

Report 16.492
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Committee Council
Author Colin Drew - Advisor, WRS Office

Shareholder resolution in lieu of Annual General Meeting - WREDA

1. Purpose

To seek approval from the Council, as a shareholder of Wellington Regional Economic Development Agency Limited (WREDA), not to hold an Annual General Meeting (AGM).

2. Background and comment

The Council's shareholding in WREDA represents the regional targeted rate for economic development and the delivery activities of Grow Wellington. This agency is now part of the WREDA Group.

Under section 120 of the Companies Act 1993, the board of a company must call an annual general meeting of shareholders to be held no later than six months after the "balance date" of the company. However, it is unnecessary for the company to hold a meeting if everything required to be done at that meeting is done by written resolution of the shareholders, passed in accordance with section 122 of the Companies Act 1993.

The purpose of holding an AGM for WREDA would be for the shareholding councils to approve the company's audited accounts, appoint an auditor and to pass a resolution regarding the auditor's fees and expenses.

On 13 September 2016 WREDA adopted the financial statements of the WREDA Group for the year ended 30 June 2016. The financial statements include an unqualified audit report. The WREDA Group Annual Report is attached; this includes a copy of the financial statements for the year ended 30 June 2016 (**Attachment 2**).

Section 70 of the Local Government Act requires that Audit New Zealand be appointed as the auditor for council-controlled companies. An AGM in respect of the 2015/16 year is therefore considered unnecessary.

A copy of the shareholder resolutions is attached (**Attachment 1**); these will need to be passed if no AGM is to be held. As the other shareholder of WREDA, Wellington City Council will also need to pass the resolutions for no AGM to be held.

3. Communication

The Council's decision will be communicated to the Wellington City Council and to WREDA.

4. The decision-making process and significance

The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

4.1 Significance of the decision

Officers have considered the significance of the matter, taking into account the Council's significance and engagement policy, and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

4.2 Engagement

Due to its procedural nature and low significance, no engagement on this matter has been undertaken.

5. Recommendations

That the Council:

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***As a 20% shareholder of WREDA Limited:***
 - a. ***Agrees that the Company not be required to hold an Annual General Meeting;***
 - b. ***Resolves the written resolutions contained within Attachment 1 to receive the directors report and the audited financial statements, and to agree the auditor's fees and expenses.***
4. ***Authorises the Chief Executive to sign the shareholder resolutions on behalf of this Council.***

Report prepared by:

Colin Drew
Advisor, WRS Office

Report Approved by:

Nicola Shorten
Manager, Strategic &
Corporate Planning

Report Approved by:

Luke Troy
General Manager, Strategy

Attachment 1: Shareholder Resolutions for WREDA Limited

Attachment 2: WREDA Annual Report 2015/16