

**Audit, Finance and Risk Committee  
10 March 2017**

**Report for Agenda Item: 1**

**Department: Finance and Regulatory**

**Queenstown Airport Corporation: Six Month Report**

**Purpose**

- 1 To present the financial and management report for Queenstown Airport Corporation (QAC) for the half year to 31 December 2016.

**Recommendation**

- 2 That the Audit, Finance & Risk Committee:
  1. **Note** the contents of this report and receive the half yearly report of the Queenstown Airport Corporation.

Prepared by:



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Chief Financial Officer

22/02/2017

Reviewed and Authorised by:



Mike Theelen  
Chief Executive Officer

23/02/2017

**Background and Comment**

- 3 The QAC is a Council Controlled Trading Organisations (CCTO) as per Section 6 of the Local Government Act 2002 (the Act). Section 64 of the Act requires all CCTOs to have a Statement of Intent.
- 4 The Statement of Intent for 2016/17 requires QAC to provide an unaudited half yearly report to the shareholder (Council) within two months of the end of the first half of each financial year.
- 5 The attached Interim Report includes a full set of financial statements for the six month period ended 31 December 2016.

## Options

6 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.

7 Option 1 Consider the report.

Advantages:

8 The Council receives regular and up-to-date information about the performance of the QAC in accordance with the Local Government Act 2002.

Disadvantages:

9 None

10 Option 2 Don't consider the report.

Advantages:

11 None

Disadvantages:

12 The Council will not receive an update on the performance of the QAC and will be acting contrary to the Local Government Act 2002.

13 This report recommends **Option 1** for addressing the matter.

## ***Significance and Engagement***

14 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because the information is being provided for the Council's information.

## ***Risk***

15 This matter does not have significant risk.

## **Financial Implications**

16 There are no financial implications of the decision sought by this report.

## **Council Policies, Strategies and Bylaws**

17 The following Council policies, strategies and bylaws were considered:

- Queenstown Airport – Future Management, Operation and Development Policy

## **Local Government Act 2002 Purpose Provisions**

18 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

### **Consultation: Community Views and Preferences**

19 The report provides a basis for communication between the company and the shareholder, and as such no wider consultation is required.

### **Legal Considerations and Statutory Responsibilities**

20 The Council is required by the Local Government Act 2002 to consider a six monthly performance report of a CCTO.

### **Attachments**

A QAC Interim Report for the 6 months ending 31 December 2016