



Report 06.564
Date 6 October 2006
File M/30/9/1

Committee Policy, Finance and Strategy
Author Margaret Meek, Policy Analyst

WRC Holdings Limited - Resolutions in lieu of Annual General Meeting

1. Purpose

To seek approval from the Council, as sole shareholder, not to hold an Annual General Meeting (AGM) for WRC Holdings Ltd.

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

On 26 September 2006 the Directors of WRC Holding Ltd adopted the financial statements of the company for the year ended 30 June 2006, which included an unqualified audit report.

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.

4. Comment

The purpose of holding an AGM for WRC Holding Ltd would be for the Council to approve the company’s financial statements, to reappoint Audit New Zealand on behalf of the Controller and Auditor-General as the company’s auditors, and to pass a resolution regarding the auditors’ fees and expenses.

In view of the fact that the Council has already approved the WRC Holdings Ltd financial statements for the year ended 30 June 2006, an AGM is considered unnecessary. It is therefore recommended that Council resolve not to hold an AGM in respect of the 2005/06 year, pursuant to section 122 of the Companies Act.

5. Communications

There are no communications issues associated with this report.

6. Recommendations

That the Committee recommends that Council, as sole shareholder of WRC Holdings Ltd:

- (1) **Resolve** by way of the written resolutions contained within Attachment 1 not to hold an AGM;*
- (2) **Authorise** the Divisional Manager – Corporate and Strategy to affix the Council's Common Seal to the resolutions of the Company (Attachment 1).*

Report prepared by:

Report approved by:

Margaret Meek
Policy Analyst

Barry Turfrey
Chief Financial Officer