



Ashburton Trust

Strategic Plan 2013

UPDATED APRIL 2013

CONTENTS PAGE

INTRODUCTION	2
EXECUTIVE SUMMARY	3
VISION, MISSION, VALUES.....	5
OBJECTIVES, STRATEGIES, GOALS.....	6
CONCLUSION	6

2. INTRODUCTION

Authorisation for Distribution

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3. EXECUTIVE SUMMARY

Ashburton Trust was formed on 21 October 1949 when the Ashburton Licensing Trust Act came into being, constituting the Ashburton Licensing Trust. Amongst the more significant milestones it purchased the Grand Central Hotel (now known as the Devon Tavern) for £10,500 during June 1950. In August 1950 it was announced that the Government had advanced a loan of £50,000 to the Ashburton Licensing Trust. The Somerset property was purchased June 1951 for £35,900 and opened for business as a bar and bottle store in August 1952.

October 1969 saw construction work commence on Hotel Ashburton with the guest accommodation opening in May 1971.

November 2004 saw the Ashburton Licensing Trust forego its preferential rights to bars and bottle stores trading when the Ashburton public voted for a change to the laws by 283 votes. The Trust operates under the terms of the laid down Constitution within the Sale of Liquor Act

Objects of the Ashburton Trust are as written into the Sale of Liquor Act 1989

(1) The principal objects of a licensing Trust shall be-

- (a) The sale and supply of liquor; and
- (b) The establishment and conduct of premises for the sale and supply of liquor, the provision of accommodation for the travelling public, and the sale and supply of food and refreshments; and
- (c) The conduct of any other business that, in the opinion of the Trust, can be carried on conveniently in conjunction with any business described in paragraph (a) or paragraph (b) of this subsection.

(2) Subject to subsection (1) of this section, every licensing Trust shall have-

- (a) The rights, powers, and privileges of a natural person; and
- (b) The power-
 - (i) To issued debentures of the Trust; and
 - (ii) To grant a floating charge on any undertaking or property of the licensing Trust.

Distribution of profits

A licensing Trust may expend or distribute the net profits arising from its operations, or so much of those profits as it thinks fit, in such a manner as it thinks fit for all or any of the following purposes:

- (a) The promotion, advancement, or encouragement of education, science, literature, art, physical welfare, and other cultural and recreational purposes:
- (b) The erection, laying out, maintenance, or repair of any buildings or places intended to further any of the purposes described in paragraph (a) of this section:
- (c) Any other philanthropic purposes.

The Board of the Trust remains committed to developing opportunities within and external to our district that will provide optimum returns to Ashburton Community stakeholders.

Whilst the board will assess and review other business opportunities such as land development, investment portfolios, management services or joint venture operations, the core business activity remains the provision of hospitality and entertainment services primarily in the service of Food, Beverage, Accommodation and Gaming activity.

In order for these activities to be sustainable and consistently produce the returns expected by our community, the Trust will need to reinvest in its business activities from time to time to ensure that these services and venues meet the standard and expectation of the market they are designed to attract. This acknowledges that the market demand is changing and that the Trust may need to look at other activities to address a changing environment.

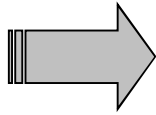
The Board intend to execute a communication strategy with the community and our key stakeholders that will signal the future direction and likely projects that the board may undertake.

This strategic plan will identify to our stakeholders, the principles on which the board and the Trust stand, the direction and focus that we wish to take and the performance indicators by which we will measure our success as a board and an enterprise.

There will be an ongoing requirement for analysis of all our activities in this current extraordinary financial climate. The economic forecasts and pressure on banks worldwide although still less apparent in New Zealand, will undoubtedly continue to impact on our operations and it is prudent to note that this strategic plan will be a living document to be updated and revised with reference to changing trade conditions and opportunities that may arise.

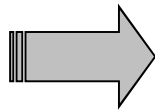
Overall, the current plan addresses two key strategies, in the near term, to rapidly improve profitability, generating cashflow, and in the medium term, to use this cashflow to build sustainable businesses and grow equity, through re-investment of profits and increased brand awareness. The Board note that pleasing progress has been made since the 2011 plan was updated.

4.1 VISION:



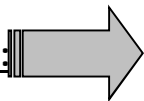
To serve and benefit the community through owning and operating successful businesses.

4.2 MISSION:



To create an excellent service culture through the operation of outstanding hospitality, accommodation and function venues for the community, in a responsible manner.

4.3 VALUES STATEMENT:



The following values are those which we as an organisation look to achieve and strive to be recognised for.

- Respect
- Honesty and Integrity
- Transparency
- Focus
- Innovation
- High Quality

THIS MEANS;

5.1 Objectives

- a) Improve long term profitability
- b) Build value in equity (debt reduction and re-investment in existing assets)
- c) Define an asset and debt plan
- d) Maintain community support

5.2 Strategies (*Relationship to Objectives*)

- a) Continue to improve business performance
- b) Divest non critical assets
- c) Recruit and retain talent
- d) Communication plan for engagement with the community
- e) Manage relationships with key stakeholders – community, employees, financiers, suppliers and gaming foundations
- f) Maintain regulatory compliance
- g) Open lines of communication with the community around generating interest of new candidates for board elections
- h) Explore business opportunities for profitable joint ventures with other complementary organisations within our district
- i) Continually seek new profitable business opportunities
- j) Explore franchising opportunities for innovative business models that can be developed
- k) *Adopt a balance approach to risk and debt*

Conclusion

Recognising our strength skill and many years of experience, the Trust intends to remain the pre-eminent provider of hospitality services within the Ashburton district. This will be through activity focused around Food service, the sale of liquor, the provision of accommodation and gaming activities. A key driver for our business interest is the ability to support our community through sponsorship, donations and the co-funding of agreed community projects.

This strategic plan will drive a range of goals that will be the focus of our annual business plans, which will reflect the objectives detailed within it.

To achieve these goals the trust must run and maintain successful, sustainable and profitable businesses and investments in order to meet the returns and expectations within the community