Ward

Jack Percy	PO Box 80 DOYLESTON 7548 (H) (03) 324 3902 (W) (03) 324 3903 (C) 027 295 3857 jack.percy@selwyn.govt.nz	Nigel Barnett	176 Dunsandel/Hororata Road Dunsandel, RD 2 LEESTON 7682 (H) (03) 325 4205 (C) 027 484 4888 nigel.barnett@selwyn.govt.nz
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Community board members

Malvern Community Board

<i>Chairperson</i>		<i>Deputy Chairperson</i>	
Ian Warren	'Waianiwa' 84 Warrens Road Greendale RD 1 CHRISTCHURCH 7671 (H) (03) 318 8876 (F) (03) 318 8186 ian.warren@selwyn.govt.nz	Allan Thorne	Arbourlea RD 2 DARFIELD 7572 (H) (03) 318 0798 (F) (03) 318 0797 allan.thorne@selwyn.govt.nz
Bob Mugford	PO Box 35 COALGATE 7646 (H) (03) 318 2877 (F) (03) 318 2861 bob.mugford@selwyn.govt.nz	Mary Ireland	3D Perrin Place DARFIELD 7510 (H) (03) 318 8649 (F) (03) 318 8648 mary.ireland@selwyn.govt.nz
Annie Smith	202 Horndon Street DARFIELD 7510 (H) (03) 318 7317 (F) (03) 318 8104 annie.smith@selwyn.govt.nz		

Selwyn Central Community Board

<i>Chairperson</i>		<i>Deputy Chairperson</i>	
Bruce Russell	123 Finlays Road, RD 5, CHRISTCHURCH 7675 (H) (03) 347 9692 (F) (03) 384 1788 (C) 027 436 1727 bruce.russel@selwyn.govt.nz	Mark Alexander	0478 Two Chain Road, RD 7, CHRISTCHURCH 7677 (H) (03) 347 6393 (F) (03) 347 6392 (C) 027 221 7348 mark.alexander@selwyn.govt.nz
Jeff Bland	Weedons Road RD 8 CHRISTCHURCH 7678 (H) (03) 347 4070 jeff.bland@selwyn.govt.nz	Joyce Davey	6 Juliet Place ROLLESTON 7614 (H) (03) 347 8217 joyce.davey@selwyn.govt.nz

WHERE TO GO FOR MORE INFORMATION

The Selwyn Community Plan 2009-19 is also available at www.selwyn.govt.nz or you can get a copy at any Selwyn District library or service centre (see list below).

Customer services

For general enquiries, assistance and information, telephone (03) 347 2800 or (03) 318 8338

Customer services	
For general enquiries, assistance and information. Telephone (03) 347 2800 or (03) 318 8338	
Website	Selwyn District Council Headquarters
www.selwyn.govt.nz	2 Norman Kirk Drive PO Box 90 ROLLESTON 7643
Service Centres	
Leeston Library / Service Centre High Street Private Bag 1 LEESTON Phone (03) 324 8080	Darfield Service Centre South Terrace DARFIELD 7510 Phone (03) 318 8338
Lincoln Service Centre Gerald Street LINCOLN 7608 Phone (03) 347 2875	Rolleston Library / Service Centre Rolleston Drive ROLLESTON 7614 Phone (03) 347 2880
Auditors	Bankers
Audit New Zealand PO Box 2 CHRISTCHURCH 8140 On behalf of the Auditor-General	Westpac PO Box 2721 CHRISTCHURCH 8140
Solicitors	Sister District
Buddle Findlay PO Box 322 CHRISTCHURCH 8140	Akitakata City Yoshida 791 Akitakata City Hiroshima 731 0592 JAPAN

COUNCIL CONTROLLED TRADING ORGANISATIONS

Council companies

Selwyn Investment Holdings Limited (100% owned by the Council)	Selwyn Plantation Board Ltd (60.68% owned by Selwyn Investment Holdings Limited)
P O Box 2935 CHRISTCHURCH 8140 Phone (03) 366 5601 Fax (03) 366 5608 Website www.sihl.co.nz	Horndon Street, PO Box 48 DARFIELD 7541 Phone (03) 318 8311 Fax (03) 318 8812 Website www.spbl.co.nz
Board WJ Bell (Chairperson) J Morten SA Leck RB MacGeorge M Taggart	Board R Polson (Chairperson) A Berg J Christensen S Astor J Morten
Chief Executive Officer A Bartlema	Chief Executive A Russell
Company Secretary J Wilson	SICON Limited (100% owned by Selwyn Investment Holdings Limited)
Company Accountant B Furness	3 South Terrace, PO Box 40 DARFIELD 7541 Phone (03) 324 3068 or (03) 318 8320 Fax (03) 318 8578 E-mail sicon@sicon.co.nz Website www.sicon.co.nz
	Board GH Clemens (Chairperson) KJ Beams R Lauder LA McCracken T Tattersfield
	Chief Executive Officer B Beagley

KB Irrigation Limited (100% owned by Selwyn Investment Holdings Ltd)	Ferguson Brothers Limited (75.1% owned by Selwyn Investment Holdings Limited)
135 Alford Forest Road PO Box 379 ASHBURTON 7740 Phone (03) 308 9419 Fax (03) 308 8199 Website www.kbrrigation.co.nz	Main South Road PO Box 332 GREYMOUTH 7840 Phone: (03) 768 4181 Fax (03) 768 4180
Board LA McCracken (Chairperson) EM Frew GH Clemens	Directors T Tattersfield (Chairperson) S Leck M Ferguson
Chief Executive N Gillot	Managing Director M Ferguson

Other council organisations

Central Plains Water Trust (50% owned by Selwyn District Council)	Izone Southern Business Hub Council committee established to develop an industrial park at Rolleston	
PO Box 90 ROLLESTON 7643 Phone (03) 347 2800 Fax (03) 347 2799	PO Box 90 ROLLESTON 7643 Phone (03) 347 2800 Fax (03) 347 2799	Website www.izone.org.nz
Trustees DG Marsh (Chairperson) DJ Catherwood RW Davison DAR Haslam DJ O'Rourke V Smart C Williams	Committee Members JL Christensen (Chairman) WJ Bell R Schulz Councillor Foster	Chief Executive RD Hughes Developments Limited Attention: Robin Hughes Phone (03) 379 2609
	The Council Manager responsible DD Marshall – Manager Corporate Services Selwyn District Council	



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