

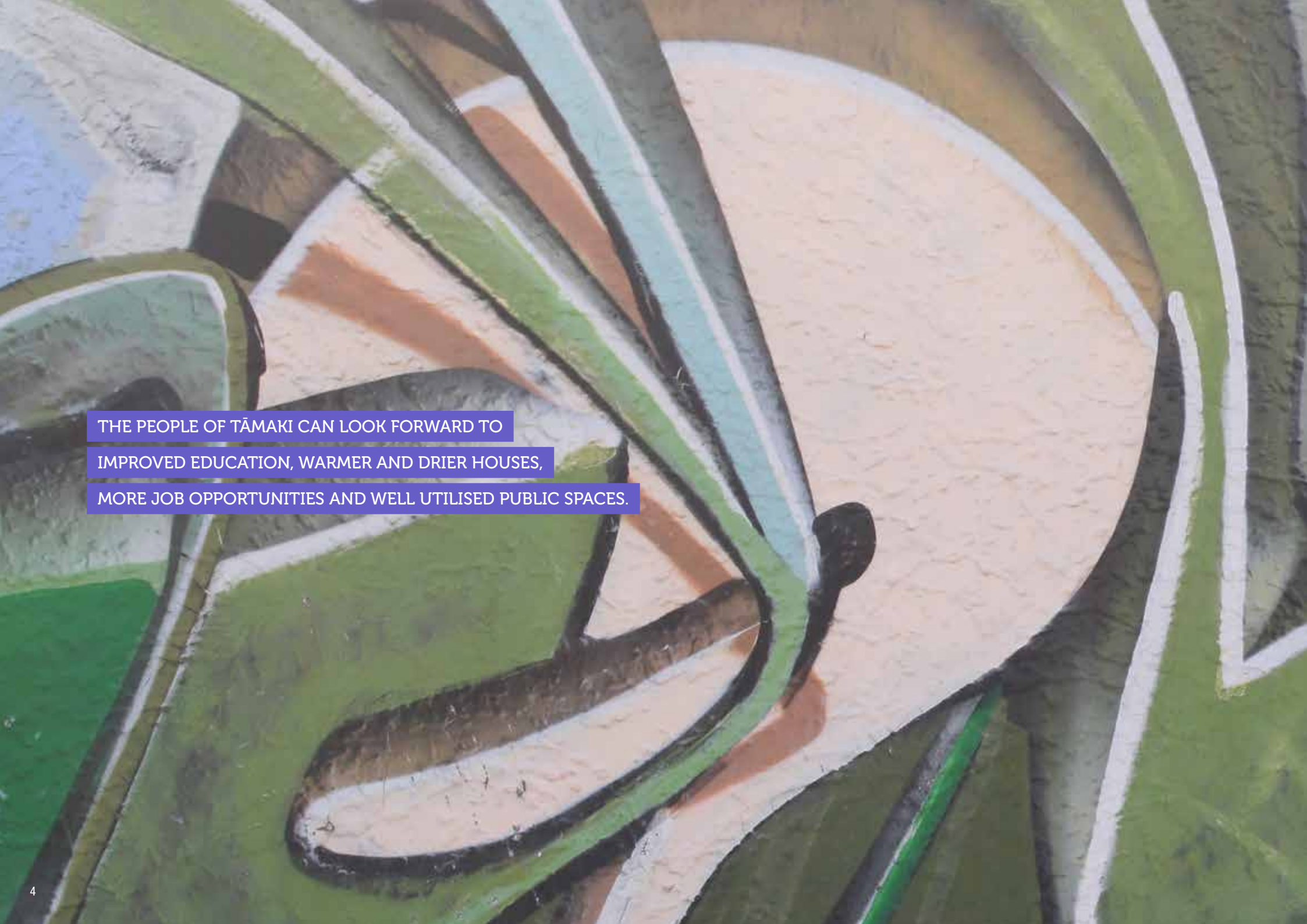


ANNUAL REPORT 2014

THE TIDES OF TĀMAKI RIVER HAVE SUSTAINED HUMAN
LIFE FOR ALMOST A THOUSAND YEARS.

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An abstract painting featuring thick, expressive brushstrokes. The composition is dominated by diagonal stripes in shades of green, teal, and light blue, set against a background of warm orange and cream tones. A large, pale orange circle is positioned in the upper right quadrant. The overall style is gestural and textured, with visible paint application.

THE PEOPLE OF TĀMAKI CAN LOOK FORWARD TO
IMPROVED EDUCATION, WARMER AND DRIER HOUSES,
MORE JOB OPPORTUNITIES AND WELL UTILISED PUBLIC SPACES.





MESSAGE FROM THE CHAIR AND CE

DELIVERY BASED ON PARTNERSHIP AND COLLABORATION

The Tāmaki Regeneration Programme is a highly visible and pioneering example of the New Zealand Government (Crown) and Auckland Council (Council) policy making and delivery.

Whilst the Tāmaki Redevelopment Company (TRC) shareholding belongs to the Crown and Council, the regeneration vision belongs to the community and its stakeholders.

The economic, social and cultural potential of Tāmaki (Glen Innes, Point England, Panmure) is unique. In many ways, Tāmaki is a microcosm of a future Aotearoa. The area however, has significant challenges and opportunities which if overlooked will impact upon Auckland's future development. The opportunity for our Shareholders to take a more innovative and collaborative approach has been truly grasped.

Previous legacy challenges continue to impact the Tāmaki area and subsequently TRC. Consultation fatigue still remains in some parts of the rohe. TRC gets that message loud and clear and so the past year has been about action on the ground.

The success of the regeneration effort over time will hinge as much on winning and energising the hearts and minds of the existing 16,000 residents as it will on rebuilding the physical landscape of the neighbourhoods. This requires the delivery of tangible outcomes that current and future residents can see and at a pace that demonstrates the commitment to get on with it.



BRIAN DONNELLY
CHAIR



DEBRA LAWSON
CHIEF EXECUTIVE

HIGHLIGHTS

There have been a number of highlights over the last year.

The Tāmaki Strategic Framework (20 year blueprint) has been endorsed by Shareholders and the community. TRC is proud to have 'checked back in' with the community as to whether the long term vision is still reflecting their needs and aspirations for Tāmaki: 1,100 residents responded. The Strategic Framework provides the underpinning vision setting a framework and a firm foundation for activity over the next 20 years.

The recent endorsement by Shareholders of the five year Business Implementation Plan, the Neighbourhood by Neighbourhood Approach, multi-year funding, and the commitment to progress TRC to become a self-sustaining profitable entity is reassuring for both TRC, private sector and the community. Certainty is critical to the regeneration programme.

Our partnership with Housing NZ (HNZC) continues to develop. Both organisations are committed to delivering warm, dry and insulated homes to the people of Tāmaki. That commitment is unwavering.

The programme acknowledges that commencing work in the Maybury Precinct is critical to delivering broad regeneration outcomes and the community vision. In this respect, TRC is looking forward to working in collaboration with our valued partners – the Ruapotaka Marae and the Maungakiekie-Tāmaki Local Board. Our contribution to Auckland's housing challenges is unique – TRC is committed to delivering a diverse range of housing types, mixed-tenure neighbourhoods, building a range of new housing including affordable homes, developing the community housing sector in the area, and leveraging the policy settings provided by our Shareholders such as the Special Housing Area (SHA) designation. All of this needs to be delivered with current and future residents in mind. In partnership with the Auckland Chamber

of Commerce, Manaiaakalani Education Trust, the Local Board, local business associations, NZ Police, local schools, the business sector and employers, TRC has started its first set of non-housing regeneration projects. Programmes that support and introduce consumer rights awareness, financial literacy training, better early learning for pre-schoolers, better community spaces, employment skills training and job creation have already commenced.

TRC is proud to have launched its first neighbourhood regeneration, that of the Fenchurch Area.

The Fenchurch neighbourhood was chosen for a number of reasons, with perhaps the most important being the significant amount of vacant HNZC land available, allowing for new housing to be built with minimal disruption to existing residents. By creating more new quality housing stock, there will be more options available in Tāmaki for those who will later need to vacate existing homes. This will help TRC in partnership with HNZC to deliver the "Tāmaki Commitment": those who are impacted by redevelopment and who want to stay in Tāmaki will have the opportunity to do so.

This year, our main priority has been to demonstrate that real regeneration can be delivered with pace and in collaboration with key stakeholders. Through the 'neighbourhood by neighbourhood' approach, TRC has been able to clearly identify the unique set of opportunities and aspirations of the Fenchurch neighbourhood residents. Housing was important to the Fenchurch residents but it was not the number one priority – early childhood education, skills development, tackling anti-social behaviour and safety were equally important.

Fenchurch Neighbourhood will see TRC and its partners construct a new Early Childhood Education (ECE) facility at Glenbrae Primary School for up to 60 local children, 32 new social homes (as the first stage of

a number of neighbourhood precinct developments), the refurbishment of the Scout Hall on Fenchurch Street, and the leveraging of the Tāmaki College Trades Academy. TRC wishes to thank all stakeholders who have contributed. It is great to see the Tāmaki Vision now emerging in real practical terms with participation and contributions from all stakeholder groups.

TRC has started its engagement into the next neighbourhood of Elstree and Overlea. The residents of this neighbourhood have begun to identify a different set of challenges but the neighbourhood approach will also draw out a different set of opportunities.

The Central Tāmaki SHA designation allows TRC and its partners to now commence more detailed planning in the Panmure area.

THE NEXT YEAR

Next year will pose its own set of complex challenges – however there remains strong goodwill in the community.

The company will seek to embed and formalise some of its partnerships, including those with community groups. Momentum is building. However, the company remains committed to giving voice and influence to stakeholders who wish to play a constructive part in this pioneering programme of work.



Brian Donnelly



Debra Lawson

TĀMAKI VISION: "A STRONG AND WELCOMING
COMMUNITY, WHERE PEOPLE THRIVE AND PROSPER,
CELEBRATED FOR ITS DISTINCT HISTORY AND
VIBRANT FUTURE".





STATEMENT OF SERVICE
PERFORMANCE
2013 – 2014

STATEMENT OF SERVICE PERFORMANCE (1ST JULY 2013 TO 30TH JUNE 2014)

INTRODUCTION

The Tāmaki Redevelopment Company (TRC) exists to deliver regeneration outcomes (Transformation Objects) as defined in its Heads of Agreement (HoA), 2012. The four broad objectives are Social Regeneration, Economic Development, Spatial Regeneration and Housing Redevelopment.

The expected outputs for the company across the 2013/14 year were defined by our Shareholders across a number of documents as set out below. TRC has therefore reported its performance not only against the Statement of Intent (Sol) but also against all the outlined documents as this tells the full story of how TRC performed and what it has achieved over the 2013/14 year.

- » **Funding Letter from Shareholders**, received December 2013 (Page 13)
- » **Letter of Expectation (LoE)**, received June 2013 (Page 24)
- » **Statement of Intent (Sol)**, May 2013 (Page 25)
- » **Heads of Agreement**, received July 2012 (Page 27)

The output expectations as defined by each of the documents above are set out in the tables below, with the achievement against these targets assessed on an individual basis.

The broad range of documentation defining the output requirements for the company across the 2013/14 year is reflective of a year where key strategy decisions were made about the future of the company and delivery activities by our Shareholders. It is expected that the output expectations will be redefined via the LoE and Sol for the 2014/15 year.

Projects across the 2013/14 year were substantially delivered in partnership or collaboration with TRC's stakeholders. These include the Local Board, community groups, local Marae, Council officials, Crown officials and the private sector.

Revenue and Expenditure by output class

For the year ended 30 June 2014 there was only one output class, therefore actual revenue earned and expenses incurred, as compared with the expected revenue and expenses forecast at the start of the financial year, are disclosed in the Statement of Comprehensive Income.

Special Transitional Provisions

The Crown Entities Act 2004 (CEA) was revised by the Crown Entities Amendment Act 2013 (CEAA) which passed on 17 July 2013. Prior to the passing of the CEAA, TRC was not required to prepare a Sol and even as it opted to do so, it was not required to include forecast revenues and expenses per output class within the Sol. Upon the passing of the CEAA, TRC became a schedule 4A entity, which is the class of majority Crown-owned entities that are required to prepare and submit a Sol based on the CEA guidelines and to include within the Sol, forecast revenues and expenses per output class.

The Sol that TRC prepared for the 2013/14 year was approved by the Board in May 2013 which was prior to the passing of the CEAA and therefore a special transitional provision was included in the CEAA to ensure that TRC would not have to resubmit their Sol to comply with the CEAA.

1. FUNDING LETTER, DECEMBER 2013

The Funding Letter sets out the regeneration activities for the 2013/2014 year, based on a schedule of key deliverables defined by TRC. These are summarised in the table below.

- » **Tāmaki First Homes Programme (Fenchurch and Overlea)** (Page 13)
- » **Maybury Implementation Plan** (Page 15)
- » **Long-Term Regeneration Planning** (Page 16)
- » **Delivering Social and Economic Regeneration** (Page 17)
- » **Attain Broad-Based Support for the Tāmaki Regeneration Programme** (Page 18)

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Tāmaki First Homes Programme (Fenchurch and Overlea) – FIRST HOMES FOCUSED AREAS Overall programme objective: To ensure mixed tenure quality neighbourhoods encompassing new homes, designed and delivered in a way well supported by the Tāmaki community. This will be done by taking an inclusive and practical approach to urban regeneration. Allowing stakeholders to be involved and participate will enable the community (and future families) to derive enduring benefit from this programme.	30 June 2014	Achieved
Fenchurch Area Project Fenchurch Neighbourhood Plan » Neighbourhood Plan completed and is the basis for the public infrastructure and housing regeneration programme for Fenchurch. Fenchurch Stage 1 under construction.	June 2014	Partially Met (June 2014) TRC was able to complete the Fenchurch Neighbourhood Plan with input from the community and is available on our website. The Fenchurch Neighbourhood development is in partnership with Housing New Zealand. Construction for Fenchurch Stage 1 has commenced which includes the building of 32 new social homes, refurbishment of the local scout hall, the new ECE and associated public infrastructure. Fenchurch Stage 1 is ongoing.
Establishment of a new Early Childhood Education (ECE) centre in Fenchurch » Ownership and governance arrangements for the ECE centre agreed. » Site identified and secured and all consents obtained for the ECE facility. » ECE centre under construction.	June 2014	Achieved (June 2014) The ownership and governance arrangements for the new ECE have been agreed with the Ministry of Education. The site was identified and planning consents secured in February 2014. The ECE is now under construction with an estimated completion date of January 2015. Totara Seed Trust has been appointed as the ECE provider.
New Park / Community Facilities » Department of Conservation (DoC) approval for the Fenchurch Park secured, design completed and consents obtained.	May 2014	Partially Met (June 2014) Approval from DoC obtained and designs completed.
Anti-social behaviour in the Fenchurch Area » Identify private sector partners. » Future for hall on DoC site secured for community group.	June 2014	Partially Met (June 2014) Negotiations with the Department of Conservation over securing the site have proved successful. Engagement with the community over the DoC site is ongoing.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Fenchurch Area Project (continued)		
Skills Development (learn on the job) and Work Experience » Students of the Tāmaki Trades Academy actively involved in work experience in the construction of Fenchurch Stage 1 which will be under construction by June 2014. » Skills working group established, coordinated by TRC, ensuring alignment of resources into the area. » Identify skills required by Tāmaki First Homes suppliers. » Identify suppliers who will employ local people. » Set up initial framework of contacts, management and co-ordination, and undertake initial pilot of up to five people.	June 2014	Partially Met (June 2014) TRC has worked to develop a framework for skills development that would enable the residents of Tāmaki to improve their employment opportunities and economic potential. An initial proposal for a construction skills framework has been developed in conjunction with training providers including; Manukau Institute of Technology (MIT), Unitec, Building and Construction Industry Training Organisation (BCITO), The Skills Organisation and Competenz, setting out how training and employment opportunities will be provided to Tāmaki residents. TRC has had some early successes within Fenchurch Stage 1. We have identified suppliers who will employ local people and provide opportunities for work experience to act as a pilot for the future. In the first stage TRC has placed two Tāmaki residents into employment with Slab Specialists and provided six students from Tāmaki College with work experience thanks to Aurecon (land survey), Traffic Planning Consultants (traffic planning), and Keith Hay Homes (construction).
Mixed Tenure Development » Draft feasibility study completed.	June 2014	Partially Met (June 2014) TRC will continue to work with Auckland Council, who runs and governs this project. The feasibility study is ongoing.
Overlea Area Project » Neighbourhood Plan completed and is the basis for the public infrastructure and housing regeneration programme for Overlea.	June 2014	Achieved (June 2014) A neighbourhood plan was completed, developed in conjunction with the community and a number of key stakeholders. This will continue to be adapted as required. The Overlea Neighbourhood development is in partnership with Housing New Zealand.
Building confidence for private sector to invest in Tāmaki		
Private Sector » Perceived as the go-to entity for the private sector to receive knowledge, expertise and information about Tāmaki. » Interest register maintained. » Private sector willing to invest in Tāmaki.	June 2014	Achieved (May 2014) TRC has held multiple meetings with developers and financial services providers. TRC has an interest register and is maintaining this. TRC's proposed role and guiding principles have been agreed at Board level: TRC will undertake a role of sharing information but will not take a consultant or leadership role, notwithstanding that TRC may assist with the adoption of a regeneration approach on a case-by-case basis with Board approval.
Affordable Homes Strategy » Assist with site identification and opportunities with investment in Tāmaki.	30 June 2014	Achieved (May 2014) The strategy for Affordable Homes has been completed and submitted to Shareholders.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Maybury Implementation Plan – MAYBURY CORRIDOR Overall programme objective: Implementation strategy for the Glen Innes / Maybury / Pt England Corridor (note this includes the Ngāti Whātua land block – formerly Tāmaki Girls College).	30 June 2014	Achieved Target
Maybury Implementation Plan Maybury Implementation Plan completed identifying: <ul style="list-style-type: none"> » Necessary infrastructure upgrades; » Reconfiguration of public parks; » Required street layout; » Housing yields that will contribute towards the required growth targets; and » Urban design strategy for Maybury. 	30 May 2014	Achieved (May 2014) The purpose of the Maybury Precinct Plan was to provide a proposition for redevelopment of the Maybury area with concept designs, feasibility testing and financial analysis that would allow the development of this area to be taken forward in a staged approach. The plan includes concept designs, housing yields, configuration of streets and open spaces and necessary infrastructure upgrades with associated costs.
Maybury: Ngāti Whātua Block Ngāti Whātua block incorporated within Maybury Implementation Plan including: <ul style="list-style-type: none"> » Necessary infrastructure upgrades; » Required street layout; » Housing yields that will contribute towards the required growth targets; and » Urban design strategy. 	30 May 2014	Achieved (May 2014) The plan has been developed in consultation with key stakeholders including Auckland Council, Housing New Zealand and Ngāti Whātua o Ōrākei and presented to our Shareholders through the Business Implementation Plan.
Maybury Marae / Cultural Precinct Development Plans <ul style="list-style-type: none"> » Project plan and high-level design completed to a standard enabling the Marae Trust to seek third party funding from sponsors, and the design to be integrated within the Maybury Precinct Plan by May 2014. » This will demonstrate the role of TRC in facilitating and enabling the Urban Marae which is a key deliverable from a community perspective. 	June 2014	Not met (beyond control of company) Preliminary design work undertaken as part of Maybury Precinct Planning. Awaiting Shareholders approval to proceed.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Long-Term Regeneration Planning – TĀMAKI AREAS Overall programme objective: Set in place plans that will enable TRC to continue the regeneration momentum built through 'Tāmaki First Homes.' This will set the overall framework for development in the 'Tāmaki area to guide both TRC and private sector development activities and will demonstrate how regeneration outcomes will be delivered across Tāmaki.	30 June 2014	Achieved Target
Implementation Strategy Tāmaki Implementation Plan completed identifying: <ul style="list-style-type: none"> » Growth strategy to accommodate the 6,000 homes required by Shareholders; » Necessary infrastructure upgrades; » Issues relating to public open space location and configuration; » Transport connections including public transport and required new roading; » Housing yields that will contribute towards the required growth targets; » Urban design strategy; » Employment areas and their accessibility to housing; » Private sector investment opportunities; and » All regeneration programmes that have a spatial component. 	30 May 2014	Achieved (May 2014) The Tāmaki Implementation Plan provides a high-level regeneration plan for the whole of Tāmaki, including: <ul style="list-style-type: none"> » Proposed land uses; » Housing yields; » Concept designs including the layout of key streets and open spaces; » Infrastructure assessment; » Costs and feasibility analysis; and » A programme of social and economic regeneration activities to enable delivery of the Strategic Framework across Tāmaki. <p>This project enables the implementation of the Strategic Framework at a neighbourhood level, targeting a range of areas in the first five years that will catalyse investment in Tāmaki and deliver a range of social, economic and spatial benefits.</p>
Long Term Regeneration Planning <ul style="list-style-type: none"> » A robust, streamlined Business Case is completed and delivered to meet our Shareholders' expectations. 	30 May 2014	Achieved (May 2014) The Tāmaki Regeneration 2014 Business Case (Business Implementation Plan) was submitted to our Shareholders in May 2014. Shareholders approved the Business Case in principle.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Delivering Social and Economic Regeneration – TĀMAKI AREA Overall programme objective: Improve education and employment outcomes in Tāmaki, specifically increase ECE attendance rate, increase quality of ECE provision, boost skills and employment outcomes, reduce long term welfare dependence.	30 June 2014	Achieved Target
Skills Development » A partnership agreement is in place with the preferred local training academy for skills development within the construction industry. » At least 45 individuals from Tāmaki undertake the course in partnership with Chamber of Commerce and Ngāti Whātua o Ōrākei. » Repeatable structure established through Tāmaki First Homes capturing the learnings from Fenchurch Stage 1 pilot for future developments.	30 June 2014	Partially Met (June 2014) TRC is working with the Tāmaki Trades Academy to offer work experience in the Fenchurch Stage 1 projects with three Tāmaki youth involved. Engagement with Local Board, Council, Manaiakalani and Construction Alliance around a model for skills development leveraging TRC/HNZ construction over the coming years.
Support into Employment » Stage 2 of the Manaiakalani Driver Licence programme developed and completed. » Stage 2 of the CadetMax completed. » A portfolio of local employers ready to participate in the transition to employment projects identified and signed up. Coaching programme developed and ready to pilot.	30 June 2014	Achieved (May 2014) Manaiakalani Driver Licence programme delivered to 70 youth. Career Start course (see above projects). Well known as a successful course in Tāmaki. Supported and funded the Tāmaki Business Development Association to complete its strategic and annual business plans. Partnership with Auckland Chamber provides TRC Career Start cadets with access to a database of employers. TRC's Chief Financial Officer on the Boards of two business associations.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Attain broad-based support for the Tāmaki Regeneration Programme Overall programme objective: Work towards a paradigm shift in community ownership of regeneration through an inclusive robust engagement and decision making process with residents, land owners and the private sector.	30 June 2014	Achieved
Community Engagement » Engagement using the Tāmaki Inclusive Engagement Strategy (TIES) model for Tāmaki First Homes, Implementation Plan and Maybury Precinct Plan. » Communications/Engagement plans, and community development action plan in place and utilised to deliver key deliverables listed in this document. » Memorandum of Understanding / Partnership Accords in place with key partners: HNZN, Tāmaki Alliance, Auckland Chamber of Commerce, Ngāti Whātua o Ōrākei. » Local Members of Parliament/Local Board fully and regularly briefed/informed of TRC developments. » Different action plans developed are used to deliver community events with each of the above MoU partners and main community groups.	30 June 2014	Achieved (May 2014) TRC staff are trained in the use of the TIES model. Model is also part of TRC's Constitution and project management process. Communications and engagement plans were developed and implemented successfully to support the delivery of the Key Deliverables. High quality engagement with Fenchurch residents by TRC in partnership with a number of community groups led to regaining the social license that was lost with earlier Northern Glen Innes engagement. Successful launch of Fenchurch Neighbourhood by Minister Smith and Mayor Brown with positive engagement from residents, media and stakeholder groups outside of Tāmaki. Partnership Agreement with HNZN in place. Formal monthly meetings with Tāmaki Alliance; contract with Auckland Chamber and Ngāti Whātua to deliver skills/employment programme. Shareholders, officials, the Local Board and a number of other key stakeholders were apprised of developments in a series of regular reports and face-to-face meetings. Acknowledgement from officials that compliance is resource and time intensive – to be reviewed. TRC hosted, funded, or facilitated ten community events with delivery action plans and contracts in place with local groups e.g. Movies in the Park, Tāmaki Tornadoes, Jim Diers workshop for community leaders and presentations to business association members.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
<p>Implement Special Housing Areas</p> <ul style="list-style-type: none"> » SHA for Northern Tāmaki approved by the Government and Auckland Council by December 2013. » SHA request lodged with Auckland Council for the whole of Tāmaki by June 2014. » Qualified development status for Fenchurch lodged by January 2014 and Overlea by April 2014. » SHA communication and engagement with Tāmaki community in partnership with Council completed. » Tāmaki community is informed about SHAs and their impact. TRC to become the entity with which residents seek further engagement on Tāmaki SHAs. » Two community events on SHAs – one at St Pius X church (largest congregation), one at local school (Glen Brae Primary or Tāmaki College). » Use TRC office as an information hub for the area on SHAs. TRC staff available to respond to landowner enquiries. » SHAs communications plan (with supporting collateral) developed by TRC is implemented in partnership with Council by December 2013. » SHAs implemented in alignment with the Strategic Framework. 	30 June 2014	<p>Partially Met (September 2014)</p> <p>TRC has applied for and had approved three Special Housing Areas in Tāmaki. It was a conscious decision by the company to stage the roll out of SHAs. The first stage of development for Fenchurch is underway as a Qualifying Development. Overlea design and resource consents are substantially progressed.</p> <p>The community was informed of Special Housing Areas in two joint workshops conducted by Auckland Council / TRC and an agreed set of additional activities. TRC has fielded a number of enquires through its offices in relation to the Special Housing Areas to date.</p>

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Community Regeneration Programme		
<p>Safety & Security Neighbourhood Policing Team (NPT) – Coordinator for Crime Watch Patrols (CWP)</p> <p><i>Note context: 4,930 recorded offences per annum across Tāmaki; Target for NPT is 3,451 recorded offences (30% reduction) by 2019.</i></p> <ul style="list-style-type: none"> » Crime Watch Patrols continue to be effective in their communities and have greater coverage of the Tāmaki area (also cover Panmure). » Training delivered to ten people who have joined the Crime Watch Patrol programme given the wider coverage. » Fund NPT-run course on safety and security for Crime Watch Patrol volunteers e.g. how to engage a possible offender before Police arrive. » Use TRC networks across Auckland to advocate strongly for further funding support for the Tāmaki patrols. 	30 June 2014	<p>Achieved (June 2014)</p> <p>Whilst TRC was waiting for its funding, the CWP course was delivered by another entity. However, TRC has facilitated two community leaders to be signed up to a CPTED course organised by BECA consultants for designers/planners.</p> <p>In consultation with Police and CWP, TRC has sponsored a coordinator to assist the patrol and ensure consistent and effective delivery. Coordinator doing well and monitored by Police/CWP co-founders.</p> <p>TRC joined successful advocacy efforts led by Local Board for further funding of the patrols. Patrol co-founders and Police intimately part of neighbourhood planning and other projects related to safety and youth across Tāmaki. Information received from patrols vital in neighbourhood planning work e.g. reserves/parks which are crime hotspots.</p>
<p>NGO – Capability & Capacity</p> <ul style="list-style-type: none"> » Half-day course around consumer rights undertaken by a local budgeting service, funded by TRC, for up to 30 residents. » Baseline survey undertaken with those on the course as to their understanding of consumer rights with the aim of a follow-up survey in June 2014. » Residents on the course display increased awareness about signing contracts with high interest rates and have a contacts list of those in the area to contact when seeking assistance (e.g. Citizens Advice Bureau). » Action plan developed by TRC and Salvation Army following the course on how to engage positively with the mobile retailers in Tāmaki. » Technical training and development options identified with a selection delivered to enable local community groups to raise their capability to better deliver their programmes in Tāmaki which can be through funding or TRC staff time e.g. joint training with TRC, TRC accountant providing budgeting assistance, Communications Advisor assisting with website development/communications plans. » Organise and fund short course on measurement of outcomes and tracking of their clients. 	30 June 2014	<p>Achieved Target</p> <p>TRC in partnership with Ministry of Consumer Affairs held two evening consumer rights courses for residents of Fenchurch and Maybury. Twenty-five residents attended. Survey undertaken with focus of next course to be mobile retailers.</p> <p>One of TRC's Community Development Advisors appointed to the Board of Tāmaki Budgeting Service.</p> <p>Engagement undertaken with Salvation Army.</p> <p>TRC funded an 'organisational health check' of Island Child Trust (emergency housing). Successful action plan established with Island Child Trust which now dovetails into TRC's Affordable Housing Strategy and work developing the community housing market.</p> <p>TRC staff continue to provide informal support for Tāmaki Learning Champions and Ruapotaka Marae. PRINCE 2 course held for TRC staff. Three community leaders were funded by TRC to attend the two-day course and are now certified project managers.</p> <p>Te Waipuna Puawai CEO involved with development of TRC's measurement framework and continues to assist with ongoing development.</p> <p>TRC co-funded with Local Board the development of the Tāmaki Business District Strategy.</p>

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Targeted Māori and Pacific Island Community Development Programme		
Cultural Mapping Project » Phase 1 completed by 1 June 2014 and informs implementation plans and consents for private and public developments.	1 June 2014	Achieved (June 2014) Research phase completed as per original specification and signed off by local stakeholders. Data used in various planning strategies. Good engagement with three mana whenua iwi which provides a platform for engagement on other matters. Iwi groups agree on moving to a new digital stage which will involve residents and the Manaiaikalani Education Trust.
Ruapotaka Marae (local Tāmaki marae) » Glen Innes community garden established and maintained by the community.	30 June 2014	Partially Met (June 2014) Community Garden group established with Ruapotaka Marae. Site preparation is underway however some challenges around consents. This project is on-going. Good engagement with other garden groups i.e. Ngāti Whātua o Ōrākei, Panmure East Residents Association, Local Board.
Financial Literacy Programme » Increased financial literacy programme delivered to up to 30 families in Tāmaki through training and access to on-going budgeting services. Strong relationships established with Ministry of Pacific Island Affairs (MPIA) and the Financial Literacy Commission.	30 June 2014	Partially Met (June 2014) Exercise undertaken by TRC to ensure no duplication in efforts. TRC supported the establishment of community-based course Growing Financial Independence in Tāmaki (GFIT). TRC representative on steering committee. Given families were covered off by a number of groups, GFIT requested that TRC fund a course for 'financial coaches'. Six current community residents are working towards completing their correspondence studies (with Massey University) this September, 2014. TRC and the local community financial agencies are working together to identify coaches for the next course. MPIA, community groups and Commission for Financial Literacy are very supportive of TRC's contribution to this important issue.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
<p>Community Events</p> <ul style="list-style-type: none"> » Profile of Tāmaki raised with the private sector including working with the Property Council, EMA, Committee for Auckland and Auckland Chamber of Commerce to promote regeneration through their membership/events/ speaking opportunities. Three events are planned before July 2014. » Baseline perception survey implemented. » TRC regularly in the media and online through generated media coverage. » Communications channels (website, social media, bi-monthly community newsletter) regularly updated with measurable increase in traffic to the website, social media platforms, and foot traffic to office. » Baseline perception survey about Tāmaki undertaken by December 2013 with second survey to occur in May 2014. » Delivery of following community events: Glen Innes/Panmure family day, neighbourhood planning event for Fenchurch and Overlea, public event in partnership with Ruapotaka Marae. » Delivery of two events that target Pasifika and Asian migrants i.e. use the network of ten Tāmaki Pasifika pastors to organise and deliver a community event to raise awareness about the programme activities (particularly redevelopments) to their congregations. Engaged Chinese New Settlers Trust to deliver a community event to their members (2,300 across Auckland) and other Asian New Zealanders in the area about the programme. Completed by 1 June 2014 and informs implementation plans and consents for private and public developments. 	30 June 2014	<p>Achieved (June 2014)</p> <p>Successfully delivered a programme of events to support TRC key stakeholder engagement, strengthen partnerships and raise the profile of Tāmaki and TRC. Delivered:</p> <ol style="list-style-type: none"> 1. Baseline measurements of perceptions of Tāmaki and TRC; 2. 3 private sector events; 3. 10 community events; 4. 1 meeting with Pacific Island leaders; 5. 1 Asian community event; 6. Positive media coverage of programme and activities; and 7. 'Tāmaki for generations' newsletter and Fenchurch Neighbourhood newsletter (quarterly) <p>Lessons learnt assessment has been undertaken. Priorities for following year include:</p> <ul style="list-style-type: none"> - Closer alignment with Local Board events; - Focus on Pasifika community leaders/residents; - Start transferring delivery powers to local community groups/residents to ensure community co-design and co-implement; and - Second survey of perceptions of Tāmaki.

Funding Letter, December 2013 (continued) Activity Description	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
Children and youth (non-school) programmes		
Children and Youth Programmes » Proposal developed and potential third party funders identified with any required top-up funding identified in the next Business Case. » Collaboration with the Local Board to utilise TRC networks to get more disengaged youth on the Local Board programme. Programme advocated strongly with TRC partners and opportunities for support from third parties (retailers, private sector) identified and completed by 1 June 2014. Informs implementation plans and consents for private and public developments.	30 June 2014	Partially Met (June 2014) TRC funded two Jam Bus visits to local schools for Term 2. TRC funded Enterprising Music Project underway at Tāmaki College. TRC co-funded East Heart Music Project delivered in partnership with Marae. All music projects remain on-going. TRC co-leading with CWP the development of a programme for youth in the current Police/welfare system. Intensive but based on best practice e.g. Ranui, Kawerau. TRC funding next stage of project as it links also to safety and neighbourhood engagement projects.
Tāmaki Youth Employment Programme » Complete another two “Work Ready” workshops by June 2014.	30 June 2014	Achieved (March 2014) Two Career Start courses completed with 68 young people graduated, and 72% either in employment or undertaking work experience or further education. Twelve months follow up work undertaken by Auckland Chamber of Commerce to ensure job seeking continues. Successfully delivered by Auckland Chamber of Commerce and highly regarded by employers. Worked with community groups to recruit local youth.
Determine future role as a Community Housing Provider (CHP) » Robust position identifying the options and funding implications that are before community housing providers is incorporated within the Business Case for consideration by Shareholders. » Options for social housing provider in Tāmaki identified and compared with the objectives of Social Housing Reform Programme (SHRP) and Tāmaki and relevant criteria. » Detailed analysis and feasibility of preferred option completed and presented to Shareholders.	Not proceeding	Partially Met (June 2014) The purpose of this project was to undertake all of the feasibility and planning work to establish TRC as a CHP. It has now been determined that TRC will not play a direct role in housing provision, although this is awaiting Shareholder approval. It is therefore proposed that the purpose of the project is changed to implementation of the Affordable Housing Strategy, once approved. TRC is heavily involved with the community housing sector regarding future roles in Tāmaki. These discussions include Treasury’s new Establishment Unit and MBIE.

2. LETTER OF EXPECTATION, JUNE 2013

The Letter of Expectation, June 2013 set out the expectations of the Mayor of Auckland, Minister of Finance and Minister of Housing for the 2013/14 financial year. These are summarised in the table below.

Letter of Expectations, June 2013	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
1 Final Tāmaki Vision (Vision statement for the Transformation Programme)	30 September 2013	Achieved (August 2013) The Tāmaki Vision formed part of the Strategic Framework and was endorsed by Shareholders in 2013.
2 Final Strategic Framework (20-25 year Strategic Framework for the Transformation Programme)	30 September 2013	Achieved (August 2013) The Strategic Framework was compiled in conjunction with the Tāmaki community and endorsed by Shareholders in 2013.
3 Final Business Case (Sets out the implementation of the Strategic Framework)	30 September 2013	Achieved (July 2013) The Tāmaki Regeneration 2013 Business Case was submitted to Shareholders in 2013.
4 Unitary Plan (TRC will engage with Council on the draft Unitary Plan)	30 June 2014	Achieved (June 2014) TRC engaged with Auckland Council on the draft Unitary Plan and completed a submission as part of this process.
5 Engagement with Stakeholders (Ministers / Council / community / government entities)	30 June 2014	Achieved (June 2014) The community, Shareholder officials, the Local Board and a number of other key stakeholders were engaged in a series of face-to-face meetings, collaborative project teams, workshops, events, newsletters and regular reports. TRC has achieved a 'social licence' to operate in Tāmaki.
6 Housing and Catalyst Projects (TRC will identify and support a number of legacy projects)	30 June 2014	Achieved (June 2014) TRC put in place funding agreements and jointly defined outputs with a number of providers to support the legacy projects.
7 Operations Report to Stakeholders (for year ended 30 June 2013)	31 July 2013	Achieved (July 2013) The Annual Report was completed and submitted to Shareholders.
8 First Quarter Report (for period ended 30 September 2013)	31 October 2013	Achieved (October 2013) The First Quarter Report was completed and submitted to Shareholders.

3. STATEMENT OF INTENT, MAY 2013

The Statement of Intent set out the key outputs the company forecast achieving in the 2013/14 year that would contribute to the achievement of the overarching outcomes set out in the HoA. These are set out in the table below.

Statement of Intent, May 2013	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)																																				
<div>1</div> <div>The company to carry out its operations within budget (1 July 2013 to 30 June 2014)</div> <div>ACTUAL VS. BUDGET (1 JULY 2013 TO 30 JUNE 2014)</div> <table><tr><th colspan="4">Year ended 30 June 2014</th></tr><tr><th></th><th>ACTUAL</th><th>BUDGET</th><th>VARIANCE</th></tr><tr><th></th><th>\$000's</th><th>\$000's</th><th>\$000's</th></tr><tr><td>Starting Cash</td><td>5,305</td><td>4,533</td><td>772</td></tr><tr><td>Revenue</td><td>4,569</td><td>67</td><td>4,502</td></tr><tr><td>Expenses incurred</td><td>-4,820</td><td>-3,965</td><td>855</td></tr><tr><td>Capital Expenditure</td><td>-22</td><td>-70</td><td>-48</td></tr><tr><td>Movement in Working Capital</td><td>-475</td><td>-278</td><td>197</td></tr><tr><td>Net cash position at EOY</td><td>4,557</td><td>287</td><td>4,270</td></tr></table>	Year ended 30 June 2014					ACTUAL	BUDGET	VARIANCE		\$000's	\$000's	\$000's	Starting Cash	5,305	4,533	772	Revenue	4,569	67	4,502	Expenses incurred	-4,820	-3,965	855	Capital Expenditure	-22	-70	-48	Movement in Working Capital	-475	-278	197	Net cash position at EOY	4,557	287	4,270	30 June 2014	<div>Achieved (June 2014)</div> <div>TRC carried out its operations within budget parameters. The budget submitted as part of the Sol conservatively estimated revenue as this was not confirmed at the time. Costs are higher due to the additional revenue. The actual end of year cash position is \$4,557k compared to budget of \$287k as a result.</div>
Year ended 30 June 2014																																						
	ACTUAL	BUDGET	VARIANCE																																			
	\$000's	\$000's	\$000's																																			
Starting Cash	5,305	4,533	772																																			
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Net cash position at EOY	4,557	287	4,270																																			
<div>2</div> <div>Draft Business Case (Sets out the implementation of the Strategic Framework)</div>	29 July 2013	<div>Achieved (July 2013)</div> <div>The Tāmaki Regeneration 2013 Business Case was submitted to Shareholders in 2013.</div>																																				
<div>3</div> <div>Operations Report to Stakeholders (for year ended 30 June 2013)</div>	31 July 2013	<div>Achieved (July 2013)</div> <div>The annual operations report was sent to the stakeholders in 2013.</div>																																				

Statement of Intent, May 2013 (continued)	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
4 Final Tāmaki Vision (Vision statement for the Transformation Programme)	30 September 2013	Achieved (August 2013) The Tāmaki Vision formed part of the Strategic Framework and was endorsed by Shareholders in 2013.
5 Final Strategic Framework (20-25 year Strategic Framework for the Transformation Programme)	30 September 2013	Achieved (August 2013) The Strategic Framework was compiled in conjunction with the Tāmaki community and endorsed by Shareholders in 2013.
6 Final Business Case (Sets out the implementation of the Strategic Framework)	30 September 2013	Achieved (July 2013) The Tāmaki Regeneration 2013 Business Case was submitted to Shareholders in 2013.
7 Development Plan (Key projects for the five-year period)	30 September 2013	Achieved (July 2013) The initial development precincts were identified and outlined in the 2013 Business Case. These have formed the basis for the developments which are now in progress.
8 Business Plan (Detailed operational planning for a three-year rolling business plan)	30 September 2013	Achieved (September 2013) The 'Key Deliverables' document acted as the detailed operational plan for the company for the 2013/14 year. The delivery frameworks were outlined in the Management section of the 2013 Business Case.
9 First Quarter Report (for period ended 30 September 2013)	31 October 2013	Achieved (October 2013) The First Quarter Report was completed and submitted to Shareholders.

4. HEADS OF AGREEMENT, JULY 2012

The HoA was signed between the company's Shareholders (Crown and Auckland Council) in July 2012. Stage One activities (outputs) were set out in this document and are listed in the table below.

Heads of Agreement (HoA), July 2012	Target Date	TRC achievement of Performance Measure and Target as at 30 June 2014 (12 months)
1 Tāmaki Vision (Vision statement for the Transformation Programme)	30 September 2013	Achieved (August 2013) The Tāmaki Vision formed part of the Strategic Framework and was endorsed by Shareholders in 2013.
2 Strategic Framework (20-25 year Strategic Framework for the Transformation Programme)	30 September 2013	Achieved (August 2013) The Strategic Framework was compiled in conjunction with the Tāmaki community and endorsed by Shareholders in 2013.
3 Business Case (Sets out the implementation of the Strategic Framework)	30 September 2013	Achieved (July 2013) The Tāmaki Regeneration 2013 Business Case was submitted to Shareholders in 2013.
4 Development Plan (Key projects for the five-year period)	30 September 2013	Achieved (July 2013) The initial development precincts were identified and outlined in the 2013 Business Case. These have formed the basis for the developments now in progress.
5 Business Plan (Detailed operational planning for a three-year rolling business plan)	30 September 2013	Achieved (September 2013) The 'Key Deliverables' document substituted following consultation with Shareholders in lieu of a three-year plan, acted as the detailed operational plan for the company for the 2013/14 year. The delivery frameworks were outlined in the Management section of the 2013 Business Case.
6 Unitary Plan (TRC will engage with Council on the draft Unitary Plan)	30 June 2014	Achieved (June 2014) TRC engaged with Auckland Council on the draft Unitary Plan and completed a submission as part of this process.
7 Housing and Catalyst Projects (TRC will identify and support a number of legacy projects)	30 June 2014	Achieved (June 2014) TRC put in place funding agreements and jointly defined outputs with a number of providers to support the legacy projects.

TARGET AREAS AND TĀMAKI OUTCOMES

The Tāmaki Regeneration target areas and targeted outcomes for the coming three years (to 30th June 2017), are set out in the following tables.

This work program aligns with the Strategic Framework, Business Implementation Plan 2014 and therefore a wide range of strategic initiatives across Crown and Council. The role of TRC and funding methodologies vary dependent on the targeted area.

TARGET AREA	PROGRAMME	TARGETED OUTCOMES (1st July 2014 to 30th June 2015)
1. IMPLEMENT NEIGHBOURHOOD REGENERATION AIM Targeted Regeneration activity TRC ROLE Lead / Partner FUNDING Leveraging Crown / Council / HNZC / Private sector	Fenchurch	<ul style="list-style-type: none"> • Completion of warm, healthy Housing NZ homes in a high quality urban design neighbourhood (based on gross) • Tāmaki Commitment up-held • Community and neighbourhood support for the programme • Training/Skills placements for Tāmaki residents • Safety project delivered jointly with residents • ECE build, fit out, operational & governance arrangements completed • Scout Hall build, fit out, garden and governance arrangements completed • Stream daylighting concepts completed
	Elstree/Overlea	<ul style="list-style-type: none"> • Elstree/Overlea neighbourhood plan and master plan completed with neighbourhood involvement/influence • Community and neighbourhood support for the programme of projects for that area • Cohesive and sustainable community • Identify and support local community initiatives, where appropriate • Prepare for implementation of projects including identifying partners
	Maybury	<ul style="list-style-type: none"> • Maybury Precinct Plan finalised with support of key stakeholders
	Central Tāmaki neighbourhoods	<ul style="list-style-type: none"> • Central Tāmaki Special Housing Area approved • Central Tāmaki neighbourhood plan and master plan completed with participation of residents & key stakeholders • Agreement on future MoE land use • Community and neighbourhood engagement undertaken and support for the programme of projects for that neighbourhood
	General Neighbourhood Initiatives	<ul style="list-style-type: none"> • Pilot programme for up-grading privately owned properties who wish to participate successfully delivered • Housing typologies guidelines and case studies completed • Research completed on alternative construction methods • Guidelines for environmental standards completed
	General Neighbourhood Specific Place-making Initiatives	<ul style="list-style-type: none"> • Neighbourhood specific placemaking initiatives as identified in the Business Implementation Plan (BIP) negotiated and agreed with Shareholders

TARGET AREA	PROGRAMME	TARGETED OUTCOMES (1st July 2014 to 30th June 2015)
2. STRATEGIC PLACE-MAKING INITIATIVES TĀMAKI WIDE AIM Enhance community outcomes through place-making initiatives TRC ROLE Enabler / Facilitator / Partner FUNDING Leveraging Crown / Council / HNZN / Private sector	Community Facilities	<ul style="list-style-type: none"> • Ruapotaka Marae feasibility study and reserve master plan completed with Local Board • Ruapotaka Marae capacity building programme defined and delivery partners identified • Pilot collaborative delivery partnership with Local Board
	Parks and Reserves	<ul style="list-style-type: none"> • Concept Plan for Maybury Reserve completed, with all major parties (Auckland Council, HNZN, Local Board, TRC, residents)
	Non-Housing Precincts	<ul style="list-style-type: none"> • Investment proposition for University of Auckland site completed • Tāmaki Implementation Plan completed • Finalise the approach to take with Council to concept plan for the Glen Innes Town Centre
	General	<ul style="list-style-type: none"> • Community support for the strategic place making initiatives Tāmaki wide • Approach to private sector catalysation agreed • Tāmaki projects proposed, negotiated and included in the Auckland Council LTP process • Cultural map converted to digital format and launched to Tāmaki schools • Approach to reinvestment of development contributions agreed with Council • New Public Art installed in Tāmaki

TARGET AREA	PROGRAMME	TARGETED OUTCOMES (1st July 2014 to 30th June 2015)
3. DELIVER TĀMAKI WIDE OUTCOMES AIM Improve outcomes for Tāmaki residents TRC ROLE Enabler / Facilitator FUNDING Direct / Aligning / Leveraging / Fill the gap	Skills and employment (Youth focus)	<ul style="list-style-type: none"> • Embed partnership approach with other key players in the area, particularly providers • Skills development strategy complete (construction and non-construction, targeted at Tāmaki residents) in partnership with Local Board/Central CD Team • More youth work ready (have a driver licence, 80 unemployed youth up-skilled for interviews and the workplace) • More families, especially Māori and Pacific making better financial decisions (financial literacy delivered to 12 coaches, 100 participants) • More youth engaged in skills programmes (music projects implemented in schools) • Emerging leaders programme concept defined
	Safety and Security	<ul style="list-style-type: none"> • Develop a five year community safety plan with buy-in from key stakeholders • Support at risk youth (Implement at risk youth strategy and support community patrols)
	Education	<ul style="list-style-type: none"> • Achieve 87% attendance in ECE (implement year one of the Tāmaki ECE strategy)
	Children's Wellbeing	<ul style="list-style-type: none"> • Define plan to alleviate poverty in Tāmaki in partnership with key stakeholders • Tornadoes basketball club becomes self-sustaining • Children's wellbeing supported by improved mental wellbeing of the child's family (implement mental health pilot in partnership with DHB)
	Economic Growth	<ul style="list-style-type: none"> • Economic development plan completed with Local Board • Social procurement framework completed
	Community Support for the Regeneration Program	<ul style="list-style-type: none"> • Community support for and engagement for the Tāmaki wide outcomes

TARGET AREA	PROGRAMME	TARGETED OUTCOMES (1st July 2014 to 30th June 2015)
4. ESTABLISH BEST PRACTICE MODEL FOR REGENERATION IN TĀMAKI AIM Establish a best practice model for Regeneration in Tāmaki and build local capacity over time TRC ROLE Lead / Partner / Enabler FUNDING Leveraging Crown / Council / HNZN / Private sector	Embed an operating model to attain quality regeneration outcomes in a timely and value for money manner	<ul style="list-style-type: none"> • Support the development of EU/ITU work on asset control • Support the development of Treasury/MBIE report on outcomes-based contracting • Mapped expenditure of NGOs, Crown and Council for social and economic activity across Tāmaki • All internal processes right sized and embedded • Implementation of the Measurement Framework • Deeper community integration into the regeneration programme
	Capacity building to enable local entities to deliver regeneration long term	<ul style="list-style-type: none"> • Develop the community's ability to deliver regeneration long term (Invest in capacity building for local NGO's and community groups)
	Develop best practice approach for delivering housing and design outcomes	<ul style="list-style-type: none"> • Implementation of actions in the Affordable Homes Strategy • The local structure for CHPs to operate is defined

REGENERATION AIMS TO PROVIDE AND BUILD ON
THE THINGS PEOPLE AND COMMUNITIES NEED IN THEIR LIVES
TO BE WELL, TO PROSPER AND TO GROW.

TRC BOARD OF DIRECTORS

The formal Board of Directors was appointed on 20 December 2012.

The members bring extensive experience to lead TRC with strong contacts within the Tāmaki community and iwi, and business skills, with deep knowledge of urban development.

The Board of Directors is responsible for the corporate governance of Tāmaki Redevelopment Company. The Board is committed to ensuring that TRC is governed in accordance with best practice and with integrity for the vision of the Tāmaki community.



BRIAN DONNELLY (CHAIRMAN)

Mr Donnelly has the following interests:

- » Executive Director of the NZ Housing Foundation
- » Trustee of Queenstown Lakes Community Housing Trust
- » AECOM – NZ Housing Foundation is a partner of AECOM
- » Qlcht Developments Limited – Director
- » Bridon Group Limited – Director and Shareholder
- » Qlcht Property Portfolio Limited – Director
- » B & M Family Trust



DR. SUSAN MACKEN (DEPUTY CHAIR)

Dr. Susan Macken has extensive governance and senior management experience in business. Dr. Macken also has interests in the following companies:

- » Bank of New Zealand – Director
- » Institute of Environmental & Scientific Research – Director
- » Fertility Associates (and related entities) – Director
- » STG Ltd – Director and Sole Shareholder
- » NZ Treasury – Advisory Board Member
- » Blossom Bear Ltd – Director and Sole Shareholder
- » Fa Ventures One Limited – Director



ANNE CANDY

Appointed as Auckland Council's sole discretionary director. Deputy Mayor Manukau City Council from 1998-2007, the first and only Māori woman to hold this position. Ms Candy also has interests in the following:

- » Tainui Iwi – beneficiary roll
- » Raukawa Iwi – beneficiary roll
- » Ngaiterangi Iwi – beneficiary roll
- » President, Tāmaki Makaurau Regional Council, 2011-2012
- » NZ Mental Health Foundation – Board Member
- » Māori Womens Welfare League – Life Member
- » Returned Services Association – Patron Manurewa RSA
- » Taonga Education Centre – Trust Chairperson
- » Whanau o Tumanako SS – Trustee, Secretary
- » National Marae Estate Trust – Trustee
- » Reremate Estate Trust – Trustee
- » Anne Candy Consultant Ltd – Director and Shareholder
- » Manukau National Council of Women – Patron
- » Pan Pacific South East Asia Women's Association – Chairperson



MARTIN UDALÉ

Mr Udale has extensive experience in land and property development. He also has interests in the following companies:

- » Unitec Institute of Technology – Member of Council
- » Waikato Innovation Park Limited (and related entities) – Director
- » Canvas Investments Limited (and related entities) – Director
- » Essentia Consulting Group Limited – Director and Shareholder
- » Primary Wool Cooperative Limited – Director



ERU LYNDON

Mr Lyndon is the Regional Commissioner for Social Development, Northland, MSD. He has strong links with Ngāti Whātua o Ōrākei.

- » Barrister and Solicitor of the High Court
- » AUT Business School – Business School Industry advisor committee member
- » Aktive – Auckland Sport and Recreation – Trustee



SOANA PAMAKA

Principal of Tāmaki College and provides a strong link to the Tāmaki community in which she both lives and works. Ms Pamaka is also actively involved in a number of community initiatives.



JOHN SAX

Appointed as the Crown's sole discretionary director. Mr Sax also has interests in:

- » Kensington Park Limited – Trust owned company
- » Favona and Walmsley Roads – Property owner
- » Founder and Chairman of For the Sake of our Children Trust
- » Autumn Park Limited – Shareholder and Director
- » Baldah Investments Limited – Director
- » Celcom Limited – Shareholder and Director
- » Fisk Holdings NZ Limited – Shareholder and Director
- » Fisk Investments (NZ) Limited – Shareholder and Director
- » Hanoi Technology Limited – Shareholder and Director
- » Industrial Park Coolstores Limited – Shareholder and Director
- » Treetops Aviation Limited – Shareholder and Director
- » Jezza Developments Limited – Shareholder and Director
- » Kempton Holdings Limited – Shareholder and Director
- » Kensai Corporation Limited – Shareholder and Director
- » Lendrum Systems Limited – Director

- » Mirza Nominees Limited – Shareholder and Director
- » Kensington Park Services Limited – Shareholder and Director
- » Quensell Services Limited – Director
- » Southpark Corporation Limited – Director
- » Global Procurement Supplies Limited – Shareholder and Director
- » South Park Developments Limited – Shareholder and Director
- » Ronyx Holdings Limited – Shareholder and Director
- » Bell Avenue Properties Limited – Shareholder and Director
- » Living Spaces Design Limited – Shareholder and Director
- » Ab Initio No.31 Limited – Director
- » Southpark Utilities Limited – Shareholder and Director
- » Quensell Services (Shortland) Limited – Director
- » Como Holdings Limited – Director
- » Te Arai Point Properties Limited – Director
- » Kinloch Developments Limited – Director
- » Parent Partner Limited – Director
- » Waterloo Holdings Limited – Shareholder and Director
- » Islington Park Limited – Director
- » Favona Developments Limited – Director
- » New Zealand Agricultural Processors Limited – Director
- » Waterloo Park Limited – Director
- » Zirna Developments Limited – Shareholder and Director
- » Karpall Properties Limited – Shareholder and Director
- » Weddings and Honeymoons of New Zealand Limited – Shareholder and Director
- » Kinloch Golf Limited – Director
- » Kinloch Lodge Holdings Limited – Director
- » Quensell Services (HJD) Limited – Director
- » William David Limited – Shareholder and Director
- » Industrial Park Holdings Ltd – Shareholder

SCHEDULE OF BOARD MEETING ATTENDANCE

Directors Attendance at Board Meetings

Total number of Board meetings held between 1 July 2013 and 30 June 2014: **11**

Brian Donnelly (Chair): **11**

Dr. Susan Macken (Deputy Chair): **10**

Anne Candy: **7**

Martin Udale: **11**

Eru Lyndon: **8**

Soana Pamaka: **7**

John Sax: **8**

CHANGES TO THE COMPOSITION OF THE BOARD DURING THE PERIOD

Martin Udale was the Shareholder appointed Chair during the period 1 July 2013 to 13 December 2013 (both dates inclusive). During this same period, Brian Donnelly was the appointed Deputy Chair and Dr. Susan Macken was an appointed Board Director. From 14 December 2014 onwards, Shareholders have appointed Brian Donnelly as the Chair, Dr. Susan Macken as the Deputy Chair and Martin Udale as a Board Director.

COMPANY SECRETARY

Simpson Grierson, 88 Shortland St, Auckland Central.

PRINCIPAL ACTIVITIES

The principal activities of the company during the period were:

- » Prepare the Tāmaki Implementation Plan
- » Prepare the Business Implementation Plan
- » Prepare the Maybury Precinct Plan
- » Prepare the Fenchurch Neighbourhood Plan and engage neighbourhood around it
- » Tāmaki identified as an SHA
- » Implement the 33 'Key Deliverables' projects procured by Shareholders in December 2013

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The company was provided \$4,484k funding, which was approved on 12 December 2013 to achieve a set of Key Deliverables by 30 June 2014. This included a business implementation plan outlining a case for Shareholder support for the medium-term.

DIRECTORS INTEREST IN TRANSACTIONS

No directors' interests in transactions have been declared.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the period the company purchased insurance to cover all directors, officers and employees. They are indemnified for wrongful acts committed, attempted or allegedly committed or attempted during the policy period. The limit of the indemnity for any one act is \$5 million. The indemnity period runs from 1 October 2013 to 30 September 2014.

The total amount of insurance premium paid was \$14,365.

REMUNERATION OF DIRECTORS

Board directors' fees during the year were:	\$
Brian Donnelly (Chair)	38,272
Dr. Susan Macken (Deputy Chair)	26,915
Anne Candy	23,000
Martin Udale	34,120
Eru Lyndon	23,000
Soana Pamaka	23,000
John Sax	23,000
TOTAL	191,307

Note these amounts are based on the actual payments during the period and do not include accruals. Therefore the total does not match the amount recorded in the financial statements.

REMUNERATION OF EMPLOYEES WHOSE REMUNERATION AND BENEFITS EXCEEDED \$100,000

\$100,000-\$109,999	3
\$120,000-\$129,999	2
\$150,000-\$159,999	1
\$160,000-\$169,999	1
\$300,000-\$309,999	1

DONATIONS

The company made donations worth \$195 during the year.

SENIOR LEADERSHIP TEAM



DEBRA LAWSON

Chief Executive

Chief Executive Debra Lawson has more than 20 years' experience in urban regeneration and community development. Debra has worked at the leading edge of public-private partnership initiatives, delivering large-scale and complex urban regeneration programmes within the diverse communities of South London, with a strong focus on accountability to local people.



SHELLEY KATAE

Chief Financial Officer

Shelley leads the financial and operational aspects of the business and brings a sharp commercial aspect to the team. She has held a number of general management and operations/finance roles in businesses across NZ, Australia and Fiji. She is currently a board member of Te Waipuna Puawai, Glen Innes Business Association and the Panmure Business Association. Shelley lives locally in Panmure.



PETER FA'AFIU

GM Communications and Stakeholder Engagement

Peter grew up in Tāmaki and still has strong family ties to the area (Fa'afiu, Leafa and Setefano families). He was previously a legal advisor, diplomat, trade negotiator and lobbyist. Peter's current governance experience covers human rights (Amnesty International NZ); media (NZ Press Council); and education (First Foundation Trust).



JOHN DUTHIE

Acting GM Planning and Regeneration

John is a Director of Tattico Limited with more than thirty five years experience and is highly regarded in planning circles having had 21 years' experience as a senior manager at Auckland City Council and five years as General Manager, City Development. John has led place-making projects such as the Viaduct Harbour, Britomart and Auckland Waterfront. John was a director within the Placeleaders Association for three years. John brings a wealth of professional expertise in resource management, planning, regeneration, major developments and local/central government advice including stakeholder management.

TĀMAKI
REDEVELOPMENT
COMPANY LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2014

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STATEMENT OF RESPONSIBILITY

The Board is responsible for the preparation of the Tāmaki Redevelopment Company Limited's financial statements and statement of service performance, and for the judgements made in them.

The Board of the Tāmaki Redevelopment Company Limited has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the Board's opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the Tāmaki Redevelopment Company Limited for the year ended 30 June 2014.

Signed on behalf of the Board:



Director
31 October 2014



Director
31 October 2014

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

		1/07/2013 to 30/06/2014	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	NOTES	ACTUAL \$000's	BUDGET \$000's	ACTUAL \$000's
Income				
Revenue from shareholders	2	4,484	0	0
Interest income	3	85	67	141
Total income		4,569	67	141
Expenses				
Personnel costs	4	1,719	2,056	859
Directors fees		186	190	192
Contractors and temporary staff		1,104	470	721
Consultants		1,151	218	906
Other professional services	5	117	352	95
Depreciation and amortisation	9/10	139	189	58
Other expenses	6	565	679	645
Total expenses		4,981	4,154	3,476
(Deficit) before tax		(412)	(4,087)	(3,335)
Tax expense		0	0	0
Net (deficit) for the year		(412)	(4,087)	(3,335)
Other comprehensive income		0	0	0
Total comprehensive (loss)		(412)	(4,087)	(3,335)

The accompanying notes form part of the financial statements. Explanations of major variances against budget are provided in note 22.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

		2014	2014	2013
	NOTES	ACTUAL \$000's	BUDGET \$000's	ACTUAL \$000's
ASSETS				
Current assets				
Cash and cash equivalents	7	4,557	287	5,305
Trade and other receivables	8	189	23	165
Prepayments		18	0	8
Total current assets		4,764	310	5,478
Non-current assets				
Property, plant and equipment	9	454	511	565
Intangible assets	10	19	99	25
Total non-current assets		473	610	590
Total assets		5,237	920	6,068
LIABILITIES				
Current liabilities				
Creditors and other payables	11	424	174	865
Employee entitlements	12	60	0	38
Total current liabilities		484	174	903
Total liabilities		484	174	903
Net assets		4,753	746	5,165
Share capital	13	8,500	8,500	8,500
Retained earnings		(3,747)	(7,754)	(3,335)
Total equity		4,753	746	5,165

The accompanying notes form part of the financial statements. Explanations of major variances against budget are provided in note 22.

For and on behalf of the Board who authorise the issue of the financial statements on 31 October 2014.



Director
31 October 2014



Director
31 October 2014

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	NOTES	ACTUAL \$000's	BUDGET \$000's
Opening balance 6 August 2012		0	0
Retained earnings			
Total comprehensive (loss)		(3,335)	(3,667)
Balance		(3,335)	(3,667)
Owners' transactions			
Capital contribution	13	8,500	8,500
Closing balance 30 June 2013		5,165	4,833
Opening balance 1 July 2013		5,165	4,833
Retained earnings			
Total comprehensive (loss)		(412)	(4,087)
Balance		(412)	(4,087)
Owners' transactions			
Capital contribution	13	0	0
Closing balance 30 June 2014		4,753	746

The accompanying notes form part of the financial statements. Explanations of major variances against budget are provided in note 22.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

		1/07/2013 to 30/06/2014	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	NOTES	ACTUAL \$000's	BUDGET \$000's	ACTUAL \$000's
Cash flows from operating activities				
Cash provided from:				
Revenue from shareholders		4,484	0	0
Interest received		85	67	141
Goods and services tax (net)		28	56	0
Total cash provided		4,597	123	141
Cash applied to:				
Payments to suppliers		(3,683)	(2,251)	(1,703)
Payments to employees		(1,640)	(2,047)	(820)
Goods and services tax (net)		0	0	(159)
Withholding tax paid		0	0	(6)
Total cash applied		(5,323)	(4,298)	(2,688)
Net cash from operating activities	14	(726)	(4,175)	(2,547)
Cash flow from investing activities				
Cash applied to:				
Purchase of property, plant and equipment		(15)	(71)	(615)
Purchase of intangible assets		(7)	0	(33)
Net cash applied to investing activities		(22)	(71)	(648)
Cash flow from financing activities				
Cash provided from:				
Capital contributions		0	0	8,500
Net cash from financing activities		0	0	8,500
Net (decrease)/increase in cash and cash equivalents		(748)	(4,246)	5,305
Opening cash and cash equivalents	7	5,305	4,533	0
Closing cash and cash equivalents	7	4,557	287	5,305

The accompanying notes form part of the financial statements. Explanations of major variances against budget are provided in note 22.

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The Tāmaki Redevelopment Company Limited (TRC) is incorporated in New Zealand under the Companies Act 1993. The financial statements of TRC have been prepared in accordance with the requirements of the Financial Reporting Act 1993 and Companies Act 1993. TRC has its registered office at 244 Apirana Avenue, Glen Innes, Auckland, 1072, New Zealand. TRC's primary objective is to provide services to the New Zealand public, as opposed to that of making a financial return. Accordingly, TRC has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). TRC is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. TRC is jointly owned by Auckland Council (Council) and the New Zealand Government (Crown).

The financial statements for TRC are for the year ended 30 June 2014 and were approved by the Board on 31 October 2014.

BASIS OF PREPARATION

Statement of Compliance

The financial statements of TRC have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Differential reporting

TRC qualifies for differential reporting as it is not publicly accountable or large as determined under the framework. TRC has taken advantage of all differential exemptions, except for:

- » The exemption available in NZ IAS 7 (PBE) Statement of Cash Flows that permit qualifying entities from preparing a statement of cash flows.

Measurement base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of certain items of property, plant and equipment, the measurement of equity investments and derivative financial instruments at fair value.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of TRC is New Zealand dollars.

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

Comparatives

Certain prior period amounts have been reclassified to achieve fair presentation.

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, TRC is classified as a Tier 2 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS) with reduced disclosure requirements. These standards have been developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means TRC expects to transition to the new standards in preparing its 30 June 2015 financial statements.

TRC is in the process of assessing the implications of the new Accounting Standards Framework at this time. Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the time the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue from Shareholders

TRC is primarily funded through revenue received from its Shareholders, Crown and Council. It is restricted in its use for the purpose of TRC meeting its objectives as specified in the statement of intent. Revenue from the Crown and Council is recognised as revenue when earned and is reported in the financial period to which it relates.

Interest income

Interest income is recognised using the effective interest method. Interest income on an impaired financial asset is recognised using the original effective interest rate.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term. Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Debtors and other receivables

Short-term debtors and other receivables are recorded at their face value, less any provision for impairment. Impairment of a receivable is established when there is objective evidence that TRC will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the debt is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

Investments

Bank deposits

Investments in bank deposits are initially measured at fair value plus transaction costs.

After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment. For bank deposits, impairment is established when there is objective evidence that TRC will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into receivership or liquidation, and default in payments are considered indicators that the deposit is impaired.

Property, plant, and equipment

Property, plant, and equipment consist of the following asset classes: leasehold improvements, office equipment and computer equipment. All assets classes are measured at cost, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to TRC and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to TRC and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant, and equipment have been estimated as follows:

Leasehold improvements	5 years	20%
Office equipment	5 years	20%
Computer equipment	5 years	20%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset.

Direct costs include software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of TRC's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 years	33.3%
Developed computer software	4 years	25%

Impairment of property, plant, and equipment and intangible assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where TRC would, if deprived of the asset, replace its remaining future economic benefit or service potential. If an assets carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written-down to the recoverable amount. For assets not carried at a revalued amount, the total impairment loss is recognised in surplus or deficit. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Creditors and other payables

Short-term creditors and other payables are recorded at their face value.

Employee entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

Presentation of employee entitlements

Annual leave and bonuses are classified as a current liability.

Superannuation schemes

Defined contribution schemes

The obligation for contributions to Kiwisaver is accounted for as defined contribution superannuation schemes and is recognised as an expense in surplus or deficit as incurred. TRC's liability is limited to the value of contributions only.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- » retained earnings; and
- » share capital.

Goods and services tax

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

On 11 April 2014, IRD presented to TRC their view that TRC is a “public authority” for the purposes of section CW 38 of the Income Tax Act 2007. TRC agrees with and has adopted this view and deems itself as exempt from Income Tax. Therefore, no provision for tax has been made in these financial statements.

Budget figures

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, TRC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating useful lives and residual values of property, plant, and equipment

At each balance date, the useful lives and residual values of property, plant, and equipment are reviewed.

Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by TRC, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. TRC minimises the risk of this estimation uncertainty by:

- » physical inspection of assets;
- » asset replacement programs;
- » review of second hand market prices for similar assets; and
- » analysis of prior asset sales.

TRC has not made significant changes to past assumptions concerning useful lives and residual values.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Leases classification

Determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to TRC. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments.

Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. TRC has exercised its judgement on the appropriate classification of equipment leases, and has determined that there are no finance leases.

2. REVENUE FROM SHAREHOLDERS

	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	ACTUAL \$000's	ACTUAL \$000's
Revenue from Crown	2,830	0
Revenue from Council	1,654	0
TOTAL REVENUE FROM SHAREHOLDERS	4,484	0

TRC has been provided with funding from Crown and Council for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations. Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to government funding (2013 nil).

3. INTEREST INCOME

	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	ACTUAL \$000's	ACTUAL \$000's
Interest earned on cash balances with financial institutions	85	141
TOTAL INTEREST INCOME	85	141

4. PERSONNEL COSTS

	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	ACTUAL \$000's	ACTUAL \$000's
Salaries and wages	1,602	777
Employer contribution to defined contribution plans	33	12
Other benefits	84	70
TOTAL PERSONNEL COSTS	1,719	859

5. OTHER PROFESSIONAL SERVICES

	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	ACTUAL \$000's	ACTUAL \$000's
Legal expense	104	58
Other	13	37
TOTAL OTHER PROFESSIONAL SERVICES	117	95

6. OTHER EXPENSES

	1/07/2013 to 30/06/2014	6/08/2012 to 30/06/2013
	ACTUAL \$000's	ACTUAL \$000's
Audit fees - Audit New Zealand	46	46
Community events	42	8
Information technology	42	32
Insurance	30	17
Operating lease expense	79	62
Printing and stationery	36	51
Community development	99	31
Staff travel and accommodation	18	16
Telephones and mobiles	31	17
Other	142	365
TOTAL OTHER EXPENSES	565	645

7. CASH AND CASH EQUIVALENTS

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Cash at bank and on hand	4,557	82
Term deposits with maturities less than 3 months	0	5,223
TOTAL CASH AND CASH EQUIVALENTS	4,557	5,305

8. TRADE AND OTHER RECEIVABLES

	2014	2013
	ACTUAL	ACTUAL
	\$000's	\$000's
Trade receivables	52	0
GST receivable	131	159
Other	6	6
TOTAL TRADE AND OTHER RECEIVABLES	189	165

9. PROPERTY, PLANT, AND EQUIPMENT

	Office equipment	Computer equipment	Leasehold improvement	Total
	\$000's	\$000's	\$000's	\$000's

Cost

Balance as at 6 August 2012	0	0	0	0
Additions during the year	114	82	419	615
Balance at 30 June 2013	114	82	419	615

Accumulated depreciation

Balance as at 6 August 2012	0	0	0	0
Depreciation charge for the year	10	14	26	50
Balance at 30 June 2013	10	14	26	50

NET BOOK VALUE AT 30 JUNE 2013	104	68	393	565
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Cost

Balance as at 1 July 2013	114	82	419	615
Additions during the year	4	7	4	15
Balance at 30 June 2014	118	89	423	630

Accumulated depreciation

Balance as at 1 July 2013	10	14	26	50
Depreciation charge for the year	23	20	83	126
Balance at 30 June 2014	33	34	109	176

NET BOOK VALUE AT 30 JUNE 2014	85	55	314	454
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10. INTANGIBLE ASSETS

	Purchased software	Total
	\$000's	\$000's
Cost		
Balance as at 6 August 2012	0	0
Additions during the year	33	33
Balance at 30 June 2013	33	33
Accumulated amortisation		
Balance as at 6 August 2012	0	0
Amortisation charge for the year	8	8
Balance at 30 June 2013	8	8
NET BOOK VALUE AT 30 JUNE 2013	25	25
Cost		
Balance as at 1 July 2013	33	33
Additions during the year	7	7
Balance at 30 June 2014	40	40
Accumulated amortisation		
Balance as at 1 July 2013	8	8
Amortisation charge for the year	13	13
Balance at 30 June 2014	21	21
NET BOOK VALUE AT 30 JUNE 2014	19	19

11. CREDITORS AND OTHER PAYABLES

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Creditors	210	688
Accrued expenses	214	177
TOTAL CREDITORS AND OTHER PAYABLES	424	865

Creditors and other payables are non-interest bearing and are normally settled on 30 day terms. Therefore the carrying value of creditors and other payables approximate their fair value.

12. EMPLOYEE ENTITLEMENTS

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Annual leave	60	38
TOTAL EMPLOYEE ENTITLEMENTS	60	38

13. EQUITY

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Opening balance	8,500	0
Capital contribution - Crown	0	5,000
Capital contribution - Council	0	3,500
TOTAL SHARE CAPITAL	8,500	8,500

14. RECONCILIATION OF NET (DEFICIT) FOR THE YEAR TO NET CASH FROM OPERATING ACTIVITIES

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Net (deficit) for the year	(412)	(3,335)
Add non-cash items		
Depreciation of property, plant and equipment	126	50
Amortisation of intangible assets	13	8
Employment entitlements	22	38
Add/(less) movements in balance sheet items:		
Trade and other receivables	(24)	(159)
Trade and other payables	(441)	865
Withholding tax	0	(6)
Prepayments	(10)	(8)
NET CASH FROM OPERATING ACTIVITIES	(726)	(2,547)

15. FINANCIAL INSTRUMENTS

Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Financial assets - loans and receivables		
Cash and cash equivalents	4,557	5,305
Trade and other debtors	58	6
Total loans and receivables	4,615	5,311
Financial liabilities measured at amortised cost		
Creditors and other payables	424	865
Total financial liabilities measured at amortised cost	424	865

16. CAPITAL COMMITMENTS AND OPERATING LEASES

There are no capital commitments as at 30 June 2014 (2013, nil).

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Not later than one year	75	75
Later than one year not later than five years	161	236
Later than five years	0	0
TOTAL NON-CANCELLABLE OPERATING LEASES	236	311

17. CONTINGENCIES

TRC has no contingent assets or liabilities as at 30 June 2014 (2013, nil).

18. RELATED PARTY TRANSACTIONS

TRC is jointly owned by the Crown (59%) and Council (41%).

TRC has been provided with funding from the Crown of \$2,830,430 (2013, nil) and Council of \$1,653,470 (2013, nil) for specific purposes as set out in its founding legislation and the scope of the relevant government appropriations and council budget.

In conducting its activities, TRC is required to pay various taxes and levies (such as GST, FBT, PAYE, and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers.

TRC is exempt from paying income tax. TRC also purchases goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown or by Auckland Council. Purchases from these government and council-related entities for the year ended 30 June 2014 totalled \$18,199 (2013, \$17,000). These purchases included the purchase of electricity from Genesis and air travel from Air New Zealand. TRC purchased \$32,672 of goods and services from Auckland Council during the year ended 30 June 2014 (2013, \$447,000).

Key management personnel compensation

	2014	2013
	ACTUAL \$000's	ACTUAL \$000's
Salaries and other short term employee benefits	1,117	522
Post employment benefits	9	1
TOTAL KEY MANAGEMENT PERSONNEL COMPENSATION	1,126	523

Key management personnel include all Board Directors, the Chief Executive and three other senior managers (2013, one other senior manager).

19. EVENTS AFTER THE BALANCE DATE

There were no significant events after the balance date.

In June 2014, TRC delivered the final 2014 Business Implementation Plan (business case) to its Shareholders. On 28 July 2013, the New Zealand Cabinet approved the business case which secured funding from the Crown of \$8.48m over the next three financial years. On 31 July 2014, Council approved \$1.6m of funding for the 2014/15 financial year.

20. CAPITAL MANAGEMENT

TRC's capital is its equity, which comprises accumulated funds and revaluation reserves. Equity is represented by net assets.

TRC is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

TRC manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that TRC effectively achieves its objectives and purpose, while remaining a going concern.

21. GOING CONCERN

The financial statements of the company have been prepared under the going concern assumption. The company's operating expenses and liabilities are primarily funded by Shareholder contributions.

On 16 June 2014, a Shareholders' meeting was held to discuss the Business Implementation Plan (BIP) which outlined the proposed regeneration programme in Tāmaki across the 5 year period 2014 – 2018. The BIP was agreed in-principle at this meeting by Shareholders.

In a letter dated 8 September 2014 Shareholders confirmed funding for the Company to deliver on the BIP. The Crown committed \$8.48m for three financial years to 30 June 2017 and Council committed \$1.6m of funding for one financial year to 30 June 2015. This funding is subject to the standard process of setting up annual funding agreements between the company and its Shareholders. Additional Council funding will be sought through the Long Term Plan process.

In addition, the New Zealand Cabinet has directed relevant government entities to work on the feasibility and scope of an outcome-based contract for the company and to investigate options to give the company greater control over Crown housing assets within the Tāmaki area. Shareholders have indicated that the purpose of this work will be to strengthen the BIP by identifying a clear pathway over the next five years towards greater commercial sustainability and fiscal independence.

Based on these circumstances and facts, the directors and management of the company have satisfied themselves that it is reasonable to assume that the company will continue business in the foreseeable future.

22. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Statement of comprehensive income

The actual total comprehensive loss for the year was \$412k which was \$3,674k lower than budgeted.

This was primarily due to the unbudgeted additional \$4,484k funding received from the Crown and Council during the year which was for a procured set of “key deliverables”. Refer to the Statement of Service Performance for a breakdown of TRC’s performance against these key deliverables. The variance of \$18k in interest income against budget is due to the unbudgeted additional revenue received from Crown and Council which was invested in bank deposits.

The favourable variances in revenue items were offset by total expenses coming in \$827k higher than budgeted. Additional expenditure than previously anticipated was required in both the consultants and contractor categories of expenditure (\$933k and \$634k higher than budgeted respectively) in order to achieve the key deliverables set by the Crown and Council which included delivery of the Business Implementation Plan, the Maybury Precinct Plan and the Tāmaki Implementation Plan.

Due to management focus on cost control, TRC spent \$114k less than budgeted on other expenses and \$337k less than budgeted on personnel costs. Depreciation and amortisation was \$50k less than budgeted due to less than expected additions to property, plant and equipment and software. Other professional fees was \$235k less than budgeted due to less legal advice required during the year than budgeted.

Statement of financial position

Total equity was higher than budgeted by \$4,007k which was primarily due to \$4,270k more cash on hand than anticipated. This is further explained in the ‘statement of cash flows’ variance explanations below. Trade and other receivables were higher than budgeted by \$165k due to an unexpected debtor on hand at balance date as well as two months worth of GST refunds due at balance date compared with one month budgeted. Further, actual expenditure was more slanted towards the latter half of the year due to the key deliverables being set in December 2013. This meant that higher GST refunds were due during the last two months of the year compared with the budgeted timing of expenditure. Property, plant and equipment and intangible assets were lower than budgeted by \$137k due to less than expected additions during the year.

The favourable variances in receivables were offset by unfavourable variances in liabilities. Creditors were higher than budgeted by \$250k which was again due to timing of expenditure impacted by the key deliverables compared with budget meaning a higher creditors balance at year-end. Employee entitlements were unbudgeted and therefore a \$60k unfavourable variance arose.

Statement of cash flows

Cash on hand at balance date was \$4,270k more than budgeted. \$772k of this is due to the favourable variance in the opening cash position compared with budget. The remaining \$3,498k variance is primarily due to the \$4,484k variance in procurement revenue received from Crown and Council. This was offset by \$1,432k higher payments to suppliers than expected due to more expenditure necessary in order to achieve the key deliverables. Payments to employees were \$407k less than budgeted due to reduced personnel costs. Cash invested in property, plant and equipment and intangible assets was \$49k lower than budgeted due to less additions made than expected.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

**To the readers of
Tamaki Redevelopment Company Limited's
financial statements and statement of service performance
For the year ended 30 June 2014**

The Auditor-General is the auditor of Tamaki Redevelopment Company Limited (the Company). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the Company on her behalf.

We have audited:

- the financial statements of the Company on pages 42 to 54, that comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Company on pages 12 to 27.

Opinion

Financial statements and statement of service performance

In our opinion:

- the financial statements of the Company on pages 42 to 54:
 - comply with generally accepted accounting practice in New Zealand; and
 - give a true and fair view of the Company's:
 - financial position as at 30 June 2014; and
 - financial performance and cash flows for the year ended on that date;
- the statement of service performance of the Company on pages 12 to 27:
 - complies with generally accepted accounting practice in New Zealand; and
 - gives a true and fair view for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the documents listed on page 12 in the statement of service performance; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined

in the forecast financial statements adopted at the start of the financial year.

Other legal requirements

In accordance with the Financial Reporting Act 1993 we report that, in our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

Our audit was completed on 31 October 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and statement of service performance are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of service performance. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of service performance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Company's financial statements and statement of service performance that give a true and fair view of the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Directors;
- the adequacy of all disclosures in the financial statements and statement of service performance; and
- the overall presentation of the financial statements and statement of service performance.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. Also we did not evaluate the

security and controls over the electronic publication of the financial statements and statement of service performance.

In accordance with the Financial Reporting Act 1993, we report that we have obtained all the information and explanations we have required. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board of Directors

The Board of Directors is responsible for preparing financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the Company's financial position, financial performance and cash flows; and
- give a true and fair view of its service performance achievements.

The Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for the publication of the financial statements and statement of service performance, whether in printed or electronic form.

The Board of Directors' responsibilities arise from the Public Finance Act 1989 and the Financial Reporting Act 1993.

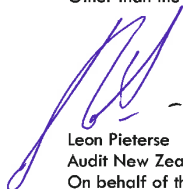
Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Company.



Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

OUR
GREATEST
THANKS GOES TO
THE COMMUNITY OF
TĀMAKI – GLEN INNES, POINT
ENGLAND AND PANMURE, THE
COMMUNITIES OF INTEREST
THAT EXIST AND THE 'SONS AND
DAUGHTERS' OF TĀMAKI WHO
ADVOCATE STRONGLY FOR
THE AREA WHEREVER
THEY NOW WORK.

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