

Management report to Council

Agenda item 6.20

Other confidential matter

Council

Queen Victoria Market Pty Ltd: trading results to 31 December 2016

28 February 2017

Presenter: Phu Nguyen, Chief Financial Officer

Purpose and background

1. The purpose of this report is to inform the Council of the trading results of Queen Victoria Market Pty Ltd (QVM) for the financial period to 31 December 2016.
2. QVM commenced operations on 1 July 1997, having been established by Council as part of its Competitive Business Strategy adopted in May 1994. Approvals for incorporation of QVM were given under section 193 of the *Local Government Act 1989* and signed by the Treasurer and Minister for Local Government on 12 February 1996.
3. The information contained in Attachment 2 has been prepared by QVM after consideration of the trading results at the board meeting in late January 2017.

Confidentiality

4. The information contained in this report has been designated as confidential information by the Chief Executive Officer because it contains information which if released, could prejudice the Council or the operation of QVM including commercial matters.

Key issues

5. QVM's performance for the quarter ending 31 December 2016 resulted in an annualised return on investment of 5.37 per cent and is above the established benchmark return of 4.14 per cent (150 per cent of the bond rate). The return to Council earned to date for QVM is made up of tax equivalents, dividends and licence fees payable.

Recommendation from management

6. That Council:
 - 6.1. Notes the trading results of Queen Victoria Market Pty Ltd for the quarter ending 31 December 2016.
 - 6.2. Approves the immediate release of this report (excluding Attachment 2) to the public following acceptance of the trading results.

*This information has been released as per Council resolution 28 February 2017
and is no longer considered Confidential*

Supporting Attachment

Legal

1. No direct legal issues arise from the recommendation from management.

Finance

2. There are no direct financial implications associated with the recommendation to accept the trading results.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

4. Consultation with the QVM management was undertaken in the preparation of this report.

Relation to Council policy

5. This reporting of trading results conforms to the requirement in the governance protocols of wholly-owned subsidiary companies agreed with Council.

Environmental sustainability

6. There is no significant impact on environmental sustainability associated with the recommendation in this report.

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