

**WRC Holdings Limited**  
**Unaudited and Condensed**  
**Interim Financial Statements**  
**For the half-year period ended**  
**31 December 2024**



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## **Directory**

### **Directors**

C Kirk Burnnand (Chairperson)  
D Lee  
T Nash  
D Bassett  
L E Elwood  
R M Evans  
A J Hare  
H K Modlik

### **Appointed**

20 November 2019 (Chairperson from 24 November 2022)  
24 November 2022  
24 November 2022  
24 November 2022  
1 October 2023  
1 October 2023  
1 October 2023  
1 October 2023

### **Registered office**

100 Cuba Street  
Te Aro, Wellington 6011

### **Bankers**

ANZ Bank New Zealand Ltd

**WRC Holdings Limited  
Directors' Report  
For the half-year period ended 31 December 2024**

## **Directors' report**

The Local Government Act (section 66) requires a half-yearly report be delivered to the shareholder within two months after the end of the first half of each financial year. The Directors have pleasure in submitting their Interim Report including the interim financial statements of WRC Holdings Limited and its subsidiaries (the Group) for the period ended 31 December 2024.

### **Principal Activities**

WRC Holdings Limited (the Parent Company) is the investment holding company of Greater Wellington Regional Council. The WRC Holdings Limited Group (the Group) consists of WRC Holdings Limited, its wholly owned subsidiary Greater Wellington Rail Limited, and is a 76.9% owner of CentrePort Limited.

CentrePort owns and operates the Port of Wellington and related facilities at Seaview.

Greater Wellington Rail Limited owns and manages rail rolling stock and rail infrastructural assets.

The primary objectives of WRC Holdings Limited are to support Council's strategic priorities and operate a successful, sustainable, and responsible business while managing its assets prudently. This is achieved by separating Council's investment and commercial assets from its public good assets. The core role of WRC Holdings is to impose commercial discipline on the Group's activities and generate a commercial rate of return (where appropriate) and manage within agreed levels of debt to equity.

WRC Holdings Limited owns Greater Wellington Regional Council's interest in CentrePort Ltd, to maximise the commercial value of CentrePort to the shareholders and to protect the shareholders' investment, including land and property, while maintaining the CentrePort's strategic value to the economy of the region.

In relation to Greater Wellington Rail Limited (GWRL), the key objectives are to prudently manage and maintain the rail rolling stock and rail infrastructure (GWRL's Rail Assets).

### **Corporate governance**

WRC Holdings Limited is governed by a board of eight directors all of whom are appointed by the shareholder, with four independent external directors with commercial backgrounds to provide advice and expertise at the governance level. Directors meet regularly to direct and control the Group's proceedings.

The Group provides quarterly updates on its activities to Greater Wellington Regional Council and keeps Council informed of significant matters as they occur.

In addition to the obligations of the Local Government Act 2002, WRC Holdings is also subject to the requirements of the Companies Act 1993 and all other applicable legislative requirements.

### **Statement of Intent**

The provisions of the Local Government Act 2002 require "Council Controlled Organisations" to have a "Statement of Intent" in respect of each financial year. The draft Statement of Intent for the coming year, setting out performance criteria, is provided to the Greater Wellington Regional Council at the end of February each year, with the final Statement of Intent to be provided by 30 June. WRC Holdings Limited is currently operating under a Statement of Intent provided to Council for the period 1 July 2024 to 30 June 2025.

**WRC Holdings Limited  
Directors' Report  
For the half-year period ended 31 December 2024**

**Outlook**

The outlook for the Group remains stable, with no significant changes or updates to the projections set out in the Statement of Intent.

For, and on behalf of, the Board of Directors



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Director

25 February 2025



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Director

25 February 2025

**WRC Holdings Limited**  
**Statement of Service Performance**  
**For the half-year period ended 31 December 2024**  
(continued)

**Statement of Service Performance**

**WRC Holdings Operational Performance Measures**

Objective	Activity	Performance measure	Outcome achieved
<b>Impose commercial discipline on the Group's activities and generate a commercial rate of return</b>	Monitor performance of WRC Holdings Group companies to ensure financial returns are optimised	WRC Holdings Board monitor Holdings Group companies' progress against their SOI targets quarterly	<b>On track</b> - Quarterly reporting setting out progress against SOI targets for WRC Holdings, GWRL and CentrePort have been provided to the Board.
		WRC Holdings receives a quarterly report from CentrePort on its financial and non-financial performance	<b>On track</b> – Quarterly updates from CentrePort have been provided to the Board.
<b>Support Council's strategic priorities</b>	Review and approve WRC Holdings Group Statement of Intent (SOI) for consistency with Council's strategic direction	Review draft Holdings SOI by 1 March each year	Not started, due Q4 2024/25
		Approve Holdings SOI by 30 June each year	Not started, due Q4 2024/25
	Review and provide comments on the draft CentrePort Statement of Corporate Intent (SCI) to ensure consistency with Council's strategic direction	Review draft SCI and provide comments by 1 May each year	Not started, due Q3 2024/25
	Set expectations through annual Statement of Expectations letter to Centreport	Send Statement of Expectations to CentrePort by 31 December each year	<b>Achieved.</b> Statement of Expectations was sent to CentrePort prior to 31 December 2024.
	Consult with the shareholder in a timely manner on Holdings Group strategic or operational matters which could compromise Council's community outcomes	All such matters escalated to Council in a timely manner	<b>Achieved.</b> All matters requiring consultation with, or escalation to, Council were provided in a timely manner.
		Holdings to provide briefings to Councillors on matters of significance as required	<b>Achieved.</b> Briefings on matters of significance and quarterly updates have been provided to Council for the year to date.
	Substantive matters, including those likely to generate media coverage, are reported to Council	Matters of this nature should be reported to Council by the Holdings Board as soon as practicable	<b>Achieved.</b> Matters of this nature are reported to Council as soon as practicable.

**WRC Holdings Limited**  
**Statement of Service Performance**  
**For the half-year period ended 31 December 2024**  
(continued)

Objective	Activity	Performance measure	Outcome achieved
<b>Operate a successful, sustainable, and responsible business for the benefit of future generations</b>	Review board performance against best practice governance standards	WRC Holdings will undertake board effectiveness/performance reviews on an annual basis	<b>On track</b> – WRC Holdings Board review scheduled for Q3 and Q4 2025.
	Monitor performance of WRC Holdings Group companies to ensure continuous improvement to health and safety outcomes	The WRC Holdings Board reviews the quarterly Health, Safety and Wellbeing reports and seeks assurance that controls to manage critical risks are in place and effective	<b>On track</b> – quarterly health and safety reports are provided and assurance is sought through deep dives on health and safety with critical risks being provided to the Board.
	Monitor performance of the WRH Holdings Group companies in measuring, reporting and reducing Greenhouse Gas (GHG) emissions	Measure and publicly report our GHG emissions and progress towards our target of net zero emissions by 2030 in the Annual Report	<b>On track</b> – Emissions reporting is an annual performance measure and will be reported at year end.
	Monitor performance of WRC Holdings Group companies to ensure opportunities to give effect to Te Whāriki (Council's Māori Outcomes Framework) are considered and implemented	Publicly report how we give effect to Te Whāriki in the Annual Report	<b>On track</b> – As part of the Council Group, WRCHL gives effect to Te Tiriti through Greater Wellington's Māori Outcomes Framework (Te Whāriki). This guides our decision-making to achieve the best outcomes for Māori across all aspects of our region. The main way in which WRCHL gives effect to Te Whāriki is through setting its expectations to CentrePort and GWRL to ensure that they proactively engage mana whenua in decision making and incorporates te ao Māori and mātauranga Māori perspectives into decision making.
	Paying the living wage	Ensure that all direct employees within the WRC Holdings Group of companies are paid at living wage or above.	<b>Achieved</b> – All direct employees are paid the living wage. WRCHL and GWRL do not have employees.
<b>Prudently manage assets</b>	Monitor the management of rail assets and risk to ensure GWRL's assets are fit-for-purpose	WRC Holdings Board review quarterly risk reporting for GWRL	On track - Quarterly risk reporting for GWRL has been provided to WRC Holdings for the year to date.
		WRC Holdings Board receives the GWRL Annual Business Plan by 30 June each year	On track - GWRL Annual Business Plan will be received by 30 June 2025.
		WRC Holdings Board receives the GWRL Asset Management Plan by 30 September each year	Achieved. GWRL Asset Management Plan completed and provided to WRC Holdings Board prior to 30 September 2024.

**WRC Holdings Limited**  
**Statement of Comprehensive Revenue and Expense**  
**For the half-year period ended 31 December 2024**

		Unaudited Six months to 31 December 2024 \$'000	Group Unaudited Six months to 31 December 2023 \$'000	Audited Full year ended 30 June 2024 \$'000
<b>REVENUE</b>				
Operating revenue	3	67,885	62,041	128,664
Share of associate profit accounted for using the equity method		38	877	1,295
Finance income	3	<u>3,580</u>	<u>3,969</u>	<u>7,733</u>
<b>Total revenue</b>		<b>71,503</b>	<b>66,887</b>	<b>137,692</b>
<b>Gain / (loss) in fair value movements:</b>				
Net gain on disposal of property, plant and equipment	3	190	367	336
Fair value of investment properties CentrePort	3	-	-	10,525
Fair Value of Investments in associates	3	<b>(1,792)</b>	-	-
Demolition costs		-	(17)	(17)
<b>EXPENDITURE</b>				
Expenses, excluding finance costs	3	<b>(73,656)</b>	(72,283)	(144,711)
Finance costs	3	<b>(1,820)</b>	(1,881)	(4,050)
<b>(Deficit) / surplus before taxation and subvention payment</b>		<b>(5,575)</b>	(6,927)	(225)
Income tax benefit / (expense)		<u>(1,396)</u>	624	3,626
Profit / (Loss) from continuing operations		<u>(6,971)</u>	(6,302)	3,401
<b>Net (deficit) / surplus after tax for the halfyear</b>		<b>(6,971)</b>	(6,302)	3,401
<b>Other comprehensive revenue and expenditure</b>				
Adjustment to fair value for Land Resilience Impact		-	-	8,705
Movement in fair value reserve after tax		<u>414</u>	-	50
		-	-	<u>8,755</u>
<b>Other comprehensive income for the halfyear, net of tax</b>		-	-	8,755
<b>Total comprehensive income for the halfyear</b>		<b>(6,557)</b>	(6,302)	12,156
<b>Total comprehensive revenue and expenditure for the halfyear is attributable to:</b>				
Owner of WRC Holdings Limited		<b>(5,079)</b>	(7,600)	4,168
Non-controlling interest		<b>(1,478)</b>	1,298	7,988
		<b>(6,557)</b>	(6,302)	12,156

*The accompanying notes form part of these financial statements.*



**WRC Holdings Limited**  
**Statement of changes in equity**  
**For the half-year period ended 31 December 2024**

	Attributable to equity holders of the Company				Total \$'000
	Contributed Equity \$'000	Reserves \$'000	Retained earnings \$'000	Non-controlling interest \$'000	
<b>Balance as at 1 July 2023</b>	337,145	127,699	265,325	109,606	839,775
Total Comprehensive Income for the Half-Year	-	-	(7,600)	1,298	(6,302)
<b>Balance as at 31 December 2023</b>	<u>337,145</u>	<u>127,698</u>	<u>257,725</u>	<u>110,904</u>	<u>833,472</u>
	Contributed Equity \$'000	Reserves \$'000	Retained earnings \$'000	Non-controlling interest \$'000	Total \$'000
<b>Balance as at 1 July 2024</b>	355,245	134,432	260,360	115,974	866,011
Dividend paid			(115)		(115)
Capital reserve		464	9		473
Total Comprehensive Income for the Half-Year	-	-	(8,035)	1,478	(6,557)
<b>Balance as at 31 December 2024</b>	<u>355,245</u>	<u>134,896</u>	<u>252,219</u>	<u>117,452</u>	<u>859,812</u>

The accompanying notes form part of these financial statements

**WRC Holdings Limited**  
**Statement of Financial Position**  
**As at 31 December 2024**

	Notes	Group		
		Unaudited 31 December 2024 \$'000	Unaudited 31 December 2023 \$'000	Audited 30 June 2024 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		59,020	95,664	80,469
Trade and other receivables		21,708	19,174	13,927
Other financial assets		-	18,960	-
Inventories		2,857	2,716	2,834
Current accounts GWRC		-	-	5,938
<b>Total current assets</b>		<b>83,585</b>	<b>136,514</b>	<b>103,168</b>
<b>Non-current assets</b>				
Property, plant and equipment	5	791,455	771,612	782,831
Intangible assets		16	86	24
Investments in joint venture		7,574	13,287	12,552
Loans and Advances to Joint Venture		9,733	9,857	9,786
Other financial assets		59,209	-	35,410
Investment properties		96,650	86,125	96,650
Deferred tax assets		32,355	24,743	26,033
Right of use assets		-	-	-
<b>Total non-current assets</b>		<b>996,992</b>	<b>905,710</b>	<b>963,286</b>
<b>Total assets</b>		<b>1,080,577</b>	<b>1,042,224</b>	<b>1,066,454</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables		14,095	13,975	12,167
Interest bearing liabilities	6	-	12,000	56,000
Taxation payable		3,085	4,752	4,748
Provisions for employee entitlements		4,084	3,824	4,154
Current account GWRC		2,895	1,281	-
<b>Total current liabilities</b>		<b>24,159</b>	<b>35,832</b>	<b>77,069</b>
<b>Non-current liabilities</b>				
Interest bearing liabilities	6	68,500	44,000	-
Provision for employee entitlements		137	123	137
Derivatives		267	-	-
Deferred tax liabilities		127,702	128,797	123,237
<b>Total non-current liabilities</b>		<b>196,606</b>	<b>172,920</b>	<b>123,374</b>
<b>Total liabilities</b>		<b>220,765</b>	<b>208,752</b>	<b>200,443</b>
<b>Net assets</b>		<b>859,812</b>	<b>833,472</b>	<b>866,011</b>
<b>EQUITY</b>				
Contributed equity	7	355,245	337,145	355,245
Reserves		134,903	127,698	134,432
Retained earnings		252,208	257,725	260,360
Non-controlling interest		117,456	110,904	115,974
<b>Total equity</b>		<b>859,812</b>	<b>833,472</b>	<b>866,011</b>

The accompanying notes form part of these financial statements

For, and on behalf of, the Board of Directors.



Director  
25 February, 2025



Director  
25 February, 2025

**WRC Holdings Limited**  
**Statement of Cash Flows**  
For the half-year period ended 31 December 2024

	Unaudited Six months to 31 December 2024 \$'000	Group Unaudited Six months to 31 December 2023 \$'000	Audited Full year ended 30 June 2024 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Receipts from customers	51,122	47,393	103,766
Rental income	3,975	3,812	7,612
Interest income received	3,553	3,216	8,924
Income tax refund	-	257	-
Other income	2,209	-	-
Subsidies	6,499	6,981	14,500
	<u>67,358</u>	<u>61,659</u>	<u>134,802</u>
<i>Cash was disbursed to:</i>			
Payments to suppliers and employees	(56,497)	(55,367)	(106,587)
Subvention payments to Greater Wellington Regional Council	(4,750)	(3,000)	(4,181)
Income taxation refunded / (paid)	(19)	-	564
Interest expense paid	(1,237)	(1,843)	(3,949)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>4,855</u>	<u>1,449</u>	<u>20,649</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Proceeds from sale of Property, Plant & Equipment	-	367	608
Proceeds from matured investments	-	-	18,965
<i>Cash was applied to:</i>			
Purchase of Property, Plant & Equipment	(22,694)	(32,096)	(55,361)
Acquisition of Dixon & Dunlop Limited	(1,718)	-	-
Loan to Joint Venture	(1,000)	-	(25)
Net (Purchase) / Maturity of Investment Securities	(23,023)	-	(35,351)
Dividends received	988	800	1,955
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>(47,447)</u>	<u>(30,929)</u>	<u>(69,209)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Cash was provided from:</i>			
Drawdown of borrowings	12,500	-	-
Issue of ordinary shares	-	-	18,100
<i>Cash was applied to:</i>			
Movement in current account	8,758	10,514	314
Dividends paid to shareholders	(115)	-	(4,015)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>21,143</u>	<u>10,514</u>	<u>14,399</u>
<b>Net increase / (decrease) in cash, cash equivalents &amp; bank overdraft for the period</b>	<b>(21,449)</b>	<b>(18,966)</b>	<b>(34,161)</b>
Add opening cash, cash equivalents / (overdraft) brought forward	<u>80,469</u>	<u>114,630</u>	<u>114,630</u>
<b>CASH, CASH EQUIVALENTS &amp; BANK OVERDRAFT FOR THE PERIOD</b>	<u>59,020</u>	<u>95,664</u>	<u>80,469</u>

*The accompanying notes form part of these financial statements.*

**WRC Holdings Limited**  
**Notes to the Financial Statements**  
**For the half-year period ended 31 December 2024**

## **1 Statement of compliance**

The "Group" consists of WRC Holdings Limited, its wholly owned subsidiaries, Greater Wellington Rail Limited and its 76.9% subsidiary CentrePort Limited, together with its subsidiaries, as disclosed in note 10. WRC Holdings principal address is 100 Cuba Street, Te Aro, Wellington, New Zealand.

WRC Holdings provides transport, infrastructure, buildings and port facility and operations to the Greater Wellington region via its subsidiaries, for community and social benefit, rather than to make a financial return. Accordingly, WRC Holdings has designated itself as public benefit entity (PBE) and applies New Zealand Tier 1 Public Sector Public Benefit Entity accounting standards (PBE Accounting Standards).

The financial statements are presented in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 2013, the Local Government Act 2002 and New Zealand Generally Accepted Accounting Practices (NZ GAAP).

The financial statements have been prepared on the going concern basis. Accounting policies have been applied consistently throughout the period.

Unless otherwise stated, all amounts are rounded to \$000 and are expressed in New Zealand currency.

## **2 Statement of accounting policies**

### **(a) Basis of preparation of half-year financial report**

#### ***Specific accounting policies***

The specific accounting policies adopted in the preparation of these financial statements, which materially affect the measurement of the statement of comprehensive revenue and expenditure, statement of movements in equity, balance sheet and cash flows are set out below:

### **(b) Critical accounting estimates and judgements**

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

### **(c) Basis of consolidation**

The Group financial statements include WRC Holdings Limited (the Parent) and its subsidiaries. Control is achieved when the Parent is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee

The results, assets, and liabilities of joint ventures are incorporated into these financial statements using the equity method.

### **(d) Goods and services tax (GST)**

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST.

Cash flows are included in the cash flow statement on a net basis for GST purposes. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

### **3 Operating surplus / (deficit) before subvention and taxation**

#### ***Accounting policies***

Applicable accounting policies are explained below:

#### **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

##### *(i) Rendering of services*

Revenues from services are recognised in the accounting period in which the services have been rendered.

##### *(ii) Rental income*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

##### *(iii) Dividend and interest revenue*

Dividends are recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

##### *(iv) Grant revenue*

Revenues from non-exchange grants is recognised when the Group obtains control of the transferred asset (cash, goods, services, or property), and:

- It is probable that the economic benefits or service potential related to the asset will flow to the Group and can be measured reliably and
- The transfer is free from conditions that require the asset to be refunded or returned to the grantor if the conditions are not fulfilled.

**WRC Holdings Limited**  
**Notes to the Financial Statements**  
**For the half-year period ended 31 December 2024**  
(continued)

	<b>Unaudited</b> <b>Six months to</b> <b>31 December</b> <b>2024</b> <b>\$'000</b>	<b>Group</b> <b>Unaudited</b> <b>Six months to</b> <b>31 December</b> <b>2023</b> <b>\$'000</b>	<b>Audited</b> <b>Full year ended</b> <b>30 June</b> <b>2024</b> <b>\$'000</b>
<b>Other revenue</b>			
Rental income (exchange revenue)	17,379	16,597	32,820
Operating revenue	39,963	38,296	77,647
CentrePort income (exchange revenue)	1,609	-	3,352
Interest (exchange revenue)	226	168	340
Operational grants from GWRC (non-exchange revenue)	6,499	6,981	14,505
Other (exchange revenue)	2,247	-	-
	<b>67,923</b>	<b>62,041</b>	<b>128,664</b>
<b>Fair value movements and other gains and losses:</b>			
Net Gain/(Loss) on Sale of Property plant and equipment	190	367	336
Fair value (loss) gain on CentrePort investment property	-	(17)	10,525
Demolition costs	-	-	(17)
Fair value of investment in associate	(1,792)	-	-
	<b>(1,602)</b>	<b>350</b>	<b>10,844</b>
<b>Expenses, excluding finance costs</b>			
Changes in inventories of finished and work in progress	-	-	115
Employee benefits expense	16,892	15,489	30,959
Depreciation and amortisation	19,144	19,356	38,525
Audit services	230	215	431
Directors' fees and expenses	370	315	679
Management fees	85	195	324
Repairs and maintenance	9,395	12,066	24,002
Other operating expenses	27,113	24,222	48,720
Tax services	37	15	63
Consultants- legal	3	2	18
Rental and lease expenses	387	408	875
	<b>73,656</b>	<b>72,283</b>	<b>144,711</b>
<b>Finance costs</b>			
Interest costs	(1,820)	(1,881)	(4,050)
Interest received	3,580	3,969	7,733
Net finance costs / income	<b>1,760</b>	<b>2,088</b>	<b>3,683</b>
Operating surplus/(deficit) before subvention, taxation	<b>(5,575)</b>	<b>(6,927)</b>	<b>(225)</b>

## 4 Taxation & Deferred tax

### Accounting policy

**The tax expense** for the period comprises current and deferred tax.

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

### Recognition and measurement

Tax is recognised on the income statement, except to the extent that it relates to items recognised in the statement of comprehensive income or directly in equity. In this case, the tax is recognised in the statement of comprehensive income or directly in equity, respectively.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate. This is then adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and by unused tax losses.

**Deferred tax** is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

### Recognition and Measurement

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only to the extent that they will be utilised.

The tax calculation included in this interim report is a provisional figure prepared for interim reporting purposes.

## 5 Property, plant and equipment

### *Accounting policy*

The Group has seven classes of property, plant and equipment:

- Operational port freehold land
- Buildings
- Wharves and paving
- Plant and equipment
- Rail Infrastructure
- Rail rolling stock
- Work in progress

Operational Port Land is stated at fair value. Fair value is determined by reference to the highest and best use of land as determined by the independent valuer. Operational Port Land was independently valued by Colliers International, a registered valuer, on 30 June 2022, adjusted for the estimated land resilience costs. Operational Port Land which was transferred to Investment Property during 2022/23 was valued by Colliers International at the date of transfer.

The Group's Policy is to get a formal valuation every 3 to 5 years, but this has been brought forward due to the current market conditions. When there is no formal valuation performed the fair value of Operational Port Land is reviewed at the end of each reporting period to ensure that the carrying value of land is not materially different from its fair value. Any revaluation increase of Operational Port Land is recognised in Other Comprehensive Income and accumulated as a separate component of equity in the properties Revaluation Reserve, except to the extent it reverses a previous revaluation decrease for the same asset previously recognised in Profit or Loss, in which case the increase is credited to Profit or Loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation is charged to the Profit or Loss to the extent that it exceeds the balance, if any, held in the property's Revaluation Reserve relating to a previous revaluation.

Property and Equipment (other than Operational Port Land, Rolling Stock and Transport Infrastructure) is recorded at cost less accumulated depreciation and impairment. Cost represents the value of the consideration to acquire the assets and the value of other directly attributable costs that have been incurred in bringing the assets to the location and condition necessary for their intended service.

The Board and management have undertaken a process to determine what constitutes Investment Property and what constitutes Property and Equipment. There is an element of judgement in this. There is a developed Port plan, and those items of land that are considered integral to the operations of the Port have been included in Operational Port Land. Land held specifically for capital appreciation, an undetermined purpose, or to derive rental income has been classed as Investment property.

Revaluation movements are accounted for on a class of asset basis. The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

- Buildings	5 to 50 years
- Wharves, Paving and Seawalls	2 to 100 years
- Plant and equipment	2 to 50 years
- Rail rolling stock	20 to 30 years
- Rail Infrastructure	4 to 150 years

The useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

### **Impairment**

No impairment adjustment has been made for the period to 31 December 2024 (2023: Nil).



**WRC Holdings Limited**  
**Notes to the Financial Statements**  
**For the half-year period ended 31 December 2024**  
(continued)

**5 Property, plant and equipment (continued)**

Group	Operational port freehold land \$'000	Buildings \$'000	Wharves and paving \$'000	Plant and equipment \$'000	Rolling stock \$'000	Transport infrastructure \$'000	Work in Progress \$'000	Total \$'000
<b>Half-Year ended 31 December 2024</b>								
Opening net book amount	127,810	9,971	69,610	46,339	335,987	118,649	74,464	782,830
Additions	-	46	-	5,215	-	-	15,440	20,701
Transfers from work in progress	-	26	61	2,382	-	-	4,970	7,439
Disposals/written off	-	-	-	(580)	-	-	-	(580)
Reclassification	-	-	(186)	-	-	-	-	(186)
Depreciation charge	-	(353)	-	(2,336)	(9,739)	(3,667)	-	(16,095)
Provision for Resilience	-	-	(2,654)	-	-	-	-	(2,654)
<b>Closing net book amount</b>	<u>127,810</u>	<u>9,690</u>	<u>66,831</u>	<u>51,020</u>	<u>326,248</u>	<u>114,982</u>	<u>94,874</u>	<u>791,455</u>
<b>Half-Year ended 31 December 2023</b>								
Opening net book amount	113,386	10,823	69,884	47,643	355,714	113,325	48,430	759,205
Additions	6,839	-	-	-	-	-	25,025	31,864
Transfers from work in progress	-	-	536	741	-	1,142	(2,419)	-
Disposals / written off	-	(151)	-	(25)	-	-	-	(176)
Reclassification	-	-	43	(43)	-	-	-	-
Depreciation charge	-	(351)	(3,228)	(2,794)	(9,676)	(3,232)	-	(19,281)
Provision for Resilience	-	-	-	-	-	-	-	-
<b>Closing net book amount</b>	<u>120,225</u>	<u>10,321</u>	<u>67,235</u>	<u>45,522</u>	<u>346,038</u>	<u>111,235</u>	<u>71,036</u>	<u>771,612</u>

**WRC Holdings Limited**  
**Notes to the Financial Statements**  
**For the half-year period ended 31 December 2024**  
(continued)

## 6 Interest bearing liabilities

	Group		
	Unaudited 31 December 2024 \$'000	Unaudited 31 December 2023 \$'000	Audited 30 June 2024 \$'000
	<b>Current</b>		
Borrowings	-	-	44,000
NZ Green Investment Finance	-	12,000	12,000
<b>Total current interest bearing borrowings</b>	<u>-</u>	<u>12,000</u>	<u>56,000</u>
<b>Non-current</b>			
Borrowings	44,000	44,000	-
Bank Borrowings	24,500	-	-
<b>Total noncurrent interest bearing liabilities</b>	<u>68,500</u>	<u>44,000</u>	<u>56,000</u>
<b>Total interest bearing liabilities</b>	<u>68,500</u>	<u>56,000</u>	<u>56,000</u>

### Loan from Greater Wellington Regional Council

WRC Holdings Limited has a loan of \$44.0m received from its parent entity Greater Wellington Regional Council. The interest rate is reset quarterly.

### NZ Green Investment Finance

On 11 July 2024, the New Zealand Green Investment Fund facility matured and was fully repaid.

On 11 July 2024, CentrePort entered into a Committed Cash Advance Facility Agreement with BNZ. The facility has a \$50m limit and matures 11 July 2026. The Group has drawn down \$24.5m of this facility as at 31 December 2024. The interest rate is based on BKBM (bank bill bid settlement) rate plus a margin payable on funds drawn.

The Lender has first ranking security over all current and future assets held by the Group.

## 7 Equity

	Group		
	Unaudited 31 December 2024 \$'000	Unaudited 31 December 2023 \$'000	Audited 30 June 2024 \$'000
	<b>Share capital</b>		
Ordinary shares			
\$1 shares, fully paid	337,970	320,170	337,970
\$1 shares, partly paid	17,275	16,975	17,275
Redeemable Preference Share Capital			
25,000 \$1000 shares, paid to 1 cent	-	-	-
<b>Total share capital</b>	<u>355,245</u>	<u>337,145</u>	<u>355,245</u>

## **8 Related party transactions**

At 31 December 2024, the group owed \$2,895 million to Wellington Regional Council (2023: \$1,281 million).

## **9 Subsequent events**

Subsequent to 31 December 2024, a Director (A J Hare) resigned from the Board, effective 31 January 2025.

There have been no subsequent events up to the date of signing these financial statements which would affect the amounts or disclosures in the financial statements.

**WRC Holdings Limited**  
**Statement of responsibility**  
**For the half-year period ended 31 December 2024**

**Statement of Responsibility**

The Directors and management of the Group accept responsibility for the preparation of the interim financial statements and the statement of service performance, and the judgements used in them.

The Directors have authority to sign these financial statements.

The Directors and management of the Group accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Directors and management of the Group, the interim financial statements, and the statement of service performance for the half-year period ended 31 December 2024 fairly reflect the financial position and operations of the Group.



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Director

25 February 2025



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Director

25 February 2025



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Group Manager Finance & Risk

25 February 2025