



Report 08.466
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File CFO/09/02/01

Committee Council
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WRC Holdings Ltd - Dividends

1. Purpose

To note and approve the intention of WRC Holdings Ltd to pay out a dividend of 100% of its 2007/08 net profit after tax.

2. Significance of Decision

The matters in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

At their meeting on 25 June 2008 the Directors of WRC Holdings Ltd will be considering the following resolution:

“that the Directors of WRC Holdings Ltd approve, subject to satisfying the solvency test, a provision for dividend for the year ending 30 June 2008 equating to 100% of the net profit after tax (excluding revaluation gains and losses), and note that Greater Wellington Regional Council as shareholder will consider this matter on 30 June”.

The above resolution will be a record of the obligation of Directors to make such a dividend payout once the 2007/08 annual report for WRC Holdings Group has been finalised. This obligation is consistent with the WRC Holdings Statement of Intent (SOI) for 2007/08.

The annual report of WRC Holdings Ltd will be finalised during September, with the dividend likely to be paid in October.

4. Communications

No communications are required at this stage

5. Recommendations

That the Council:

- (1) ***Receives** the report*
- (2) ***Notes** its contents.*
- (3) *Subject to the Directors of WRC Holdings Limited passing the resolution noted in Section 3, **approves** the intention of the Directors of WRC Holdings Ltd to pay a dividend to the shareholder equating to 100% of the company's 2007/08 net profit after tax (excluding revaluation gains and losses).*

Report prepared by:

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