



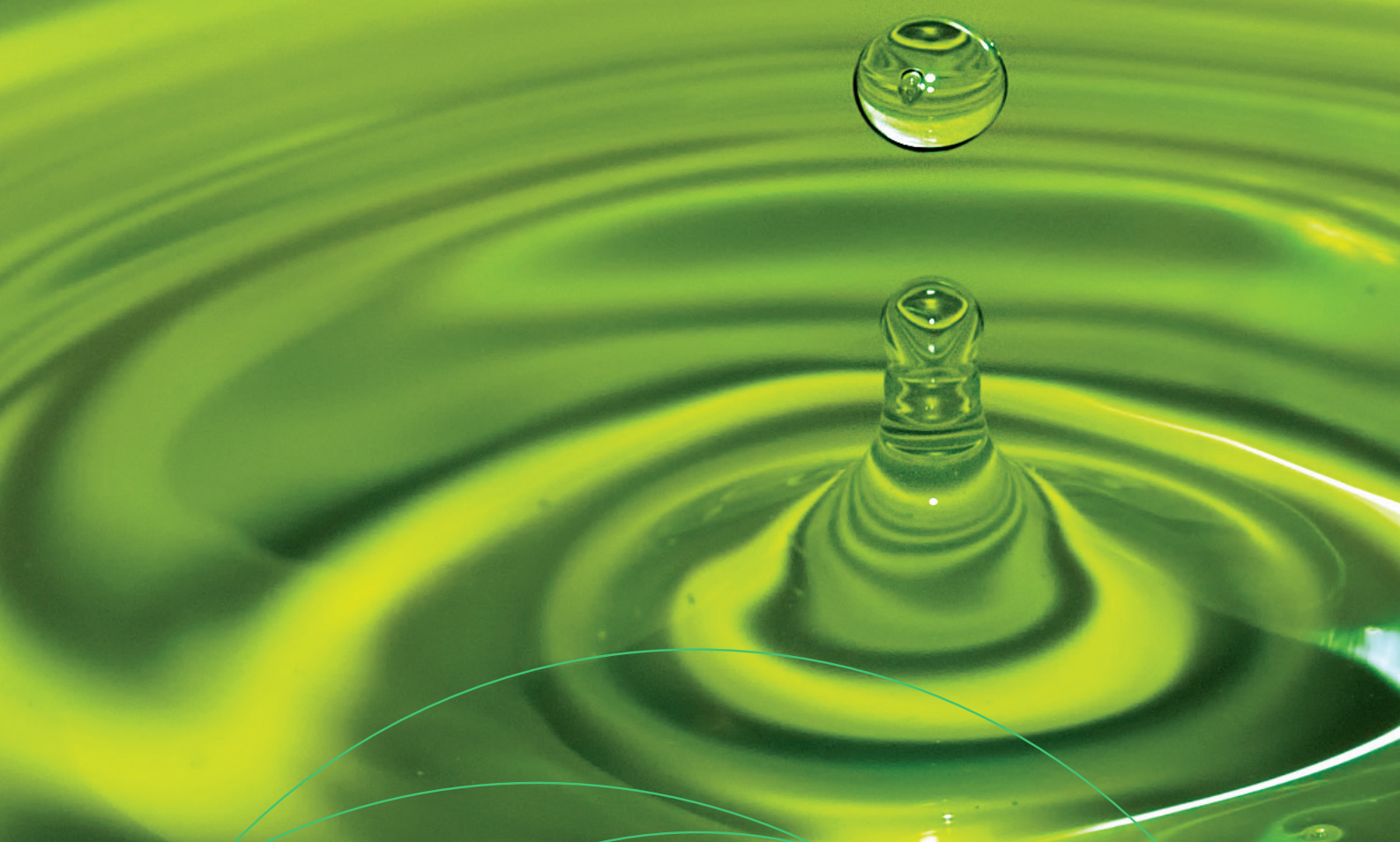
2022

# Annual report

for the year ended  
30 June 2022



**ECO**  
CENTRAL



## Our **Mission**

To lead and support best practice waste minimisation and provide enduring refuse and recycling services for South Island councils, businesses and communities.

## Our **Vision**

An economically sustainable circular economy for New Zealand in which EcoCentral plays a key leadership role.

## Our **Values**

We want to be a great place to work, offering a safe environment that promotes personal and professional development.

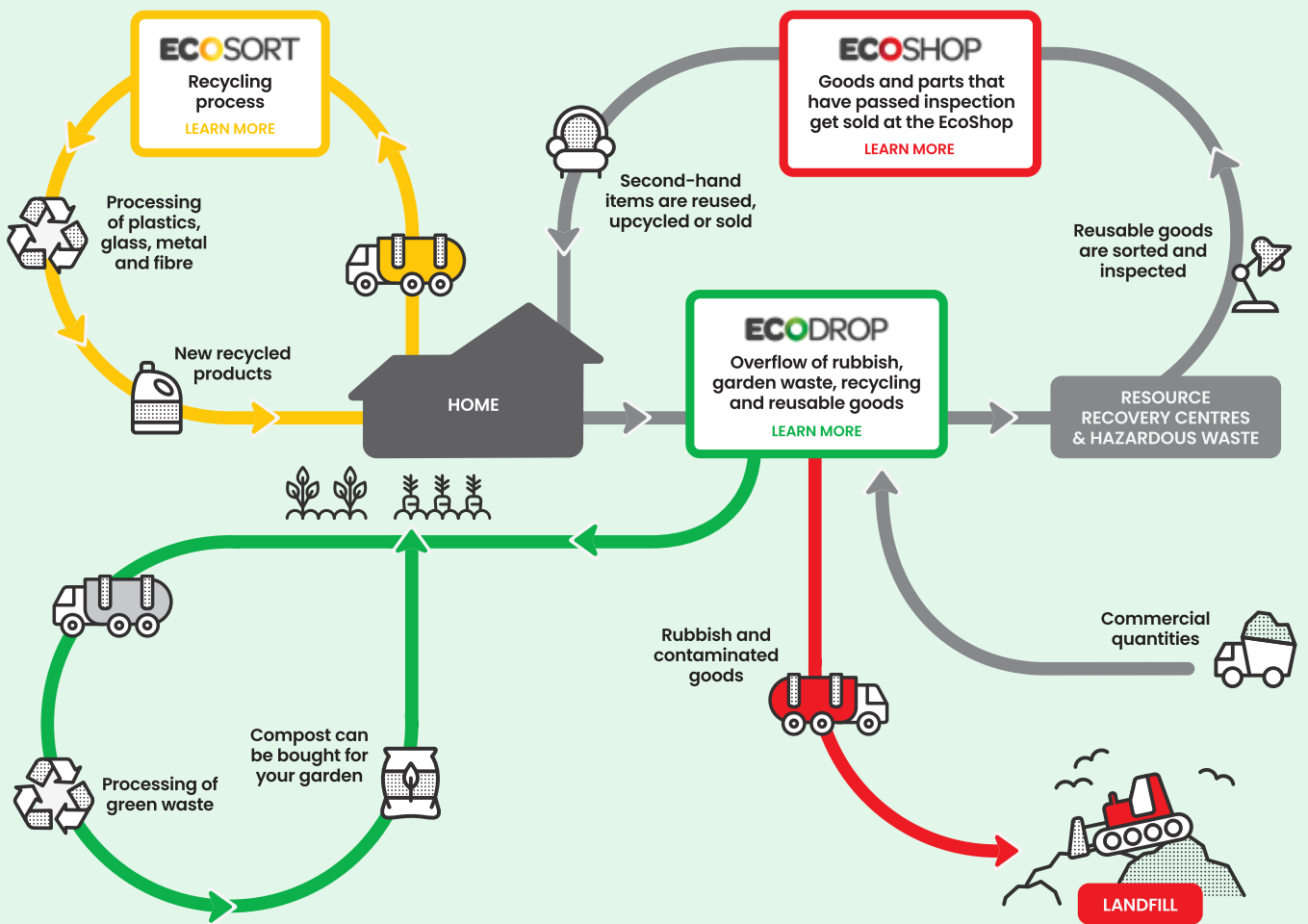
We are passionate about recycling and committed to reducing the amount of waste going to the landfill.

We make a stand against negativity, and proudly celebrate Cantabrians' efforts to look after the environment we all love.



# Our Role in the Circular Economy

A Circular Economy is all about maximising the lifespan of products and materials. It is super important that we keep them within the Circular Economy loop for as long as possible. By doing so, we send less to landfill, and ultimately, look after our environment better.

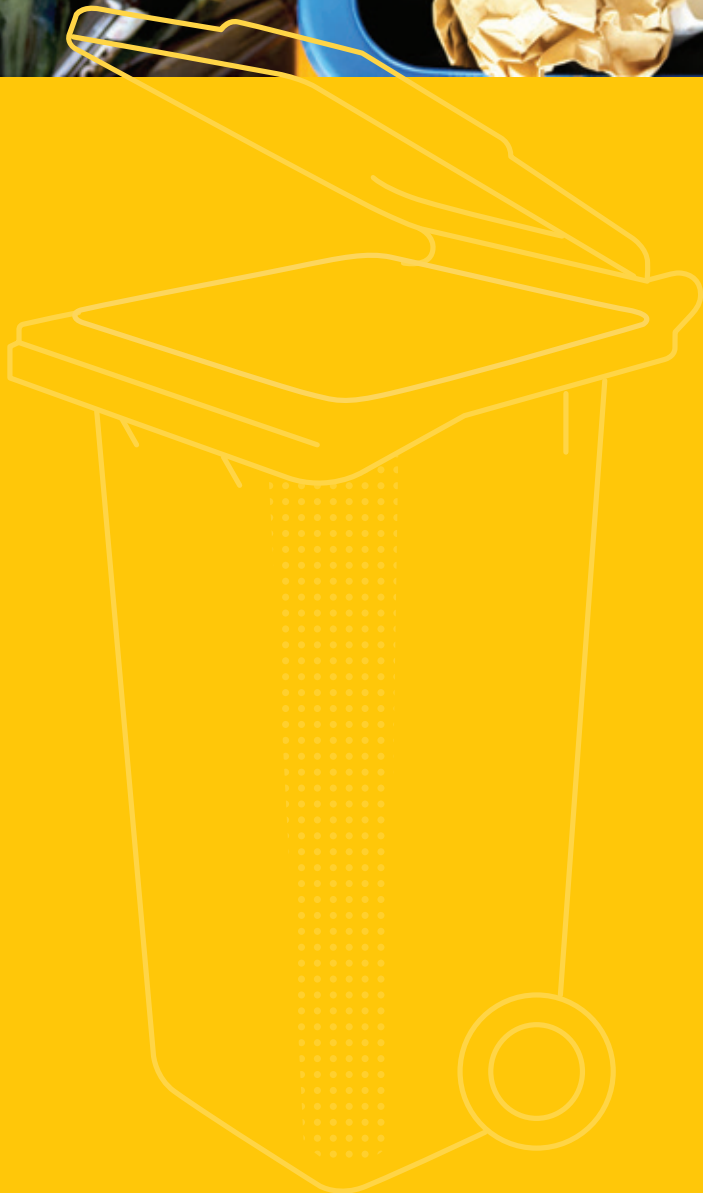




# sort shop drop

**ECO**  
**SORT**

Automated recycling...  
Where the Yellow Bin  
recycling from  
Canterbury region is  
sorted, baled and sold  
as a reclaimed material.





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sort  
shop  
drop

**ECO**  
**SHOP**

The shop with  
a conscience...  
EcoShop is the retail  
outlet for recycled  
goods rescued from  
our three EcoDrops.

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## How we performed



**500,000+**  
customers

delivering waste to EcoDrops.



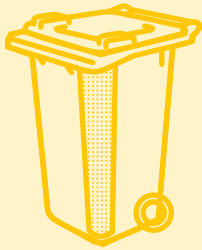
**129,324**  
customers

shopped at the EcoShop.



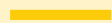
**467**  
tonnes

of milk bottles recycled.



**34,758**  
tonnes

yellow bin kerbside material recycled.



**19,565**  
tonnes

of green waste composted.



**1,328**  
truckloads

of items sold at the EcoShop.



**TRIFR**  
**6.64**  
per 200,000

hours worked.



**5,891**  
tonnes

material recycled & resued at the Resource Recovery centre.



**14,360**  
tonnes

paper product recycled.





**sort  
shop  
drop**

# **ECO DROP**

Your local  
recycling centre...  
Transfer stations around  
Christchurch accepting  
recycling and waste  
for both domestic and  
commercial customers.

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## Financial statements

The directors are pleased to present the audited financial statements of EcoCentral Limited for the year ended 30 June 2022.



**Mark Jordan** *Chairman*  
30 November 2022  
For and on behalf of the Board



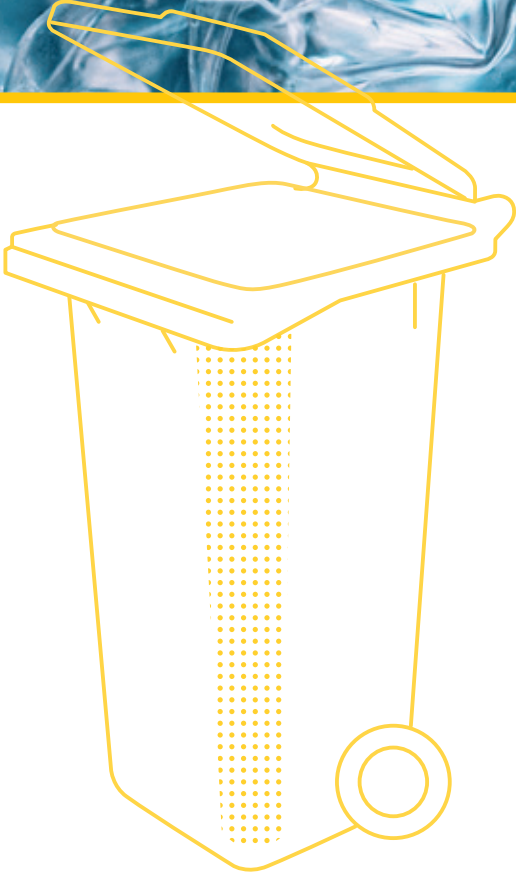
**Sinead Mary Horgan** *Director*  
30 November 2022



# sort

For recycling, in particular, it's really important that your yellow bin doesn't contain any contaminants or non-recyclables.

Remove all lids from bottles and containers and ensure your recycling is clean and free from food waste.



# Chair and Chief Executive's report



The 2021/22 year has seen EcoCentral build on its solid platform of operational excellence as we efficiently process the waste and recycling needs of Cantabrians. Increasingly our business is aligned with the principles of a Circular Economy as we balance environmental issues with commercial oversight.

## Environment and Social

We have completed our carbon emissions assessment and are now working on our CO2 reduction roadmap. Operationally the simple focus for us is to reduce diesel usage, which we will do through vehicle efficiency initiatives and a shift to new electric and hydrogen technology.

However, by far the greatest impact EcoCentral can have in reducing harmful emissions is through leadership in re-use and recycling i.e. reducing waste. This is core business and the team continue to strive for novel ways to prevent product going to landfill. We are working with industry groups to come up with novel recycling solutions, including for agricultural plastic and Tetra Pak cartons.

EcoCentral appreciates the support we receive from the Christchurch City Holdings association. Involvement in the Sustainability Working Group gives us access to expertise and ideas, and the He Huanui initiative provided the platform for increased inclusion of te ao maori.

The Ecoshop is a viable commercial enterprise, now able to contribute more to those in our community in need of basic household items. We work alongside several not-for-profit organisations to extend our reach.

## Commercial

International markets for fibre (paper and cardboard) have been buoyant in recent times but we have had to employ additional sorting labour to meet a higher quality threshold. This task will be greatly enhanced when our Materials Recovery Facility (MRF) upgrade project is completed in early 2023. An \$18m investment in optical sorting and automation will not only make the workplace safer, but most importantly will produce a quality baled product that is in demand.

Increasingly the processing of plastic recycled material is carried out in New Zealand. This is a welcome trend and we will strengthen our relationships in this part of the supply chain, ensuring a viable local market is sustainable for the long term.

Our EcoDrop business had increased volumes in the past 12 months, with growth in the commercial sector, where companies seek a safe, reputable, and convenient location to process waste.

The partnership we have with Christchurch City Council is multi-layered and co-operation in the past year has strengthened. Efforts to reduce the contamination coming through in the yellow bins has brought steady improvement. Analysis of the glass waste stream has led to a trial being kicked off at Parkhouse Rd EcoDrop to segregate coloured glass.

## People

We have a competent and stable governance and management team and have taken the opportunity to review the structure in 2022. The future will require even greater attention to developing our people and developing our markets. Additional expertise will be added to the management group in these areas. The business has relocated into a larger space in our existing building to provide for a better working environment for office staff, and there is room to grow.

We are fortunate to employ so many people who feel strongly about the good work we do to reduce waste. The culture of EcoCentral is based on the concept of doing the right thing.

Safety is a constant focus area and pleasingly we noticed a general reduction in the level of injury during 2022. As Christchurch residents we have had plenty of opportunity to practise crisis management, and we have reviewed our governance and management processes in this area to learn from these experiences.

## Outlook

The completion of the MRF upgrade, with world class equipment, will mean we can provide quality product to companies who re-process recovered material. The customers of these companies are looking to increase the recycled component of the paper and plastic products they deliver to consumers. And we operate in a dynamic and exciting industry where the carbon factor will drive behaviours as much as pure economics.

EcoCentral will play a leading role for Canterbury and the wider South Island as we strive to provide local solutions that are environmental and economically sustainable. As a trusted partner to councils, commercial operators, and the public, we have a sound platform to grow our influence through the contribution of ideas and practical business investments.

**Mark Jordan** *Chairman*

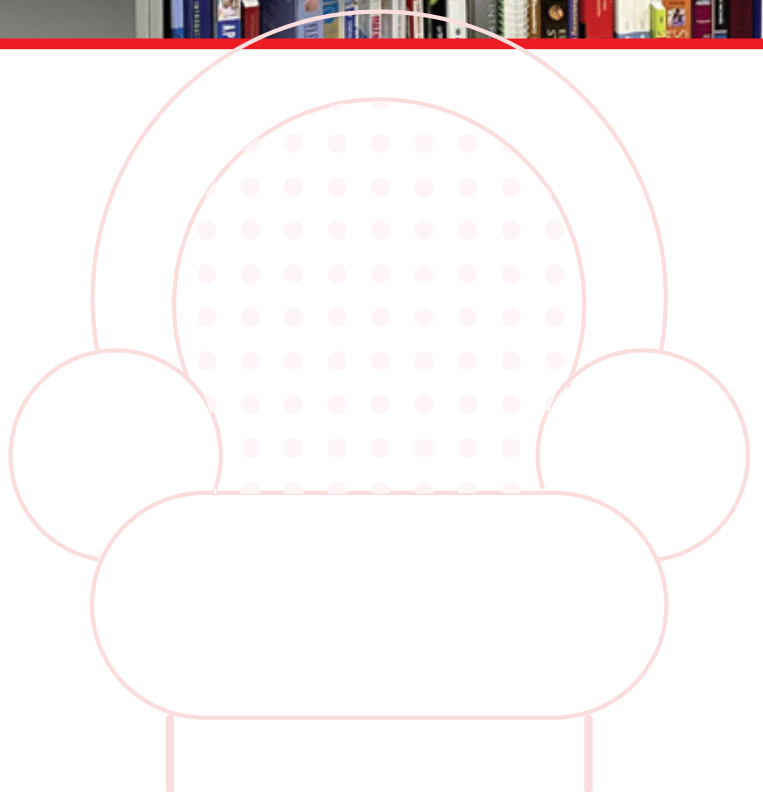
**Craig Downie** *Chief Executive Officer*



# shop

With its huge and ever-changing range of stock supplied by the reusable goods deposited at our Resource Recovery Centres, the Blenheim Road EcoShop offers an eclectic shopping experience.

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# Corporate governance statement

This statement provides readers with an overview of EcoCentral's main corporate governance practices.

## Role of the Board

The directors are appointed by the shareholder Christchurch City Holdings Ltd. The primary role of the board of directors is the corporate governance of the Company. The Board is responsible for the proper direction and control of the Company's activities and all decision making within the Company.

The Board directs and oversees the business and affairs of the Company, including in particular:

- Ensuring that the Company goals are clearly established and that strategies are in place to achieve them.
- Establishing policies for strengthening the overall performance of the operation to ensure enhancement of the shareholder value.
- Oversight of the role the Company can play in the recycling & waste industry in the Canterbury region.
- Monitor the performance of the different operations within the Company.
- Take the necessary steps to protect the financial position of the Company.
- Reviewing and approving the Company's annual plan and statement of intent.
- Ensuring the Company's financial statements are true and fair and otherwise conform with the law, and
- Ensuring that the Company adheres to high standards of ethics and corporate behaviour.
- Oversight of Health and Safety strategy, activities, and reporting.

The Board monitors economic, political, social and legal issues and other relevant external matters that may influence or affect the development of the business or the interests of the shareholder and, if thought appropriate, will take outside expert advice on these matters.

## Conduct of Directors

The conduct of directors is required to be consistent with their duties and responsibilities to the Company and indirectly to the shareholder.

Directors are expected to keep themselves abreast of changes and trends in the business and in the Company's environment and markets.

## Board composition and mix

The composition of the Board reflects the duties and responsibilities it has to discharge and perform in the interests of the shareholder, and in setting the Company's strategy and seeing that it is implemented.

The Board of EcoCentral Limited comprises four directors.

The Board meets at least eleven times a year. In the 2022 Financial Year the Board met eleven times.

The Board receives monthly board papers, which cover health & safety, financial & operational performance and updates on progress of strategic initiatives against plan & statement of intent. Issues of health and safety are covered by the Board, as are decisions regarding senior management remuneration.

## Subcommittees of the Board

There is one subcommittee of the Board

- Audit & Risk committee – this committee is responsible for the assurance and assistance to the Board on EcoCentral Limited's risk, control and compliance framework, and its external accountability responsibilities.

## Directors' remuneration

The Shareholder recommends and approves the level of remuneration paid to directors.

**Conflicts of interest**

The Board charter outlines the board’s policy on conflicts of interest. A full and updated interest register is available at all Board meetings.

**Indemnities and Insurance**

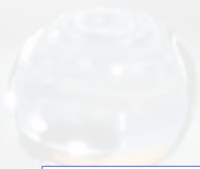
The Company provides directors with directors and officers liability insurance cover while acting in their capacity as directors, to the fullest extent permitted by the Companies Act 1993.

**Chief Executive Officer performance review**

The Board reviews the performance of the Chief Executive Officer against key performance objectives on an annual basis.

**Salary bands**

<b>\$'000</b>	<b>30 June 22 Number</b>	<b>30 June 21 Number</b>
110-120	1	1
120-130	1	1
130-140	1	-
140-150	-	1
150-160	1	1
160-170	-	-
170-180	1	-
180-190	-	-
190-200	-	-
200-210	-	1
210-220	1	-
220-230	-	-
230-240	-	-
240-250	-	-
250-260	-	-
260-270	-	-
270-280	-	-
280-290	-	-
290-300	-	1
300-310	-	-
310-320	-	-
320-330	-	-
330-340	1	-



# Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2022

	<i>Note</i>	<b>30 June 22</b> <b>\$'000</b>	<b>30 June 21</b> <b>\$'000</b>
<b>Revenue</b>			
Operating and other revenue	2	42,738	38,699
Financial income	3	69	19
Other gains	4	251	72
<b>Total revenue</b>		<b>43,059</b>	<b>38,790</b>
<b>Expenditure</b>			
Depreciation, amortisation and impairment	5	4,522	4,334
Finance costs	6	210	288
Personnel costs	7	9,203	7,368
Other expenses	8	25,889	23,428
<b>Total expenditure</b>		<b>39,824</b>	<b>35,417</b>
<b>Surplus/(deficit) before tax</b>		<b>3,235</b>	<b>3,373</b>
Income tax expense	10a	907	945
<b>Surplus/(deficit) after tax</b>		<b>2,327</b>	<b>2,427</b>
<b>Other comprehensive income</b>			
Cash flow hedges	23	263	-
<b>Total comprehensive income</b>		<b>2,590</b>	<b>2,427</b>

*The accompanying notes form part of these financial statements*

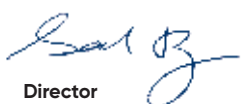
# Statement of financial position

AS AT 30 JUNE 2022

	Note	30 June 22 \$'000	30 June 21 \$'000
<b>Current assets</b>			
Cash and cash equivalents	11	8,386	7,911
Trade and other receivables	12a	2,713	2,033
Derivative financial instruments	13a	263	-
Prepayments		31	58
Inventories	14	593	891
<b>Total current assets</b>		<b>11,985</b>	<b>10,894</b>
<b>Non-current assets</b>			
Property, plant and equipment	15	14,786	6,066
Right of use assets	16	3,709	5,408
Deferred tax asset	10d	844	626
<b>Total non-current assets</b>		<b>19,338</b>	<b>12,101</b>
<b>Total assets</b>		<b>31,324</b>	<b>22,994</b>
<b>Current liabilities</b>			
Trade and other payables	17	3,974	3,689
Provisions	18	129	220
Deferred income	19	7,429	-
Lease liabilities	20	2,592	2,139
Employee entitlements	21	1,149	1,011
Current tax liabilities	10b	1,151	1,242
<b>Total current liabilities</b>		<b>16,424</b>	<b>8,300</b>
<b>Non-current liabilities</b>			
Lease liabilities	20	1,344	3,478
<b>Total non-current liabilities</b>		<b>1,344</b>	<b>3,478</b>
<b>Total liabilities</b>		<b>17,768</b>	<b>11,779</b>
<b>Net assets</b>		<b>13,556</b>	<b>11,216</b>
<b>Equity</b>			
Capital and other equity instruments	22	6,100	6,100
Reserves	23	263	-
Retained earnings	24	7,193	5,116
<b>Total equity</b>		<b>13,556</b>	<b>11,216</b>



Chairman  
For and on behalf of the Board



Director

The accompanying notes form part of these financial statements



# Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2022

	Share capital \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
<i>Note</i>	22	23	24	
<b>30 June 2022</b>				
Balance at beginning of financial year	6,100		5,116	11,216
Net profit	-	-	2,327	2,327
Other comprehensive income	-	263	-	263
Total comprehensive income	-	263	2,327	2,590
Dividends paid	-	-	(250)	(250)
<b>Balance at end of financial year</b>	<b>6,100</b>	<b>263</b>	<b>7,193</b>	<b>13,556</b>
<b>30 June 2021</b>				
Balance at beginning of financial year	6,100	-	3,188	9,288
Net profit	-	-	2,427	2,427
Total comprehensive income	-	-	2,427	2,427
Dividends paid	-	-	(500)	(500)
<b>Balance at end of financial year</b>	<b>6,100</b>	<b>-</b>	<b>5,116</b>	<b>11,216</b>

The accompanying notes form part of these financial statements

# Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2022

	Note	30 June 22 \$'000	30 June 21 \$'000
<b><u>Cash flows from operating activities</u></b>			
Receipts from customers and other sources		41,831	40,209
Interest received		69	19
Payments to suppliers and employees		(34,207)	(31,488)
Subvention payment made		(1,216)	(157)
Interest and other finance costs paid		(210)	(288)
<b>Net cash flow from operating activities</b>	25	6,268	8,294
<b><u>Cash flows from investing activities</u></b>			
Payment for property, plant and equipment		(10,818)	(730)
Proceeds from sale of property, plant and equipment		291	82
Government grants received		7,429	-
<b>Net cash flow from investing activities</b>		(3,097)	(648)
<b><u>Cash flows from financing activities</u></b>			
Repayment of lease liabilities		(2,446)	(2,049)
Dividends paid		(250)	(500)
<b>Net cash flow from financing activities</b>		(2,696)	(2,549)
Net increase in cash and cash equivalents		474	5,096
Cash and cash equivalents at beginning of year		7,911	2,815
<b>Cash and cash equivalents at end of year</b>	11	8,386	7,911

*The accompanying notes form part of these financial statements*

## 1. Statement of accounting policies

### Reporting Entity

EcoCentral Limited is a Tier 1 for-profit entity, incorporated in New Zealand under the Companies Act 1993.

EcoCentral Limited is a wholly-owned subsidiary of Christchurch City Holdings Limited.

### Basis of preparation

#### Statement of compliance

The financial statements of the Company have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with IFRS and NZ IFRS, and other applicable financial reporting standards, as appropriate for Council Controlled Trading Organisations (CCTOs).

#### Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain financial instruments (including derivative instruments). The accounting policies have been consistently applied in determining the earnings and cash flows for the year ended 30 June 2022, and the financial position as at that date.

#### 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 the Company is New Zealand dollars.

### Significant Accounting Policies

#### Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

#### Foreign currency transactions

Foreign currency transactions are translated at the foreign exchange rate that exists on the day of the transaction.

Foreign currency monetary assets and liabilities at the balance date are translated to NZ dollars at the rate that exists at that date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

#### Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently less an allowance for impairment.

Collectability of trade receivables is reviewed on an on-going basis at an operating level. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable.

#### Inventories

Inventories including raw materials, work in progress and finished goods are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

**Raw materials** – purchase cost on a first-in, first-out basis.

**Finished goods and work-in-progress** – cost of direct materials and labour and a proportion of variable and fixed manufacturing overheads based on normal operating capacity. Costs are assigned on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### Derivative financial instruments and hedging

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivative assets and liabilities held for with the intention to reduce the foreign exchange risk of expected sales and purchases are classified as current in the statement of financial position. Derivative assets and liabilities are classified as non-current when the remaining maturity is more than 12 months, or current when the remaining maturity is less than 12 months.

The fair values of forward currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

Any gains or losses arising from changes in the fair value of derivatives, except for those that qualify as cash flow hedges, are taken directly to profit or loss for the year.

#### Property, plant and equipment

Property, plant and equipment are recognised at its historical cost or valuation less accumulated depreciation and any accumulated impairment losses.

Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

Buildings	8 – 20 years
Plant and equipment	2 – 15 years
Motor vehicles	3 – 10 years
IT Systems & Equipment	2 – 10 years
Furniture & Fittings	3 – 15 years

The plant and equipment at the EcoSort's materials recycling facility (MRF) have been assessed to have their useful lives expiring by 2024.

#### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment are recognised at its cost. Where an asset is acquired at nil cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

The assets' residual values, useful lives and depreciation methods are reviewed annually, and adjusted if appropriate, at each financial year end.

#### Disposals

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

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

#### Impairment

Items of property, plant and equipment are assessed for impairment on an annual basis. There was no impairment recognised during the current year or previous years.

#### Leases

##### *EcoCentral Limited as a lessee*

The Entity assesses whether a contract is or contains a lease, at inception of the contract. The Entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, which are determined to be when purchased new for the price of NZD \$7,000 (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Entity recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Entity remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

During the current financial year, following an increase in monthly rental payments, the Entity remeasured its lease liability (and corresponding right-of-use asset) relating to the Christchurch City Council. There were no such adjustments during prior year.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease and is calculated on a straight-line basis over the estimated useful life of the specific assets.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Entity applies NZ IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss. There were no such expenses in the current year.

As a practical expedient, NZ IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Entity has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Entity allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

### **Trade and other payables**

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

### **Interest-bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

### **Provisions and employee benefits**

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the entity expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

### **Employee leave benefits**

#### *(i) Wages, salaries, annual leave and sick leave*

Liabilities for wages and salaries, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

#### *(ii) Long service leave*

EcoCentral's net obligation in respect of long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value. The discount rate is the market yield on relevant New Zealand Government Stock at the balance sheet date.

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Three key assumptions used in calculating this liability include the discount rate, staff turnover and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability. Expected future payments are discounted using forward discount rates derived from the New Zealand government 10 year bonds. The salary inflation factor has been determined after considering historical salary and wage inflation patterns.

### Revenue recognition

Revenue is recognized when control of a good or service transfers to the customer and is based on the fulfilment of performance obligations.

#### *(i) Processing of waste and recyclables*

The company operates three refuse stations and a materials recovery facility for the processing of recyclable products. Revenue for the processing of waste and recyclables is recognised when the product or waste is received by the company. The company's performance obligations for each customer are satisfied at the time of delivery as no further work or processing is required, the quantity and quality of the goods has been determined and the price is fixed. The unit price is pre-agreed and fixed. However, for some contracts, in addition to the fixed unit price, a variable consideration and a consideration payable to a customer are estimated for the respective transactions and recognised at year end based on the entity's overall performance for the year.

#### *(ii) Sale of goods*

The company receives revenue from the sale of its sorted recyclable products. Revenue is recognised for exported product when it is delivered to the port. Title for the goods pass to the customer at this point as all goods are shipped under 'free alongside ship (FAS) terms. Revenue for product metals sold within New Zealand is recognised once the product is delivered to the customer. Revenue for all other recyclable product sold within New Zealand is recognised once the goods are picked up by the customer. The company's performance obligations for each customer are satisfied at the time delivery or pick up has been made as no further work or processing is required.

The company runs a retail store that sells recycled goods that have been delivered by the public. Revenue is recognised when the company sells goods to the customer. Payment for each transaction is due immediately. The company offers a 60 day warranty for whiteware products over the value of \$300. Based on accumulated experience, it is highly probable that a significant reversal in cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

#### *(iii) Hazardous waste cost recoveries*

The company has a contract with the Christchurch City Council to invoice for the cost of disposal of hazardous waste received at its refuse stations. Revenue is recognised when the costs of disposal have been determined and a customer invoice has been generated. The company's performance obligations for each transaction are satisfied when the hazardous waste is removed from EcoCentral's property by the respective contractor.

### Income tax

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

### **Goods and services tax**

Revenues, expenses, cash flows and assets are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense. Cash flows in respect of payments to and receipts from the Inland Revenue Department are shown net in the statement of cash flows.

### **Government grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Revenue recognised from Government grants and assistance is disclosed under operating and other revenue (see note 2).

### **Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other

various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

There are no estimates and assumptions that have a significant risk of causing a material misstatement within the next financial year.

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

#### *(i) Classification of leases*

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 the company. 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. Management has exercised its judgement on the appropriate classification of leases and has determined that all significant lease arrangements are operating leases.

#### *(ii) Impact of COVID-19*

The company assesses that COVID-19 had a minimal impact on its operational results for the both the current and previous years.

On 17th August 2021, EcoCentral was impacted by the Government's nationwide COVID level 4 lockdown. As an essential service, the EcoSort's recycling facility continued to operate during this time and the EcoDrop refuse stations also continued to operate for essential customers only. The company's EcoShop was closed and didn't reopen until Christchurch returned to level 2 on 2nd September 2021. The company experienced a loss of revenue in excess of 55% during the first two weeks of the lockdown and received a wage subsidy from the government for this period. The wage subsidy was subsequently returned to the Government in February following a strong rebound in both revenue and profitability. The company has also received \$23K from the Government's COVID-19 Leave Support Scheme during the year.



### **Adoption of new and revised standards**

Certain new accounting standards and amendments have been issued that are not mandatory for the year ended 30 June 2022 and have not been early adopted by the company. The company has assessed that these are not likely to have an effect on its financial statements.

### **Changes in accounting policy and disclosures**

The accounting policies detailed above have been applied in the preparation of these financial statements for the year ended 30 June 2022 and have been consistently applied throughout the year.

There have been no changes in accounting policies in comparison with the prior year.

### **Restatement of comparative period**

The Company has made the following reclassification adjustments to better reflect the nature of the transaction and ensure the consistency of the presentation between current period and comparative period:

- The \$818k CCC volume rebate during the financial year of 2021 has been reclassified as a reduction in “processing of waste and recyclables” revenue, included in “operating and other revenue”, rather than “other operating expenses” included in “other expenditure”;
- The corresponding payable to CCC as at 30 June 2021 has been reclassified as “Amounts due to related parties” included in “Trade and other payables”, rather than offsetting in “other related parties” included in “trade and other the receivables”.

### **Subsequent Event**

On 1st September 2022, EcoCentral moved the location of its head office to the ground floor in its existing building. A new lease agreement was entered into as part of this move. The financial impact of this will be recognised in the year ended 30 June 2023 and has resulted in an increase in the Company's right-of-use assets and lease liabilities of \$220,823.

## Notes to the financial statements CONT.

2. <b>Operating and other revenue</b>	<b>30 June 22</b> <b>\$'000</b>	<b>30 June 21</b> <b>\$'000</b>
<b>Revenues from contracts with customers</b>		
Processing of waste and recyclables	34,239	32,349
Sale of goods	7,778	5,331
Hazardous waste cost recoveries	389	533
	42,405	38,213
<b>Other revenue</b>		
Miscellaneous income	310	486
Government grants	23	-
	333	486
Total operating and other revenue	42,738	38,699

### Processing of waste and recyclables

A consideration payable to a customer is recognised as a reduction of the transaction price at an amount of \$724k (2021: 818k).

### Government grants

During the current year the company received \$23K from the Government's COVID-19 Leave Support Scheme. In September 2021, the company also received \$110K from the Government's COVID-19 wage subsidy scheme. However, in February 2022, the Board made the decision to repay this \$110K following a strong rebound in both revenue and profitability. There are no unfulfilled conditions or other contingencies attached to the subsidies that were received. There were no COVID subsidies claimed in the previous year.

On 26th August 2020, the New Zealand Government announced it will be investing \$36.7 million in high-tech recycling plants nationwide. On 21st January 2021, EcoCentral signed deeds of funding with the Ministry for the Environment (MFE) to receive up to \$1.8 million grant funding for a plastics optical sorter and up to \$15 million grant funding for a fibre optical and mechanical sorter. During the current year, the company claimed \$7.4M from the MFE funding grant (PYRL Nil). It is expected that the company will claim the balance of this allocated funding in the 2022/23 year. The expected practical completion date for the project is December 2022. This funding is conditional on the company completing its deliverables, under the deeds of funding, to the reasonable satisfaction of the Ministry for the Environment. Therefore \$7.4M is recognised in deferred revenue, which is recorded initially at the amount of the grant received, refer to note 19. The actual cost to date is recognised as work in progress, which is recorded initially at the full cost of the asset, refer to note 15.

3. <b>Finance income</b>	<b>30 June 22</b> <b>\$'000</b>	<b>30 June 21</b> <b>\$'000</b>
Interest income - bank deposits	69	19
	69	19

4. <b>Other gains and losses</b>	<b>30 June 22</b> <b>\$'000</b>	<b>30 June 21</b> <b>\$'000</b>
<b>Other gains</b>		
Gains on disposal of property, plant and equipment	250	72
Gains on modification of leases	1	-
	251	72

## Notes to the financial statements CONT.

5. Depreciation, amortisation and impairment	30 June 22 \$'000	30 June 21 \$'000
Depreciation of property, plant and equipment	2,194	2,205
Depreciation of right of use assets	2,328	2,129
	4,522	4,334

6. Finance costs	30 June 22 \$'000	30 June 21 \$'000
Interest on leases	210	288
	210	288

7. Personal costs	30 June 22 \$'000	30 June 21 \$'000
Salaries and wages	8,703	7,125
KiwiSaver contributions	185	170
Increase / (decrease) in employee entitlements	138	(54)
Other	178	127
	9,203	7,368

For everyone who is qualified in their role, they are paid the living wage.

8. Other expenses	30 June 22 \$'000	30 June 21 \$'000
Disposal costs	20,077	19,240
Repairs and maintenance	1,231	994
Directors' fees	165	155
Low value or short term leases	75	83
Net foreign exchange losses	1	16
Other operating expenses	4,340	2,939
	25,889	23,428

9. Remuneration of Auditors	30 June 22 \$'000	30 June 21 \$'000
<b>Audit New Zealand</b>		
Audit of the financial statements	52	50
	52	50

## Notes to the financial statements CONT.

10. Income taxes	30 June 22 \$'000	30 June 21 \$'000	
<b>(a) Components of tax expense</b>			
Taxation payable for current year	1,151	1,242	
Adjustments to deferred tax in prior year	(26)	2	
Deferred tax expense/(income)	(217)	(298)	
Total tax expense	907	945	
<b>Reconciliation of prima facie income tax:</b>			
Net profit before tax	3,235	3,373	
Income tax expense calculated at 28%	906	944	
Expenses not deducted for income tax	2	1	
Total tax expense	907	945	
<b>(b) Current tax payables</b>			
Taxation payable	1,151	1,242	
	1,151	1,242	
<b>(c) Imputation credit account</b>			
Imputation credits available for use in subsequent periods	-	-	
	-	-	
	<b>Opening balance \$'000</b>	<b>Income \$'000</b>	
		<b>Closing balance \$'000</b>	
<b>(d) Deferred tax balance</b>			
<b>30 June 2021</b>			
<b>Deferred tax asset:</b>			
Property, plant and equipment	23	298	322
Provisions and employee entitlements	304	(1)	304
Doubtful debts and impairment losses	1	1	1
	328	298	626
<b>30 June 2022</b>			
<b>Deferred tax asset:</b>			
Property, plant and equipment	322	203	525
Provisions and employee entitlements	304	14	318
Doubtful debts and impairment losses	1	-	1
	626	217	844

## Notes to the financial statements CONT.

11. Cash and cash equivalents	30 June 22 \$'000	30 June 21 \$'000
NZD Balances	8,383	7,908
AUD Balances	1	-
USD Balances	3	3
	8,386	7,911

12. Trade and other receivables	30 June 22 \$'000	30 June 21 \$'000
<b>(a) Current trade and other receivables</b>		
Trade receivables (before impairment)	1,096	1,109
Other related parties	1,473	928
GST receivable	147	-
	2,716	2,037
Provision for impairment - trade receivables	(3)	(4)
	2,713	2,033

### **(b) Credit risk aging of receivables**

Individual impaired receivables have been determined to be impaired because of significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors is as follows:

#### **Gross receivables**

Not past due	2,645	2,002
Past due 0-30 days	50	39
Past due 31-60 days	24	(1)
Past due more than 60 days	(3)	(3)
	2,716	2,037

#### **Impairment**

Past due more than 60 days	(3)	(4)
	(3)	(4)

#### **Movement in provisions for impairment of receivables**

Balance at start of the year	(4)	(2)
Provisions made during the year	(11)	(4)
Receivables written off during the year	12	2
	(3)	(4)

## Notes to the financial statements CONT.

13. Derivatives	30 June 22 \$'000	30 June 21 \$'000	
<b>(a) Current assets</b>			
Forward exchange instruments	263	-	
	263	-	
14. Inventories	30 June 22 \$'000	30 June 21 \$'000	
Inventory - raw materials and maintenance items	340	512	
Inventory - finished goods	252	379	
	593	891	
15. Property, plant and equipment	Land & buildings \$'000	Plant and equipment \$'000	Total \$'000
<b>Reconciliation of movement in property, plant and equipment</b>			
<b>Operational assets</b>			
<b>Cost</b>			
Cost at 1 July 2020	3,903	19,446	23,349
Additions	-	791	791
Disposals	-	(422)	(422)
Net movements in work in progress	-	(61)	(61)
Cost at 30 June 2021	3,903	19,754	23,657
Cost at 1 July 2021	3,903	19,754	23,657
Additions	3	874	877
Disposals	-	(980)	(980)
Net movements in work in progress	-	10,078	10,078
Cost at 30 June 2022	3,905	29,725	33,631
<b>Accumulated depreciation</b>			
Balance at 1 July 2020	(2,888)	(12,909)	(15,798)
Disposals	-	411	411
Depreciation expense	(282)	(1,923)	(2,205)
Balance at 30 June 2021	(3,170)	(14,421)	(17,591)
Balance at 1 July 2021	(3,170)	(14,421)	(17,591)
Disposals	-	940	940
Depreciation expense	(280)	(1,914)	(2,194)
Balance at 30 June 2022	(3,450)	(15,395)	(18,845)
Carrying amount at 30 June 2021	733	5,333	6,066
<b>Carrying amount at 30 June 2022</b>	455	14,330	14,786

## Notes to the financial statements CONT.

16. Right of use assets	Land & buildings \$'000	Total \$'000
<b>Cost</b>		
Cost at 1 July 2020	9,548	9,548
Additions	93	93
Cost at 30 June 2021	9,641	9,641
Cost at 1 July 2021	9,641	9,641
Additions	786	786
Disposals	(21)	(21)
Cost at 30 June 2022	10,406	10,406
<b>Accumulated depreciation</b>		
Balance at 1 July 2020	(2,103)	(2,103)
Depreciation expense	(2,129)	(2,129)
Balance at 30 June 2021	(4,232)	(4,232)
Balance at 1 July 2021	(4,232)	(4,232)
Depreciation expense	(2,328)	(2,328)
Depreciation expense - transferred to property, plant & equipment	(137)	(137)
Balance at 30 June 2022	(6,697)	(6,697)
Carrying amount at 30 June 2021	5,408	5,408
<b>Carrying amount at 30 June 2022</b>	<b>3,709</b>	<b>3,709</b>
<b>17. Trade and other payables</b>		
	30 June 22 \$'000	30 June 21 \$'000
Trade payables and accrued expenses	1,291	896
Amounts due to related parties	2,683	2,711
GST payable	-	81
	3,974	3,689

## Notes to the financial statements CONT.

18. Provisions	Other provisions \$'000	Repairs & maintenance provisions \$'000	Total \$'000
Balance at 1 July 2020	12	257	269
Additional provisions made	-	295	295
Amounts used	-	(344)	(344)
Balance at 30 June 2021	12	208	220
Balance at 1 July 2021	12	208	220
Additional provisions made	-	560	560
Amounts used	-	(650)	(650)
Balance at 30 June 2022	12	117	129

Under the terms of its contract with the Christchurch City Council, the Company is required to follow an agreed maintenance plan for its plant and equipment. At balance date, the Company has provided for the unspent portion of its obligations under the contract.

19. Deferred Income	30 June 22 \$'000	30 June 21 \$'000
Government grants	7,429	-
	7,429	-

20. Lease liabilities	30 June 22 \$'000	30 June 21 \$'000
<b>Current</b>		
Non related parties	673	360
Related parties	1,920	1,779
	2,592	2,139
<b>Non-current</b>		
Non related parties	185	499
Related parties	1,159	2,979
	1,344	3,478
	3,936	5,617
<b>Maturity Analysis</b>		
Year 1	2,707	2,337
Year 2	1,363	2,277
Year 3	-	1,325
Year 4	1	-
	4,070	5,939

The Company has lease liability agreements with the Christchurch City Council, and other non-related parties, that relate to the rental of land and buildings across all of its business units. The agreements have remaining terms of between one and three years. The Company does not own the assets at the end of the lease term and there is no residual value.



## Notes to the financial statements CONT.

21. Employee entitlements	30 June 22 \$'000	30 June 21 \$'000
<b>Current portion</b>		
Accrued pay	91	65
Annual leave	946	835
Long service leave	22	22
Bonuses and redundancy provision	90	90
	1,149	1,011

The provision for long service leave is an actuarial assessment of entitlements that may become due to employees in the future. The provision is affected by a number of estimates, including the expected length of service of employees and the timing of benefits being taken.

22. Capital and other equity instruments	30 June 22 \$'000	30 June 21 \$'000
<b>Fully paid redeemable preference shares</b>		
Balance at 1 July	6,100	6,100
Balance at 30 June	6,100	6,100

In August 2012 5,000,000 redeemable preference shares were issued for \$1.00 per share, taking the share capital to 6,100,000 fully paid redeemable preference shares and 100 ordinary \$1.00 shares held by CCHL. These are the same as the authorised share capital. There were no changes to the number of issued shares during the current year or the previous year.

23. Reverses	30 June 22 \$'000	30 June 21 \$'000
Hedging Reserve	263	-
	263	-
<b>Hedging reserve</b>		
Balance at 1 July	-	-
Forward foreign exchange contracts	263	-
Balance at 30 June	263	-

The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges.

## Notes to the financial statements CONT.

24. Retained earnings	30 June 22 \$'000	30 June 21 \$'000
Balance at 1 July	5,116	3,188
Net profit for the period	2,327	2,427
Dividends paid	(250)	(500)
Balance at 30 June	7,193	5,116

During the year ended 30 June 2022, EcoCentral Limited declared and paid a dividend of 4.098 cents per share, \$250,000 (2021: \$500,000), to the shareholder, Christchurch City Holdings Limited.

25. Reconciliation of surplus to net cash flows from operating expenses	30 June 22 \$'000	30 June 21 \$'000
Surplus for the period	2,327	2,427
<b>Add/(less) non-cash items</b>		
Depreciation, amortisation and impairment expense	4,522	4,334
Deferred tax credited to income	(217)	(298)
	4,304	4,035
<b>Add/(less) items classified as investing or financing activities</b>		
Gain on disposal of property, plant & equipment	(250)	(72)
	(250)	(72)
<b>Add/(less) movement in working capital items</b>		
Trade and other receivables	(680)	679
Inventories	298	(535)
Prepayments	27	25
Trade and other payables	285	750
Provisions	(91)	(49)
Employee entitlements	138	(54)
Income tax payable	(91)	1,086
New changes in net assets and liabilities	(113)	1,902
<b>Net cash from operating activities</b>	6,268	8,294

## Notes to the financial statements CONT.

<b>26. Capital commitments and operating leases</b>	<b>30 June 22 \$'000</b>	<b>30 June 21 \$'000</b>
As at 30 June 2022, the Company had no non-cancellable operating lease commitments (2021: Nil). It did, however, have the following capital commitments:		
<b>(a) Capital commitments</b>		
Property, plant & equipment – MFE funded plant upgrade	7,706	-
Property, plant & equipment – other	509	-
Buildings – agreement to lease	228	-
	8,443	-

EcoCentral signed the new agreement to lease its offices on 28 June 2022. The lease will start on 1 September 2022. As at 30 June 2022 EcoCentral had the capital commitments in respect of the agreement to lease for \$227,712 (2021: nil).

## 27. Contingent liabilities and contingent assets

As at 30 June 2022 there were no contingent liabilities and no contingent assets (2021: Nil).

## 28. Financial instrument risks

### Interest rate risk management

The Company's principal financial instruments comprise receivables, payables, bank loans and overdrafts, finance leases, cash and short-term deposits and derivatives.

### Risk exposures and responses

The main risks arising from the financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Chief Financial Officer under the authority of the board. The board reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in derivatives, hedging cover of foreign currency and interest rate risk, credit allowances, and future cash flow forecast projections.

### 28. Financial instrument risks CONT.

#### Interest rate risk

The Company's exposure to market interest rates relates primarily to the long-term debt obligations. At balance date, the Company had the following mix of financial assets and liabilities exposed to New Zealand variable interest rate risk that are not designated in cash flow hedges. The following table summarises the Company's exposure to interest rate risk:

	30 June 2022		30 June 2021	
	Fixed \$'000	Variable \$300	Fixed \$'000	Variable \$'000
<b>30 June 2021</b>				
<b>Financial assets</b>				
Cash and cash equivalents		8,386		7,911
Trade and other receivables	1,240		1,105	
Related party receivables	1,473		928	
	<u>2,713</u>	<u>8,386</u>	<u>2,033</u>	<u>7,911</u>
<b>Financial liabilities</b>				
Lease liabilities	857		859	
Lease liabilities - related parties	3,079		4,758	
	<u>3,936</u>		<u>5,617</u>	

#### Foreign currency risk management

Foreign currency risk is the risk that the value of the assets and liabilities or revenues and expenses will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk as a result of transactions that are denominated in a currency other than New Zealand dollars.

The Company seeks to mitigate the effect of its foreign currency exposure through the use of cash flow hedges or options, and forward currency purchases where there is a firm commitment for a sale or purchase. It also applies hedge accounting practices. Approximately 6% of sales are denominated in currencies other than the functional currency of the entity (2021: 3%), whilst almost 100% of costs are denominated in New Zealand dollars.

Approximately 77% of the capital costs relating to the Materials Recovery Facility (MRF) upgrade project are dominated in Australian dollars. 100% of this exposure was covered by a series of forward exchange contracts.

#### Capital management

The Company's capital includes share capital, reserves and retained earnings. The Company's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business.

The board of directors regularly reviews the company's policies in respect of the management and allocation of capital. There has been no material change to the company's management and allocation of capital during the year. The Company is not subject to externally imposed capital requirements. The company provides certain general undertakings to its key lender, under the subordinated loan agreement that it will not enter into any further indebtedness, other than in the ordinary course of business of the Borrower or with the Lender's prior written consent. The agreement has other clauses that restrict certain asset disposals, the lending of money to other parties, and ensure compliance with the law and to pay taxes as they fall due. The company has complied with the agreement during the year.

28. **Financial instrument risks** CONT.

**Credit risk management**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the entity. Credit risk arises from the Company's financial assets, which comprise cash and cash equivalents, trade and other receivables, available-for-sale financial assets, and derivative instruments. The exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets as outlined in each applicable note. The Company does not hold any credit derivatives to offset its credit exposure.

The Company only trades with recognised, creditworthy third parties, and as such collateral is not requested nor is it policy to scrutinise its trade and other receivables. It is policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer. These risk limits are regularly monitored. In addition, receivable balances are monitored on an on-going basis with the result that the level of bad debts has not been significant.

The Company's investment policy includes parameters for investing in financial institutions and other organisations including where applicable entities that have required Standard and Poor's credit ratings. EcoCentral manages its exposure to credit risk arising from trade receivables by performing credit evaluations on all significant customers requiring credit, wherever practicable, and continuously monitors the outstanding credit exposure to individual customers. The carrying value is the maximum exposure to credit risk for bank balances, accounts receivable and interest rate swaps. No collateral is held in respect of these financial assets.

The Company has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due or avoid a possible past due status other than trade receivables.

The following table summarises the maximum exposure to credit risk as at balance date:

	<b>30 June 22</b>	<b>30 June 21</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Maximum exposure to credit risk</b>		
Cash at bank, term deposits and foreign currency	8,386	7,911
Trade and other receivables	2,713	2,033
	11,099	9,944
<b>Counterparties</b>		
Cash at bank, term deposits and foreign currency AA-	8,386	7,911
	8,386	7,911

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Liquidity risk arises from the financial liabilities and the subsequent ability to meet the obligations to repay their financial liabilities as and when they fall due. The objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, preference shares, finance leases and committed available credit lines.

The Company manages its liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis. In meeting its liquidity requirements, the Company manages its investments and borrowings in accordance with its written investment policies. In general, the Company generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has flexible debt repayment funding arrangements in place to manage cover potential shortfalls.

## Notes to the financial statements CONT.

### 28. Financial instrument risks CONT.

The following table summarises the Company's contractual cash flows for its financial assets and liabilities into relevant maturity groupings based on the remaining period at year end to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows:

	Balance sheet \$'000	Contractual cash flows \$'000	Less than 1 year \$'000	1-2 years \$'000	2-5 years \$'000	5 years + \$'000
<b>30 June 2022</b>						
<b>Financial assets</b>						
Cash and cash equivalents	8,386	8,386	8,386			
Trade and other receivables	1,240	1,240	1,240			
Related party receivables	1,473	1,473	1,473			
Net settled derivative assets	263	263	263			
	11,362	11,362	11,362			
<b>Financial liabilities</b>						
Trade and other payables	3,974	3,974	3,974			
Lease liabilities	857	878	691	187		
Lease liabilities - related parties	3,079	3,192	2,016	1,176		
	7,910	8,044	6,681	1,363		
<b>30 June 2021</b>						
<b>Financial assets</b>						
Cash and cash equivalents	7,911	7,911	7,911			
Trade and other receivables	1,105	1,105	1,105			
Related party receivables	928	928	928			
	9,944	9,944	9,944			
<b>Financial liabilities</b>						
Trade and other payables	3,689	3,689	3,689			
Lease liabilities	859	900	387	327	187	
Lease liabilities - related parties	4,758	5,039	1,951	1,951	1,138	
	9,306	9,628	6,026	2,277	1,325	

#### Commodity price and demand risk

The Company acknowledges the significant risk / benefit of material fluctuations in the commodity prices and demand of EcoSort products which are influenced by international demand. It does mitigate some of this risk by tendering and entering into supply contracts, and through the structure of its commercial contracts for incoming comingled product. In addition, the Company maintains sufficient financial flexibility through its statement of financial position to withstand commodity price fluctuations.

## Notes to the financial statements CONT.

### 28. Financial instrument risks CONT.

#### Classification of financial assets and liabilities

The following tables classify the company's financial assets and liabilities between the various categories set out in NZ IFRS 9 and NZ IFRS 7:

	<b>30 June 22</b>	<b>30 June 21</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>		
<b><i>Derivatives that are hedged accounted</i></b>		
Derivative financial instrument assets	263	-
	<hr/> 263	<hr/> -
<b><i>Financial assets at amortised cost</i></b>		
Cash and cash equivalents	8,386	7,911
Trade and other receivables	2,713	2,033
	<hr/> 11,099	<hr/> 9,944
Total financial assets	<hr/> 11,362	<hr/> 9,944
<b>Financial liabilities</b>		
<b><i>Financial liabilities at amortised cost</i></b>		
Creditors and other payables	3,974	3,689
Lease liabilities	3,936	5,617
Total financial liabilities	<hr/> 7,910	<hr/> 9,306

## Notes to the financial statements CONT.

29. Related Parties	30 June 22 \$'000	30 June 21 \$'000
<b>1. CCHL</b>		
<b>1 (a) Transactions with CCHL</b>		
Dividend paid	250	500
<b>2. CCHL Subsidiaries</b>		
<b>2 (a) Transactions with CCHL Subsidiaries</b>		
Services provided to CCHL Subsidiaries	407	443
Services provided by CCHL Subsidiaries	22	157
<b>2 (b) Balances with CCHL Subsidiaries</b>		
Other balances owing by CCHL subsidiaries	50	45
Other balances owing to CCHL subsidiaries	-	53
<b>3. CCC</b>		
<b>3 (a) Transactions with CCC</b>		
Services provided to CCC	14,781	14,491
Services provided by CCC	324	267
Lease payments to CCC - principle	1,838	1,703
Lease payments to CCC - interest	178	247
Subvention payment	1,216	157
<b>3 (b) Balances with CCC</b>		
Other balances owing by CCC	1,423	883
Other balances owing to CCC	969	1,052
Lease liabilities owing to CCC	3,079	4,758
<b>4. Group entities excluding CCHL and CCC</b>		
<b>4 (a) Transactions with group entities</b>		
Services provided by group entities	18,802	17,747
<b>4 (b) Balances with group entities</b>		
Other balances owing to group entities	1,715	1,660

The relationships above arise from EcoCentral Limited being 100% owned by Christchurch City Holdings Limited (CCHL) and the ultimate shareholder being Christchurch City Council (CCC).

EcoCentral Limited incurred charges of \$18,802,000 in 2022 (2021: \$17,746,911) in relation to the disposal of waste, to Transwaste Canterbury Ltd, a company in which CCC has a material shareholding.

No provision has been required, nor any expense recognised for impairment of receivables or other receivables to related parties. During the year, tax losses were transferred to the CCC Group by subvention payment of \$1,215,904 and loss offset of \$3,126,611 (2021: subvention payment of \$157,389 was paid to the CCC Group).

During the year, in the normal course of business, EcoCentral Limited received \$2,403 from Taggart Earthmoving Limited, of which Mark Jordan (Chair) and Sinead Horgan (Board member) were directors of.



### 30. Remuneration

Remuneration includes costs to the Company of benefits in addition to cash. In accordance with Section 211 of the Companies Act 1993 the remuneration and other benefits in excess of \$NZ100,000 paid to current employees of the Company are:

#### Directors' Remuneration

	30 June 22 \$'000	30 June 21 \$'000
<b>Name of director</b>		
Mark Andrew Jordan – <i>paid to Mark Jordan Ltd</i>	64	53
Sinead Horgan – <i>paid to Morrison Horgan Ltd</i>	37	35
Benjamin Reed	32	32
Mark Christensen – <i>paid to Natural Resources Law Ltd (appointed 1/01/2021)</i>	32	16
David Kerr – <i>paid to D R Kerr Ltd (ceased 19/10/2020)</i>	-	21

#### Key Management Personnel

Craig Downie	<i>Chief Executive Officer</i>
Rob Wilson	<i>Operations Manager</i>
Vaughan Whitehead	<i>Chief Financial Officer</i>
Averil Stevenson	<i>Commercial &amp; Compliance Manager</i>
Andrew Henderson	<i>EcoDrop Manager</i>
Wayne Hocking	<i>EcoSort Manager</i>
Julie Radcliffe	<i>Retail Manager</i>

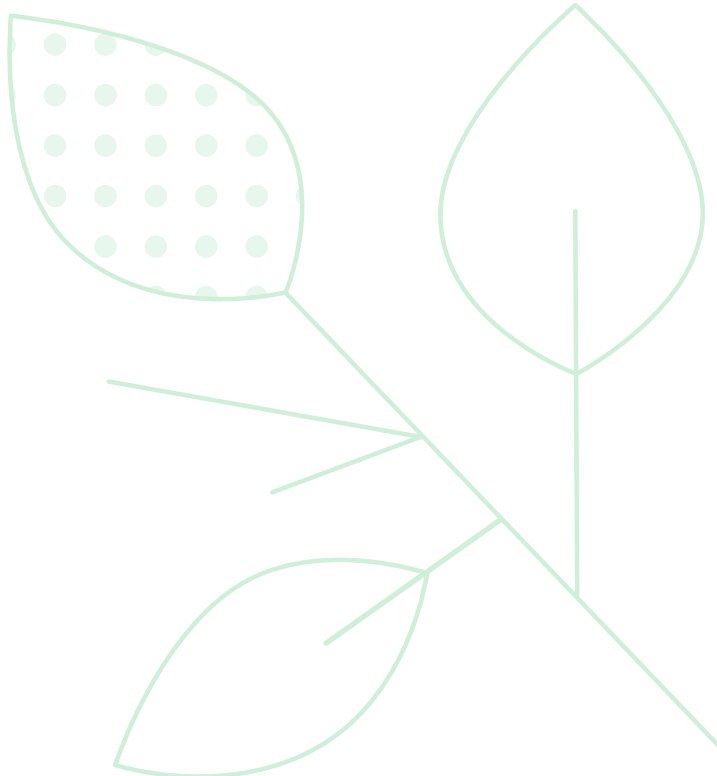
#### Key Management Remuneration

	30 June 22 \$'000	30 June 21 \$'000
Salaries and short term employee benefits	1,262	1,195



# drop

You can drop off most green stuff from the garden at our EcoDrops so long as it is uncontaminated by other waste.



# Statement of service performance

## Financial performance targets

The financial performance targets for EcoCentral Limited were as follows:

	30 June 22	
	SOI \$'000	Actual \$'000
Total revenue	38,488	43,783
Net profit after tax	1,063	2,327
Return on equity	9.2%	18.8%
Shareholders' equity %	57.6%	43.3%
Equity	11,984	13,556
Debt to CCHL	-	-
Total assets	20,800	31,324

## Key operational performance targets

Performance Target	Actual 2022	SOI Target	Commentary
<b>EcoDro</b>			
Divert at least 75,000 tonnes from landfill	63,404	75,000	Not achieved. Impacted by high contamination in kerbside yellow bins
<b>EcoSort</b>			
MRF plant improvement - Deliver on completion of MFE funded 2 year capital improvement project (for fibre and plastics) within agreed schedule.			Project is currently proceeding according to schedule and isn't due to be completed until the 2022/23 financial year.
Waste%	10.8%	< 11%	Achieved.
<b>EcoShop</b>			
Number of Customer sales	129,342	120,000	Achieved.
Total Resource Recovery tonnes diverted from landfill.	5,583	> 8000	Not Achieved. Volume of product delivered was less than expected during the year.
<b>Health and safety</b>			
Number of safe work observations	112	> 100	Achieved.
Remedy and close out corrective actions within 8 weeks of initiation	97%	> 90%	Achieved.
Complete Bowtie investigation and mitigation analysis of Critical Risks in conjunction with HSR's.	9	9	9 out of a targeted 9 Bow Tie analysis sessions completed.
<b>Sustainable business practices</b>			
Reduced kilowatt hours per tonne	18.47kWh	Reduction from PYR	Not Achieved. Adversely impacted by MRF plant upgrade project. Also adversely impacted by introduction of a 2nd shift and slower running times to ensure tougher quality requirements were met.
<b>Community Recycling Education</b>			
Provide >80 recycling education sessions to schools, community groups and businesses	37	193 > 80	Not Achieved. Adversely affected by COVID and associated business restrictions.

## Statement of service performance CONT.

Greenhouse gas emissions	Actual 2022	SOI Target	Commentary
Reduction in carbon footprint from FY 2018/19 (738 tCO <sub>2</sub> -e) measured by tonnes of carbon dioxide equivalent (Category 1 and 2 only - measured as tCO <sub>2</sub> -e).	743	Reduction from 2018/19	Not achieved.

### Commentary

We report our company-wide emissions from category 1 and 2 emissions sources, which include fuel and electricity usage. This reporting boundary has been defined because it includes the emissions for which sufficient measurement data is available, and the sources where there is the greatest ability to reduce emissions.

We use the operational control approach to determine our organisational boundary. This means the reported results include 100% of emissions from fuel and electricity which we determine we have operational control. Emissions are included from all of EcoCentral's facilities under this approach.

There is a level of inherent uncertainty in reporting greenhouse gas emissions, which is due to inherent scientific uncertainty in measuring emissions factors as well as estimation uncertainty in the measurement of activity quantity data. In measuring emissions, EcoCentral has used the published emissions factors from the Ministry for the Environment (MfE) 2022 guidance document issued on 16 August 2022 and obtained quantity data directly from electricity suppliers and our fuel dispenser system. Further data was also collected from fuel pump purchases.

Our target, which was to reduce emissions from the FY19 baseline total of 738 tCO<sub>2</sub>-e, was not achieved mainly due to an increase in electricity emissions. Electricity use has increased by only 2% since FY19, but total electricity emissions have increased by 20%. This is due to a higher electricity emissions factor in FY22.

Fuel use contributed approximately 80% of electricity emissions in both FY19 and FY22. Total fuel emissions have decreased by 4% due to the introduction of biodiesel use however there has been an increase in fuel consumption since FY19.

Since FY19 changes have been made to operations which could have contributed to the increase in fuel consumption between FY19 and FY22. We have brought the hardfill disposal activities inhouse, meaning the emissions associated with these are now captured, whereas when this activity was undertaken by contractors the fuel usage was not included in our footprint. There has also been an increase in the level of yellow bin waste contamination which requires more processing and therefore generates more emissions.

# Statutory disclosures

The following are particulars of general disclosures of interest given by the Company pursuant to Section 140(2) of the Companies Act 1993:

## Directors' interests

The following Directors have made general disclosures of interest with respect to any transaction that may be entered into with certain organisations on the basis of their being a Director, Partner, Trustee or Officer of those organisations during the year:

### **Mark Andrew Jordan**

Canterbury Medical Research Foundation – Director  
*(resigned 28/02/22)*  
Keith Andrews Trucks Ltd – Director  
Mark Jordan Limited – Director / Shareholder  
Taggart Earthmoving Limited – Director  
*(resigned 27/07/22)*  
Wealleans Groundspread Ltd – Advisor

### **Sinead Horgan**

Assistance Dogs New Zealand – Chair  
Bank of China – Director and Chair of Risk  
FMG Insurance – Director and Chair of Audit and Risk  
FuselT – Advisory Chair  
Maia Foundation – Trustee  
Morrison Horgan Limited – Director / Shareholder  
Rakon Ltd – Director and Chair of Audit and Risk  
Taggart Earthmoving Limited – Director  
*(resigned 27/07/22)*

### **Benjamin Elliott Reed**

C W F Hamilton & Co Ltd and subsidiaries  
– Managing Director  
Learning City Christchurch – Trustee

### **Mark Christensen**

Animal Control Products Ltd – Director  
Better World Initiative Trust – Trustee  
Columba Investments – Director / Shareholder  
Committee for Canterbury Trust – Trustee  
EEB Trustee Company – Director  
Lake Hood Extension Project Joint Venture  
– Independent Chair  
Liang Regeneration Trust – Chair of Trustees  
*(resigned 08/10/21)*  
Natural Resources Law Ltd – Director / Shareholder  
Peninsula Air Ltd – Director / Shareholder  
*(resigned 22/03/22)*  
Pest Free Banks Peninsula Initiative  
(Project Oversight Group) – Chair

### **David William Kerr**

D. W Kerr Ltd – Director  
Ryman Napier Ltd and related shelf companies  
– Director  
Forte Health Ltd – Director  
Forte Health Group Ltd – Director  
Ngai Tahu Property Limited – Director  
Ravenstonedale Developments Limited – Director  
Ryman Health Care - related shelf companies  
– Director  
Third Age Health Services Ltd – Director  
Ryman Healthcare Ltd – Chairman  
Advisory Board Alzheimer's New Zealand – Member  
Facilities Advisory Committee CDHB – Member  
*(resigned 2019)*  
The Champion Centre – Trustee  
*(resigned 2019)*  
Medical Council of New Zealand – Advisor

## Remuneration of Directors

Remuneration was paid to four Directors totaling \$165,430 during 2022 for services (2021: \$155,400). There were no other benefits paid or due to directors for services as a director or in any other capacity during the year.

## Use of Company Information

During the year the Board received no notices from directors of the Company requesting to use Company information received in their capacity as directors which would not otherwise have been available to them.

## Independent Auditor's Report

### To the readers of EcoCentral Limited's financial statements and performance information for the year ended 30 June 2022

The Auditor-General is the auditor of EcoCentral Limited (the company). The Auditor-General has appointed me, Yvonne Yang, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the company on his behalf.

### Opinion

We have audited:

- the financial statements of the company on pages 13 to 39, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the company on pages 41 to 42.

In our opinion:

- the financial statements of the company on pages 13 to 39:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2022; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards; and
- the performance information of the company on pages 41 to 42 presents fairly, in all material respects, the company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives for the year ended 30 June 2022.

Our audit was completed on 30 November 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to inherent uncertainties in the measurement of greenhouse gas (GHG) emissions. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

### Emphasis of Matter – Inherent uncertainties in the measurement of greenhouse gas emissions

The company has chosen to include a measure of its GHG emissions in its performance information. Without modifying our opinion and considering the public interest in climate change related information, we draw attention to page 42 of the Statement of Performance, which outlines the inherent uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the Board of Directors for the financial statements and the performance information**

The Board of Directors is responsible on behalf of the company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the performance information for the company.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

### **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

## Report of the Auditor-General CONT.

- We evaluate the appropriateness of the reported performance information within the company's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other Information**

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 12, 43 and 47 but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

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



**Yvonne Yang**

Audit New Zealand

On behalf of the Auditor-General

Christchurch, New Zealand





# Directory

**Registered Office of Business**  
Ground Floor, 9 Baigent Way  
Christchurch

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**Principal Place of Business**  
Ground Floor, 9 Baigent Way  
Christchurch

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**Chairperson**  
Mark Andrew Jordan

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**Directors**  
Mark Andrew Jordan  
Sinead Mary Horgan  
Benjamin Elliott Reed  
Mark Raymond George Christensen

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**Chief Executive Officer**  
Craig Downie

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**Bankers**  
ANZ National Bank Limited  
Christchurch

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**Solicitors**  
Chapman Tripp  
Christchurch

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**Auditors**  
Audit New Zealand  
(on behalf of the Controller and  
Auditor-General) Christchurch

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**Ownership**  
100% owned by Christchurch  
City Holdings Limited

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**Website**  
[www.ecocentral.co.nz](http://www.ecocentral.co.nz)

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**ECO**  
**CENTRAL**  
[www.ecocentral.co.nz](http://www.ecocentral.co.nz)