



Report 07.413  
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Committee Policy, Finance and Strategy  
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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 2006/07 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 28 June 2007 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 2007 equating to 100% of the net profit after tax (excluding revaluation gains and losses), and advise the Wellington Regional Council accordingly”.*

The above resolution will be a record of the obligation of Directors to make such a dividend payout once the 2006/07 annual report for WRC Holdings Group has been finalised. This obligation is consistent with the WRC Holdings Statement of Intent (SOI) for 2006/07.

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 Committee recommend that Council:*

- (1) *receive the report*
- (2) *note its contents.*
- (3) *subject to the Directors of WRC Holdings Limited passing the resolution noted in Section 3, **approve** the intention of the Directors of WRC Holdings Ltd to pay a dividend to the shareholder equating to 100% of the company's 2006/07 net profit after tax (excluding revaluation gains and losses).*

Report prepared by:

Report approved by:

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Chief Financial Officer

**David Benham**  
Chief Executive