
Ōtākaro Limited

Amended

Statement of Performance Expectations

For Financial Year 2021

G71

April 2021

1. INTRODUCTION

This Amended Statement of Performance Expectations (SPE) is submitted by the Board of Directors of Ōtākaro Limited (Ōtākaro), pursuant to the Crown Entities Act 2004. It sets out the performance expected of Ōtākaro for the period 1 July 2020 to 30 June 2021 in relation to the existing and new areas of responsibility Ōtākaro has been assigned during the 2020/21 financial year.

Statement of responsibility

Ōtākaro is responsible for the statements contained in this document, including the appropriateness of the assumptions underlying them. Ōtākaro is responsible for internal control systems that provide reasonable assurance as to the integrity of its financial reporting.



CORINNE HAINES

Chairperson

8 June 2021



PETER TOWNSEND

Board Member

2. CONTEXT

This amendment to the Ōtākaro issued 2020/21 financial year Statement of Performance Expectations (SPE) is made pursuant to section 149K(2)(b)(iv) of the Crown Entities Act 2004.

Ōtākaro has seen a material change in its work programmes since the original 2020/21 financial year SPE was finalised, and as such the Minister for Infrastructure has written to Ōtākaro outlining new expectations that reflect these changes.

In particular, Ōtākaro has been given new responsibilities in relation to some of the Infrastructure Reference Group (IRG) 'shovel ready' work programme.

This amendment sets out the original and additional measures of Ōtākaro performance for these new and existing areas of responsibility and updates financial information to reflect these.

This amendment should be read in isolation of the original 2020/21 financial year SPE which has now been superseded by this document and the financial and other information which is updated in this document.



Overlooking Te Pae towards the east

3. OBJECTIVES, SCOPE & OUTPUT FOR FINANCIAL YEAR 2021

We note that COVID-19 has had a number of impacts on construction and timing of development projects, some of which could continue to impact during the 2021 financial year. The following measures assume there is no further change back to COVID-19 Alert Levels 2, 3 or 4.

3.1 STRATEGIC OBJECTIVES

The purpose of the Company is to add value to Anchor Projects (the Anchor Project Objective) and Crown land (the Land Divestment Objective) in a manner that balances a desire to achieve good commercial outcomes against the Crown's regeneration objectives and supports the Crown's exit over time on favourable terms. The Company will assist the Crown's transition to local leadership as part of the earthquakes recovery. The Company will also undertake any role, and take any action, to assist the government with any projects, as agreed between the Company and the Shareholding Ministers from time to time.

As noted above, since the issue of the original SPE, Ōtākaro has gained additional responsibilities relating to some of the IRG work programme. This new responsibility is the Shovel Ready Objective.

The Ōtākaro Statement of Intent for July 2020 to June 2024 outlines the Ōtākaro vision, strategic priorities and functions to achieve the Anchor Project Objective and Land Divestment Objective. The Shovel Ready Objective and assistance with any other projects have been added since Ōtākaro issued the Statement of Intent and will be included in the next version.

3.2 BUSINESS SCOPE

Ōtākaro is a Crown Company which became operational on 16 April 2016 under Schedule 4A of the Public Finance Act to deliver defined Anchor Projects and a land divestment programme that is consistent with the Christchurch Central Recovery Plan.

The overarching responsibilities of Ōtākaro include:

- Delivery of defined Anchor Projects by providing procurement, design management and construction management services on behalf of the Crown.
- Providing programme governance, including risk, cost and schedule management.
- Divestment of Crown-owned land in central Christchurch in a manner which balances a desire to achieve good commercial outcomes against the Crown's regeneration objectives.
- Managing the operational and ownership responsibilities of completed assets before sale or transfer.
- Acting in a manner consistent with recovery plans and any regeneration plans.
- Monitoring and funding some of the Canterbury Shovel Ready Projects.
- Undertaking any role, and taking any action, to assist the government with any projects, as agreed between the Company and the Shareholding Ministers from time to time.

4. REPORTABLE OUTPUTS AND PERFORMANCE TARGETS

Anchor Project delivery has been significantly impacted by the COVID-19 pandemic and associated Alert Level constraints. The delivery of the Anchor Projects will continue to be impacted by continuing border restrictions. The forecasts presented here take into account reasonable estimates of the impacts of COVID-19 as they are currently understood. However, it is important to note that the impacts of COVID-19 still carry a significant amount of uncertainty related to increased project expenditure and delivery time. Ōtākaro will continue to ascertain the impacts of the pandemic from a project perspective such that the forecasts presented may materially change.

4.1 REPORTABLE OUTPUTS

Ōtākaro produces outputs, impacts and outcomes from its activities which are defined as reportable outputs under the Crown Entities Act 2004. Ōtākaro has three reportable outputs as follows:

1. Delivery of defined Anchor Projects.
2. Divestment of Crown land while balancing good commercial outcomes against regeneration objectives.
3. Monitoring Ōtākaro assigned IRG Shovel Ready Projects.

The reportable outputs are intended to achieve the Ōtākaro dual objectives to add value to Anchor Projects and Crown land in a way that balances a desire to achieve good commercial outcomes with the Crown's regeneration objectives. They also support the Crown's IRG Shovel Ready Objective.

The amended expected revenue and expense for each reportable output for the financial year 2021 is as follows:

| Reportable Output | Revenue (NZ \$000) | Expense (NZ \$000) |
|--|-----------------------|-----------------------|
| Delivery of defined Anchor Projects (capital and operational) | \$108,882 | \$130,483 |
| Divestment of Crown land while balancing good commercial outcomes with the Crown's regeneration objectives | \$25,853 | \$19,508 |
| Monitoring Ōtākaro assigned IRG Shovel Ready Projects. | \$22,980 | \$22,980 |

Expenses are greater than revenue due to income carried forward from the prior year of \$21,601

The performance of the three outputs will be measured through the performance targets noted in the following sections 4.2.1 to 4.2.5.

4. REPORTABLE OUTPUTS AND PERFORMANCE TARGETS

4.2 PERFORMANCE TARGETS

Performance targets for the Company's activities are measured as milestones and KPIs which have been set, and performance on these measures will be reported in the Ōtākaro Limited Annual Report, as follows:

4.2.1 DELIVERY OF DEFINED ANCHOR PROJECTS

Outcome: Delivery of defined Anchor Projects

Add value to Crown Anchor Projects by delivering the projects safely, on budget, to schedule and to the desired quality.

What will achievement of this outcome look like?

All defined Crown Anchor Projects:

1. Cumulative working days' variance, when comparing forecast practical completion to the baseline practical completion at the start of this financial year, is less than 10 days delayed.
2. Current estimated costs at completion are below or equal to the current approved budget.
3. Forecast cost accuracy is plus or minus 10%.
4. Work undertaken on defined Anchor Projects is to the desired quality, as established during the project planning phase.

Defined Anchor Projects include:

- Te Pae Christchurch Convention Centre Precinct.
- Metro Sports Facility.
- Te Papa Ōtākaro/Avon River Precinct – North Frame Pedestrian Bridge.
- East Frame Residential Precinct.
- South Frame Public Realm.

4.2.2 DIVESTMENT OF CROWN LAND

Outcome: Divestment of Crown land while balancing good commercial outcomes

One of the key Strategic Objectives for Ōtākaro is to divest Crown-owned land in central Christchurch in a manner which balances a desire to achieve good commercial outcomes against the Crown's recovery and any regeneration objectives.

What are good commercial outcomes?

Ōtākaro delivering a balance between optimal returns to the Crown and regeneration activities for the central city.

What will achievement of this outcome look like?

1. Sales meet forecasted targets for the financial year, as per the Board-approved Budget (33 parcels of land remain to divest; 10 of these are forecast to be settled in the 2021 financial year).

4. REPORTABLE OUTPUTS AND PERFORMANCE TARGETS

2. Land Divestment Strategy reviewed six-monthly to reflect changes in market conditions.
3. Land Divestment Strategy revised and approved annually to include updated market valuations.

4.2.3 HEALTH, SAFETY AND WELLBEING

Outcome: Health, wellbeing and development of all Ōtākaro employees

Ōtākaro is committed to retaining a highly engaged workforce.

What will achievement of this outcome look like?

1. All employees to actively participate in health, safety and wellbeing initiatives.
2. All Ōtākaro employees have active learning and development plans in place by 30 June 2021.
3. Maintain an engagement score greater than 4.

Outcome: Delivery of defined Anchor Projects to a high standard of health and safety

Our approach to ensuring a high standard of health and safety management on all our projects needs to respond to changes in our projects and work types over time. With the project portfolio narrowing to mainly vertical construction, new targets have been established to focus on ensuring findings of critical risk audits on individual projects are adequately addressed and findings are shared across projects. The Total Recordable Injury Frequency Rate (TRIFR) measure has also been aligned to the common industry reporting standard of incidents per 200,000 hours worked.

What will achievement of this outcome look like?

Health and Safety:

1. For projects with active critical risks, monthly critical risk task observations will be undertaken, with 90% of findings adequately addressed within the agreed timeframes.
2. TRIFR of less than 2.7 per 200,000 hours worked across the project portfolio¹. Where the TRIFR rate for a project or operational site is above 4.0 for two months in a row, Ōtākaro will undertake an audit of that contractor's health and safety management system within a month.
3. Zero notifiable incidents investigated by WorkSafe NZ during the financial year on Ōtākaro sites.
4. 90% of full Incident Cause Analysis Method investigations' actions adequately addressed within timeframes agreed.

¹ Note that the performance target for the year ended 30 June 2019 was set on the rate per million hours worked

4. REPORTABLE OUTPUTS AND PERFORMANCE TARGETS

4.2.4 CREDIBILITY, TRUST AND CONFIDENCE

Outcome: Credibility, trust and confidence

Ōtākaro is committed to open communication with internal and external stakeholders and with our communities.

What will achievement of this outcome look like?

1. Improved results from six-monthly public research surveys compared to April 2019 as the benchmark.
2. A heightened social media profile (target: an additional 1,000 'likes', 2 posts per week) and consistent engagement (target: 10% engagement with posts).
3. Regular communication outputs, including videos (target: 35) and other updates, news media releases (target: 15) and events, and e-newsletters (target: 8).

4.2.5 SHOVEL READY PROJECTS

Outcome: Diligent monitoring of Ōtākaro approved Shovel Ready Projects

Otakaro is committed to monitoring the Company's 12 assigned Shovel Ready Projects in Canterbury. Ōtākaro monitors the operational and service performance for IRG build partners as described in this section. The build partners' responsibility is for operational and service performance of the construction; Ōtākaro's role is to monitor performance to ensure that contractually agreed service levels are being met.

What will achievement of this outcome look like?

1. As at the end of FY20/21 at least 60% (7 of 12) of approved Ōtākaro IRG projects with funding agreements have commenced construction.

Build partners' performance is measured by project reports from their consultants confirming that construction has commenced. This component reflects the target of having at least 60% of Ōtākaro's IRG projects underway by the end of the financial year. Ōtākaro will report on these measures in the Company's Annual Report.

5. FORECAST FINANCIAL STATEMENTS

5.1 INTRODUCTION

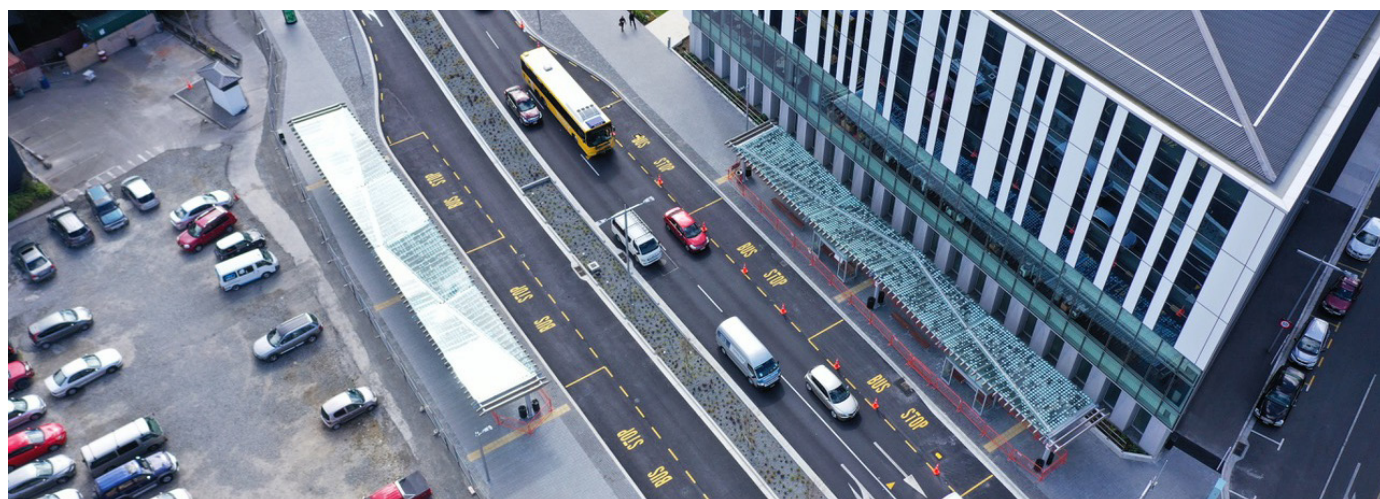
The amended forecast financial statements below include a forecast Statement of Comprehensive Revenue and Expense, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows for the 2021 financial year.

Ōtākaro conducts a number of different activities under specific funding agreements with the Crown as outlined in section 3.2. The accounting treatment of revenue varies for each activity, depending on the specific terms in each agreement. Funding streams are a mixture of operating grants and share capital. All operating grants received are recorded as revenue in the Statement of Comprehensive Revenue and Expense, except where operating grants are received in advance of the relevant period. In that instance the funding agreement with the Crown requires any unspent amount to be returned; this is recorded as revenue received in advance on the balance sheet.

Ōtākaro incurs expenditure as part of its various activities. Operating expenditure and project expenditure that is operating in nature is recorded in the Statement of Comprehensive Revenue and Expense. This expenditure is funded by Crown operating grants and from Christchurch City Council contributions. Project expenditure that is capital in nature is recorded on the balance sheet as capital work in progress. Capital expenditure is funded by the issue of shares to the Crown.

The amended forecasts presented here take into account reasonable estimates of the impacts of COVID-19 as they are currently understood. However, it is important to note that the impacts of COVID-19 still carry a significant amount of uncertainty related to increased project expenditure and delivery time. Ōtākaro will continue to ascertain the impacts of the pandemic on projects such that the forecasts presented may materially change.

Land was initially introduced to the Company through a combination of Crown loans and share capital. Proceeds from the sale of land are retained by the Company after first repaying Crown loans.



The recently completed final section of the An Accessible City project – Tuam Street roading and bus super stops at Hospital Corner

5. FORECAST FINANCIAL STATEMENTS

5.2 FORECAST FINANCIAL STATEMENTS

5.2.1 STATEMENT OF FORECAST COMPREHENSIVE REVENUE AND EXPENSE

Statement of Forecast Comprehensive Revenue and Expenses
For the year ended 30 June 2021

| NZ \$000 | 2021 PUBLISHED | 2021 CHANGES | 2021 RECAST |
|--|-------------------|-----------------|-----------------|
| Income | | | |
| Crown Revenue – Operating | 14,156 | 651 | 14,807 |
| Crown Revenue – Project Operating | 18,110 | (16,214) | 1,896 |
| Crown Revenue – CCP AM/FM & Operations | 976 | 9,123 | 10,099 |
| CCC Revenue | 98,863 | (53,421) | 45,442 |
| Interest Received | 742 | (69) | 673 |
| Te Pae Sales Revenue | 2,975 | (2,975) | - |
| Sundry Income | - | 12,049 | 12,049 |
| Rental Income | - | 78 | 78 |
| Shovel Ready Grants | - | 22,980 | 22,980 |
| Total Income | 135,822 | (27,798) | 108,024 |
| Net (Loss)/Gain on Land Sales | 1,573 | 4,772 | 6,345 |
| Operating Expenses | | | |
| Salaries & Staff Costs | (13,293) | 3,910 | (9,383) |
| Facilities Costs | (1,168) | (62) | (1,230) |
| IT Costs | (848) | (3) | (851) |
| Depreciation | (126) | 32 | (94) |
| Other Expenses | 1,279 | (4,528) | (3,249) |
| Project Operating Expenses | (4,002) | (7,779) | (11,781) |
| Land Remediation | (14,108) | 8,136 | (5,972) |
| Land Management Costs | - | (962) | (962) |
| Te Pae Operations and Owner's Costs | (731) | (2,532) | (3,263) |
| Te Pae Operating Costs | (2,849) | 2,849 | - |
| Shovel Ready Project Costs | - | (22,980) | (22,980) |
| Total Operating Expenses | (35,846) | (23,919) | (59,765) |
| Operating Surplus /(Deficit) | 101,549 | (46,946) | 54,603 |
| Provision for Asset Transfer | (176,217) | 96,516 | (79,701) |
| Interest Expense | (780) | - | (780) |
| Convention Centre Depreciation | - | (137) | (137) |
| NET SURPLUS /(DEFICIT) | (75,448) | 49,433 | (26,015) |

**CCPAM/FM & Operations refers to the income and expenditure for the Te Pae Christchurch Convention Centre Business Establishment and activities relating to Asset Management and Facilities Maintenance.*

5. FORECAST FINANCIAL STATEMENTS

5.2.2 STATEMENT OF FORECAST FINANCIAL POSITION

Statement of Forecast Financial Position
As at 30 June 2021

| NZ \$000 | 2021 PUBLISHED | 2021 CHANGES | 2021 RECAST |
|----------------------------------|-------------------|------------------|------------------|
| EQUITY | | | |
| Share Capital Opening | 453,649 | (260) | 453,389 |
| Share Capital – Project Costs | 109,156 | (57,050) | 52,106 |
| Share Capital Closing | 562,805 | (57,310) | 505,495 |
| Retained Earnings Opening | (95,306) | 1,574 | (93,732) |
| Surplus (After Tax) | (75,448) | 49,433 | (26,015) |
| Retained Earnings Closing | (170,754) | 51,007 | (119,747) |
| TOTAL EQUITY | 392,051 | (6,303) | 385,748 |
| Represented By: | | | |
| ASSETS | | | |
| Operating Cash | 43,675 | 7,622 | 51,297 |
| Short Term Deposits | 12,000 | 118,000 | 130,000 |
| Sundry and Other Debtors | 4,949 | 6,957 | 11,906 |
| Interest Receivable | 7,146 | (1,837) | 5,309 |
| Total Current Assets | 67,770 | 130,742 | 198,512 |
| Office Fit Out & Equipment | 232 | 57 | 289 |
| Land | 55,055 | (3,739) | 51,316 |
| Inventory | 54,883 | (3,874) | 51,009 |
| Work in Progress | 249,430 | (97,287) | 152,143 |
| Buildings | 308,706 | (7,437) | 301,269 |
| | 668,306 | (112,281) | 556,025 |
| TOTAL ASSETS | 736,076 | 18,460 | 754,536 |
| Less: | | | |
| Liability | | | |
| Current Creditors | 5,946 | 12,485 | 18,431 |
| Revenue in Advance | - | 122,469 | 122,469 |
| Provision for Asset Transfer | 278,328 | (100,569) | 177,759 |
| Crown Vendor Finance | 59,751 | (9,624) | 50,127 |
| TOTAL LIABILITY | 344,025 | 24,762 | 368,787 |
| NEW ASSETS | 392,051 | (6,302) | 385,749 |

5. FORECAST FINANCIAL STATEMENTS

5.2.3 STATEMENT OF FORECAST CHANGES IN EQUITY

Statement of Forecast Changes in Equity

As at 30 June 2021

Recast

| NZ \$000 | CAPITAL | RETAINED | TOTAL |
|--|----------------|------------------|-----------------|
| OPENING BALANCE | 453,389 | (93,732) | 359,658 |
| Comprehensive Revenue and Expense | | | - |
| Net Deficit for the Year | - | (26,015) | (26,015) |
| Total Comprehensive Revenue and Expense | - | (26,015) | (26,015) |
| Owners Transactions | | | |
| Contributed Capital | 52,106 | - | 52,106 |
| Total Owner's Transactions | 52,106 | - | 52,106 |
| CLOSING BALANCE 30 JUNE 2021 | 505,495 | (119,747) | 385,748 |

5. FORECAST FINANCIAL STATEMENTS

5.2.4 STATEMENT OF FORECAST CASH FLOWS

Statement of Forecast Cash Flows
As at 30 June 2021

| NZ \$000 | 2021 PUBLISHED | 2021 CHANGES | 2021 RECAST |
|---|-------------------|------------------|-----------------|
| Cash Flows From Project Activities | | | |
| Crown, CCC, Convention Centre and Rental Income | 131,430 | 97,844 | 229,274 |
| Interest Received | 742 | (69) | 673 |
| Net Capital Injection From Crown | 109,156 | (57,050) | 52,106 |
| Project Costs Paid | (258,674) | 117,039 | (141,635) |
| General Expenses Paid | (14,030) | (2,611) | (16,641) |
| | (31,376) | 155,154 | 123,778 |
| Cash Flows From Land Sale Activities | | | |
| Proceeds from Sale of Land | 21,917 | (1,013) | 20,904 |
| Payments to Crown – Loan Repayment | (17,259) | (30,361) | (47,620) |
| | 4,658 | (31,374) | (26,716) |
| Cash Flows From Asset Transfer | | | |
| Office Equipment Purchased | (50) | (100) | (150) |
| Cash Flows From Asset Transfer | (50) | (100) | (150) |
| Cash Flows From Investing | | | |
| Transfer From/(to) Short Term Deposits | 25,000 | (117,377) | (92,377) |
| Cash Flows From Investing | 25,000 | (117,377) | (92,377) |
| NET CASH MOVEMENT | (1,768) | 6,303 | 4,535 |
| OPENING CASH BALANCE | 45,443 | 1,319 | 46,762 |
| CLOSING OPERATING CASH BALANCE | 43,675 | 7,622 | 51,297 |

5. FORECAST FINANCIAL STATEMENTS

5.3 NOTES TO THE FORECAST FINANCIAL STATEMENTS

REPORTING ENTITY

Ōtākaro is a limited liability company incorporated in New Zealand under the Companies Act 1993 and is a Schedule 4A entity of the Public Finance Act 1989. Ōtākaro was established with limited life expectancy.

The purpose of Ōtākaro is to add value to Anchor Projects and Crown land in a manner that balances a desire to achieve good commercial outcomes against the Crown's regeneration objectives, and support the Crown's exit over time on favourable terms. The Company will also undertake any role, and take any action, to assist the government with any projects, as agreed between the Company and the Shareholding Ministers from time to time.

Ōtākaro was incorporated on 17 February 2016 with two Shareholding Ministers and a Board of Directors.

Ōtākaro has designated itself as a Public Benefit Entity (PBE) for the purposes of financial reporting under Public Sector PBE Standards. Ōtākaro is a public authority and is exempt from the payment of income tax. Accordingly, no provision has been made for income tax in the financial statements.

BASIS OF PREPARATION

These prospective financial statements have been prepared:

- In accordance with the relevant requirements of the Public Finance Act 1989 and the Crown Entities Act 2004, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).
- In accordance with PBE FRS 42 and NZ GAAP as it relates to prospective financial statements.
- On a GST-exclusive basis, except for receivables and payables which are presented on a GST-inclusive basis.
- On an historical cost basis modified by the revaluation of certain assets and liabilities.
- In New Zealand dollars rounded to the nearest thousand, unless separately identified.

The actual financial results achieved for the period covered are likely to vary from the information presented and the variations may be material for the reasons already noted (due to COVID-19).

5. FORECAST FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies significantly affect the measurement of financial performance and position.

Revenue

Anchor Project Funding

The three types of Anchor Projects that Ōtākaro is being funded by the Crown to deliver are:

- Projects that are operating in nature – these projects do not create an asset for Ōtākaro, and funding is recognised as revenue in the period it is received.
- Projects that are capital in nature – these projects create an asset for Ōtākaro and are funded by a share issue to the Crown. This funding is not recognised as revenue in the forecast financial statements.
- Projects managed, but not owned, by Ōtākaro – funding received for these projects is not recognised as revenue in the Ōtākaro forecast financial statements. Unspent funding is recorded as a liability of Ōtākaro to the Crown.

IRG Shovel Ready Funding

The Shovel Ready grants are recognised as non-exchange revenue (PBE IPSAS 23), and to recognise the grant money as an asset, and the corresponding payments to the recipients as a liability. As the IRG grant conditions are satisfied and the monies paid the asset and liability are reduced.

Operational Funding

An agreement between Ōtākaro and the Crown is in place for the Crown to fund the Company's operational expenditure. The agreement applies conditions to unspent funding received. Unspent funding is recorded as a liability in the forecast financial statements.

Ōtākaro considers all funding received from the Crown to be non-exchange transactions.

Project Assets

When operating and capital projects were transferred to Ōtākaro, land and building assets were transferred with them. The classification of these assets is based on the expected future use.

Land and buildings associated with the projects have been classified as follows:

- Land and buildings held as inventory – these are land and buildings that are being held for sale in the normal course of business and includes land related to the East Frame Residential project.
- Land as part of property and equipment – this land is either public realm that being held for strategic purposes, or the future use of the land is not certain at the time of preparing the forecast financial statements.

5. FORECAST FINANCIAL STATEMENTS

Fair Value and Revaluation of Land and Buildings

Land and building revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair values at the balance date. Land and building revaluation movements are accounted for on a class-of-asset basis.

Depreciation

Depreciation is calculated using the straight line basis at rates that will write off the costs (or valuations) of the assets to their estimated residual values over their useful lives. The residual value and useful life of an asset are reviewed, and adjusted if applicable, at the end of each financial year.

Borrowings

All borrowings are held with the Crown and are attached to operating and capital project land and buildings transferred to Ōtākaro. All loans are repayable upon the sale of the underlying asset. A portion of the interest due is not repayable upon the sale of the underlying asset.

Share Capital and Equity

All shares issued are fully paid and have a face value of \$1 each. The Crown holds all issued capital of Ōtākaro. The Crown investment in Ōtākaro is expected to be made up of 505,495,259 shares as at 30 June 2021.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these prospective financial statements, Ōtākaro has made estimates and assumptions concerning the future, including the impacts of COVID-19. These estimates and assumptions may differ from subsequent actual results.

Estimates and assumptions are continually evaluated and are based on expectations of future events that are believed to be reasonable. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amount of the assets and liabilities within the forecast financial statements are:

- Land sales and divestments' forecast uncertainty with regard to timing and amount of future sales and divestments.
- Cost of land remediation activities and the current level of uncertainty in estimating land remediation costs.
- Progress of Anchor Projects and the impact this has on overall project costs and funding required.
- Progress by external Project Owners on delivery of Ōtākaro assigned Shovel Ready projects.
- Provision for asset transfers is estimated based on land classified as public realm and all work-in-progress on relevant assets for transfer is capitalised during the financial year. The estimated amount is affected by the uncertainty with regard to timing of divestments and Anchor Project progress.

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Ōtākaro Limited
Building places for people