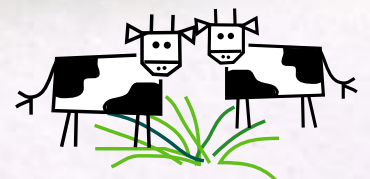


*Tasman District Council*



# Summary Annual Report 30 June 2007



# Mayor and Chief Executive Officer's Report

It is our pleasure to present the 2006/2007 Summary Annual Report. It is pleasing to look back over the achievements of the past year, in the paradise in which we live. 2006/2007 was another busy year with its share of challenges and opportunities, which we have accepted head-on.

A significant achievement by Council was the production of our Long Term Council Community Plan. Whilst this huge undertaking took an enormous resource, the result is a document, and a process, which gives much clarity to our direction for the entire community. A document we can be proud of.

The net assets of Council continue to grow, presenting a sound platform for the future. In financial terms, Council has finished the year in a strong position with a surplus, highly influenced by extraordinary items, of \$11.5 million, a positive working capital position, and net assets totalling \$926.9 million.

Significant highlights of the year in review include; the acceptance of a tender for the construction of a purpose-built Library in Takaka, and progress made toward the Lee Valley water supply dam.

Growth of the District continues to provide land use demands, particularly with Eastern Golden Bay, the Richmond West development plan, and a review of zoning in Richmond South. These are positive issues to be facing, and it is rewarding to witness Council rise to the challenges and provide solutions and management to the benefit of all ratepayers.

Other noteworthy capital projects carried out during the year include; a new stock effluent facility at Murchison, a major

upgrade of the Takaka sewer system, and the new urban water supply to the Mapua township. Major work continues at Saxton Field with the construction of the cricket oval and athletics field. Council has also purchased 3,000 temporary seats for use at Trafalgar Park and other public events.

On reflection of the times in which we live, as much is accomplished so more is asked. Council has seen a 10% rise in the number of Resource Management consents issued, the value of building consents rose by 21% to \$135 million, and over 500 licences for various activities were issued. Significant work on upgrading water supply and wastewater networks is being undertaken. We continue to foster the development of community initiatives which enhance the wellbeing of all residents.

These are exciting times for Tasman District, and we are pleased to report on the impressive achievements we have made thus far, but there remains more to accomplish. Council is committed to continue to drive improvements in areas of customer services delivery, especially in shortening processing timeframes. We have a collective responsibility to provide first-rate facilities for all residents, present and future, the Lee Dam proposal being one such example. Planning for population growth now requires additional focus as the district continues to attract a greater number of residents, both national and international. These are positive challenges, providing Council with opportunities for further avenues for development.

We are privileged to live in such a beautiful part of the country, not only the magnificent natural features we enjoy, but also the warmth and caring nature of people in our community. This report reflects that enthusiasm and progressive approach we all share for our District.

**Richard  
Kempthorne**  
*Mayor*



**Paul Wylie**  
*Chief Executive Officer*



This Summary Annual Report has been extracted from the full Annual Report dated 30 June 2007 and covers the year ended 30 June 2007. This report can not be expected to provide as complete an understanding as provided by the full Annual Report of the financial and service performance, financial position and cashflows of the Council. This full annual report

was authorised for issue on 31 October 2007 by the Corporate Services Manager, Chief Executive Officer and Mayor of the Council. The Council's full Annual Report has been audited by Audit New Zealand and an unqualified opinion was issued on 31 October 2007. The full Annual Report can be obtained from Council Offices in Richmond, Motueka, Takaka and Murchison.

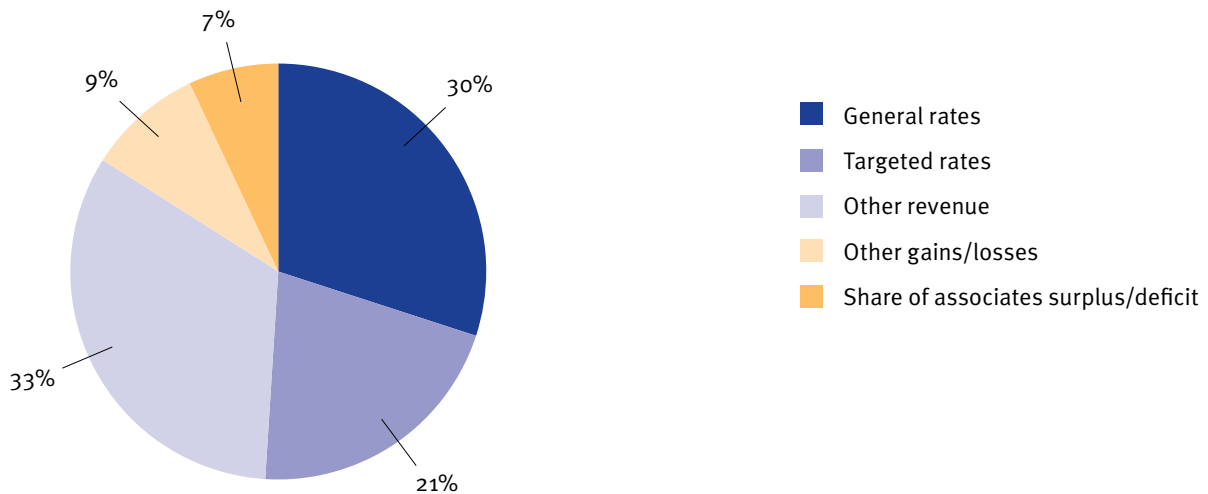
# Financial Highlights

## Council's Five Year Financial Performance Summary

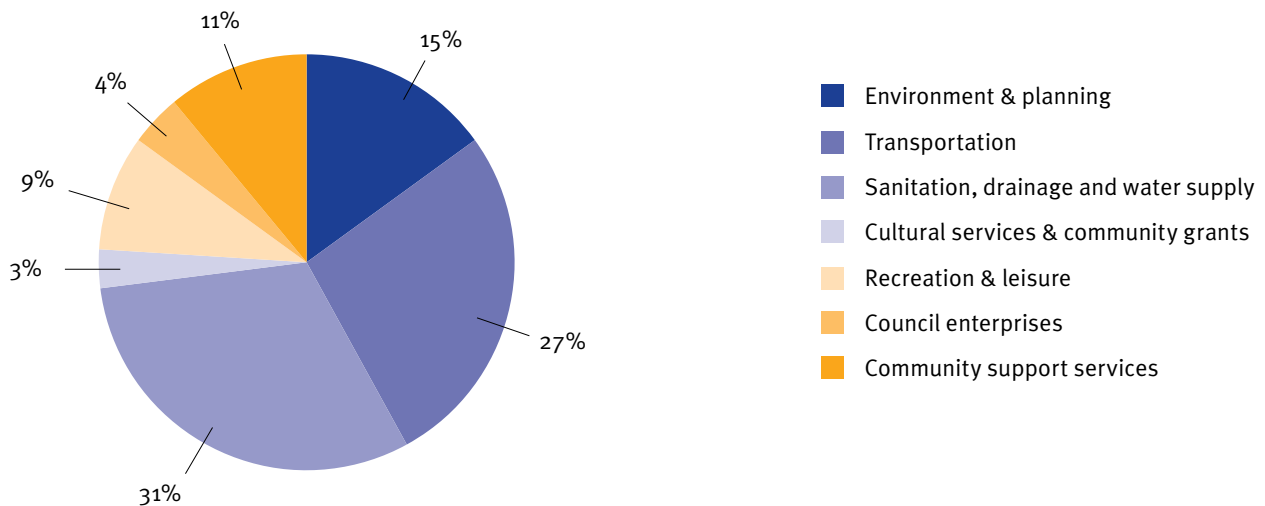
	2007 \$(000's)	2006 \$(000's)	2005 \$(000's)	2004 \$(000's)	2003 \$(000's)
District General Rates	22,339	20,767	19,182	17,804	15,953
Net Surplus/Deficit	11,536	6,083	4,440	13,401	9,467
Working Capital	4,986	-14,900	-2,367	209	309
Public Debt	77,985	69,368	57,497	44,207	35,236
Current Ratio	1.24	0.42	0.89	1.01	1.02

Note: The 2003-2005 figures are not comparable with 2006 and 2007 as the 2006 and 2007 financial information was prepared in accordance with NZ IFRS.

### Source of Revenue 2006/2007



### Council 2006/2007 Operating Expenditure by Activity



# Summary Statement of Financial Performance

For the year ended 30 June 2007

The information included in the Summary Financial Statements has been extracted from the audited full Annual Report which was authorised for issue by the Tasman District Council on 31 October 2007.

June 06 Actual \$(000's)		June 07 Actual \$(000's)	June 07 Budget \$(000's)
	<b>Income</b>		
20,767	General Rates	22,339	22,149
12,319	Targeted Rates	15,468	14,878
22,032	Other revenue	23,099	24,420
5,377	Other gains/losses	6,950	3,385
2,144	Share of associates surplus/deficit	6,141	-
964	Net income/expenditure of joint ventures	842	-
63,603	<b>Total Income</b>	74,839	64,832
	<b>Expenditure</b>		
	Operating Costs of Activities		
9,226	Environmental & planning	9,661	8,616
13,825	Transportation	16,674	14,967
17,043	Sanitation, drainage and water supply	19,295	18,047
1,999	Cultural services	2,083	2,033
6,076	Recreation and leisure	5,998	6,102
2,252	Council enterprises	2,426	2,437
7,099	Community support services	7,166	6,500
57,520	<b>Total Expenditure*</b>	63,303	58,702
6,083	<b>Surplus before Taxation</b>	11,536	6,130
-	Tax expense	-	-
6,083	<b>Net Surplus</b>	11,536	6,130

\*Total Expenditure includes finance costs of \$5.172m (2005/2006 \$3.753m)

# Summary Statement of Financial Position

## As at 30 June 2007

June 06 Actual \$(000's)		June 07 Actual \$(000's)	June 07 Budget \$(000's)
10,926	<b>CURRENT ASSETS</b>	25,515	12,484
(25,826)	<b>CURRENT LIABILITIES</b>	(20,529)	(16,232)
(14,900)	<b>WORKING CAPITAL</b>	4,986	(3,748)
944,084	<b>NON CURRENT ASSETS</b>	992,346	889,593
(58,774)	<b>NON CURRENT LIABILITIES</b>	(70,387)	(68,003)
870,410	<b>TOTAL NET ASSETS</b>	926,945	817,842
870,410	<b>TOTAL EQUITY</b>	926,945	817,842

# Summary Statement of Cashflow

## For the year ended 30 June 2007

June 06 Actual \$(000's)		June 07 Actual \$(000's)	June 07 Budget \$(000's)
	<b>Cashflow From Operating Activities</b>		
32,938	Rates revenue	37,825	37,027
24,205	Other Income	20,944	27,551
57,143	Total operating cash provided	58,769	64,578
(47,430)	Total operating cash applied	(46,577)	(45,824)
9,713	<b>Net Cashflow From Operating</b>	12,192	18,754
	<b>Cashflow From Investing Activities</b>		
3,254	Total investing cash provided	16,223	-
(33,035)	Total investing cash applied	(34,356)	(34,167)
(29,781)	<b>Net Cashflow From Investing</b>	(18,133)	(34,167)
	<b>Cashflow From Financing Activities</b>		
16,435	Total financing cash provided	12,425	17,881
(4,564)	Total financing cash applied	(3,808)	(4,075)
11,871	<b>Net Cashflow From Financing</b>	8,617	13,806
(8,197)	<b>Total Net Cashflows</b>	2,676	(1,607)
5,974	<b>Opening Cash Held</b>	(2,223)	5,507
(2,223)	<b>Closing Cash Balance</b>	453	3,900
	<b>Represented By:</b>		
-	Cash and cash equivalents	453	3,900
(2,223)	Bank Overdraft	-	-
(2,223)		453	3,900

# Summary Statement of Movements in Equity

For the year ended 30 June 2007

June 06 Actual \$(000's)		June 07 Actual \$(000's)	June 07 Budget \$(000's)
755,175	<b>Equity at the start of the year</b>	870,410	799,871
6,083	Net surplus (deficit) for the year	11,536	6,130
109,152	Inc (dec) in asset revaluation reserves	44,999	11,841
115,235	Total recognised revenues and expenses for the period	56,535	17,971
870,410	<b>Equity at the end of the year</b>	926,945	817,842

## Notes to the Summary Financial Statements

For the year ended 30 June 2007

### 1. Accounting Policies

#### Basis of Preparation

The Council has prepared the Summary Annual Report in order to provide users with a succinct overview of Council Performance. The specific disclosures included in the Summary Annual Report have been extracted from the full audited annual report of Tasman District Council. An unqualified audit opinion was dated 31 October 2007. The Summary Annual Report complies with FRS 43 Summary Financial Statements and has been audited.

Users of the Summary Annual Report should note that the information contained therein cannot be expected to provide as complete an understanding as provided by the full Annual Report of the financial and service performance, financial position and cashflows of the Council.

The financial statements have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as applicable for public benefit entities.

### 2. Events Occurring after the Reporting Date

No significant events have occurred since balance date that affect these financial statements.

The Summary Annual Report was authorised for issue on 15 November 2007 by the Mayor and Chief Executive.

Users who require additional information are encouraged to request a printed version of the full Annual Report from the following address:

Corporate Services Manager  
Tasman District Council  
Private Bag 4  
Richmond

### 3. Significant Variances compared to the Long Term Council Community Plan (LTCCP)

The Council made a net surplus of \$11.536 million (budgeted surplus of \$6.130 million).

Explanations for major variations from the budget are as follows:	
Revenue and expenditure	\$(000's)
<b>2007 LTCCP surplus</b>	6,130
Increases/(reductions)	
General Rates	190
Targeted Rates	590
Other Gains/(Losses)	3,565
Share of Associates	6,141
Other increases in revenue	(1,321)
Environmental and planning	(1,045)
Transportation	(1,707)
Sanitation, drainage and water supply	(1,248)
Community support services	(666)
Other Expense variances	65
Joint ventures	842
	5,406
<b>2007 Annual Report Surplus</b>	<b>11,536</b>

#### The major reasons for the variance between actual and estimated net surplus were:

Other increases in revenue were up on budget for a variety of reasons. The major variances are as follows:

- Interest received was up \$612,000 on budget. This was due to the unbudgeted Port Nelson share buy-back funds of \$12,500,000 being invested.
- Development contributions income was down \$1,336,000 on budget due to the timing of new developments.
- There was an increase in forestry revenue over budget of \$403,000 due to an increase in log prices for the majority of the year. There was a forestry revaluation increment of \$4,133,000 which under IFRS is now required to go directly into the Statement of Financial Performance.
- Assets vested in Council were \$721,000 less than expected.
- Land Transport Subsidies were \$412,000 higher than budgeted due to increased transportation expenditure from increased raw material costs.
- Fees and recoveries in Regulatory Services was \$477,000 over budget due to higher charges being passed on to customers from the extra building control costs incurred by Council.

Environmental and Planning expenditure increased due to extra staff hours required in processing consents and the new Building Act requirements, increased legal fees due to several court cases, and additional consultancy fees.

Transportation expenditure increased due to increased raw material costs resulting from increased fuel costs. These have been partially offset by an increase in Land Transport subsidies. There has also been an increase in depreciation expense over budget resulting from the roading revaluation which was undertaken at the end of the previous financial year.

Sanitation, drainage and water supply expenditure was up on budget due to increased expenditure in Refuse and Water Supply. Refuse was up due to greater than expected increases in fuel and plant costs. Water Supply expenditure was up due to increased maintenance being required on the urban water network, as well as increased raw materials costs.

**Explanations for major variations from the budget are as follows:**

Statement of Financial Position	Actual \$(000's)	LTCCP \$(000's)	Variance \$(000's)
The carrying values of the following items vary significantly from those forecast in the LTCCP			
Cash and cash equivalents	453	3,900	(3,447)
Other financial assets	17,741	4,666	13,075
Forestry Assets	18,305	12,537	5,768
Property, plant and equipment	902,595	816,298	86,297
Reserve funds	23,681	11,900	11,781
Revaluation reserves	452,871	359,040	93,831

**The major reasons for the variance between actual and estimated Statement of Financial Position values were:**

Cash and cash equivalents are down mainly due to the mix of assets purchased and the corresponding funding requirements as well as the reduction in development contributions received due to the timing of new developments.

Other financial assets have increased due to the \$12,500,000 received from the share buy-back from Port Nelson Ltd as well as the interest on these funds which has been reinvested.

The property, plant and equipment asset increase is primarily due to the effect of the utility asset revaluations undertaken during the year. These revaluations resulted in an increase of \$42,863,000. [The actual opening

balance at the beginning of the 2006/2007 year was also higher than that estimated at the time of preparing the 2006 Long Term Council Community Plan mainly due to the roading, land and buildings revaluations undertaken last year].

Reserve funds have increased primarily due to the \$12,500,000 received from the share buy-back from Port Nelson Ltd as well as the interest on these funds which has been reinvested being held as a special reserve.

Revaluation reserves are up primarily due to the effect of the utility asset revaluations undertaken during the year. These revaluations resulted in an increase of \$42,863,000. [The actual opening balance at the beginning of the 2006/2007 year was also higher than that estimated at the time of preparing the 2006 Long Term Council Community Plan mainly due to the roading, land and buildings revaluations undertaken last year].

#### 4. Explanation of transition to NZ IFRS

TDC financial statements for the year ended 30 June 2007 are the first financial statements that comply with NZ IFRS. TDC has applied NZ IFRS 1 in preparing these financial statements. TDC's transition date is 1 July 2005. TDC prepared its opening NZ IFRS Statement of Financial Position as at that date. The reporting date of these financial statements is 30 June 2007. The TDC's NZ IFRS adoption date is 1 July 2006.

In preparing these financial statements in accordance with NZ IFRS 1, TDC has applied the mandatory exceptions and certain optional exemptions from full retrospective application of NZ IFRS.

TDC has elected to apply the following optional exemptions from full retrospective application.

*Business combination exemption*

TDC has applied the business combinations exemption in NZ IFRS 1. It has not restated business combinations that took place prior to the 1 July 2005 transition date.

*Fair value as deemed cost exemption*

TDC has elected to measure land under roads at fair value as at 1 July 2003 and use that fair value as the deemed cost at that date.

TDC is required to make the following mandatory exception from retrospective application.

*Estimates exception*

Estimates under NZ IFRS at 1 July 2005 are consistent with estimates made for the same date under previous NZ GAAP.



## Explanatory notes – Effect of NZ IFRS on the Statement of Cashflows.

Short term deposits with maturities of 91 to 365 days are classified as other financial assets and are not included in the IFRS Statement of Cashflows.

## Reconciliation of surplus for the year ended 30 June 2006

	Previous NZ GAAP 30 June 2006	Council Effect on transition to NZ IFRS 30 June 2006	NZ IFRS 30 June 2006
<b>Income</b>			
District general rates	20,767	-	20,767
Targeted rates	12,319	-	12,319
Other Revenue	21,985	47	22,032
Other Gains/Losses	4,615	762	5,377
Share of associates surplus/deficit	2,144	-	2,144
Net income/ expenditure of joint ventures	964	-	964
<b>Total Operating Income</b>	<b>62,794</b>	<b>809</b>	<b>63,603</b>
<b>Expenditure</b>			
Operating Costs of Activities			
Environmental & planning	9,067	159	9,226
Transportation	13,825	-	13,825
Sanitation, drainage and water supply	17,043	-	17,043
Cultural services and community grants	2,497	-	2,497
Recreation and leisure	6,076	-	6,076
Council Enterprises	3,151	(899)	2,252
Community support services	6,201	400	6,601
	<b>57,860</b>	<b>(340)</b>	<b>57,520</b>
<b>Net Surplus</b>	<b>4,934</b>	<b>1,149</b>	<b>6,083</b>

## Explanatory notes – Reconciliation of surplus

The adoption of NZ IFRS resulted in the following changes to the surplus

- Under NZ IFRS community loans are subsequently measured at amortised cost using the effective interest method.
- In accordance with NZ IFRS the monies held as payable to the Ministry of Environment on satisfactory completion of the Mapua Decontamination project have been recorded at fair value.
- NZ IAS 40 requires investment property to be measured at its fair value with no deduction allowed for disposal costs.
- NZ IFRS requires revaluation movements to be recognised in the statement of financial performance. There was an adjustment to the forestry valuation under the IFRS methodology.
- Under NZ IFRS loans to related parties (Tasman Bays Heritage Trust) have been valued at the net present value of expected future repayments

## Reconciliation of equity

	Previous NZ GAAP 1 July 2005	Council Effect on transition to NZ IFRS 1 July 2005	NZ IFRS 1 July 2005	Previous NZ GAAP 30 June 2006	Council Effect on transition to NZ IFRS 30 June 2006	NZ IFRS 30 June 2006
<b>CURRENT ASSETS</b>	13,052	(736)	12,316	9,839	(1,136)	8,703
<b>CURRENT LIABILITIES</b>	(14,628)	(55)	(14,683)	(14,775)	(8,828)	(23,603)
<b>WORKING CAPITAL</b>	(1,576)	(791)	(2,367)	(4,936)	(9,964)	(14,900)
<b>NON CURRENT ASSETS</b>	801,942	11,036	812,978	938,694	5,390	944,084
<b>NON CURRENT LIABILITIES</b>	(55,741)	305	(55,436)	(67,689)	8,915	(58,774)
<b>TOTAL NET ASSETS</b>	744,625	10,550	755,175	866,069	4,341	870,410
<b>TOTAL EQUITY</b>	744,625	10,550	755,175	866,069	4,341	870,410

## Explanatory notes – Reconciliation of equity

### The adoption of NZ IFRS resulted in the following changes to equity

- Those bank deposits with maturity date of 90 days or less have been reclassified to cash and cash equivalent.
- In accordance with NZ IAS 39 community loans have been valued at the net present value of expected future repayments, using market interest rates for instruments with a similar credit rating as the discount factor.
- TDC does not actively pursue land intended for resale nor does it have a plan of sale in hand. The Council resolution is more of an intention to sell that may or may not be realised. Therefore land intended for resale has been reclassified as property, plant and equipment.
- An adjustment has been made under NZ IAS 18 to account for Rural 3 development contributions on a percentage completion basis.
- NZ IAS 19 requires TDC to recognise employees unused sick leave entitlement that can be carried forward at balance date, to the extent that TDC anticipates it will be used by staff to cover future absences.
- Under NZ IFRS the actual loans repayable during the next financial year must be classified as current even if the loans may be 'rolled over'.
- NZ IAS 40 requires investment property to be measured at its fair value with no deduction allowed for disposal costs. Investment property has also been classified separately from Property, Plant and Equipment under NZ IFRS.
- Forestry has been classified separately from Property, Plant and Equipment under NZ IFRS.
- Computer software has been reclassified as an intangible asset.
- In accordance with NZ IAS 39 the interest free loan to Tasman Bays Heritage Trust has been valued at the net present value of expected future repayments.
- An adjustment has been made by Port Nelson Ltd to their asset revaluation reserve under NZ IFRS.
- In line with Council's policy to report assets at their most current valuation Council has brought in the latest revaluation of the runway, taxiways, and apron at Nelson Airport Limited.
- In accordance with NZ IFRS the monies held as payable to the Ministry of Environment on satisfactory completion of the Mapua Decontamination project have been recorded at fair value.
- Equity has been adjusted for the IFRS transitional changes. The adjustments taken to equity relate to the Port Nelson Asset Revaluation Reserve, the removal of the heritage asset and furniture & fittings asset revaluation reserves, and the IFRS adjustments relating to the surplus for the year

# Significant Performance Measures & Targets

## For the year ended 30 June 2007

The Council aims to contribute to the cultural, environmental, social and economic well-being of the community through eight Community Outcomes. For further information on Community Outcomes and their linkages to the Groups of Activities please refer to the full Annual Report.

This is the first year that Council is reporting against the measures contained in its Long Term Council Community

Plan 2006/2016 (LTCCP) and details can be found within the Statements of Cost of Service section in the full Annual Report.

In Council's Annual Report we have reported on a comprehensive list of performance measures and targets for each activity of Council. This summary lists a few of those key measures and reports Council's performance against these measures during the year.

Activity	Measure/Target	Result
Resource Policy	The level of community support for Council's policy and plan initiatives. The progress benchmark is 75% satisfaction level achieved for process and results, but acknowledging that communities may be diverse in their valuation of planning results.	The most recent public satisfaction survey records Tasman District Council residents as having a response level of 40% to policy decisions they disapprove of. This is in line with the national average.
Resource Information	Timely reporting of air quality data with the aim of having no more than one exceedance by 2013.	Council's real time monitoring of air quality recorded 21 exceedances of the National Environmental Standard for particulate material less than 10 um. This is approximately half of the expected number for Richmond. Council has indicated to the Ministry for the Environment that it is probable that this objective will be met by 2013.
	To initiate and respond to flood warnings and continue water resource investigations in the Waimea, Buller, Golden Bay, Moutere and Motueka catchments.	<p>Targeted Water Resource Investigations</p> <ul style="list-style-type: none"> <li>Major effort has continued into the Waimea Water Augmentation project with effort being concentrated on the Lee Valley catchment, scoping and initial site recommendations for augmentation in the Motupiko catchment and follow-up work on the Wai-iti water augmentation project.</li> <li>Concluded a drilling exercise in the Dovedale area but found no additional water resource at depth, the potential of a limited shallow water resource will be followed up in 2007/2008.</li> </ul> <p>Technical work on deep groundwater resources in the Moutere Catchment has been completed and is being used to develop further enhancements to water allocation and management in the Moutere Catchment.</p>
Resource Consents and Compliance	80% of applications are processed within statutory timeframes where specified.	66% of the 1,055 resource consent applications were processed within the statutory timeframes (cf 73% of 872 in 2005/2006). However, for the month of June 2007 we managed to process 89% of consent applications within the statutory timeframes.
	To respond to enquiries and undertake the necessary consultation, analysis and processing of resource consent applications related to Council's resource management functions.	Council continues to respond to enquiries and all other aspects of resource consent applications on an ongoing basis (see Appendix 1 for details). Staff serviced, by way of providing reports and attending, 34 Consent hearings held during the year (30 Consent Committee and 4 Commissioner hearings). 12 appeals against 7 Council decisions were received with 1 withdrawn and 5 settled by Consent Order. Of the 26 appeals pending resolution as at 1 July 2006, 18 were settled by consent, 2 withdrawn and 1 determined in favour of the Council by the Environment Court and 1 determined against the decision of Council, with the balance still awaiting resolution. The consent workload involved some significant projects for the District including some major rural 3 subdivisions with private wastewater discharges, a major residential subdivision of rural 1 land, commercial developments in Richmond and industrial development in Brightwater.

# Significant Performance Measures & Targets

For the year ended 30 June 2007

Activity	Measure/Target	Result
<b>Environmental Education, Advocacy and Operations</b>	To identify and promote opportunities for achieving sustainable management of natural and physical resources through implementing Council's Environmental Education Strategy including sector codes of compliance, and education and advocacy for sustainable environmental management practices.	<p>Completed a wide range of education and advocacy initiatives including: A very successful Environmental Festival "Ecofest" was held in August 2006. Planning underway for the 2007 event.</p> <p>The annual Environmental Awards programme was run in November 2006. The entries were of a high standard and well over 100 people attended the awards ceremony. Planning for the 2007 Awards is now underway.</p> <p>Smart Living Month (March 2007) was very successful; Construction of a Smart Home to showcase ways to save money and resources. The smart home is a shipping container-sized model of a home with many of the latest technologies to make the home efficient and environmentally friendly. The home is relocatable and will be used at a wide range of events.</p> <p>Reservoir Creek restoration, focussing on Hill Street to the Waimea Inlet, is finishing and has been strongly supported by the community and schools. Information panels are nearing completion. Stage 2 (above Hill Street) is being planned.</p> <p>The Sustainable Living programme continues to be delivered. This programme is run through seminars around the district and gives people ideas about how to reduce power and resource consumption and save money.</p> <p>The Enviroschools programme is being extended into more Tasman schools. This programme is achieving great results with 5 schools signed up so far.</p> <p>General environmental publicity through Newsline, Ecobuzz (schools) and a weekly radio slot, published various articles and brochures to targeted audiences. Continued collaborative work with Nelson City</p>
<b>Regulatory Services</b>	Process a minimum of 80% of applications within statutory timeframes where specified.	48% of 1,700 building consents were processed within the statutory processing time limit (cf 2005/2006 = 63%). By the end of the financial year we had achieved a 65% compliance rate and additional resources are to be secured. The average processing time was 23 days, in part a reflection of new inspection requirements (cf 2005/2006 = 20).
<b>Land Transportation</b>	Council will maintain the network to not less than the standards and guidelines agreed annually with Land Transport NZ.	Council maintains its network to not less than the standards and guidelines agreed annually with Land Transport NZ. Performance indicators are reviewed on a monthly basis with the contractor and the consultant. Any deviations to standards are rectified. There were a few occasions during the year where the contractor had not met the standards required. These deviations to standards were rectified at the contractors cost.
	Annual surveys show 55% of the community agree that they have satisfactory roading facilities.	Councils public survey show 76% of residents are at least satisfied with Council's work on the roading network.

# Significant Performance Measures & Targets

## For the year ended 30 June 2007

Activity	Measure/Target	Result
Subsidised Land Transportation	AREA-WIDE PAVEMENT TREATMENT- 6-8 km sealed plus 2 km unsealed annually (Budget \$1,450,000)	There has been \$1,438,523 spent on this activity to 30 June 2007. Work undertaken included Waiwhero Road and Lee Valley Road. The 2km of unsealed road was completed within the maintenance contract. There was 7.1 kilometres of sealed and 3.2 kilometres of unsealed area-wide pavement treatment undertaken during the year.
	MAINTENANCE CHIP SEALS - 60- 70 km annually (Budget \$1,254,000)	67 kilometres of maintenance chip seals have been completed at a cost of \$1,504,490. Over-runs in projects were due to factors beyond Council's control such as cost fluctuations for oil products. The increase in oil prices affected the current work programme by \$1m which was reported to Council. Council has undertaken fully the subsidised roading projects and has reduced some non-subsidised roading to offset these increases.
Non Subsidised Land Transportation	NEW FOOTPATHS - Various District wide (Budget \$100,000)	A new footpath was completed in Commercial Street, Takaka as part of Transit NZ's state highway work. New footpaths have also been completed in Grey Street, Murchison and Willow Street, Takaka. A footpath tender has been issued for Parker Street, Motueka. Estimates for other sites are being prepared at present. There was \$148,421 spent on this activity to 30 June 2007.
Refuse	95% minimum compliance with all consents and / or operating conditions.	<p>Regular inspections of landfills &amp; RRC sites have been carried out with no significant issues of non compliance with operating conditions being identified.</p> <p>Consents have been obtained for Eves Valley LFS, Richmond RRC, Takaka RTS and Collingwood RTS. Consents are still needed for Mariri and Murchison RTS.</p> <p>95% of consent conditions are being complied with at Collingwood, 89% of consent conditions are being complied with at Takaka and 82% of consent conditions are being complied with at Eves Valley.</p> <p>At Richmond 38% of consent conditions are being complied with, however the remaining 62% of conditions relate to the monitoring of the site and sampling of sediments being discharged from the site. Currently no sediment leaves the site and therefore cannot be collected and analysed. Further review of these conditions will be required over the next year to ensure that ongoing compliance can be measured.</p> <p>Further monitoring is required at Takaka and Richmond to bring compliance up to 95%.</p> <p>Eves Valley LFS monitoring results continue to exceed monitoring criteria; however 90% of the groundwater monitoring results which exceed the monitoring criteria are significantly lower than the background sample. Further review of these conditions will be required over the next year to establish a new baseline for compliance.</p>
	Survey shows that 61% of customers are satisfied with the rubbish collection and kerbside recycling services.	Council's latest public survey records the Council as receiving a 71% satisfaction rating for services provided to rubbish collection and kerbside recycling.

# Significant Performance Measures & Targets

## For the year ended 30 June 2007

Activity	Measure/Target	Result
Wastewater	The level of overflows into the environment from wastewater pumping stations and treatment facilities will be kept to below a sustainable level.	Overflows are monitored via Council's confirm database to ensure that the overflows do not exceed the level of service as stated in Council's Activity Management Plan. There were 56 incidents of overflows during the year (cf 68 in 2005/2006). Target of 40 per Activity Management Plan.
	Survey shows 80% of customers are satisfied with the wastewater service they receive.	Current public survey data reports Council as attaining an 85% level of residents being "at least satisfied".
	Completion of the Brightwater to Richmond trunk main upgrade: Three Brothers Corner – Jubilee Park (Budget \$100,000)	This project has been completed at a cost of \$703,495.
Stormwater	Survey shows 80% of customers are satisfied with the stormwater service they receive.	Most recent public survey data records Council as receiving an 85% rating of "at least satisfied" with the stormwater services residents received.
	Widen Borck's Creek along Headingly Lane (Budget \$740,000)	Land required for this project has recently been purchased. A tender has recently been let for \$174,224 for the middle section of Borck's Creek.
Rivers	Survey shows 85% of customers are satisfied with the customer service provided in their dealings with the Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.
Water Supply	Survey shows 83% of customers are satisfied with the water supply service they receive.	Latest information rates Council as having an 85% satisfaction level for services provided to water supply facilities.
	Monthly testing confirms that water meets the Drinking Water Standards NZ.	All testing was done and recorded in the WINS database. During the course of the year Council had eleven microbiological transgressions. (cf 7 in 2005/2006).
	Increase level of storage in various schemes: Brightwater (Budget \$690,000)	Land and entry issues were completed in August 2007. Design work for the new reservoir has commenced, with work going out to tender in August 2007. There has been \$83,347 spent on this activity to 30 June 2007. The original project called for two separate reservoirs to be constructed with the first reservoir scheduled for this financial year and the second reservoir scheduled outside the LTCCP timeframe. As a result of zoning and land issues one large reservoir is now recommended at an additional cost of \$700,000. This project has been included in the 2007/2008 Annual Plan.
	Mapua water supply augmentation. (Budget \$750,000)	This project involves the pipeline from Best Island to Rabbit Island. A tender was awarded for \$433,322 in April 2007. The work was completed in August 2007. There has been \$387,360 spent on this activity to 30 June 2007.
Libraries	The number of items borrowed	Items borrowed at Council's libraries during the 2006/2007 year amounted to 641,554. (2005/2006: 640,219)
	The number of people entering the library buildings	People entering Council's libraries during the 2006/2007 year were 325,724 (2005/2006: 334,170.)
Cultural Services and Community Grants	The numbers of applications received from individuals and organisations for funding rounds.	There were 144 application received for Grants from rates with 117 applications being successful. For the September 2006 funding round of the Creative Community grants there were 19 applications received with 14 applications being successful. A further 20 applications have been received for the March 2007 funding round with 16 applications being successful. There have been 18 grants of \$200 to young people via the Tasman \$200ships.

# Significant Performance Measures & Targets

## For the year ended 30 June 2007

Activity	Measure/Target	Result
Parks & Reserves	At least 90% satisfaction with the type and supply of facilities such as roads, parking, seats, tables, and toilets. This is measured by customer satisfaction surveys and compliance with the management plan for the site.	The Council's latest public survey data reports 93% of residents are at least satisfied with the quality of council facilities.
	Average provision of 1.7 hectares per 1,000 residents for urban centres of Richmond, Motueka, and Takaka.	The average provision of hectares per 1,000 residents of Reserves, Parks and Gardens is as follows: <ul style="list-style-type: none"> <li>• Motueka 6.6 hectares</li> <li>• Takaka 10.4 hectares</li> <li>• Richmond 5.75 hectares</li> </ul>
Property	Allow a budget of \$500,000 for either extension of the existing Takaka Library or construction of a new library	Council accepted a tender of \$692,617 for the design and build of a new library building at Reilly Street, Takaka in March 2007 and the contract with the builder has now been signed. [Note: The working drawings are being prepared and work commenced in September 2007].
Community Facilities Rate	Murchison Sport Recreational and Cultural Centre Following a series of public meetings the Murchison community have shown their support for this project. Council gave its support for the project, in principle, in late 2005 with a request that the project cost ceiling be \$2.4 million (\$480,000 of which is to be raised locally) and that the Project Committee report to Council on its fundraising progress by mid-August 2006. If the project satisfies Council's criteria, it is anticipated that construction will commence during the latter part of the 2006 calendar year. The rating impact of the Council loan required for this project would see the sum of \$8.30 being added to the District Facilities Rate from 1 July 2007.	A project manager was appointed in October 2006. Tenders were accepted on 6 September 2007 and work commenced on 10 September 2007. Completion date is mid 2008.
	Trafalgar Park Development The Nelson Bays Rugby Union is proposing an upgrade to Trafalgar Park so that this facility meets the New Zealand Rugby Union's minimum requirements for the new Premier Division Championship which starts in July 2006. The project cost is \$3.1 million and the Regional Funding Forum has recommended that the Nelson City Council and Tasman District Council's combined contribution should not exceed \$2.2 million. The likely funding split between the two Councils would be Nelson City Council 67% and Tasman District Council 33% (\$720,000). Council's contribution will be loan funded and charged against the Regional Facilities Rate with an estimated annual Regional Facilities Rate of \$3.20 per rateable property within Tasman District. This would impact from 1 July 2007.	Council has purchased 3,000 temporary seats that can be used at Trafalgar Park and other facilities throughout the District.

**AUDIT REPORT**

**TO THE READERS OF TASMAN DISTRICT COUNCIL'S  
SUMMARY ANNUAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2007**

We have audited the summary annual report.

**Unqualified Opinion**

In our opinion:

- the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the information reported in the summary financial statements complies with FRS-43: Summary Financial Statements and is consistent with the full financial statements from which it is derived.

We expressed an unqualified audit opinion, in our report dated 31 October 2007, on:

- the full financial statements; and
- the Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

**Basis of Opinion**

Our audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. Other than the audit and in conducting the audit of amendments to the Long Term Council Community Plan, we have no relationship with or interests in Tasman District Council.

**Responsibilities of the Council and the Auditor**

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on that report. These responsibilities arise from the Local Government Act 2002.



S M Tobin, Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
15 November 2007



**Matters relating to the electronic presentation of the audited financial statements**

This audit report relates to the financial statements of Tasman District Council for the year ended 30 June 2007 included on Tasman District Council's web site. The Council is responsible for the maintenance and integrity of the Tasman District Council's web site. We have not been engaged to report on the integrity of the Tasman District Council's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 31 October 2007 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.