

Notice is given that an ordinary meeting of the Joint Shareholders Committee will be held on:

Date: **Tuesday 16 April 2024**
Time: **9:30 am**
Meeting Room: **Tasman Council Chamber**
Venue: **189 Queen Street, Richmond**
Zoom conference link: <https://us02web.zoom.us/j/86396053367?>
Meeting ID: 863 9605 3367
Meeting Passcode: 772534

Joint Shareholders Committee

Komiti Joint Shareholders

AGENDA

MEMBERSHIP

Council	Tasman District Council	Nelson City Council
Members	Mayor T King (Chair)	Mayor N Smith
	Deputy Mayor S Bryant	Deputy R Mayor O'Neill-Stevens
	Cr B Dowler	Cr M Benge
	Cr C Hill	Cr M Courtney
	Cr C Mackenzie	Cr K Paki Paki
	Cr K Maling	Cr R Sanson

(Quorum 6 members)

Contact Telephone: 03 543 8400
Email: robyn.scherer@tasman.govt.nz
Website: www.tasman.govt.nz

AGENDA

1 OPENING, WELCOME, KARAKIA

2 APOLOGIES AND LEAVE OF ABSENCE

An apology has been received from Councillor K Paki Paki.

Recommendation

That an apology be accepted from Councillor K Paki Paki.

3 PUBLIC FORUM

Nil

4 DECLARATIONS OF INTEREST

5 LATE ITEMS

6 CONFIRMATION OF [MINUTES](#)

That the minutes of the Joint Shareholders Committee meeting held on Tuesday, 22 August 2023, be confirmed as a true and correct record of the meeting.

That the confidential minutes of the Joint Shareholders Committee meeting held on Tuesday, 22 August 2023, be confirmed as a true and correct record of the meeting.

7 REPORTS

- 7.1 Half Yearly reports to 31 December 2023 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited 4
- 7.2 Tasman Bays Heritage Trust - Half Yearly Report to 31 December 2023 and Draft Statement of Intent 2024-2025 60

8 CONFIDENTIAL SESSION

- 8.1 Procedural motion to exclude the public..... 99
- 8.2 Tasman Bays Heritage Trustee Rotation 99
- 8.3 Infrastructure Holdings limited - Draft Statement of Intent 2024/2025 99

9 CLOSING KARAKIA

7 REPORTS

7.1 HALF YEARLY REPORTS TO 31 DECEMBER 2023 FOR INFRASTRUCTURE HOLDINGS LIMITED, PORT NELSON LIMITED AND NELSON AIRPORT LIMITED

Report To:	Joint Shareholders Committee
Meeting Date:	16 April 2024
Report Author:	Nikki Harrison, Group Manager Corporate Services
Report Authorisers:	
Report Number:	RJSC24-04-1

1. Purpose of Report

- 1.1 To receive the Infrastructure Holdings Limited, Port Nelson Limited, and Nelson Airport Limited half yearly reports to 31 December 2023. Report Summary

2. Recommendation

That the Joint Shareholders Committee receives the Half Yearly reports to 31 December 2023 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited report and its attachments.

3. Background and Discussion

- 3.1 Section 66 of the Local Government Act requires Infrastructure Holdings Limited and its subsidiaries to deliver a half yearly report on performance within two months of the end of that period. Each Council must publish the half yearly report on their website within one month of receiving it. These requirements have been met. The half yearly reports of the three entities for the period ending 31 December 2023 are included as Attachment 1 (IHL), Attachment 2 (Port Nelson Limited) and Attachment 3 (Nelson Airport Limited).

4. Discussion

Infrastructure Holdings Limited

- 4.1 This is the first six monthly report from Infrastructure Holdings Limited (IHL) and this has been presented as a consolidated group, including Port Nelson Limited and Nelson Airport Limited.
- 4.2 Infrastructure Holdings Limited finalised the acquisition of Port Nelson Limited and Nelson Airport Limited on 1 July 2023. Subsequently the Group successfully consolidated its debt and entered the LGFA tender round on 3 October 2023 securing funding of \$113 million.
- 4.3 The profitability of the Group has been impacted negatively by recent economic conditions. Revenue is consistent when considering previous trading, however it is down on budget expectations. Expenses have been impacted by inflation and the rise in interest rates has further impacted the net profit after tax.
- 4.4 Infrastructure Holdings Limited is largely on target to meet its performance measures (see page 3 of Attachment 1), noting this is at a group level and the subsidiaries performance measures are separately reported in their six monthly reports.
- 4.5 Commentary on the Port Nelson and Nelson Airport is covered below.

Port Nelson Limited

- 4.6 It has been a challenging first six months of the 2024 financial year. The economic slowdown has resulted in reduced containerised commodities moving through the Port, negatively impacting profitability.
- 4.7 For the first six months of this financial year Port Nelson Limited (PNL) reported profit before tax (PBT) of \$3.557 million compared with the previous year result of \$3.837 million.
- 4.8 The half yearly report shows how PNL is tracking against its Statement of Corporate Intent performance measures for 2023/24 (see page 7 to 8 of Attachment 2).
- 4.9 The remainder of the year should see some trading improvement with a strong kiwifruit and apple season predicted. However, a general softness will continue across most other commodities. The year end profit result will remain below budget.

Nelson Airport Limited

- 4.10 For the first six months of this financial year NAL reported profit before tax (PBT) of \$2.57 million compared with the previous year result of \$2.85 million. Revenue has increased to \$8.8 million compared with the same time last year of \$8.8 million.
- 4.11 The half yearly report shows that Nelson Airport Limited (NAL) is on target to meet the majority of its Statement of Intent objectives for 2023/24 (see page 6 to 7 of Attachment 3).
- 4.12 Nelson Airport is forecasting the financial performance for the second half of the financial year to be more conservative than that reported for the first half. Increased repairs and

maintenance is planned to coincide with the warmer and lighter summer months. However, revenue is expected to be maintained at current levels and the full year forecast remains positive with an estimated Net Profit before tax of \$4.6 million.

4. Attachments

- | | | |
|--|--|----|
| 1.   | Infrastructure Holdings Limited Half Yearly Report | 7 |
| 2.   | Port Nelson Limited Half Yearly Report | 18 |
| 3.   | Nelson Airport limited Half Yearly Report | 37 |

