

Financial Overview

February has seen DWC exceed its budgeted profit for the second month in a row with earnings of \$788,000 which is \$300,000 ahead of budget. This positive result has been driven by improvements in the financial markets and the adverse effects of the strengthening New Zealand

dollar was offset by the hedging DWC had in place. Despite the improvements DWC's year-to-date management accounts show a loss of \$2.469 million and DWC does not expect to make a profit in the 2011-2012 financial year.



Tourists visit Denniston – photo courtesy Peter Robertson

Congratulations to the Denniston Heritage Trust which was named joint supreme winner at the prestigious TrustPower National Community Awards in March.

The award acknowledges the huge effort by volunteers to bring back to life the mining history of Denniston's misty hilltop, which has become one of the West Coast's leading tourist attractions.

Denniston Heritage Trust Chair Peter Robertson received the award on behalf of the Trust and says it is a wonderful recognition of all the hard work put in over the years.

"We have had a lot of people giving their time as well as companies allowing their employees to help us at no cost and it is fantastic to acknowledge this input. The project was kicked off by Development West Coast's Major Regional Initiative (MRI) funding in 2007 and winning the award gives our accomplishments real prominence," he says.

The Trust was set up with support from DOC, Buller District Council, Friends of the Hill, Solid

Energy and DWC to preserve and enhance the Denniston area. DOC has lead the project which has seen viewing platforms built, coal wagons restored, on-site interpretation erected and the development of an underground mine experience.

The award judges say the Trust has preserved the heritage of one of New Zealand's largest producing coal fields, turning it into a unique visitor attraction that showcases the richness of Denniston's historic and natural heritage.

DWC's CEO John Chang says the Trust should be very proud of its achievements.

"It is a fantastic acknowledgement of the work that has gone into this world class heritage project which will have enduring benefits to the region, both socially and economically," says Dr Chang.

In the last few weeks the Trust has launched a literary trail which brings to life the fictional story of the Denniston Rose, Jenny Patrick's best selling book about life in the mining settlement in the 1880s.

Business awards finalists announced

The countdown to the West Coast Leading Light Business Excellence Awards has begun after 21 finalists, over seven categories, were announced last week.

DWC CEO John Chang has congratulated the finalists saying he was delighted with the number of entries received this year.

"2011 was the first year of the awards so it was wonderful to see a larger number of entries this year. This year the finalists span the Coast from Franz Josef to Westport, and include a wide variety of small and large businesses. They should be proud of their achievement," he says.

An independent judging panel spent two weeks whittling the entries down to the 21 finalists and a second round of judging will now begin. The winners will be announced at a black tie gala dinner, hosted by TV presenter Peter Williams, at Shantytown on May 18.

DWC event co-ordinator Julie Kissell says the judges were very impressed with the quality of this year's entries.

"The judges said that some were written from the heart, with the finalists all portraying their businesses extremely well," she says.

This year West Coast businesses are competing in seven award categories - Service, Retail, Primary Producer, Construction / Engineering / Manufacturing, Tourism, Community / Charity Organisations and Workplace Safety. Winners of all these categories vie for the coveted Super Nova award.

Dr Chang says the awards wouldn't be possible without the continued support of local businesses and sponsors.

This year's platinum sponsor is the Greymouth Star. Gold sponsors are Westland Milk Products, ACC, Duncan Cotterill, NZ Institute of Management (Southern), Tourism West Coast, PWC and Solid Energy. Silver sponsors are Buddle Findlay, The Radio Network, Brannigans, ANZ, Polson Higgs, Brightwater and Oceana Gold. Monteiths, Ritchies Transport, Countdown Greymouth, The Beachfront Hotel, Ashley Hotel and Kingsgate Hotel are providing in kind sponsorship.

The winner of the Super Nova Greymouth Star award will receive a prize package of \$5,000 of management training donated by The New Zealand Institute of Management (Southern) and a locally crafted pouamu trophy.



Congratulations to all finalists

PWC - Leading Light Retail Award

Greymouth New World
Y Furniture, Greymouth
Styliz Hair, Greymouth

Solid Energy - Leading Light Community / Charity Organisation Award

Greymouth Motorcycle Street Race Inc
West Coast Blue Penguin Trust
Westport Kindergarten Association

Tourism West Coast - Leading Light Tourism Award

Te Waonui Forest Retreat, Franz Josef
West Coast Historical & Mechanical Society Inc (Shantytown Heritage Park)
West Coast Wildlife Centre, Franz Josef

NZ Institute of Management - Leading Light Service Award

Jeff Evans Plumbers Ltd, Hokitika
MBC Contracting, Westport
WestReef Services Ltd, Westport

Westland Milk Products - Leading Light Construction Engineering / Manufacturing Award

E-Quip Engineering Ltd, Greymouth
Gray Brothers Engineering, Greymouth
GT Liddell Contracting Ltd, Greymouth

Duncan Cotterill - Leading Light Primary Producer Award

CMP Kokiri Ltd, Greymouth
Westland Milk Products, Hokitika
Westco Lagan Ltd, Hokitika

ACC - Leading Light Workplace Safety Award

Westco Lagan Ltd, Hokitika
WestReef Services Ltd, Westport
Westland Milk Products, Hokitika

Platinum Sponsor



Gold Sponsors



Silver Sponsors



In Kind

- Countdown ■ Monteiths ■ Ritchies Transport
- Kingsgate Hotel ■ Ashley Hotel

Up Close and Personal

Mark Lockington, Trustee



Ask DWC Trustee Mark Lockington what brought him back to the Coast after years travelling and working around the world and he is quick to say it was the people.

"Coasters are fiercely independent, down to earth and straight up. I was brought up on the West Coast and I love that what you see is what you get," he says.

Mark is a 43 year old 5th generation Coaster, his father Harry worked as an electrician in the mines and mother Moira was a school teacher in Reefton for nearly 50 years. Born and educated in Reefton he left school and studied at Christchurch Polytechnic and CIT in Wellington to become a civil and structural engineer.

He began his working life for an engineering company in Christchurch but when the stock market crashed in the late 80s so did the building boom and Mark decided to go travelling. First stop was Pennsylvania where he worked a season in the kitchens at Camp America. He then headed to London but after a couple of months he came back to New Zealand to study accountancy at Lincoln University.

"Engineering and accountancy have a lot of similarities, in the main both are about numbers, calculations, processes and systems. I like structure and solutions so decided to come home to study accountancy."

After graduating he worked in Ashburton for four years where he qualified as a chartered accountant. But the lust for adventure was still strong so after four years he packed up and with only a backpack and briefcase he flew to Perth. It didn't take long to get work with BHP Alliance, a large iron ore company, based in Port Headland. Mark worked as the site administrator on a \$2 billion project.

"The scale was amazing, the maintenance budget alone was \$40 million annually. There were some very rough, tough people you were dealing with but I loved it, it was one of those jobs where you long to wake up in the morning and can't wait to go to work."

After two years he decided to move on, working for a couple of fly-in, fly-out operations in remote areas around Kalgoorlie and Mt Isa, before travelling in Queensland and Darwin.

But the West Coast called and in 2001 Mark returned, his first job was as a business analyst for Development West Coast. The next year he joined Westland Milk Products as financial controller and in 2008 he became company secretary.

"I thoroughly enjoy working for Westland Milk Products, I have involvement with staff, directors and shareholders and it is great to see how successful the company has become," says Mark.

During his time with WMP Mark met his wife Maria who was also working in the dairy industry. The couple have three children, five year old Grace, four year old Meg and one year old Danny and are now based in Hokitika.

It was his parents who taught him the importance of contributing to the community, so when the New Zealand Institute of Chartered Accountants approached him in 2005 about being its representative on DWC's board Mark was happy to help. He is currently a trustee and the Chair of DWC's Finance and Audit Committee and the Pike River Distribution Fund Committee.

"I believe DWC is one of the best things that has happened to the Coast. It is an entity with a bit of clout that can benefit Coasters and the region - it has helped business and supported great initiatives like raising reading standards, and provided enduring assets to the region."

Chairman's Comment

In BERL's recently published Regional Rankings for 2011 (March 2012), I was delighted to read that Buller was ranked the No. 1 district out of 66 local authorities nationally. The ranking is determined by BERL (Business & Economic Research Ltd) on four measurable wellbeings of the community: economic, social, cultural and environmental. Buller came up from 5th position nationally in 2010 to taking the pole position in 2011.

The same report ranked Westland 24th in 2011, an improvement of 16 positions from 2010 where it was ranked 40th. It was disappointing however to see that Grey went backwards in 2011 ranking 53rd, a drop of 36 positions from 2010 when it was then ranked 17th. This would have been primarily due to the loss of Pike River Mine.

I would like to take the opportunity to extend my heartfelt congratulatory message to everyone in Buller for their significant effort in progressing their district.

At their April Board meeting, Trustees unanimously approved the budget for the 2013 Financial Year. Fiscally it is a prudent budget with some new and exciting business development initiatives. No doubt you will hear about these initiatives as they are rolled out in due course.

I am pleased to report that the general business of DWC is going well. More and more business clients of DWC are successfully paying back their loans in full. These businesses are now considered to be "bankable" by the traditional lenders as a result of the sheer hard work and commitment of their owners.

Since November last year our clients have repaid almost \$2.5m (excluding clients' monthly repayments and DWC's inter-company loans. DWC is pleased to have had a helping hand in the process of building successful local businesses.

Finally, congratulations to all the finalists in this year's business awards, it is great to see so many businesses entered this year and I hope those that didn't make the finals this year try again. Looking forward to a great night celebrating West Coast business.

**John Sturgeon
Chairman**

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