



29 October 2009

FOR IMMEDIATE RELEASE

ATTENTION: CHIEF REPORTERS
CIVIC REPORTERS

ICC adopts Annual Report

The Invercargill City Council today adopted its 2008-2009 Annual Report.

Council's Director of Finance Dean Johnston said Council adopted the Annual Report at an Extraordinary Meeting attended by Audit Director Bede Kearney.

Mr Johnston said the Annual Report showed a surplus of \$7.6 million compared to a budget surplus of \$7 million. This was largely due to savings in interest rates, increased revenue and careful financial management.

"The total assets of the Invercargill City Council Group increased by \$15 million to \$759 million."

Mr Johnston said the Annual Report also contained information about the sale of Invercargill City Holdings' 49% share of Bond Contracts Limited.

"Invercargill City Holdings Limited sold its shares in Bond Contracts Limited for \$769,000 more than it cost, which was a pleasing result.

"However, the Annual Report shows that the Invercargill City Council Group made a \$640,000 loss on the sale of these shares. This is due to the accounting requirements of recognising the profit/loss of Bond Contracts Limited each year and should not detract from the hard work put in by the Holdco Directors in negotiating a profitable sale."

The Invercargill City Holdings Limited Annual Report will be presented to Council at its meeting on Tuesday 3 November.

Mr Johnston said he was pleased that the Annual Report had been released on time and thanked the staff for the many months of work that had gone into producing the document.

ENDS.

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