

# Christchurch City Council Annual Report 2002



**CHRISTCHURCH**  
CITY COUNCIL · YOUR PEOPLE · YOUR CITY

# mission statement

## MISSION STATEMENT OF THE CHRISTCHURCH CITY COUNCIL

Providing leadership to achieve the vision for Christchurch through effective local governance and the delivery of high quality services.

In achieving the mission the Council will:

- be responsive to local needs;
- give strong expression to local identity;
- be democratic, effective and efficient;
- be highly accountable for its actions;
- advocate in the interest of the whole community;
- add value to the city's economy;
- enhance the quality of the city's environment;
- use sustainable management principles;
- be efficient in its delivery of high quality services;
- work constructively towards common goals held with central government and the regional unit of local government;
- be both a good corporate citizen and a good employer.

## TE PŪRONGO TIKANGA Ā TE KAUNIHERA O ŌTAUTAHI

Mā te hāngai tonu o ngā ture ā-rohe me te tuku i te ratonga hiranga e whakakaha ake i te toiora o ngā tāngata katoa me te taone nui o Ōtautahi.

Te tutukitanga pai o ngā tikanga o te Kaunihera ka:

- tahuri mai ki ngā hiahia o te iwi kāinga
- tautoko kaha i te tuakiri o te iwi kāinga
- whakahaere ngātahi ai te manapori, te whakatutuki, te whakahaere i ngā kaupapa
- whakatau tika i āna mahi katoa
- kaiwawao i ngā kaupapa hei painga mo te iwi kāinga
- whai hua ake ki te ao ohanga o te taone nui
- whakakaha ake i te pai o te taiao o te taone nui
- whakahaere i ngā kaupapa mahi hāpai kia pūmau ai
- whakahaere tika ai i āna ratonga katoa
- mahi ngātahi ai ki te whakatutuki i ngā whāinga e whāia nei e te Kāwanatanga me te Wāhanga ā rohe o te Kaunihera ā rohe
- tū hei rangatira tōpū, hei kaituku mahi

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The annual report and audited financial statements of Christchurch City Council, together with the report of the Audit Office, were adopted by the Council on 28 November 2002.

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# christchurch city council

## Mayor

Garry Moore CA FNZIM

## Deputy Mayor

Councillor Lesley Keast QSM JP

## Councillors

Oscar Alpers LLB Notary Public	Graham Condon QSM JP	Ishwar Ganda	Ingrid Stonhill
Carole Anderton	Barry Corbett	Pat Harrow DipHort	Sue Wells BA
Paddy Austin MA(Hons) PhD	David Cox	Alister James LLB	Chrissie Williams BTech(Hons)
Erin Baker MBE	Anna Crighton JP MA(Hons)	Denis O'Rourke LLB	Norm Withers
Helen Broughton MA DipEd(GC)	Carole Evans QSO JP	Gail Sheriff	Ron Wright JP MPMI
Sally Buck MEd	Megan Evans	Barbara Stewart	

## Membership of Community Boards

### Burwood-Pegasus

Don Rowlands (Chair)  
 Bob Andrews ANZIM  
 Glenda Burt  
 Carole Evans QSO JP (Cr)  
 Carmen Hammond  
 Alister James LLB (Cr)  
 Caroline Kellaway JP  
 Andy Lea JP  
 Chrissie Williams BTech(Hons) (Cr)

### Hagley-Ferrymead

Bob Todd OBE JP (Chair)  
 Erin Baker MBE (Cr)  
 Rod Cameron  
 David Cox (Cr)  
 John Freeman JP MA Dip Tchg TTC  
 Yani Johanson  
 Denis O'Rourke LLB (Cr)  
 Linda Rutland  
 Brendan Smith MB ChB

### Shirley-Papanui

Yvonne Palmer QSM JP (Chair)  
 Myra Barry QSO JP  
 Robin Booth  
 Anne Carroll  
 Graham Condon QSM JP (Cr)  
 Megan Evans (Cr)  
 Dennis Hills JP  
 BSc FNZIC FIM FAPRI CCont Ed MRSNZ  
 Ingrid Stonhill (Cr)  
 Steve Wright

### Fendalton-Waimairi

Mike Wall (Chair)  
 Sally Buck MEd (Cr)  
 Val Carter  
 Cheryl Colley JP MA(Hons) BBS DipTchg  
 George Hampton  
 Pat Harrow DipHort (Cr)  
 Yiyi Ku MMus (Dist)  
 Mark Kunnen JP  
 Barbara Stewart (Cr)

### Riccarton-Wigram

Mike Mora (Chair)  
 Paddy Austin MA(Hons) PhD (Cr)  
 Neville Bennett BSc(Hons) PhD  
 Helen Broughton\* MA DipEd (GC) (Cr)  
 Ken Cummings  
 Ishwar Ganda (Cr)  
 Lesley Keast QSM JP (Cr)  
 Peter Laloli  
 Bob Shearing

### Spreydon-Heathcote

Phil Clearwater MA (Hons) (Chair)  
 Oscar Alpers LLB Notary Public (Cr)  
 Carole Anderton\* (Cr)  
 Lynda Carter  
 Barry Corbett (Cr)  
 Paul de Spa BA Dip Tchg  
 Sonia Gill BA ATCL AREINZ  
 Elizabeth Maunsell  
 Sue Wells BA (Cr)

\* Denotes member elected to both Council and Community Board

## Senior Management

### City Manager

Mike Richardson MA(Econ) MA(Town&Reg Planning) MRTPI FRS FNZIM

### Director of Business Projects

Ian Hay CA ACIS AFNZIM

### Director of Finance

Bob Lineham BCom FCA FNZIM

### Director of Human Resources

Dorothea Brown NZLA Cert FNZLA AFNZIM

### Director of Information

Simon Markham BA BTP

### Director of Operations

Ken Lawn BA DipTP MNZPI

### Director of Policy

Jonathan Fletcher BE(Hons) ME(Env Eng) MPP MIPENZ MNZAE



# trading enterprises & other organisations

Listed below are the trading enterprises which the Council has an interest in, together with the directors of the trading enterprises. Also listed are other organisations on which the Council is represented.

## Christchurch City Holdings Limited (100% owned)

Paddy Austin (Chair)(Cr)	Garry Moore (Mayor)
Oscar Alpers (Cr)	Barbara Stewart (Cr)
Craig Boyce	David Stock
Pat Harrow (Cr)	Peter Taylor
Alister James (Cr)	

## Christchurch International Airport Limited (75% owned)

Syd Bradley (Chair)	Sue Sheldon
David Lyall	Gail Sheriff (Cr)
Denis O'Rourke (Cr)	Barry Thomas

## Orion NZ Limited (87.625% owned)

Linda Constable (Chair)	John Gray
Philip Carter	Chris Laurie
Don Elder	Peter Rae
George Gould	Sue Wells (Cr)

## Lyttelton Port Company Limited (65.46% owned)

Brent Layton (Chair)	Donald Stewart
Alan Grant	Barney Sundstrum
Ian Howell	David Viles
Sue McCormack	

## Red Bus Limited (100% owned)

Ann Urlwin (Chair)	Ishwar Ganda (Cr)
Evan Frew	Barry McFedries

## Selwyn Plantation Board Limited (39.32% owned)

Doug Marsh (Chair)	Graham Heenan
Allan Berge	Heather Wild
Peter Coakley	Chrissie Williams (Cr)

## City Care Limited (100% owned)

David Spence (Chair)	Ron Wright (Cr)
Bob Foster	Paul Young
Doug Marsh	

## Jade Stadium Limited (100% owned)

Bruce Irvine (Chair)	Barry Corbett (Cr)
Paddy Austin (Cr)	Hanlin Johnstone
Erin Baker (Cr)	Mike Prendergast
Vicki Buck	

## Christchurch City Facilities Limited (100% owned)

Peter Taylor (Chair)	Dominique Dowding
Graham Condon (Cr)	Denis Sheard
David Cox (Cr)	

## Canterbury Technology Park (Joint Venture - 33.33%)

Mary Harvey (Chair)	Richard Swan
Ian Hay	

## Travis Finance Limited (100% owned)

Bob Lineham	Peter Taylor
Mark Russell	

## Canterbury Development Corporation

Stewart Leck (Chair)	Pat Harrow (Cr)
Carole Anderton (Cr)	Doug Marsh
Paddy Austin (Cr)	Cameron Moore
Barry Corbett (Cr)	Garry Moore (Mayor)
Ian Hall	

## Canterbury Museum Trust Board

Paddy Austin (Chair) (Cr)	Alan McRobie
Anna Crighton (Cr)	Barbara Stewart (Cr)
Leo Hayward	Murray Thacker
George Hook	Adriana Tikao
Lesley Keast (Cr)	Bill Woods
Ian Leggat	

## Riccarton Bush Trust Board

Charles Deans (Chair)	Mike Mora
Helen Broughton (Cr)	Barbara Stewart (Cr)
Brian Deans	Alison Wilkie
Ishwar Ganda (Cr)	Pamela Wilson
Brian Molloy	

## Recovered Materials Foundation Board

Denis O'Rourke (Cr) (Chair)	Robin Mann
Sally Buck (Cr)	Chris Pickrill
David Dougherty*	Mark Prain*
Philip Falloon	Mike Stockwell *
Dixon McIvor	Arthur Williamson

\* Three Advisory Trustees - not Board Directors

## Transwaste Canterbury Limited (37.85% owned)

Denis O'Rourke (Cr) (Chair)	Alton Jamieson
Gerald Clemens	Russell Wickham
Gill Cox	Bill Woods
Jim Fulton	

# annual report highlights

## Report for the year ended 30 June 2002

This Annual Report provides an opportunity for the Council to give account of what has been achieved during the year ended 30 June 2002. It enables the community to judge the Council's performance in achieving the objectives set out in its 2002 Plan.

### Christchurch – A Great Place to Live

The Council believes Christchurch is a great place to live and work. They are aware that citizens are also proud of the city and that most contribute personally, as well as collectively, to our community. The 2002 survey of public opinion, carried out for the Council, indicated that 93 per cent of citizens are 'satisfied' or 'very satisfied' with Christchurch as a place to live, work and spend spare time. This continuing high level of satisfaction is particularly pleasing, as many commentators suggest that, as a society, our expectations are steadily rising.

### Central City Revitalisation

Work has continued on this Mayoral initiative following Council adoption, in March 2001, of a vision and framework for revitalising the Central City. A number of success stories have already been achieved; a 25% increase in Council's off-street parking as a result of the introduction of free one hour parking, near completion of redevelopment of two inner-city retail sites integrated with Council car parking, completion of heritage precinct work on High Street, streetscape/public space improvements, liaison with private developers on projects to increase residential and business activity, and meetings with central city resident groups to outline their priorities. In addition the Council purchased the Turners and Growers site in the east side of town to be redeveloped as a new public park, and, in concert with the private sector, as a residential/mixed-use block.

### Leisure

QE II Park was built specifically for the 1974 Commonwealth Games and is a recreational and athletic icon for Christchurch and New Zealand. Today the facility's usage ranges from family recreation to world-class sport performance and development. The facilities the Council makes available to the City have continued to develop with the new 50 metre, 10 lane pool opening in January 2002 as the first major part of the redevelopment of QEII. In addition the athletic track in the QEII stadium was replaced in December 2001 with a high quality Mondo surface that rivals any other track in the world.

The Atlantis themed leisure pool that opened on 8 August 2002 is New Zealand's largest indoor wave pool. It includes an unrivalled water fantasy world - great for a full day of family entertainment. The leisure pool area includes a 40m wave pool, lazy river, vortex, bubble pools and children's play zone complete with a boat.

There is also a learn-to-swim pool, two spa pools, sauna, steam room and poolside café.

Usage of the Council's leisure facilities continues to grow. Centennial Leisure Centre catered for around 100,000 more visitors than was anticipated when the facility was designed. At Pioneer Leisure Centre learn-to-swim activities have developed to the point where they generated over 20,500 visits to the pool, despite the facility not being designed for learn-to-swim activities. The addition of the pool at Pioneer Leisure Centre is also having a positive effect on usage of the stadium with numbers up nearly 15%.

The redevelopment of English Park was completed in May 2002 with a new 500 seat grandstand with lounge and offices to be leased to Mainland Soccer (formerly Soccer Canterbury) of New Zealand Soccer. The development also includes community facilities and a new cycleway and pedestrian link of benefit to the St Albans' community well in to the future.

Christchurch has successfully hosted eight international sporting events during the year including the FINA World Masters Swimming Championships which brought around 1900 participants to the City, generating an estimated \$7.75 million of spending within the greater Christchurch economy. The future looks bright for more international competitions with a further six event bids outstanding, including the successful bid to host the World Softball Championships in 2004.

TV2 Kidsfest celebrated its 11th birthday by attracting in excess of 60,000 spectators and participants with visitors taking part in an amazing array of activities and performances. The festival also expanded geographically as a result of a partnership with Waimakariri District Council.

SummerTimes continues to be a perennial favourite with the ASB's Starry Nights, in its second year, developing to a point where it attracted over 30,000 people. Rick Armstrong Motors' Classical Sparks also attracted 100,000 people. Few cities in the world would have almost a third of its population attending a festival event.

Four new recreation programmes for older people were developed (St Albans bus trips, Hei Hei Gentle Exercise Programme, Ascot Sit 'n Be Fit and Ascot Leisure Club.)

The KiwiAble programme, for people with disabilities, also saw a large increase in numbers due to the popularity of the new movement and dance and drama courses.

The Council's Arts policy and strategy was completed during the year providing the direction for arts related work across the Council.

A number of exciting art activities were also initiated including 'Gridlocked,' that used empty city retail space to

mount exhibitions of local artists' work, and 'Art Beat' that involved Christchurch artists opening the doors to their studios and inviting the public to come to view them at work.

## Aranui Community Renewal

The partnership formed in late 2000 between the Council and Housing New Zealand Corporation has blossomed into a three-way partnership, with the Aranui community joining the process. Through a series of public meetings, focus groups and community discussions, the issues facing Aranui have been identified and prioritised by the community. Housing New Zealand has demolished several obsolete units, construction of new units has commenced, and Wainoni Park playground improvements are underway. In addition to these more visible priorities, three other working groups, Health; Employment and Training; and Facilities and services for Family, Youth and Children, are being led by Council staff, Housing New Zealand Corporation staff, and other agencies and community groups.

## Heritage Buildings

Our City O-Tautahi, the former Municipal Chambers, was designed in 1885 by architect Samuel Hurst Seager as the Civic Offices, and is the only purpose built home the Council has had. In its new use as Our City O-Tautahi, it provides a space designed to inform and educate citizens and visitors about the City's environment, and past, present and future developments. Exhibitions, displays and seminars held at Our City O-Tautahi encourage the exchange of ideas and knowledge about urban development and environmental issues.

The year has been one of a continuation of a number of significant heritage projects that have seen considerable financial investment by the City Council. These have included the restoration of Warners Hotel, the Star and Lyttelton Times buildings and the seismic strengthening of Christchurch Cathedral and the Stone Towers of the Canterbury Provincial Government buildings. Progress has also been made to ensure the retention and restoration of the Old Saddlery building which, with the Bush Inn, are the last remaining early commercial buildings at the western end of Riccarton Road.

The use of Conservation Covenants to protect heritage buildings in perpetuity has gained considerable impetus this year with a number of covenants being registered including 'Hatherley' in Gleneagles Terrace, 'Victoria Chambers', the commercial building at 759 Colombo Street and the Church of St Mary, Heathcote.

In addition the Council approved a new policy for non-listed heritage covenants which provides for the recognition of important places of community interest in Christchurch.

The first to be considered and approved by the Council was for the house, studio and garden of William Sutton, the eminent New Zealand painter.

The issue of the heritage values of the Taylors Mistake baches was addressed by the Environment Court with a Reference to the City Plan. The Court endorsed the importance of the baches which, while not included in the heritage listing of the City Plan, nevertheless have heritage value due to their community and social significance.

## City Streets

There has been ongoing planning for improvements to a number of the major roads in and around the City. This work has included applying for the designation for the new section of road to link Blenheim Road at Mandeville Street more directly to Moorhouse Avenue, further study and consultation on options for an improved northern access to the City, planning for the new southern motorway and planning for four laning of Russley and Carmen roads.

Work started on the third and final stage of the Woolston-Burwood Expressway between Wainoni Road and Bexley Road at Birch Street. This will complete a high quality ring road on the eastern side of the City and should assist in removing heavy vehicles from many residential streets in the eastern suburbs.

Routine work during the year included 17.1 km of kerb and channel being renewed with 19.2 km created. Footpaths continued to improve and increase with 102.4 km renewed and 19.2 km of new footpath added to the asset base.

The resource consents for upgrading Fendalton Road were finalised and late in the year tenders were called for the construction work. The road works, which were first proposed over 40 years ago, involve changing the road between the railway and Clyde Road from two lanes to four. The new road will include a landscaped median, cycle lanes and visitor parking among the existing trees where possible. The work is planned for completion in November 2003.

During the year the Council obtained formal approval from the Land Transport Safety Authority for the trial 40km per hour school speed zones installed two years ago. These can now be installed at more schools as funding permits. This Christchurch initiative is being adopted by many other cities in New Zealand.

## City Housing

During the year, City Housing's tenants from all complexes were interviewed. The purpose was to find out how satisfied tenants are, and to identify ways in which the Council can improve the housing complexes and services it provides.

Key results of the survey indicated that 93% of respondents consider their complex was 'satisfactory', 'very good' or 'excellent'. When asked about their individual units, 94% of the tenants said it 'satisfactory', 'very good' or 'excellent'; 21% said they liked everything about their unit, 15% said it was warm and insulated, and 14% said it was compact.

The main aspects that respondents liked about their housing complexes were their convenient locations, friendly neighbours and pleasant settings: 31% said there was nothing they disliked. 18% said they disliked neighbours who were noisy or inconsiderate and 17% said that the gardens needed more attention.

When asked what tenants disliked about their specific unit, 33% described a particular feature, 12% said a lack of storage space and 32% said there was nothing they disliked.

## Libraries

Christchurch City Libraries continued to make it easy for customers to access information from wherever they happen to be - at work, home or school. Using call centre technology the library centralised its phone, fax and email services so that customers have just one place to access their library account or have their questions answered. Information questions are answered using the range of subscription databases such as electronic encyclopaedias, magazines, newspapers, and specialist reference sources. The service will shortly be extended to provide internet-based questions and answers in real time. Customer satisfaction with the service has been outstanding and the Library has won the Technology Category of the 2002 New Zealand Post Management Excellence Award for the project, and is short listed in the Library Association's 3M Award for Innovation.

Christchurch City Libraries received recognition for its leadership development programme in the HR Initiative of the year awards for 2001, winning the Southern Regional Award in the category of influence and change.

Promotion of the Library's electronic resources to schools is just one of the initiatives which has resulted in increased use of the Library's web and catalogue services. Internet page views have increased by 42% and external access to the Library's catalogue has increased 28%.

The refurbishment of the Central City Library was completed and the improved seating, layout and ambience has been welcomed by customers and staff alike. Lounge areas on each floor offer comfortable areas for browsing books and magazines. A business and computing area, the Nga Pounamu Maori area, a seminar and training room and improved facilities for research are all features of the improved facility. The Central City Library building was 20 years old in 2002.

The design of the new South Christchurch Library, Service Centre and Community Learning Centre was discussed with the community in September and October 2001 with the concept design approved by Council in December 2001. The design incorporates significant energy saving and sustainable features. Heating and cooling systems utilise water as the energy source. No air-conditioning means that doors can be opened to sun decks. Materials have been selected to have minimum impact on the environment and a café is included in the library space. The learning centre, a joint venture with the Ministry of Education, is aimed mainly at primary school age children, providing information technology facilities not usually available to primary schools.

Construction will commence in late 2002, opening in mid 2003.

Following an approach by Riccarton High School, the Council has committed itself to building a joint school/community library on the Main South Road boundary of the school. This exciting initiative will be the first of its kind in

urban New Zealand and is scheduled to be completed in December 2005.

## Art Gallery

### Collections

During the year, major conservation and replication of historical collection frames continued on schedule.

Amongst the purchases of art works were substantial numbers of etchings by A J Rae and expatriate artist Eleanor Hughes, which greatly advanced the representation of these artists in the collection. Of the 208 items acquired by gift, there were 13 significant works from a major bequest from the R Frank White estate, including an internationally important oil on canvas by Henri Fantin-Latour.

Work began cataloguing the collection of over 10,000 items for the new Christchurch Art Gallery Reference Library and Archives.

### Exhibitions

With the ceremonial closing of the Robert McDougall Art Gallery's doors and a blessing on Sunday 16 June 2002, the present building's 70-year role as haven for the City's art collection drew to an end. The final weekend, attended by thousands of well-wishers, was tinged with nostalgia, but also excitement, as this milestone signalled the beginning of the final phase in the new Christchurch Art Gallery project.

The five final exhibitions at the Robert McDougall Gallery included the biennial *Sculpture in the Gardens*, and *Parts* - a collection-based show that tested different display and interpretation concepts in preparation for new Gallery exhibitions. Despite the Gallery's temporary exhibition programme having effectively ceased, annual attendance actually exceeded the target by 7.6% (actual 199,105 : target 185,000)

Gallery staff began preparations for 30 new exhibitions for the period 2003-05. One international, two national, three regional, and three collection-based exhibitions were confirmed for the new Gallery's opening in April 2003. Planned highlights include a superb exhibition titled, *'The Allure of Light: Turner to Cézanne' - European Masterpieces from the National Gallery of Victoria*.

Amongst the community programmes, a highlight of the year was *Canterbury Art on Tour*, a programme developed in association with the Centre of Contemporary Art, which featured original artworks and didactic material, and was toured to seven secondary schools.

### New Christchurch Art Gallery

The project remains on target for completion within the budgeted cost of \$39.89 million. The building contract is expected to be completed in late November as planned, to enable occupation and fit out by the Gallery in time for the opening in April 2003.

Work is also underway on the sculpture garden and placement of major art works on the outside of the building and its grounds. A major feature is the dramatic work *Reasons for Voyaging* by Christchurch artist, Graham Bennett in



partnership with David Cole, principal architect from the Buchan Group.

## Economic Development and Employment

The Canterbury Development Corporation (CDC) contracts with the Council to develop and deliver a range of services in the areas of economic development, business support, education, employment creation and community initiatives.

More than 2400 businesses received advice and assistance in the form of referrals to other agencies, business education training and mentoring, while over 2700 businesses registered with the BIZ training programme. 1500 businesses used the one-to-one assessment service, 1200 attended BIZ workshops and 400 utilised the follow-up coaching service.

A review of the successful BIZ “Hi Tech Launch Pad” programme showed that of companies attending, 74 % increased their turnover, 54% increased their staff numbers and 44% successfully developed export markets.

During the year Cii (Canterbury Innovation Incubator) successfully secured six high technology company tenants and a further \$200,000 of funding support from Industry New Zealand. Negotiations were successfully concluded to locate an annex of the leading edge Seattle Human Interface Technology Laboratory (HIT Lab) in Christchurch. The HIT Lab opened in May 2002 at Canterbury University. A leading edge education development laboratory has also been successfully attracted to Christchurch and is expected to open in the next few months.

Overseas businesses and investors continue to show strong interest in trade and investment opportunities in Canterbury with CDC hosting 14 delegations to the city while in excess of 50 individuals and companies sought and received information on business and investment opportunities in the year.

Approximately 10,000 students attended the CDC Careers Expo in May. The school industry partnership programme continued to successfully bring together secondary schools and businesses. Ministry of Education funding was renewed during the year to aid the transition from school to work.

During the year CDC also played a leading role with Burnside High School in the establishment of the Christchurch Computer College. CDC continues to support six schools under its Schools’ Employment Programme which focuses on the post-education needs of Maori and Pacific Island students.

The new ‘Moving On’ initiative has enabled the future intentions of over 1200 school leavers to be tracked and appropriate support and assistance provided where required.

Actionworks, CDC’s youth employment service, in partnership with the Ministry of Social Development, continues to individually case manage over 2000 young job seekers with the challenge of ensuring that all 18 and 19 year olds are either working or in further education and training.

Other employment initiatives included the continuation of

the successful Adult Community Employment Scheme (ACE) which placed over 200 unemployed people into community agencies and organisations who provide 6 month work placement opportunities in return for a subsidy payment. Over 60% of these people moved into full time employment in the past 12 months making ACE the most successful employment programme in the country.

During the year CDC signed a Memorandum of Understanding with Te Runanga O Ngai Tahu recognising the potential of Maori economic development and employment aspirations and signalling CDC’s willingness to assist the Iwi with its goals in these important areas.

## City Plan

The Council has been working steadily on resolving references (appeals) lodged in respect to the Proposed City Plan. Some have been heard by the Environment Court, which had released seven decisions as at 30 June. Of the 400 references lodged, over half have been resolved with the majority of references being settled by negotiation.

## Christchurch Wastewater Treatment Plant

A contract was let to Daniel Smith Industries for \$5.62m for the second pair of four clarifiers for the Christchurch Wastewater Treatment Plant upgrade. There are several significant elements of work to be completed before the plant upgrade is finished, such as oxidation pond modifications, tank covers and sludge lagoon modifications.

A new resource consent for the discharge of sewage effluent to the Estuary was granted by Environment Canterbury for five years with UV sterilisation required to be installed within two years. The consent was appealed as a holding position while the Council decided whether to pursue a longer consent to discharge to the Estuary or whether to prepare for another resource consent application for an ocean pipeline discharge.

New technology, the HotRot composter, was purchased for the Plant for \$620,000 to process sewage screenings instead of simply dumping them into the landfill.

## Solid Waste

In May 2002, Environment Canterbury granted a new resource consent for Burwood Landfill out to May 2005. Objections to this have been lodged by two parties. A resource consent application was lodged by Canterbury Waste Services in April 2002 on behalf of the eight Transwaste Canterbury Ltd shareholders for the new joint venture regional landfill at Kate Valley. The earliest likely date for opening is in late 2004, though this opening date could be delayed until 2005.

In October 2001 the kerbside recyclables collection service provided by Onyx was extended to include number two grade plastics (eg, household cleaners and drink containers) plus mixed paper such as magazines, office paper and breakfast cereal packets.

Adjacent to the Parkhouse Refuse Station, two parcels of land, totalling 1.5ha, were strategically purchased for a total of \$1.13m, to provide potential rail access and additional space for future waste minimisation activities.

## Parks and Waterways

Christchurch has long been known as the Garden City and significant progress on planning strategies and initiatives are aimed at strengthening this image. They include the following:

### Park Terrace Avon River Corridor Landscape

In April 2002, the Parks Gardens and Waterways Committee approved a landscape plan for the Central City icon of the Park Terrace willows and riverbanks. The strength of the landscape character of the area was found to be its simplicity. After wide consultation, a plan was completed to sustain the large willow landscape. Native grasses plantings are also to be carried out on the Hagley Park side of the riverbank.

### Heathcote Valley Park

Heathcote Valley Park is an exciting new initiative involving the development of 93 hectares of public land on the valley floor by the Heathcote River. Council worked with the local community and the major developments proposed for the park are the Tamaki Maori Cultural experience; development of sports fields, walking, cycle and horse tracks; and significant waterways and wetlands habitat restoration.

### Washington Reserve Skateboard Extension

Work on the street skate design extension commenced earlier in the year, following approval to proceed through the resource consent process. The work is almost completed.

### Port Hills Recreation Strategy

The Council has completed a comprehensive recreation survey on the Port Hills to identify current recreation patterns and the preferences of visitors. Following the survey, a series of focus groups were held with stakeholders and interest groups.

From these meetings, a draft recreation strategy will be formulated, fitting within the wider picture for Port Hills planning.

### Groynes Reserve Development/Management Plan

It is estimated that there are approximately 600,000 visits to the Groynes annually. The land adjoining the Groynes, such as Clearwater Resort, is changing with development of the area. To protect the ecological and heritage values it was timely to consider the future of the Groynes. The emphasis will be on the rural setting and protecting the sparkling waters of the Otukaikino and development in conjunction with Environment Canterbury, the community, Iwi, recreation and service groups and commercial concessions.

### Other Strategic Planning Tools

The Council has work underway on the following strategies: Open Space Strategy through Area Plans, Awaroa (Godley Head) Development/Management Plan, Natural

Environment Strategy, Biodiversity Strategy, area and community plans and the City Wide Planting Strategy.

### Avon Heathcote Estuary Management Plan

A working group was established to look at the concept of an Estuary Trust as a mechanism for more collaborative planning of the Estuary. The Trust was established in June 2002 and is comprised of elected members and staff from both Christchurch City Council and Environment Canterbury along with interested individuals and representatives from environmental, recreation and community groups. Key concepts considered include: a vision for the Estuary and its margins including integrated management (between statutory organisations and community), healthy ecosystems, a safe playground and balanced use; and outcomes to increase community input into management and greater cooperation by community and agencies. The suggested mechanism to achieve this is a non-statutory management plan.

### Greenspace

Recent weather patterns and high soil moisture levels have stimulated grass growth and the maintenance contractor was hard pressed to keep ahead of the growth. Audit processes and performance monitoring measures are being reviewed to ensure that the usual high standard of park maintenance is met, regardless of weather conditions.

Discovery of another exotic aquatic weed in the Nelson area (Hornwort) has increased concerns and heightened awareness of further biosecurity threats from invasive plants, insects and fish species.

### Regional Parks

Successful 'Learning through action' partnerships with the Ministry of Education, have led to an environmental education programme centred on the beaches, parks and waste facilities and involving groups of school children being informed by the rangers and staff educators on a range of environmental issues. At the Travis Wetlands, an award winning bird-hide was developed.

Other improvements are the education centre, information centre, tracks and boardwalks which serve the ever growing numbers of visitors to the wetlands.

Other specific park related issues include: the Bexley Wetland Trust won an environmental award for their efforts, that complemented the work of the Council; the Visitor Centre at Bottle Lake Plantation has been built and opened, making available interpretation on the recreational use of the park; additional land has been purchased to preserve the unique grasslands in the McLeans Island area; and a high number of volunteers have assisted with revegetation projects on the Port Hills, helped by favourable weather conditions.

### Botanic Gardens

The Band Rotunda in the woodland's area has been restored, with major earthquake strengthening to the pillars. It has been freshly painted and is ready for use by the public and for bookings for weddings. The final stage of the landscape work on the stream in the Heritage Rose Garden was completed and planted, and a start has been made to the new kiosk footbridge.

## Playgrounds

This year saw a change in the way we design and build play areas in our parks. They are now fully integrated into the contours of the site, making the most of each park's unique features with examples such as Wainoni Park, Hollis Reserve and Fairway Reserve. The Council is also trying innovative ideas such as the climbing rock at Bishopdale Park and the replica fossils in the Alwyn Park sandpit.

## Triple Bottom Line Reporting

During the review period the Annual Plan format was revamped to include triple bottom line (TBL) measures. These measures will be reported against in next year's Annual Report, i.e. for the year ending 30 June 2003.

Christchurch City Council is one of the first local authorities in New Zealand to adopt TBL. TBL is different from the more traditional form of reporting as it covers all aspects of an organisation's performance, not just the meeting of financial targets. By adopting the TBL philosophy the Council is taking a position on three core areas: economic prosperity, environmental quality and social justice.

TBL reporting is the mechanism by which the Council conveys its values or principles and its performance in matching them.

## Financial Performance

### Parent (Council)

The financial performance of the Council has been very pleasing for the year under review considering the scale and diversity of the operations.

The turnover for the Council for the year was approximately \$430.9 million and the operating expenditure was \$256.3 million, which resulted in an operating surplus of \$174.6 million. This exceeded the budgeted surplus by \$34.0 million. However, \$25.6 million of this was due to increased special dividends from Christchurch City Holdings Limited. \$7.6 million of this amount arose through a greater share of capital repatriation from the sale of Orion's North Island gas network sale being by way of dividend than had previously been budgeted. The balance was the result of Christchurch City Holdings Limited bringing forward the payment of \$18 million of dividends that had been planned for future years for tax efficiency purposes.

The value of assets vested in the Council through development activities exceeded the forecast amount by \$6.3 million and this has added further to the bottom line result but these are physical rather than cash transactions.

There have been variations in expenditure and revenue for the various significant activities but overall net expenditure is \$2.4 million or 1.4% less than budget. Taken in the context of a total expenditure of \$246 million this can be considered very satisfactory.

The Statement of Financial Position of the Council continues to be very strong with a growth in equity of \$121 million. The Council's fixed assets; operational,

infrastructural and restricted; have grown by \$134 million after providing for depreciation of \$49 million. The reduction in the value of investments is a result of the sale of the Council's shareholdings in City Care Limited and Selwyn Plantation Board Limited to Christchurch City Holdings Limited (CCHL) as well as the reduction in CCHL's value due to the repatriation of funds to the Council.

The only borrowings by the Council during the year have been for equity investments or to finance loans to Jade Stadium Limited.

Graphs on page 15 illustrate, in pictorial form, some of the key ratios that measure the Council's financial health against maximum policy limits established in 1993.

The Council's strong financial position reflects the fact that a further \$175 million was repatriated during the year from the proceeds of the sale of Orion's North Island gas networks in a combination of the sale of the shareholdings mentioned above and special dividends. Following consideration of public submissions the Council decided to enable future generations to share in the benefit of these proceeds by applying \$100 million to debt reduction and investing the remaining \$75 million in a protected long term fund to be known as the Capital Endowment Fund.

This Fund has been ring-fenced from the Council's other funds in order to protect its capital. The Fund will provide an ongoing income stream to be used for economic development as well as civic and community projects.

### Group

The Group Accounts also show a strong performance when adjusted for the gain on the sale of Orion's North Island Gas assets reflected in the previous year.

The financial strength of its subsidiaries continues to contribute to the Council's overall strong financial position illustrated by the following key figures for the whole group:

Turnover	\$587.8 million
Dividends received by parent	\$185.9 million (incl. Special dividends of \$153.8M)
Net Surplus before Tax	\$120.6 million
Total Assets	\$3,906.7 million
Total Debt	\$305.0 million
Total Equity	\$3,427.8 million



Garry Moore - MAYOR



Alister James - CHAIRMAN,  
STRATEGY AND FINANCE COMMITTEE



Mike Richardson - CITY MANAGER

# long term financial strategy and policies

## Year Ended 30 June 2002

Each local authority is required to prepare and adopt a long term financial strategy, funding policy, investment policy and borrowing management policy. Every local authority must provide in its annual report, sufficient information about each of these policies to enable an informed assessment to be made of the extent to which the objectives and provisions of the strategy and policies have been met during that year. The information must include an explanation of any significant variation between the objectives and policies of the Long Term Financial Strategy, Funding Policy, Investment Policy, and Borrowing Policy, set out in the Financial Plan for the financial year, and the actual achievement of those objectives and policies. This report reflects the third year since these policies were adopted.

### 1. Long Term Financial Strategy Overall Performance

The Council's actual financial performance and financial position is presented in the Statement of Financial Performance and Statement of Financial Position. The Statements of Service Performance attached to each report on Significant Activities show that the Council has substantially achieved the objectives and performance indicators that were adopted in the 2001/02 Financial Plan.

#### Specific Objectives and Targets

Objectives	2002 Targets	2002 Actual Performance	2001 Actual Performance
Maintain four key ratios in the long term:			
Term Debt as a percentage of Total Assets below 12%	3.0%	3.0%	3.3%*
Term Debt as a percentage of Realisable Assets below 33%	5.8%	6.3%	6.9%*
Net Interest as a percentage of Operating Revenue below 8%	(1.4%)	1.5%	1.1%
Net Debt in relation to Funds Flow below 5 times	0.1 times	(0.6) <sup>#</sup> times	0.2 times
<b>Operating Surplus</b>	<b>\$140.6 million</b>	<b>\$174.6 million</b>	<b>\$19.0 million</b>

\* The ratio is calculated by deducting \$137 million (2001 \$59M) being the balance in the Debt Repayment Reserve, \$4 million (2001 \$3M) being the balance in the Loan Repayment Reserve, and \$7 million (2001 \$7M) of Sinking Funds held from the total debt of both the Council and Christchurch City Holdings Ltd. These funds are held for repayment of this debt.

<sup>#</sup> The amount of the Council's short term investments, available for debt repayment, exceeded the term debt owned.

### 2. Funding Policy Overall Performance

The implementation of the funding policy has proceeded without any significant variations in respect of the ordinary revenues of Council. However, the variation in user charges is due to two main factors. Firstly, the Council received \$153.9 million of special dividends from Christchurch City Holdings during the year. This was \$25.6 million higher than budgeted thus increasing the proportion of corporate revenue funding. Secondly, the funding policy was calculated inclusive of internal charges that have been eliminated in the financial statements.

#### Specific Objectives and Targets

Objectives	2002 Targets	Actual 2002	2001 Actual Performance
<b>Proportion of revenue by source</b>			
User Charges	23.5%	16.1%	24.3%
Grants and Subsidies	3.0%	2.8%	5.5%
Corporate Revenue	41.8%	48.8%	20.4%
Capital Value Rating	28.9%	29.4%	45.1%
Uniform Annual Charge	2.8%	2.9%	4.7%
<b>Rates by Sector</b>			
Residential	71.4%	71.4%	71.9%
Commercial/Industrial	26.3%	26.3%	25.9%
Rural	1.4%	1.4%	1.4%
Institutions	0.9%	0.9%	0.8%



### 3. Investment Policy

#### Overall Performance

The Council has always had a prudent financial management policy. This was reviewed and further formalised following the receipt of professional advice to ensure that it complied with the legislation introduced from 1 July 1999. Christchurch City Holdings Limited has monitored the performance of all Council investments in LATEs and subsidiaries during the year and reported nine times to the Council through its Strategy and Finance Committee.

There have been no material departures from the Council’s investment policy principles during the period.

#### Specific Changes in Investments

Changes to the equity investments in subsidiary and associate companies have however taken place as follows:

- The Council has contributed equity totalling \$0.6 million to Transwaste Canterbury Limited which is a joint venture company between regional local authorities and two private sector companies established to provide a regional landfill.
- The Council has contributed equity totalling \$0.4 million to Christchurch City Facilities which is a wholly owned subsidiary. It owns the Christchurch Convention Centre and WestpacTrust Centre and is responsible for the development and management of these two facilities plus the Christchurch Town Hall that it leases from the Christchurch City Council.
- In March 2002, the Council sold its shareholdings in City Care Limited and Selwyn Plantation Board Limited to its wholly owned subsidiary Christchurch City Holdings for a total of \$39.4 million being the market value assessed by Deloitte Touche Tohmatsu at the time.

### 4. Borrowing Policy

#### Overall Performance

There are no significant variations or material departures from the Council’s Borrowing Management Policy as set out in the Financial Plan.

#### Specific Objectives and Targets

Objectives	2002 Targets	2002 Actual Performance	2001 Actual Performance
Maintain adequate liquidity	No more than 35% of total debt maturing in any one year	26.9% matures in 2002/03 Funds are earmarked to provide for repayment	5.7% matures in 2001/02 Funds are earmarked to provide for repayment
	Liquidity ratio at not less than 1:1 (100%) excluding special purpose investments and the current portion of term debt	121.3% due to \$75 million being held in short term investments awaiting finalisation of the investment strategy for the Capital Endowment Fund	81.2% due to \$107 million of investments held for debt repayment being excluded from the calculation
Provision for debt to be repaid by contribution to a debt repayment reserve	3%	3% achieved	3% achieved
Maintain debt ratios within specified limits	Refer to Long Term Financial Strategy	Within limits	Within limits

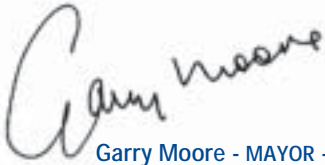
# statement of compliance and responsibility

## Compliance

- 1 The Council and management of the Christchurch City Council confirm that all the statutory requirements of parts VIIA and VIIB of the Local Government Act 1974 regarding financial management and borrowing have been complied with.

## Responsibility

- 2 The Council and management of Christchurch City Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.
- 3 The Council and management of Christchurch City Council accept responsibility for establishing, and and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- 4 In the opinion of the Council and management of the Christchurch City Council, the annual Financial Statements for the year ended 30 June 2002 fairly reflect the financial position and operations.



Garry Moore - MAYOR - 26 November 2002



Mike Richardson - CHIEF EXECUTIVE - 26 November 2002

Happy with the River Prize, one of the world's top environment awards, are, from left, Ken Couling, Christine Heremaia, Mayor Garry Moore, Richard Holland and Cr Graham Condon.

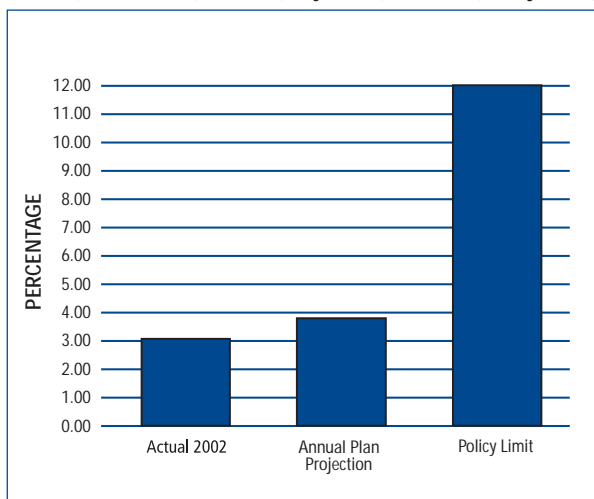


# financial highlights

Financial highlights from the financial statement have been extracted to provide an overview of the financial health of the Council. This data relates to the City Council only and does not include the consolidated results of the corporatised trading.

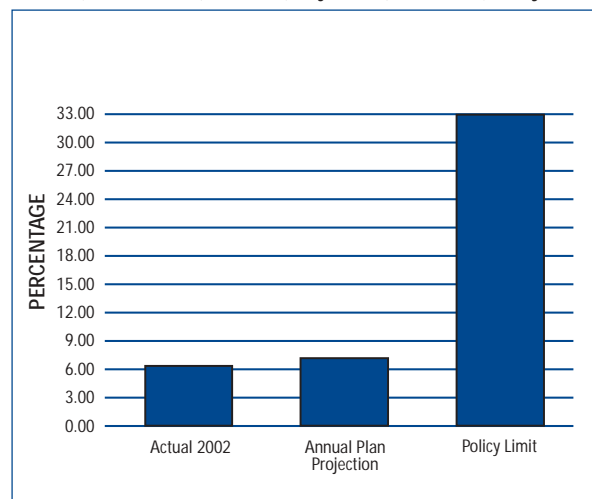
### Term Debt To Total Assets (Ratio)

3.04% (Actual 2002) 3.79% (Projection) 12.00% (Policy Limit)



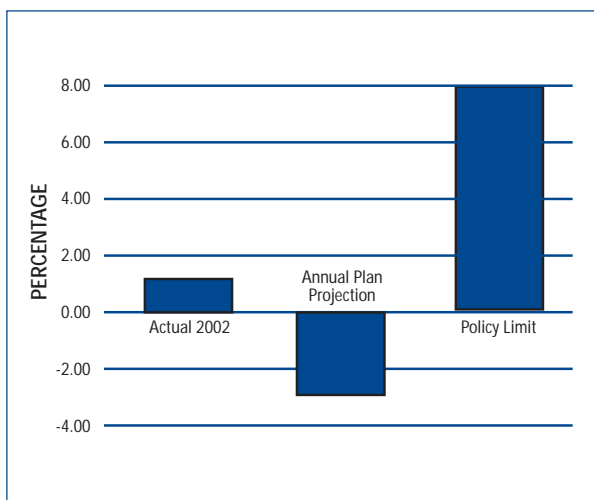
### Term Debt To Realisable Assets (Ratio)

6.28% (Actual 2002) 7.09% (Projection) 33.00% (Policy Limit)



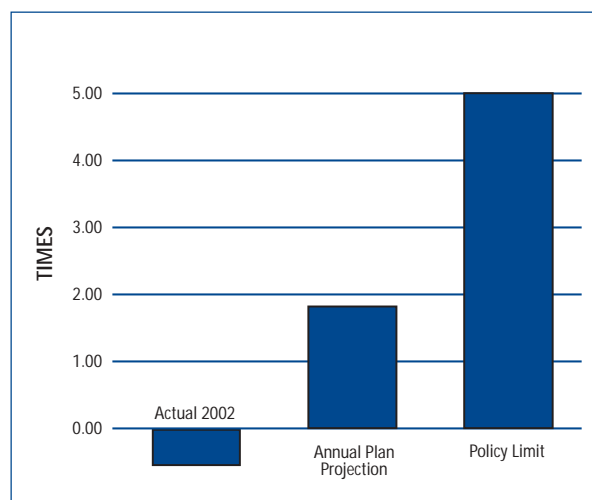
### Net Interest To Operating Revenue (Ratio)

1.46% (Actual 2002) -3.22% (Projection) 8.00% (Policy Limit)



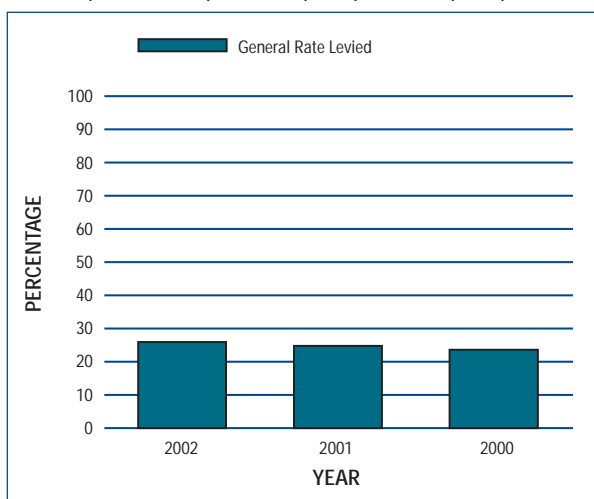
### Net Debt To Funds Flow (Times)

-0.55 (Actual 2002) 1.83 (Projection) 5.00 (Policy Limit)



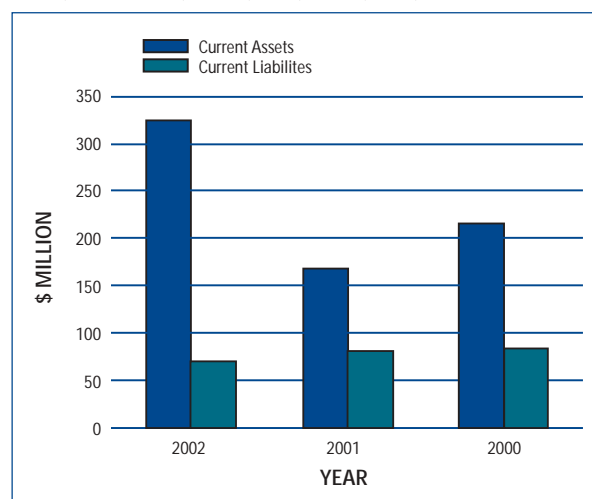
### General Rate As Percentage Of Maximum Legal Limit

26.61% (Actual 2002) 25.77% (2001) 24.92% (2000)



### Working Capital Ratio (Times)

4.75 (Actual 2002) 2.07 (2001) 2.56 (2000)





# Audit New Zealand

## REPORT OF THE AUDITOR-GENERAL

### TO THE READERS OF THE FINANCIAL STATEMENTS OF CHRISTCHURCH CITY COUNCIL AND GROUP FOR THE YEAR ENDED 30 JUNE 2002

We have audited the financial statements on pages 18 to 89. The financial statements provide information about the past financial and service performance of Christchurch City Council and group and its financial position as at 30 June 2002. This information is stated in accordance with the accounting policies set out on pages 22 to 25.

#### Responsibilities of the Council

The Local Government Act 1974 requires the Council to prepare financial statements in accordance with generally accepted accounting practice in New Zealand that fairly reflect the financial position of Christchurch City Council and group as at 30 June 2002 and the results of its operations and cash flows and service performance achievements for the year ended on that date.

#### Auditor's Responsibilities

Section 15 of the Public Audit Act 2001 requires the Auditor-General to audit the financial statements presented by the Council. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and to report that opinion to you.

The Auditor-General has appointed Devan Menon of Audit New Zealand to undertake the audit.

#### Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- ▲ the significant estimates and judgements made by the Council in the preparation of the financial statements; and
- ▲ whether the accounting policies are appropriate to Christchurch City Council and group's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.



We have carried out audit related and assurance assignments for subsidiaries within the group. These involved issuing an audit certificate pursuant to the Electricity (Information Disclosure) Regulations 1999, an audit certificate pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 and the review of a margin sharing arrangement. Other than these assignments and in our capacity as auditor acting on behalf of the Auditor-General, we have no other relationship with or interests in Christchurch City Council or its subsidiaries.

## Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements of Christchurch City Council and group on pages 18 to 89:

- ▲ comply with generally accepted accounting practice in New Zealand; and
- ▲ fairly reflect:

Christchurch City Council and group's financial position as at 30 June 2002;

the results of its operations and cash flows for the year ended on that date; and

the service performance achievements in relation to the performance targets and other measures adopted for the year ended on that date.

Our audit was completed on 28 November 2002 and our unqualified opinion is expressed as at that date.



Devan Menon  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
Christchurch, New Zealand



# christchurch city council group

The following pages report the financial statements of the Christchurch City Council and its Subsidiaries for the year ended 30 June 2002.

## Christchurch City Council Parent Statements include:

- Christchurch City Council
- Various Bequest and Special Funds
- Mayor's Welfare Fund
- Canterbury Technology Park (at proportionate share – one third)

## Subsidiaries and Associates are:

### • Christchurch City Holdings Limited

The Company is a wholly owned company formed to hold Christchurch City Council's investments in subsidiaries and associates.

The financial statements consolidated are for the year ended 30 June 2002. Subsidiaries and associates of this Company are:

- Orion New Zealand Limited  
This Company operates as an energy network management company. Christchurch City Holdings Limited has an 87.625% interest in Orion New Zealand Limited.  
The financial statements consolidated are for the year ended 31 March 2002.
- Christchurch International Airport Limited  
This Company is 75% owned by Christchurch City Holdings Limited. The financial statements consolidated are for the year ended 30 June 2002.
- Red Bus Limited  
Red Bus Limited is a public transport company and is wholly owned by Christchurch City Holdings Limited. The financial statements consolidated are for the year ended 30 June 2002.
- Lyttelton Port Company Limited  
This Company is 65.46% owned by Christchurch City Holdings Limited. The financial statements consolidated are for the year ended 30 June 2002.
- City Care Limited  
This Company, that is wholly owned, provides construction and maintenance services for Council and other organisations and manufactures and supplies roading paving material. The Council sold its shareholding in City Care Limited to Christchurch City Holdings Limited on 15 March 2002. The financial statements consolidated are for the year ended 30 June 2002.

### • Selwyn Plantation Board Limited

This associate company is 39.32% owned by Christchurch City Holdings Limited as from 15 March 2002. On this date, the Council sold its shareholding to Christchurch City Holdings Limited. The financial statements for the year ended 31 March 2002 are equity accounted.

### • Christchurch City Facilities Limited

This Company is wholly owned by the Christchurch City Council. It owns the Christchurch Convention Centre and the WestpacTrust Centre and leases the Town Hall from the Christchurch City Council.

The financial statements consolidated are for the year ended 30 June 2002.

### • Jade Stadium Limited

The Company is wholly owned by the Christchurch City Council. It manages Jade Stadium under contract to the Victory Park Board. It owns the South Stand and other assets constructed or purchased since June 1998 and will operate all of Jade Stadium in its own right once the necessary legislation has been passed to transfer ownership from the Victory Park Board to the Council and the company.

The financial statements consolidated are for the year ended 30 June 2002.

### • Transwaste Canterbury Limited

This Company has the principal purpose of selecting, developing and operating a non-hazardous landfill in Canterbury. Council has 37.85% of the shareholding. The financial statements for the year ended 30 June 2002 are equity accounted.

### • Travis Finance Limited

This Company is a holding company wholly owned by the Christchurch City Council, and has had subsidiaries involved in the ownership and maintenance of Travis Heritage Park, a natural reserve protecting native species. However, the land held by these companies was sold to the Christchurch City Council on 28 June 2002 and the subsidiaries were amalgamated into Travis Finance Limited on that date. The financial statements consolidated are for the year ended 30 June 2002.

# statement of financial performance

FOR THE YEAR ENDED 30 JUNE 2002

	Note	Parent Actual 2002 \$000's	Parent Estimate 2002 \$000's	Parent Actual 2001 \$000's	Group Actual 2002 \$000's	Group Actual 2001 \$000's
<b>Income</b>						
Significant Activities	1	81,392	77,682	77,072	83,122	86,188
Rates		140,599	140,468	131,350	139,693	130,342
Other Income	1	208,930	178,029	51,127	364,957	552,559
<b>Total Operating Income</b>		<b>\$430,921</b>	<b>\$396,179</b>	<b>\$259,549</b>	<b>\$587,772</b>	<b>\$769,089</b>
<b>Expenditure</b>						
Significant Activities	2	246,490	245,153	234,137	245,125	240,896
Other	2	9,796	10,401	6,381	243,755	236,644
<b>Total Operating Expenditure</b>		<b>\$256,286</b>	<b>\$255,554</b>	<b>\$240,518</b>	<b>\$488,880</b>	<b>\$477,540</b>
<b>Operating Surplus</b>		<b>174,635</b>	<b>140,625</b>	<b>19,031</b>	<b>98,892</b>	<b>291,549</b>
Vested Assets	29	21,285	15,000	24,396	21,285	24,396
Grants/Contributions for Major Projects	30	469	449	485	469	485
<b>Surplus before taxation</b>		<b>\$196,389</b>	<b>\$156,074</b>	<b>\$43,912</b>	<b>\$120,646</b>	<b>\$316,430</b>
Less Tax Expense/(Benefit)	16	(636)	0	0	44,664	26,916
<b>Surplus after taxation</b>		<b>\$197,025</b>	<b>\$156,074</b>	<b>\$43,912</b>	<b>\$75,982</b>	<b>\$289,514</b>
Minority interests in surpluses of Subsidiaries		0	0	0	(13,087)	(39,101)
Equity accounted earnings of Associates		792	0	(300)	(2,508)	(659)
<b>Net Surplus for Year</b>	3	<b>\$197,817</b>	<b>\$156,074</b>	<b>\$43,612</b>	<b>\$60,387</b>	<b>\$249,754</b>

The accompanying accounting policies and notes form part of these financial statements.



Genealogy Librarian, Richard Greenaway, conducted spirited cemetery tours as part of Heritage Week 2001.

# statement of movements in equity

FOR THE YEAR ENDED 30 JUNE 2002

	Note	Parent Actual 2002 \$000's	Parent Estimate 2002 \$000's	Parent Actual 2001 \$000's	Group Actual 2002 \$000's	Group Actual 2001 \$000's
Equity at 1 July		3,436,760	3,455,459	3,429,921	3,275,273	2,918,741
Net Surplus Attributable to:						
Parent Entity Shareholders		197,817	156,074	43,612	60,387	249,754
Minority Interests		0	0	0	13,087	39,101
Landfill Accounting Policy Change Adjustment		943	0	0	943	0
Movement Relating to Preacquisition Revaluation Reserves	4	0	0	0	598	(24,237)
Increases/(Decreases) in Revaluation Reserves	4	(78,170)	0	(36,773)	81,196	110,996
<b>Total Recognised Revenues and Expenses for the Year</b>		120,590	156,074	6,839	156,211	375,614
Distribution Paid and Provided to Minority Interests		0	0	0	(11,464)	(16,027)
Other Movements in Minority Interests		0	0	0	7,784	(3,055)
<b>Equity at 30 June</b>		<b>\$3,557,350</b>	<b>\$3,611,533</b>	<b>\$3,436,760</b>	<b>\$3,427,804</b>	<b>\$3,275,273</b>

# statement of financial position

AS AT 30 JUNE 2002

	Note	Parent Actual 2002 \$000's	Parent Estimate 2002 \$000's	Parent Actual 2001 \$000's	Group Actual 2002 \$000's	Group Actual 2001 \$000's
<b>Equity</b>	4	3,557,350	3,611,533	3,436,760	3,427,804	3,275,273
<b>Non-Current Liabilities</b>	5	108,064	112,797	74,582	302,354	331,548
<b>Current Liabilities</b>	6	70,878	73,261	80,211	176,574	123,011
<b>Total Equity and Liabilities</b>		<b>\$3,736,292</b>	<b>\$3,797,591</b>	<b>\$3,591,553</b>	<b>\$3,906,732</b>	<b>\$3,729,832</b>
<b>Represented by:</b>						
<b>Current Assets</b>	8	337,002	173,410	166,378	388,195	424,386
<b>Non-Current Assets</b>						
Investments	9	824,386	1,202,983	984,378	62,907	61,074
Operational Assets	10	550,314	536,721	491,188	1,431,040	1,294,763
Infrastructural Assets	11	1,726,454	1,593,783	1,658,311	1,726,454	1,658,311
Restricted Assets	12	298,136	290,694	291,298	298,136	291,298
<b>Total Non-Current Assets</b>		<b>3,399,290</b>	<b>3,624,181</b>	<b>3,425,175</b>	<b>3,518,537</b>	<b>3,305,446</b>
<b>Total Assets</b>		<b>\$3,736,292</b>	<b>\$3,797,591</b>	<b>\$3,591,553</b>	<b>\$3,906,732</b>	<b>\$3,729,832</b>

The accompanying accounting policies and notes form part of these financial statements.



# statement of cash flows

	FOR THE YEAR ENDED 30 JUNE 2002				
Note	Parent Actual 2002 \$000's	Parent Estimate 2002 \$000's	Parent Actual 2001 \$000's	Group Actual 2002 \$000's	Group Actual 2001 \$000's
<b>OPERATING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Rates, Grants, Subsidies, and Other Sources	232,554	235,881	225,615	572,015	522,902
Interest Received	10,438	9,584	10,260	20,662	25,548
Dividends	162,615	31,656	46,732	580	815
	<u>405,607</u>	<u>277,121</u>	<u>282,607</u>	<u>593,257</u>	<u>549,265</u>
<b>Cash was disbursed to:</b>					
Payments to Suppliers and Employees	192,256	209,615	180,565	371,630	340,312
Net GST	5,221	0	1,769	4,724	2,098
Income Tax Paid	0	0	0	20,255	50,261
Interest Paid	5,652	5,566	5,806	18,539	22,652
	<u>203,129</u>	<u>215,181</u>	<u>188,140</u>	<u>415,148</u>	<u>415,323</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<u>15</u>	<u>202,478</u>	<u>61,940</u>	<u>94,467</u>	<u>178,109</u>
<b>INVESTING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Sale of Assets	2,005	3,496	2,074	17,019	541,390
Loans Repaid	7,407	0	26	614	1,233
Investments Realised	41,368	400	11,049	1,968	11,049
	<u>50,780</u>	<u>3,896</u>	<u>13,149</u>	<u>19,601</u>	<u>553,672</u>
<b>Cash was applied to:</b>					
Purchase of Assets	101,792	117,776	118,288	203,385	134,481
Purchase of Investments	30,892	28,285	21,951	24,233	59,314
Exploration Expenditure	0	0	0	4,484	4,957
	<u>132,684</u>	<u>146,061</u>	<u>140,239</u>	<u>232,102</u>	<u>198,752</u>
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<u>(81,904)</u>	<u>(142,165)</u>	<u>(127,090)</u>	<u>(212,501)</u>	<u>354,920</u>
<b>FINANCING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Raising of Loans	62,496	36,605	45,860	96,989	58,273
Net Movements Sinking Funds	0	1,485	0	0	0
	<u>62,496</u>	<u>38,090</u>	<u>45,860</u>	<u>96,989</u>	<u>58,273</u>
<b>Cash was applied to:</b>					
Repayment of Term Liabilities	44,272	20,750	40,527	58,484	320,410
Payment of Dividends	0	0	0	11,465	24,866
	<u>44,272</u>	<u>20,750</u>	<u>40,527</u>	<u>69,949</u>	<u>345,276</u>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<u>18,224</u>	<u>17,340</u>	<u>5,333</u>	<u>27,040</u>	<u>(287,003)</u>
Increase/(Decrease) in Cash	138,798	(62,885)	(27,290)	(7,352)	201,859
Inter-entity Transactions Between Balance Dates	0	0	0	(2,815)	(68,128)
Add Opening Cash	141,248	131,166	168,538	327,947	194,216
	<u>280,046</u>	<u>68,281</u>	<u>141,248</u>	<u>317,780</u>	<u>327,947</u>
<b>ENDING CASH BALANCE</b>					
<b>Represented by:</b>					
Cash and Short Term Investments	280,046	68,281	141,248	318,559	328,807
Bank Overdraft	0	0	0	(779)	(860)
	<u>280,046</u>	<u>68,281</u>	<u>141,248</u>	<u>317,780</u>	<u>327,947</u>

The accompanying accounting policies and notes form part of these financial statements

# statement of accounting policies

## REPORTING ENTITY

The Christchurch City Council is a territorial local authority formed under the Local Government Act 1974 as amended.

The group consists of the entities listed on page 18.

## MEASUREMENT BASE

The measurement base adopted is that of historical cost as modified by the revaluation of certain assets.

## ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of financial performance and the financial position have been applied.

### A. Basis of Consolidation

#### Subsidiary Companies and Local Authority Trading Enterprises

Subsidiaries and other entities in which the Council has a controlling shareholding are accounted for using the Purchase method, which shows the revenues and expenditures in the Consolidated Statement of Financial Performance, and the assets and liabilities in the Consolidated Statement of Financial Position. All significant intercompany transactions are eliminated upon consolidation.

#### Associate Organisations

Associate organisations are accounted for by the Equity method, which records the Council's share of profits and losses for the period in the Statement of Financial Performance, and shows the amount of equity held in Investments in the Statement of Financial Position. An associate organisation is one in which the Council has an equity interest of between 20% and 50% and the capacity to significantly influence the policies of that organisation.

#### Joint Ventures

Joint Ventures are incorporated into the parent's financial statements using the proportionate method.

### B. Operational and Fixed Assets

#### (i) Council Operational Assets:

- (a) The following operational assets were valued as at 30 June 1991 by Harcourts Valuations Ltd.
  - Chattels
  - Mobile Plant (including vehicles)
  - Plant

Valuations above were based on depreciated replacement value. This is deemed to be cost.

- (b) Land and Buildings were valued by Simes Ltd at 30 June 2002 to fair value by reference to their highest and best use.
- (c) Library Books are shown at a valuation by

Harcourts Valuations Ltd at 30 June 1992. The valuation was based on the lower of the net current replacement cost, and the recoverable amount. This is deemed to be cost.

Operational Assets are valued as follows:

All Plant and Chattels and Library Books	At initial valuation and cost for subsequent purchases.
--	---

Land & Buildings	Revalued every three years by external valuers.
------------------	---

#### (ii) Airport Fixed Assets:

Fixed assets are recorded at original cost less accumulated depreciation except for land and sealed surfaces.

Cost recognises the acquisition price paid on the purchase of the Airport assets from the Christchurch Airport Authority and subsequent capital expenditure. Land is revalued every three years. Sealed surfaces were valued for the first time at 30 June 2002. The current valuation of land and sealed surfaces is at fair value as at 30 June 2002 by Crighton Anderson & Associates Ltd.

#### (iii) Port Fixed Assets:

Fixed assets are recorded at cost less accumulated depreciation.

#### (iv) Public Transport Fixed Assets:

Buses were revalued to net open market value at 30 June 2000 by Darroch Limited.

#### (v) Electricity Distribution Systems:

All fixed assets were revalued by Ernst and Young, registered valuer, to net current value at 31 March 2000.

#### (vi) Assets purchased since valuation have been recorded at cost.

### C. Infrastructural Assets

Stormwater Infrastructural Assets have been valued using the optimised depreciated replacement cost method at 30 June 2002, by Meritec Limited. Sewerage Infrastructural Assets have been valued using the optimised depreciated replacement cost at 30 June 2000 by the City Solutions Unit of the Council and peer reviewed by Opus International Consultants Limited and Beca Valuations Limited. Roading and Water Reticulation Infrastructural Assets (including Traffic Signals & Bus Shelters) have been valued using the optimised depreciated replacement cost method at 30 June 2001 by Meritec Limited. Land under roads was valued at 30 June 1992, by Quotable Value NZ at the value used for rating purposes. This is deemed to be cost.

Additions to Infrastructural Assets since valuation are recorded at cost. This includes vested assets that are recorded at the cost to the subdivider.

### D. Assets under Construction

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion, and then depreciated.

## E. Restricted Assets

These assets are:

Land and Buildings with restrictions on sale - eg Parks and Reserves

Library Books - New Zealand Collection

Properties held in trust for other organisations

These assets have been valued on the same basis as Operational Assets with vested Reserve Land additions recorded at the cost to the subdivider.

Works of Art:

Works of Art have been valued at market value by the Senior Curator of the Robert McDougall Art Gallery as at 30 June 2000.

## F. Investment and Development Property

The Council has no properties purchased or acquired for the primary purpose of earning capital gains or rental income.

## G. Depreciation

Depreciation provided in respect of Operational and Infrastructural Assets is intended to write off the cost of assets over their estimated useful lives.

For Operational Assets, the straight line method is used except for Mobile Plant that is depreciated on a diminishing value (DV) basis.

Infrastructure Assets are depreciated using the long run average renewals approach (LRARA) where the decline in service potential (depreciation) is the average of the estimated expenditure on renewals required to keep the networks at their current levels of potential and service. A fifty year period has been used to calculate the average renewals expenditure for the Roothing & Water Supply networks, thirty years for the Wastewater network and twenty years for Stormwater. The estimated useful lives disclosed for Infrastructure Assets are used for planning and valuation purposes.

The main bases are the following periods:

Buildings	15-100 yrs
Office and Computer Equipment	4-5 yrs
Motor Vehicles/Motorised Plant	2-16 yrs
Mobile Plant	7.5-50% DV
Buses	5-6 yrs
Sealed Surfaces (other than roads)	30-100 yrs
Harbour Structures	5-58 yrs
Electricity Distribution System	70 yrs
Gas Mains and Services	80 yrs
Meters and Local Control Equipment	30 yrs
Leasehold Land Improvements	14 yrs
Library Books	3-10 yrs
<b>Infrastructural Assets</b>	
Roothing	2-90 yrs
Streetlights	25 yrs
Bridges	70 or 150 yrs
Bus Shelters	40 yrs
Sewers, Stormwater and Water Supply Systems and Plant	10-130 yrs

Restricted Assets are not depreciated except for Historic Buildings which are depreciated at 1% on a straight line basis.

## H. Landfill After Care Costs

As operator of the Burwood landfill, the Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill site after closure. To provide for the estimated cost of aftercare, a charge is made each year to spread the costs over the life of the landfill.

The estimated cost is calculated based on estimates of:

(i) Total current cost

This is defined as the amount that would be paid if all equipment, facilities and services included in the estimate were acquired during the current period.

The estimate has been based on costs of closure of similar landfills by other local authorities.

(ii) Total capacity

The estimated length of time needed for post-closure care is 30 years.

The Council also has a legal obligation to provide ongoing maintenance and monitoring services for the closed landfill sites of the former amalgamating authorities.

The estimated future costs to perform this obligation have been accrued and charged.

The calculations assume no change in the legislative requirements for closure and post-closure treatment.

## I. Revenue Recognition

Rates revenue is recognised when levied. Water billing revenue is recognised on an accrual basis. Unbilled sales, as a result of unread meters at year end, are accrued on an average basis.

Transfund roading subsidies are recognised as revenue upon entitlement, that is, when the conditions related to eligible expenditure have been fulfilled. Other grants and bequests and assets vested in the Council, are recognised as revenue when control over the assets is obtained. Dividends are only recognised as income, net of imputation credits, when the dividends have been declared and have or are almost certain to receive the necessary shareholder approval.

## J. Goods and Services Tax

The financial statements have been prepared exclusive of GST with the exception of receivables and payables that have been shown inclusive of GST. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

## K. Research and Development Costs

Research and development costs are expensed in the period incurred. Development costs are deferred where it is probable that future benefits will exceed those costs. Deferred development costs are amortised over future periods in relation to expected future revenue.

## L. Goodwill

Goodwill represents the excess of the purchase consideration over the fair value of net tangible and identifiable intangible assets acquired at the time of Orion New Zealand Ltd's and Christchurch City Holdings Ltd's acquisition of the shares in subsidiaries.

Goodwill is amortised by the straight line method over the period during which benefits are expected to be received. This is a maximum of 20 years.

## M. Income Tax

The income tax expense charged to the Statement of Financial Performance includes both the current year expense and the income tax effects of timing differences applied on a comprehensive basis and calculated using the liability method.

Christchurch International Airport Ltd applies tax effect accounting on a partial basis to all timing differences. All other subsidiaries apply tax effect accounting on a comprehensive basis.

A debit balance in the deferred tax account, arising from timing differences or income tax benefits from income tax losses, is only recognised when there is virtual certainty of realisation.

## N. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined by FIFO or weighted average methods. Some inventories are subject to restriction of title.

## O. Leases

### (i) Finance Leases

These leases effectively transfer all the risks and benefits of ownership to the lessee. Finance leases are included in liabilities at their current value.

Assets purchased under such leases are included in fixed assets and depreciated at usual rates.

### (ii) Operating Leases

Under these leases, the lessor effectively retains all the risks and benefits of ownership. These lease payments are charged as expenses in the periods in which they are incurred.

## P. Employment Entitlements

Provision is made in respect of the Council's liability for gratuity allowances, and annual and long service leave.

The liabilities for leave have been calculated on an actual entitlement basis at current rates of pay. The retiring gratuity liability has been assessed on an actuarial basis.

## Q. Investments

Shares in subsidiaries, apart from Christchurch City Holdings Ltd (CCHL), associates and shares in Local Government Insurance Corporation Limited are valued at share of equity off the latest Statement of Financial Position. Shares in CCHL were revalued at 30 June 2001, based on a market valuation undertaken by KPMG of three of its subsidiaries.

This value has been adjusted for subsequent changes in the Group's structure. All other investments are stated at lower of cost and net realisable value.

## R. Financial Instruments

Christchurch City Council and its subsidiaries are party to financial instrument arrangements as part of their everyday operations. These financial instruments include Banking funds, Bank Deposits, Short Term Investments, Accounts Receivable, Sinking Fund Investments, Accounts Payable and Term Debt.

Revenues and Expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position, with the exception of Guarantees and Contingent Assets and Liabilities, which are disclosed by way of Note to the Financial Statements. Any income or expenditure arising from the exercising of a guarantee, or upon a contingency becoming an actual asset or liability, will be recognised in the Statement of Financial Performance at the time of confirmation.

The following methods and assumptions were used to value each class of financial instrument:

- (a) Accounts Receivable and Long Term Receivables are recorded at estimated realisable value.
- (b) Short Term Investments are valued at fair value.
- (c) Investments in Government and Local Authority Stock are valued at cost with premiums paid or discounts taken on acquisition amortised over the life of the investment. Income is recognised on a yield to maturity basis.
- (d) Loans to various sporting and cultural organisations are recorded at fair value.
- (e) All other financial instruments, including Cash and Bank balances, Accounts Payable and Term Debt are valued at fair value.

Members of the group enter into swap and forward rate transactions for the primary purpose of reducing exposure to fluctuations in interest rates. While these financial instruments are subject to the risk that market rates may change subsequent to the acquisition of the financial instrument, such changes would generally be offset by opposite effects on the item being hedged. For swap agreements, the differential to be paid or received is accrued as interest rates change, and is recognised as a component of interest expense over the life of the agreement.

## S. Debt Servicing Costs

Debt Servicing Costs are apportioned on the basis on the book value of the Operational and Infrastructural Assets employed at 1 July 2001.

## T. Cost Allocations

The costs of all internal service type activities are allocated or charged directly to external service type activities.

External service activities refer to activities which provide a service direct to the public.

Internal service type activities provide support for the external service activities. Where the user of a service can be identified, for example with City Solutions, the cost recovery is made by way of direct charge.

Where this has not been possible, the costs are allocated by way of corporate overhead.

The basis of the corporate overhead allocation is reviewed each year and every attempt is made to relate the allocation made with the service utilised.

Internal service costs which are allocated out as corporate overhead include Corporate Services and Financial Services.

## U. Donated Goods and Services

The Council receives the benefits of many services provided by volunteers. These services are greatly valued. They are, however, difficult to measure in monetary terms. From an accounting point of view these services are not considered material in relation to the Council's total expenditure.

Vested Land is included at current value and Infrastructural Assets are included at the cost to the subdivider.

## V. Third Party Transfer Payment Agencies

The Council collects monies for many organisations including Environment Canterbury, Building Industry Authority and others. Where collections are processed through the Council's books, any monies held are shown as Accounts Payable in the Statement of Financial Position.

## W. Budgets/Estimates Disclosed

The budget and estimate figures shown in the financial statements represent the budgets included in the Financial Plan for the year ended 30 June 2002 adjusted for expenditure and revenue carried forward into the next financial year, and budget changes authorised by the Council.

## X. Changes in Accounting Policies

The Council and group have changed their accounting policy for the valuation of land and buildings in order to comply with FRS-3: *Property, Plant and Equipment*. This standard came into effect for periods ending on or after 31 March 2002. It requires assets to be revalued at fair value which has been determined by reference to their highest and best use. The previous policy had been to determine the fair value of those items by reference to their existing use.

The landfill post-closure provision is now measured in accordance with financial reporting standard FRS-15: *Provisions, Contingent Liabilities and Contingent Assets*. Previously, a charge was made each year based on usage of the landfill to provide for the estimated cost of the landfill aftercare.

The implementation of the new policy has the following impact on the consolidated financial statements for the current year:

The overall effect of the change is to increase the aftercare

liability in the statement of financial position by \$1.4 million and to introduce a landfill asset of \$2,343,000. The two are not equal, given that the landfill has already been in operation for 5 years.

In accordance with the transitional provisions of FRS-15, the adjustment to the liability and the associated asset has been made against equity at the beginning of the current financial reporting period.

The on-going annual charge to the Statement of Financial Performance arising from the landfill will now comprise depreciation of the landfill asset, plus any increase or less any decrease in the provision as a result of new information requiring the revision. Previously the charge was a direct result of the increase in the amount of the provision.

During the year the accounting policy relating to airport sealed surfaces was changed to conform to the requirements of FRS-3: *'Accounting for Property, Plant and Equipment'*.

Under the previous policy, the initial costs of establishing sealed surfaces were capitalised and depreciated over the ultimate economic life for those surfaces. The economic life for sealed surfaces was based on the assumption that periodic maintenance would be carried out. The future estimated costs of periodic maintenance, including the resealing of surfaces, were recognised as an additional expense in the statement of financial performance on a systematic basis. The provision for estimated future expenses in resealing surfaces was deducted from the carrying value of sealed surfaces.

Under the new accounting policy the cost of the sealed surfaces is allocated to separate components to the extent that the components have different useful lives. The cost of each component is depreciated over its useful life. No provision is made in respect of the periodic maintenance of sealed surfaces, including the resealing of surfaces, to be incurred in future periods. These costs are capitalised when they are incurred to the extent that they provide future economic benefits and in all other cases, expensed as incurred.

As a result of the above changes in accounting policy:

- (a) Sealed surfaces were revalued to a component level using their optimised depreciated replacement costs at 1 July 2001. This resulted in the opening value of sealed surfaces increasing by \$30,356,000.
- (b) The opening provision for estimated future expenses in resealing surfaces amounting to \$7,439,000 was reversed as part of the revaluation of the sealed surfaces. Under the previous accounting policy the provision was deducted from the carrying amount of sealed surfaces.
- (c) The costs of resealing the surfaces during the year amounting to \$779,234 were capitalised as property, plant and equipment. Under the previous policy these costs would have been expensed against the provision for the estimated future expenses.
- (d) The establishment of specific useful lives for different components of sealed surfaces resulted in additional depreciation amounting to \$947,832 being recognised in the statement of financial performance in the current year.

There were no other changes in Accounting Policies. These have been applied on a basis consistent with those used in previous years.



# notes to the financial statements

## Note 1:

### Income

	Actual 2002 Parent \$000's	Estimate 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Significant Activity Income:	\$81,392	\$77,682	\$77,072	\$83,122	\$86,188

(Refer to Summary of Activities on Page 47)

### Other Income

#### Interest Income:

Subsidiaries	2,648	3,578	1,036	0	0
Loan Repayment Investments	428	468	398	428	398
Short Term Investments	7,071	7,945	6,977	22,207	27,256
Special and Other Fund Investments	1,708	1,188	2,070	1,708	2,070
<b>Total Interest Income</b>	<b>\$11,855</b>	<b>\$13,179</b>	<b>\$10,481</b>	<b>\$24,343</b>	<b>\$29,724</b>

#### Dividend Income:

Christchurch City Holdings Ltd					
- Ordinary	30,628	30,600	24,160	0	0
- Special	153,850	128,000	0	0	0
Local Government Insurance Corporation Ltd	0	25	0	0	0
Selwyn Plantation Board Ltd	157	0	889	157	889
City Care Ltd	1,231	0	624	0	0
<b>Total Dividend Income</b>	<b>\$185,866</b>	<b>\$158,625</b>	<b>\$25,673</b>	<b>\$157</b>	<b>\$889</b>

#### Sundry Income:

Petroleum Tax	2,016	2,020	1,943	2,016	1,943
Sundry	5,558	1,005	9,467	15,750	28,548
Grants	3,635	3,200	3,563	3,635	3,563
Trading Subsidiaries Operating Income (Segment Report in Note 3)	0	0	0	319,056	487,892
<b>Total Sundry Income</b>	<b>\$11,209</b>	<b>\$6,225</b>	<b>\$14,973</b>	<b>\$340,457</b>	<b>\$521,946</b>

### Total Other Income

<b>Total Other Income</b>	<b>\$208,930</b>	<b>\$178,029</b>	<b>\$51,127</b>	<b>\$364,957</b>	<b>\$552,559</b>
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## Note 2: Expenditure

	Actual 2002 Parent \$000's	Estimate 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>Significant Activity Expenditure</b>	\$246,490	\$245,153	\$234,137	\$245,125	\$240,896
(Refer to Summary of Activities on Page 47)					
<b>Other Expenditure</b>					
Levies	5,520	5,594	4,225	5,520	4,225
Professional Fees re Subsidiaries	113	155	32	113	32
Sundry	4,163	4,652	2,124	13,011	10,829
Trading Subsidiaries Operating Expenditure (Segment Report in Note 3)	0	0	0	225,111	221,558
<b>Total Other Expenditure</b>	\$9,796	\$10,401	\$6,381	\$243,755	\$236,644

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's
Expenditure disclosures required pursuant to Section 223 J and K of the Local Government Act 1974 and Canterbury Museum Trust Board Act 1993		
(a) Insurance Premiums paid	1,366	1,191
(b) Ex Gratia payments to any persons suffering a loss while rendering assistance or performing any action while under control or authority of the Council	0	0
(c) Ceremonies for the public or a section of the public	73	147
(d) Purchase of insignia and robes of office and civic insignia of any kind	6	5
(e) Provision of Entertainment	111	96
(f) Payment of levies or general contributions to organisations considered appropriate to the functions of the Council		
Civil Defence	795	685
Canterbury Museum	4,205	2,875
Riccarton Bush	208	235
Rural Fire Fighting	366	430
(g) Unauthorised Expenditure	0	0
(h) The Council appoints four members as its representatives on the Canterbury Museum Trust Board.		



New Lost City of Atlantis leisure pool at QEII Park.

**Note 3:****(a) Operating Surplus**

	Actual 2002 Parent \$000's	Estimate 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>After Charging:</b>					
<b>Audit Fees</b>					
Fees paid to principal auditor	150	150	150	342	358
Fees paid to other auditors	0	0	0	69	43
Other services provided by principal auditor	0	0	110	20	31
Other services provided by other auditors	0	0	0	50	93
Amortisation of Goodwill	0	0	0	4,184	1,909
Bad Debts	105	25	132	405	1,469
<b>Depreciation</b>					
<b>Land Improvements &amp; Buildings</b>					
including Restricted	7,298		6,710	18,345	17,655
Plant, Equipment & Vehicles	6,520		5,597	12,500	14,050
Library Books	2,894		2,631	2,894	2,631
Artworks	26		0	26	0
Roading Infrastructure	20,883		20,184	20,883	20,184
Sewerage Infrastructure	5,321		5,460	5,321	5,460
Stormwater Infrastructure	2,090		2,091	2,090	2,091
Water Reticulation Infrastructure	3,468		4,608	3,468	4,608
Vessels	0		0	62	100
Buses	0		0	1,065	683
Sealed Surfaces	0		0	1,934	855
Distribution System	0		0	15,389	14,798
Harbour Structures	0		0	1,106	1,145
Other Assets	0		0	2,212	2,528
Total	48,500	48,442	47,281	87,295	86,788
Interest	6,396	7,721	5,740	26,269	23,504
Leasing and Rental Costs	4,152	4,102	3,511	5,045	5,809
<b>Increase/(Decrease) in Provision for</b>					
<b>Doubtful Debts</b>					
	0	0	100	0	141
Councillors' Remuneration	1,317	1,275	1,240	1,317	1,240
Directors Fees	0	0	0	831	904
Gain/(Loss) on Sale of Assets	193	26	(1,026)	771	(2,520)
Severance and Restructuring Costs	252	0	848	509	1,281
Research and Development	0	0	0	49	79
Parent Company Expense	0	0	0	1,024	917
Movement in Provision for Resealing	0	0	0	0	806
Foreign Exchange Losses/(Gains)	0	0	0	0	0
Exploration Expenditure Written off	0	0	0	4,233	20,986
Donations	0	0	0	91	148
Assets Written off	4,970	3,795	3,662	4,970	3,662

**(b) Discontinued Activities**

On 1 April 2000, Orion New Zealand Limited sold its North Island gas networks and contracting activities. Effective 20 April 2000, Orion New Zealand Limited sold its industrial gas trading business. On 20 December 2000, the Antarctic Visitor Centre operation was sold by Christchurch International Airport Ltd. The comparative figures relate to these sales. Revenue and Profits attributable to continuing and discontinued activities are summarised as follows:

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>Continuing Activities:</b>				
Revenue	430,921	259,549	587,621	547,547
Net surplus/deficit	197,817	43,612	63,366	60,236
<b>Discontinued Activities</b>				
Revenue	0	0	151	221,542
Net surplus/deficit	0	0	(2,979)	189,518

## Note 3 cont...

### (c) Segment Information

	2002 Group \$000's	2001 Group \$000's
<b>Segmental Income</b>		
Energy and Energy Networks	175,351	157,795
Airport	51,875	52,358
Port	61,980	57,952
Public Transport	19,570	16,590
Contracting	14,191	0
Profit on Sale of North Island Gas Operations	0	209,396
	<u>322,967</u>	<u>494,091</u>
Inter Entity Movement	(3,911)	(6,199)
<b>Trading Subsidiaries Operating Income</b>	<u>\$319,056</u>	<u>\$487,892</u>
<b>Segmental Expenditure</b>		
Energy and Energy Networks	129,441	137,751
Airport	32,751	36,641
Port	37,748	37,646
Public Transport	18,072	15,219
Contracting	12,785	0
Inter Segment	6,494	10,692
	<u>237,291</u>	<u>237,949</u>
Inter Entity Elimination	(12,180)	(16,391)
<b>Entity Expenditure</b>	<u>\$225,111</u>	<u>\$221,558</u>
Being:		
Operating Costs	169,752	148,856
Interest	17,337	16,598
Depreciation	33,618	32,581
Other Expenses	16,584	39,914
	<u>237,291</u>	<u>237,949</u>
Offset on Consolidation	(12,180)	(16,391)
	<u>\$225,111</u>	<u>\$221,558</u>



Historic buildings in High Street where heritage precinct work was completed during the year.

## Note 4: Equity

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>(a) Reserve Funds</b>				
Opening Balance	107,461	175,467	107,461	175,467
Transferred (to)/from Retained Earnings	168,249	(68,006)	168,249	(68,006)
Closing Balance	\$275,710	\$107,461	\$275,710	\$107,461
<b>(b) Capital Reserve</b>				
Opening Balance	1,733,853	1,733,853	1,733,853	1,733,853
Transferred (to)/from Retained Earnings	0	0	0	0
Closing Balance	\$1,733,853	\$1,733,853	\$1,733,853	\$1,733,853
<b>(c) Asset Revaluation Reserves</b>				
Opening Balance	1,234,084	1,368,130	464,857	354,846
Revaluation of Shares of Subsidiaries and Associates	(142,901)	(149,258)	(6,888)	(1,489)
Revaluation of Assets	64,731	112,485	88,084	112,485
Realised Assets Revaluation Reserve	1,746	(97,273)	1,746	(985)
Closing Balance #	\$1,157,660	\$1,234,084	\$547,799	\$464,857
<b>(d) Retained Earnings</b>				
Opening Balance	361,362	152,471	868,194	573,686
Add Surplus for Year	197,817	43,612	60,387	249,754
Add Prior Period Adjustments for Year	943	0	943	0
Add Transfers (to)/from Reserves	(168,249)	68,006	(168,249)	68,006
Movement Relating to Preacquisition	0	0	598	(24,237)
Realised Assets Revaluation Reserve	(1,746)	97,273	(1,746)	985
Closing Balance	\$390,127	\$361,362	\$760,127	\$868,194
Minority Interest*	0	0	\$110,315	\$100,908
<b>Total Equity</b>	<b>\$3,557,350</b>	<b>\$3,436,760</b>	<b>\$3,427,804</b>	<b>\$3,275,273</b>

### \*Minority Interest

	2002 \$000's	2001 \$000's
Christchurch International Airport Ltd	40,595	31,552
Lyttelton Port Company Limited	16,886	14,946
Orion NZ Ltd	52,834	54,410
	\$110,315	\$100,908

### #Revaluation Reserves

	2002	2001
Land and Buildings	138,688	142,665
Library Books	1,621	1,621
Artworks	5,612	5,612
Roading Infrastructure	155,893	156,991
Sewerage Infrastructure	80,824	81,031
Stormwater Infrastructure	71,422	0
Water Reticulation Infrastructure	21,483	21,479
Investments	682,117	824,685
Sealed Surfaces	0	0
	\$1,157,660	\$1,234,084
	\$547,799	\$464,857



## Note 5: Non-Current Liabilities

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Term Debt-Note 7	82,293	52,910	236,451	276,369
Provision for Landfill Aftercare	18,349	14,582	18,349	14,582
Provision for Employee Entitlements	7,422	7,090	7,422	7,403
Deferred Tax	0	0	36,623	31,888
Other	0	0	3,509	1,306
<b>Total Non-Current Liabilities</b>	<b>\$108,064</b>	<b>\$74,582</b>	<b>\$302,354</b>	<b>\$331,548</b>

## Note 6: Current Liabilities

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Trade Creditors	33,336	31,234	69,798	72,748
Owing to Subsidiaries	6,693	6,591	0	0
Bank Overdrafts	0	0	779	860
Provision for Taxation	0	636	0	1,907
Current Portion of Term Debt - Subsidiaries	10,143	24,993	0	0
Current Portion of Term Debt - Other	10,223	7,657	68,538	13,795
Other	586	0	17,284	14,779
	<b>\$60,981</b>	<b>\$71,111</b>	<b>\$156,399</b>	<b>\$104,089</b>
Employee Entitlements				
Accrued Pay	1,562	1,705	3,184	3,545
Annual Leave	8,335	7,395	16,991	15,377
Total Employee Entitlements	<b>\$9,897</b>	<b>\$9,100</b>	<b>\$20,175</b>	<b>\$18,922</b>
<b>Total Current Liabilities</b>	<b>\$70,878</b>	<b>\$80,211</b>	<b>\$176,574</b>	<b>\$123,011</b>

Included within the Group amount for "Other" are the following provisions:

	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>Warranties, Remedial Work &amp; Site Restoration</b>		
Opening Balance	1,000	200
Additional Provision Made	415	870
Amount Utilised	(337)	(70)
Closing Balance	<b>\$1,078</b>	<b>\$1,000</b>
<b>Revenue Adjustments</b>		
Opening Balance	3,300	3,000
Additional Provision Made	525	1,800
Amount Utilised	(1,800)	(1,500)
Closing Balance	<b>\$2,025</b>	<b>\$3,300</b>
<b>Restructuring</b>		
Opening Balance	0	0
Additional Provision Made	258	0
Amount Utilised	0	0
Closing Balance	<b>\$258</b>	<b>\$0</b>
<b>Closing Balance of all the Provisions above</b>	<b>\$3,361</b>	<b>\$4,300</b>

## Note 7: Public Debt

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>(a) Current</b>				
Unsecured Loans	0	0	58,245	0
Owing to Subsidiaries	10,143	24,993	0	0
Other Secured Loans	10,223	7,657	10,293	13,795
<b>Total Current Debt</b>	<b>\$20,366</b>	<b>\$32,650</b>	<b>\$68,538</b>	<b>\$13,795</b>
<b>(b) Non-Current</b>				
Unsecured Loans	0	0	212,410	125,000
Owing to Subsidiaries	58,252	18,648	0	0
Secured Loans	24,041	34,262	24,041	151,369
<b>Total Non-Current Debt</b>	<b>\$82,293</b>	<b>\$52,910</b>	<b>\$236,451</b>	<b>\$276,369</b>

### (c) Security

Council Term Loans are secured either by general rates of the City, or by Council income. The Council has no Finance Leases.

### (d) Repayment Terms

The following is a summary of Term Debt according to the year of repayment:

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Payable no later than 1 year	20,366	32,658	68,538	13,803
1 - 2 years	24,426	10,223	29,629	134,066
2 - 3 years	37,376	21,822	56,426	50,321
3 - 4 years	137	376	80,179	17,946
4 - 5 years	20,088	138	69,951	208
Later than 5 years	266	20,343	266	73,820
	<b>\$102,659</b>	<b>\$85,560</b>	<b>\$304,989</b>	<b>\$290,164</b>

### (e) Interest Rates

The weighted average effective interest rates on borrowings (current and non-current) were:

	Actual 2002 Parent	Actual 2001 Parent	Actual 2002 Group	Actual 2001 Group
Loans and Debentures	6.78%	6.96%	5.33% to 6.8%	5.27% to 7.09%

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's
The Council has loan repayment investments (sinking funds) which are to be used for repayment of Term Debt	7,416	7,139
The Council also has a Debt Repayment Reserve to be applied to reduction of Term Debt	136,821	62,141

## Note 7 cont...

Christchurch City Holdings Ltd borrowings at 30 June 2002, comprised bonds in six tranches ranging from \$1.5 million to \$50 million. These borrowings mature at annual intervals until 15 November 2006. Coupon rates are between 5.92% and 7.75%. These borrowings were effected under a \$350 million debt issuance programme. The purpose of the debt programme is to enable CCHL to borrow on behalf of Christchurch City Council to partially fund its future capital expenditure programme. These borrowings are unsecured but the loan documentation imposes certain covenants and restrictions on CCHL. The effective interest rate on CCHL's borrowings for the year was 6.8% (2001 6.9%). Orion NZ Ltd Group's debt is all unsecured but it is required to comply with certain covenants under the loan agreement. Interest rates for all borrowings are floating, based on 90 day bank bill rates plus a margin. As at 31 March 2002, this rate was 5.33%. The Orion group had no interest bearing borrowings at 31 March 2001.

Christchurch International Airport Ltd uses a multi-option facility of \$120 million, provided by the ANZ Banking Group NZ Ltd, that is underwritten to March 2005. All borrowings are unsecured and are supported by a negative pledge deed. At 30 June 2002, the Company had on issue 90 day short term registered notes with a face value of \$66 million (2001 \$75 million) with a discounted value of \$65 million (2001 \$74 million). Interest rates are determined by reference to prevailing market rates and during the year ranged from 6.06% to 6.78%. Lyttelton Port Company Limited has short term borrowings and term advances raised pursuant to a multi option credit line agreement with Westpac Trust. These funds have been lent against a negative pledge deed where the bank rates equally with other creditors. The effective interest rate during the year was 6.04% (2001 6.89%).

### Unsecured Loans

The Council has no unsecured loans (2001 Nil).

### Variations/ Changes to the Borrowing Management Policy

There have been no changes or variations to this Policy.

## Note 8: Current Assets

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Cash at Bank, and Short Term Investments	\$280,046	\$141,248	\$318,559	\$328,807
<b>Receivables and Prepayments</b>				
Rates Debtors	6,142	6,776	6,142	6,776
Other Trade Debtors	7,252	7,145	31,866	49,006
Amount Owing by Subsidiaries	1,800	774	0	0
Amount Owing by Associates	0	0	0	0
Other Receivables/Prepayments	8,479	5,808	7,645	5,843
GST Receivable	7,798	2,451	7,878	3,117
Taxation Receivable	0	0	5,118	22,371
Dividends Receivable	23,628	377	0	377
Amounts Owing by Directors/Councillors	0	0	0	0
	55,099	23,331	58,649	87,490
Less Provision for Doubtful Debts	(350)	(350)	(370)	(350)
<b>Total Receivables and Prepayments</b>	<b>\$54,749</b>	<b>\$22,981</b>	<b>\$58,279</b>	<b>\$87,140</b>
<b>Inventories</b>				
General Stores	1,631	1,576	7,365	7,866
Livestock and Feed	274	319	274	319
Souvenirs and Food	147	200	147	200
Development Land	1	54	1	54
<b>Total Inventories</b>	<b>\$2,053</b>	<b>\$2,149</b>	<b>\$7,787</b>	<b>\$8,439</b>
<b>Fixed Assets Held for Resale</b>	<b>\$154</b>	<b>\$0</b>	<b>\$3,570</b>	<b>\$0</b>
<b>Total Current Assets</b>	<b>\$337,002</b>	<b>\$166,378</b>	<b>\$388,195</b>	<b>\$424,386</b>

## Note 9: Non-Current Assets

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>Investments</b>				
Government and Local Body Stock	6,550	4,285	6,550	4,285
Sinking Funds other than Local Body Stock	3,866	2,854	3,866	2,854
<b>General Investments</b>				
Mortgages and Loans	2,410	5,598	2,410	5,598
<b>Investment in Companies (at share of equity)</b>				
NZ Counties Investments Co Ltd	0	13	0	13
NZ Local Government Insurance Co Ltd	677	677	677	677
Shares held on a/c MK Richards Trust	11	681	11	681
<b>Subsidiary Companies (at share of equity except CCHL)</b>				
City Care Ltd	0	11,924	0	0
Christchurch City Facilities Ltd	42,893	45,302	0	0
Jade Stadium Ltd	999	2,535	0	0
Travis Finance Ltd	39	(5,717)	0	0
Christchurch City Holdings Ltd (CCHL)	720,000	855,000	0	0
<b>Associate Company (at share of equity)</b>				
Selwyn Plantation Board Ltd	0	30,005	0	30,005
Transwaste Canterbury Ltd	5,698	5,221	5,698	5,221
<b>Loans to Subsidiary Companies</b>				
City Care Ltd	0	7	0	0
Jade Stadium Ltd	41,243	18,593	0	0
Travis Finance Ltd	0	7,400	0	0
Subsidiary Company Investments	0	0	43,695	11,740
<b>Total Investments</b>	<b>\$824,386</b>	<b>\$984,378</b>	<b>\$62,907</b>	<b>\$61,074</b>

	Actual 2002 \$000's	Actual 2001 \$000's
<b>Publicly Traded Investments</b>		
Market Value of CCHL's investment in Lyttelton Port Company Ltd at 30 June	\$119,937	\$116,606



Members of the community helping with the Aranui Renewal Project.

## Note 10: Operational Assets

Parent	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V 30 June 2002 \$000's	N.B.V 30 June 2001 \$000's
Land & Land Improvements	168,286	0	168,286	146,049
Buildings	298,173	0	298,173	273,632
Buildings in Progress	38,551	0	38,551	31,286
Plant	19,977	7,999	11,978	7,906
Work in Progress - Plant	202	0	202	1,850
Chattels	41,431	25,572	15,859	14,237
Library Books	55,634	41,831	13,803	12,912
Mobile Plant	8,030	4,568	3,462	3,316
<b>Total Parent Operational Assets</b>	<b>\$630,284</b>	<b>\$79,970</b>	<b>\$550,314</b>	<b>\$491,188</b>

Net book value of Land and Buildings as at 30 June 2002 is considered to be fair value.

Group	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V 30 June 2002 \$000's	N.B.V 30 June 2001 \$000's
Land & Land Improvements	271,527	0	271,527	249,877
Site Improvements	3,136	401	2,735	2,834
Buildings	546,074	52,881	493,193	448,286
Buildings in Progress	38,551	0	38,551	31,286
Plant and Chattels	155,793	86,573	69,220	65,443
Work in Progress - Plant	202	0	202	1,850
Buses	19,806	2,236	17,570	15,532
Plant	8,030	4,568	3,462	3,316
Sealed Surfaces	44,072	2,981	41,091	11,742
Electricity Distribution System	461,245	30,106	431,139	413,741
Harbour Structures	41,185	11,601	29,584	28,998
Vessels	9,482	1,482	8,000	1,233
Other Assets	71,380	46,614	24,766	20,625
<b>Total Group Operational Assets</b>	<b>\$1,670,483</b>	<b>\$239,443</b>	<b>\$1,431,040</b>	<b>\$1,294,763</b>

Net book value of Land and Buildings as at 30 June 2002 is considered to be fair value.

## Note 11: Infrastructural Assets

Parent and Group	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V 30 June 2002 \$000's	N.B.V 30 June 2001 \$000's
Bus Shelters	875	250	625	781
Roading	989,262	20,589	968,673	957,544
Roading in Progress	5,550	0	5,550	37,766
Sewers	319,970	10,426	309,544	305,119
Sewers in Progress	4,230	0	4,230	1,376
Stormwater	244,294	0	244,294	173,138
Stormwater in Progress	2,474	0	2,474	72
Water Reticulation	132,411	2,509	129,902	127,847
Water Reticulation in Progress	2,589	0	2,589	2,382
Water Meters	22,006	417	21,589	21,186
Streetlights	15,306	727	14,579	12,400
Traffic Lights	9,540	287	9,253	6,928
Water & Stormwater Pumping Stations	10,391	516	9,875	8,932
Sewer Pumping Stations	3,583	306	3,277	2,840
<b>Total Infrastructural Assets</b>	<b>\$1,762,481</b>	<b>\$36,027</b>	<b>\$1,726,454</b>	<b>\$1,658,311</b>



## Note 12: Restricted Assets

Parent and Group	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V 30 June 2002 \$000's	N.B.V 30 June 2001 \$000's
Art Works	29,542	26	29,516	26,681
Library Books NZ Room	4,739	0	4,739	4,642
Reserve Land and Improvements	245,394	0	245,394	244,641
Reserve Land and Improvements in Progress	4,734	0	4,734	1,648
Buildings-Historic	13,719	19	13,700	13,633
Properties Held in Trust for Other Organisations	53	0	53	53
<b>Total Restricted Assets</b>	<b>\$298,181</b>	<b>\$45</b>	<b>\$298,136</b>	<b>\$291,298</b>

Net book value of Land and Buildings as at 30 June 2002 is considered to be fair value.

The ownership of urban portions of the State Highway network is unclear although there is legal opinion indicating that the ownership rests with local authorities. Transit NZ maintains the carriageway of the highway in their entirety without any costs accruing to local authorities. As a consequence, even if the ownership resides with local authorities, in practice, Transit NZ controls the economic

resources. Pending clarification of ownership, and further consideration of the accounting issues which may arise, the Christchurch City Council has not recognised the urban portion of the State Highway network as an asset in these statements. Christchurch City Council concurs with the legal opinion that ownership of urban portions of State Highways should belong to local authorities.

## Note 13: Contingencies

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
<b>(a) Contingent Liabilities</b>				
Uncalled Capital in Christchurch City Holdings Ltd	488,999	488,999	0	0
Uncalled Capital in Transwaste Canterbury Ltd	1,514	2,082	1,514	0
Ratepayers for Uniform Annual General Charges Levied	0	925	0	925
Professional Indemnity Insurance Claims Lodged with FAI (NZ) General Insurance Company Ltd	400	600	400	600
Linwood Outfall Drain	300	0	300	0
Redbus Limited- Performance Bonds	0	0	936	907
City Care Ltd- Performance Bonds	0	0	398	107
Telecom NZ Limited challenge to the rating valuation of its telecommunications network	160	0	160	0
Guarantees to Sporting and Community Organisations	100	100	100	100
	<b>\$491,473</b>	<b>\$492,706</b>	<b>\$3,808</b>	<b>\$2,639</b>

- In March 2002, the Council sold its shareholding in Selwyn Plantation Board Limited to Christchurch City Holdings Limited (CCHL) at a price determined by an independent valuation by Deloitte Touche Tohmatsu. At that time, it was known to both parties that Selwyn Plantation Board Limited was performing a review of its methodology for valuing forestry assets, and thus provision was made in the Sale and Purchase Agreement for a potential adjustment to the purchase price should the new valuation be materially different. Selwyn Plantation Board Limited has since advised that the new valuation methodology will probably result in a significant downward movement in the valuation of its forestry resource. However, the final valuation will not be known until the year end valuation is performed in March 2003. Therefore there is potential that the

Council will have to refund part of the sale price back to Christchurch City Holdings Limited. The quantum is unknown at this stage.

- In August 1999, Christchurch City Holdings Ltd issued \$350 million new redeemable preference shares to the Christchurch City Council. No call has been made on these shares. This amount is included in the contingent liability shown above.
- From 1989 until 30 June 1997, the Council's professional indemnity and public liability insurance cover was placed with FAI (NZ) General Insurance Company. In February 1999, HIH (NZ) Ltd took control of FAI (NZ) Ltd including the Council's outstanding claims. HIH (NZ) Ltd went into liquidation on 19 July 2001 following the collapse of its Australian

## Note 13: cont...

parent company. The purchaser of parts of the HIH (NZ) Ltd's portfolio did not take over the company's liabilities. Therefore, there is uncertainty as to whether the Council will receive either full or partial recovery of the losses for which it has lodged claims. The maximum loss is estimated to be \$400,000.

- Telecom NZ Limited has challenged the rating valuation of its telecommunications network. The Council believes

that the valuations have been performed professionally in accordance with the relevant legislation. If the Telecom challenge was upheld then a rates refund of up to \$160,000 would be payable.

- There are also contingent liabilities arising from claims from the parents of children attending the Civic Child Care Centre. The financial effect of these claims cannot be quantified.

### (b) Contingent Assets

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Vested Assets- Nurses Chapel ( at valuation)	\$400	\$400	\$400	\$400

## Note 14: Capital Commitments

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Council Works	36,660	46,049	36,660	46,049
Christchurch International Airport Ltd	0	0	1,713	1,329
City Care Ltd	0	0	188	337
Jade Stadium Ltd	0	0	0	26,085
Lyttelton Port Company Ltd	0	0	1,484	1,651
Orion NZ Ltd	0	0	20,125	29,613
Red Bus Ltd	0	0	0	3,100
	<u>\$36,660</u>	<u>\$46,049</u>	<u>\$60,170</u>	<u>\$108,164</u>

At balance date, lease commitments were as follows;

Under 1 year	0	0	1,586	1,676
1-2 years	0	0	1,134	1,458
2-5 years	0	0	1,035	2,270
Over 5 years	0	0	2,260	2,562
	<u>\$0</u>	<u>\$0</u>	<u>\$6,015</u>	<u>\$7,966</u>

Christchurch City Facilities Limited has leased land from Addington Raceway Limited, for the Westpac Trust Centre. The lease has a 50 year term from 2 December 1996 with a right of renewal. The minimum annual lease payment is \$40,000.

## Note 15: Reconciliation of Net Operating Cash Flow and Operating Surplus

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Net Surplus after Taxation	197,025	43,912	75,982	289,514
Non Cash items				
Depreciation	48,500	47,281	87,295	86,788
Increase/(Decrease) in Deferred Tax	0	0	4,735	7,812
Goodwill Written Off	0	0	4,184	2,331
Assets Vested in Council/Subsidiaries	(21,285)	(24,396)	(21,285)	(24,996)
Other Movements in Minority Interest	0	0	0	0
Assets Written Off	4,970	3,662	4,970	5,143
Provision for Resealing	0	0	0	806
Equity Accounted Earnings	0	0	0	(419)
Other Non-cash Items	0	0	(450)	0
Increase in Landfill Aftercare Provision	1,525	1,125	1,525	1,125
Movements in Working Capital Items				
(Increase)/ Decrease in:				
Accounts Receivable & Accruals	(31,768)	19,987	2,006	(11,961)
Taxation Receivable	0	0	17,253	(7,968)
Inventory	96	(142)	652	(608)
Increase/ (Decrease) in:				
Accounts Payable and Accruals	3,912	2,064	11	(19,658)
Taxation Payable	(636)	0	(1,907)	0
Non-current Employee Entitlements	332	(52)	19	779
Less Items classified as Investing:				
Net (Gain)/Loss on Sale of Fixed Assets	(193)	1,026	(771)	(208,356)
Other Assets in Revenue	0	0	(343)	0
Exploration Expenditure Written Off	0	0	4,233	20,986
Asset Sales on Sales of Businesses	0	0	0	(7,376)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>\$202,478</b>	<b>\$94,467</b>	<b>\$178,109</b>	<b>\$133,942</b>

The following terms are presented as Net: (a) Goods and Services Tax (b) Short Term Money Market Investments

Cash Balances at year end include Special Funds and other Funds which are restricted in their use. At 30 June 2002, these were \$275,710K (2001 \$107,461K)



Charles Street looking west from Aldwins Road after improvements were made under the award winning Charleston Neighbourhood Community Plan.

## Note 16: Taxation

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Net Surplus/(Deficit) before Tax	196,389	43,912	120,646	316,430
Prima Facie Tax Expense at 33%	64,808	14,491	39,813	104,422
Permanent Differences	27,189	(2,186)	379	(69,910)
Timing Differences not Recognised	0	0	(48)	(2,518)
Loss not Previously Recognised	0	0	2,432	2,270
Imputation Credit Adjustment	(90,940)	(12,338)	(77)	438
Tax Credit Re Group Losses	(1,057)	33	0	0
Writeoff of Tax Asset	0	0	305	5,330
Prior Year Loss Recognised	0	0	114	(246)
Under/(Over) Provision	(636)	0	1,746	(12,870)
<b>Income Tax Expense/(Benefit)</b>	<b>(\$636)</b>	<b>\$0</b>	<b>\$44,664</b>	<b>\$26,916</b>
Comprising:				
Current Taxation	(636)	0	39,929	19,108
Deferred Taxation	0	0	4,735	7,808
	<b>(\$636)</b>	<b>\$0</b>	<b>\$44,664</b>	<b>\$26,916</b>
Deferred Taxation				
Opening Balance	0	0	(31,888)	(24,076)
Prior Year Adjustment	0	0	(44)	(26,710)
Current Year	0	0	(4,691)	18,898
<b>Net Deferred Tax Asset/(Liability)*</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$36,623)</b>	<b>(\$31,888)</b>
*The net Deferred Tax Liability is made up as follows:				
Deferred Tax Liability	0	0	38,267	33,536
Less Deferred Tax Asset	0	0	(1,644)	(1,648)
<b>Net Deferred Tax Asset/(Liability)*</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$36,623)</b>	<b>(\$31,888)</b>

Taxable losses for the Council of \$982K with a tax effect of \$324K (2001 \$175K) and for the Group of \$6,763K with a tax effect of \$2,232K (2001 \$1,804K), have not been recognised. These losses are available to be carried forward to offset against future assessable income. Unrecognised future income tax liabilities for the Group, arising from timing differences, amount to \$4,803K (2001 \$2,122K benefits).

## Note 17: Imputation Credit Account

	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Christchurch City Holdings Ltd	14,339	67,762
CCHL Subsidiaries	24,722	25,301
Other CCC Subsidiaries	9	6
	<b>\$39,070</b>	<b>\$93,069</b>

Dividend income of the parent includes dividends received from subsidiaries. All these dividends, except those from one subsidiary, carry imputation credits when the dividend is received.

## Note 18: Remuneration

The remuneration package of the Council's City Manager, appointed under Section 119C(1) (a) of the Local Government Act 1974, is \$237,021 per annum.

This is comprised of:

	Actual 2002 \$	Actual 2001 \$
Salary	204,383	194,122
Superannuation Subsidy	20,438	19,412
Imputed Value of Vehicle	7,500	7,500
Allowances	4,700	4,700
	<u>\$237,021</u>	<u>\$225,734</u>

For the year ended 30 June 2002, the total cost to the Council, including fringe benefit tax, was \$244,849 (2001 \$234,400).

Six Directors are employed on remuneration packages in the following range:

Annual Salary of \$125,000 to \$155,000.

Additional elements of remuneration of \$30,000 to \$40,000.

(Additional benefits are generally between 25% of salary and consist of superannuation subsidy, professional fees, and use of a vehicle.)

### Cost of Severance Payments

Section 223 E (12) 1 (a) of the Local Government Act requires reporting of severance payments including any tax liability, over \$50,000. For the year ended 30 June 2002, the following payments were made: (2001 \$268,748.)

Engineering Officer	\$70,000	Park Ranger	\$50,204
Subdivision Engineer	\$53,000		

## Note 19: Landfill Aftercare Liability

The Christchurch City Council gained a resource consent in April 1998 to operate Stage 2 of the Burwood Landfill. The Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed. There are closure and post-closure responsibilities such as the following:

Closure responsibilities:

- final cover application and vegetation.
- incremental drainage control features.
- completing facilities for leachate collection and monitoring.
- completing facilities for water quality monitoring.
- completing facilities for monitoring and recovery of gas.

Post-closure responsibilities:

- treatment and monitoring of leachate.
- ground monitoring and surface monitoring.
- implementation of remedial measures needed for cover and control systems.
- ongoing site maintenance for drainage systems, final cover, and vegetation.

The estimated total liability for closure and post-closure is \$4.2 million.

### Capacity of the Site

In May 2002, Environment Canterbury granted a new resource consent for Burwood Landfill out to May 2005. Objections to this have been lodged by two parties. A resource consent application was lodged by Canterbury Waste Services in April 2002 on behalf of the eight Transwaste Canterbury Ltd shareholders for the new joint venture regional landfill at Kate Valley. The earliest likely date for opening is in late 2004, though this opening date could be delayed until 2005. Burwood Landfill does have the capacity to accommodate the waste stream until 2005 if this proves necessary.

### Closed Landfills

The Council is still awaiting the issue of resource consents for a few of the closed landfills for which it is responsible for the ongoing monitoring and maintenance. The liability has been estimated, based on an assumed monitoring period of 30 years after the application for the resource consents. The estimated cost for the closed landfills, excluding the first three stages of the Burwood landfill is \$7.6 million.



## Note 19: cont'd

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Opening Balance	15,725	14,600	15,725	14,600
Additional provision made	1,575	1,125	1,575	1,125
Adjustment for adoption of FRS-15	1,400	0	1,400	0
Amount utilised	0	0	0	0
Closing Balance	\$18,700	\$15,725	\$18,700	\$15,725

## Note 20 Financial Instruments

### (a) Credit Risk

Financial instruments which potentially subject Christchurch City Council and its subsidiaries to credit risk consist principally of cash and short term investments, accounts and long term receivables, and loans.

### (b) Credit Risk Exposure

Maximum exposures to credit risk at balance date are:

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Cash, Bank and Short Term Deposits	280,046	141,248	318,559	328,807
Accounts Receivable	54,749	22,981	58,279	87,140
Loans to Cultural and Sporting Organisations	2,410	5,598	2,410	5,598
Shares Gifted in Trust	11	681	11	681
Government and Local Body Stock	6,550	4,285	6,550	4,285
Loans	41,243	26,000	0	0

No collateral security is held for the above.

### (c) Off Balance Sheet Risk

Interest rate swaps may be employed by Council subsidiaries to manage interest rate exposure. Fluctuations in interest rates give rise to market risk.

Contracts have been entered into with various counterparties, having such credit ratings and in accordance with such dollar limits as set forth by authorised policies. No collateral or other security is required to support financial instruments with credit risk.

While the Group may be subject to credit losses up to the notional principal or contract amounts in the event of non performance by its counterparties, it does not expect such losses to occur. The notional principal or contract amounts outstanding at 30 June are as follows:

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Foreign Currency Forward Exchange Contracts	0	0	67	299
Interest Rate Swaps and Forward Rate Agreements(FRA's)	0	0	158,500	93,192
Interest Rate Caps	0	0	0	11,000
Bond Forward Rate Agreement	0	0	0	41,000

## Note 20 cont...

### (d) Concentration of Credit Risk

Financial instruments which potentially subject the Group to concentrations of credit risk consist principally of cash and short term investments, trade and notes receivable and various off balance sheet instruments. The Group places its cash and short term investments with high credit quality financial institutions and sovereign bodies and limits the amount of credit exposure to any one financial institution in accordance with its treasury policies. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers included in the subsidiaries' customer bases.

### (e) Fair Values

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Foreign Currency Forward Exchange Contracts	0	0	7	2
Interest Rate Caps	0	0	0	1
Interest Rate Swaps and FRA's	0	0	602	525
Bond Forward Rate Agreement	0	0	0	103

(Figures in brackets are receivables)

## Note 21:

### Transit New Zealand Act Disclosures

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's
<b>Transit New Zealand Act disclosures</b>		
<b>In House Professional Services</b>		
<b>City Streets Business Unit</b>		
Revenue from In-house Professional Services for		
TNZ Financially Assisted Roading	1,426	1,478
Revenue from Other Activities	5,806	5,603
Total Works Performed	7,232	7,081
Total Operating Costs	(7,232)	(7,081)
Surplus on Operations	\$0	\$0
<b>City Solutions Business Unit</b>		
Revenue from In-house Professional Services for		
TNZ Financially Assisted Roading	3,418	1,247
Revenue from Other Activities	5,708	6,386
Total Works Performed	9,126	7,633
Total Operating Costs	(8,670)	(7,331)
Surplus on Operations	\$456	\$302
The Surplus is transferred to the Council's General Fund.		
<b>Property Services Unit</b>		
Revenue from In-house Professional Services for		
TNZ Financially Assisted Roading	23	3
Revenue from Other Activities	877	625
Total Works Performed	900	628
Total Operating Costs	900	628
Surplus on Operations	\$0	\$0
The Surplus/Deficit is transferred to the Council's General Fund.		

## Note 22: Annual Residents Survey

These indicators are based on the Annual Residents Survey of Participation and Satisfaction. This was originally designed in consultation with Statistics New Zealand and is now performed by National Research Bureau Ltd under contract to the Christchurch City Council.

Where actual results from the survey are included in the Statement of Service Performance, these are based on interviews conducted with 780 Christchurch City residents in March/April 2002 and has a margin of error of +/- 3% at the 90% confidence level.

## Note 23: Parking Survey

These indicators are based on results drawn from surveys of off-street and on-street car park users designed by Statistics NZ and actioned by Parking Unit staff. 149 off-street car park users and 137 on-street park users were interviewed in 2002. The estimated sampling error for these surveys lies within the +/- 3% range at the 90% confidence level.

## Note 24: Related Party Transactions:

All members of the Group are considered to be related parties of Christchurch City Council. This includes Subsidiaries, Associates and Joint Ventures.

	Actual 2002 \$000's	Actual 2001 \$000's
<b>Related Parties and Balances</b>		
Interest received on loans to related parties	2,648	1,057
Interest paid on loans to related parties	3,798	2,027
Dividends paid to the Council	185,709	24,784
Accounts payable to the Council	1,800	1,331
Accounts receivable from the Council	6,693	6,591
Loans to related parties	41,243	26,000
Loans from related parties	68,395	43,641
Issue of shares to the Council	6,300	4,990
Share investments sold by the Council	39,400	0
Services provided to the Council	34,318	40,618
Services provided by the Council	3,273	4,597
Subvention payments to the Council	3,709	9,348
Rates paid to the Council	2,180	1,003
Fixed assets sold by the Council	0	723
Fixed assets purchased by the Council	2,000	0
	Actual 2002 \$000's	Actual 2001 \$000's
<b>Transactions between Subsidiaries:</b>		
Dividends received/receivable to Christchurch City Holdings Ltd	52,777	30,733
Interest received/receivable to Christchurch City Holdings Ltd	6,615	11,122
Subvention payments	2,617	2,750

### Key Management and Members of the Council.

During the year, Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with the Council, such as the payment of rates and purchase of rubbish bags. Except for these transactions, and items of a trivial nature, no Councillors or senior management have entered into related party transactions with the Group.

## Note 25: Subsequent Events

The Group financial statements include the market value of Christchurch City Holdings Limited's investment in Lyttelton Port Company Limited at \$119,937,000 based on the market value at balance date. Since balance date, there has been a decline in the listed share value. Based on the market value of shares at 20 November 2002, the value would be \$97,949,000. Apart from this there are no subsequent balance date events in relation to the Council or its subsidiaries that materially affect the financial statements.

## Note 26:

There is a difference between Financial Plan and Annual Report in respect of the amount shown in the Estimates. This difference has been brought about because some amounts of the cost and revenue budgets have been carried forward at the end of each year. The Council has also approved budget transfers between outputs. The transfers between operating budgets do not alter the total amount shown in the Financial Plan.

Reconciliation of Estimates reported in the Financial Plan and Annual	Annual Plan	Projects and Other Costs Carried Forward	Transfers and Other Adjustments	Annual Report
	\$000's	\$000's	\$000's	\$000's
Art Gallery	3,149	0	(49)	3,100
Car Parking	(2,669)	(102)	193	(2,578)
City Streets	34,217	(941)	930	34,206
Community Services	12,850	251	464	13,565
Economic Development	15,400	174	(3,209)	12,365
Environmental Policy and Services	13,327	(738)	(443)	12,146
Housing	(1,996)	0	25	(1,971)
Library and Information Services	19,879	(127)	190	19,942
Parks and Waterways	26,152	(15)	(27)	26,110
Public Accountability	10,190	55	(494)	9,751
Sewerage	14,799	(37)	(683)	14,079
Sports, Leisure and Events	13,674	(142)	(745)	12,787
Waste Minimisation and Disposal	2,672	0	541	3,213
Water Supply	10,917	312	(473)	10,756
<b>Total Significant Activities</b>	<b>\$172,561</b>	<b>(\$1,310)</b>	<b>(\$3,780)</b>	<b>\$167,471</b>
Rates	(138,689)	0	(1,779)	(140,468)
Interest Income	(15,821)	0	2,642	(13,179)
Dividend Income	(158,625)	0	0	(158,625)
Vested Assets	(15,000)	0	0	(15,000)
Capital Grants/Contributions	(1,991)	(29)	1,571	(449)
Other Income	(5,220)	20	(1,025)	(6,225)
Community Contributions	4,763	(119)	(205)	4,439
Emergency Services	1,161	0	(5)	1,156
Sundry Expenditure	3,515	0	1,291	4,806
<b>Net Surplus for Year</b>	<b>(\$153,346)</b>	<b>(\$1,438)</b>	<b>(\$1,290)</b>	<b>(\$156,074)</b>

## Note 27: Major Budget Variations- Parent

### Statement of Financial Performance

Explanations for major variations from the Council's estimate figures in the 2001/02 Annual Plan are as follows:

	\$000's
Higher than budgeted Dividend Income from the special dividend declared by Christchurch City Holdings Ltd	18,000
Higher than budgeted Dividend Income from Christchurch City Holdings Ltd due to the price paid for the shareholdings in City Care Ltd and Selwyn Plantation Board Ltd being \$7.4 million lower than budgeted	7,400
Higher than budgeted Dividend Income due to the delay in the sale of the shareholdings in City Care Ltd and Selwyn Plantation Board Ltd resulting in dividends being paid to the Council instead of Christchurch City Holdings	1,388
Higher than Budgeted Vested Assets Income due to higher than expected subdivision activity.	6,285
Unbudgeted income from Subvention Receipts from LATEs	3,710
Lower than budgeted Interest Income due to the delay in the sale of the shareholdings in City Care Ltd and Selwyn Plantation Board Ltd and the lower than budgeted interest rates	(394)
Unbudgeted recovery of expenditure incurred for Travis Heritage Park in earlier years	750
Higher than budgeted Housing operating costs due to the cost of clean up of contaminated sites	(1,081)
Higher than budgeted costs for the writeoff of houses demolished for roading purposes net of the lower than budgeted costs for roading assets replaced early	(998)
Higher than budgeted costs for maintenance of parks due to more completed areas being vested in the Council than budgeted plus higher than budgeted vandalism repair costs	(460)
Higher than budgeted income from Water Billing due to the implementation of a new computer system	430
Lower than budgeted Warmer Home grants due to the announcement of the Environment Canterbury subsidy initiative	529
Restructuring the Travis Group of companies and sale of Travis Group tax losses eliminated the Council's need to make a subvention payment to Travis Finance Ltd	750
Higher than budgeted parking court recoveries due to improvements in the Department of Courts' operations	475
Lower than budgeted network service costs due to the letting of new contracts for communication equipment and server maintenance	450
Higher than budgeted Transfund subsidies	477
Unbudgeted write back of the remainder of the 1996 Income Tax provision	636

### Statement of Movements in Equity

Apart from the increased unbudgeted income referred to above, there is a net decrease brought about by the upward revaluations of Waterways & Wetlands Infrastructure Assets of \$71.4M being more than offset by a decrease in the value of ownership of subsidiary companies of \$142.9M and the decrease in the value of Land & Buildings of \$6.7M. The decrease in the value of ownership of subsidiary companies of \$142.9M was due to the effect of a special dividend of \$135M paid by Christchurch City Holdings to the Council and the revaluation of other subsidiaries.

### Statement of Financial Position

The Net Surplus after Taxation plus the upward revaluation of Waterways & Wetlands Infrastructure Assets exceeded the decrease in the value of Land & Buildings and the decrease in the value of ownership of subsidiary companies resulting in a \$121M increase in Total Equity.



## Note 28: Financial involvement in LATE's and Other Companies or Organisations

The cost to each entity for the financial interests, finance, or financial assistance of the Council is as follows:

	Dividends 2002 \$000's	Interest 2002 \$000's	Total 2002 \$000's	Total 2001 \$000's
<b>Subsidiaries:</b>				
City Care Ltd	1,231	0	1,231	626
Christchurch City Facilities Ltd	0	0	0	0
Christchurch City Holdings Ltd	184,478	0	184,478	24,160
Jade Stadium Ltd	0	2,203	2,203	463
Travis Finance Ltd	0	446	446	571
<b>Associates</b>				
Selwyn Plantation Board Ltd	157	0	157	889
Transwaste Canterbury Ltd	0	0	0	0
	<b>\$185,866</b>	<b>\$2,649</b>	<b>\$188,515</b>	<b>\$26,709</b>

The provision of financial assistance by Christchurch City Council, to each of these organisations, is by share capital and loans. It does not include any guarantee of other borrowings by them.

## Note 29: Vested Assets

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Restricted Land and Buildings	4,886	5,166	4,886	5,166
Infrastructural Assets	13,901	19,230	13,901	19,230
Artworks	2,498	0	2,498	0
	<b>\$21,285</b>	<b>\$24,396</b>	<b>\$21,285</b>	<b>\$24,396</b>

## Note 30: Grants/Contributions to Major Projects

	Actual 2002 Parent \$000's	Actual 2001 Parent \$000's	Actual 2002 Group \$000's	Actual 2001 Group \$000's
Grants and Donations for new Art Gallery	429	428	429	428
Other Sponsorships and Contributions	40	57	40	57
	<b>\$469</b>	<b>\$485</b>	<b>\$469</b>	<b>\$485</b>



The Christchurch School of Music Senior Jazz Group performs during the closing weekend of the Robert McDougall Art Gallery.

# summary of activities

## (a) Summary of Service Delivery Activities

	Costs (After Internal Recoveries) 2002 \$000's	Income 2002 \$000's	Actual 2002 \$000's	Estimate 2002 \$000's	Net Costs 2001 \$000's
Art Gallery	3,220	210	3,010	3,100	2,656
Car Parking	8,281	11,284	(3,003)	(2,578)	(3,559)
City Streets	48,587	14,304	34,283	34,206	32,730
Community Services	14,485	1,354	13,131	13,565	12,969
Economic Development and Employment	12,822	545	12,277	12,365	12,282
Environmental Policy and Services	20,060	8,762	11,298	12,146	12,008
Housing	8,213	9,774	(1,561)	(1,971)	(3,096)
Library and Information Services	20,766	1,718	19,048	19,942	17,369
Parks and Waterways	28,460	1,912	26,548	26,110	25,011
Public Accountability	9,436	250	9,186	9,751	8,116
Sewerage	17,199	3,498	13,701	14,079	12,350
Sport, Leisure and Events	19,789	7,178	12,611	12,787	12,501
Waste Minimisation and Disposal	19,070	14,481	4,589	3,213	5,970
Water Supply	13,004	3,024	9,980	10,756	9,758
<b>Total Cost of Service Delivery</b>	<b>243,392</b>	<b>78,294</b>	<b>165,098</b>	<b>167,471</b>	<b>157,065</b>
Add Back Service Provider Income	3,098	3,098	0	0	0
<b>Activity Results represented in Statement of Financial Performance</b>	<b>\$246,490</b>	<b>\$81,392</b>	<b>\$165,098</b>	<b>\$167,471</b>	<b>\$157,065</b>

## (b) Summary of Consolidating Subsidiary and Associated Organisations

	Income 2002 \$000's	Net Result After Tax After Deducting Minority Interest 2002 \$000's	Net Result After Tax After Deducting Minority Interest 2001 \$000's
City Care Ltd	47,725	2,859	2,441
Canterbury Technology Park	646	444	656
Christchurch City Facilities Ltd	9,662	(2,809)	(3,002)
Christchurch City Holdings Ltd	64,364	48,828	27,141
Christchurch International Airport Ltd	53,834	14,249	13,536
Jade Stadium Ltd	4,981	(1,536)	(1,219)
Lyttelton Port Co Ltd	61,986	16,304	13,657
Orion NZ Ltd	190,073	31,461	250,501*
Red Bus Ltd	19,590	1,293	1,078
Selwyn Plantation Board Ltd	9,785	2,646	2,107
Transwaste Canterbury Ltd	0	(240)	(301)
Travis Finance Ltd	591	(143)	167
	<b>\$463,237</b>	<b>\$113,356</b>	<b>\$306,762</b>

\* Includes a \$209 million profit on the sale of its North Island gas distribution network.

# art gallery

A public art museum comprised of the Robert McDougall Art Gallery located in the Botanic Gardens and the Art Annex at the Arts Centre. These facilities have provided the basis for mounting exhibitions, acquiring works of art, holding public lectures and seminars, implementing educational programmes and providing reference material on the visual arts. These two facilities closed on 16 June 2002 so all the artworks could be sorted, packed, moved and then set out in the new gallery that is to open in April 2003.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To enhance the cultural wellbeing of the community through the cost effective provision and the development of an art museum to maximise enjoyment of visual art exhibitions, and to promote public appreciation of Canterbury art and more widely, the national cultural heritage by collecting, conserving, studying, and disseminating knowledge of works of art.	1.1 Residents/visitors satisfied with Art Gallery and/or Annex visits, at least	79%	75%
2. Continue the conservation programme and complete the frame restoration and replication programme in time for the opening of the new Christchurch Art Gallery.	2.1 Numbers of art works conserved, at least	191	180 per year
	2.2 Numbers of frames restored or replicated, at least	24	50 per year
3. Provide a programme of stimulating exhibitions representing best achievements of NZ and International art.	3.1 Number of gallery visits, at least	199,105	150,000
4. Provide a programme of varied & entertaining cultural and educational activities focused on the visual arts.	4.1 School group visits, more than	296	450
5. To continue the ramp-up of preparations for the move to the new Christchurch Art Gallery in March 2003.	5.1 Planning and necessary preparations progressed to achieve agreed opening date by	Ongoing	30 June 2002

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Art Collection	1,230	8	1,222	1,271	812
Exhibitions	969	160	809	846	1,069
Information and Advice	802	42	760	740	694
New Christchurch Art Gallery	219	0	219	243	81
<b>Cost of Service</b>	<b>\$3,220</b>	<b>\$210</b>	<b>\$3,010</b>	<b>\$3,100</b>	<b>\$2,656</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$210, Estimate 2002 \$134, Actual 2001 \$332.

Depreciation included is: Actual 2002 \$125, Estimate 2002 \$102, Actual 2001 \$92.

Refer Note 22.

# car parking

Management and administration of off-street and kerbside parking facilities with city-wide enforcement of parking bylaws and regulations, utilising 2,450 metered spaces, 328 coupon spaces, 17 off-street parking buildings, and 3,548 spaces. Facilities employ 71 FTE staff.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Fair and efficient parking enforcement and related administration targeted at increasing compliance with relevant acts, regulations and parking bylaws.	1.1 Average paid compliance rate in metered and coupon parking areas	58%	60%
	1.2 Number of motorists surveyed who consider parking officers apply 'the rules' fairly	64%	50%
2. Efficient and effective management of the on and off street parking resource.	2.1 Vehicles parked in staffed off-street facilities at average overall and peak time occupancy rates of	53%/86%	51%/82%
	2.2 Users of off-street parking facilities satisfied with service provided (average of four factors), at least	79%	68%



Entrance to the carpark in the Christchurch Bus Exchange Building.

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Enforcement	2,077	3,828	(1,751)	(1,254)	(1,695)
Parking	6,147	7,441	(1,294)	(1,358)	(1,900)
Abandoned Vehicles	57	15	42	34	36
<b>Cost of Service</b>	<b>\$8,281</b>	<b>\$11,284</b>	<b>(\$3,003)</b>	<b>(\$2,578)</b>	<b>(\$3,559)</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$11,284, Estimate 2002 \$10,921, Actual 2001 \$11,157.

Depreciation included is: Actual 2002 \$411, Estimate 2002 \$379, Actual 2001 \$357.

Refer Notes 22 & 23.

# city streets

Researching and planning to meet the city's future access and parking needs; detailed monitoring and management of present traffic patterns; and programming and managing the implementation of works for the maintenance of the city's street and bridge system. The roading network comprises 1,560km of carriageway, 139 bridges, 2,356km of kerbs and channel, and 2,232km of sealed footpaths.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To achieve positive progress towards achieving the strategic transport outcomes.	1.1 Report to City Services Committee on extent and value of road network improvements that can be economically justified over the next 5 years by	Delayed awaiting completion of Regional Land Transport Strategy & ChCh Metropolitan Transport Strategy	30 September 2001
	1.2 Implement the Safety Management System by	Partially implemented	30 June 2002
	1.3 Update the Asset Management Plan (AMP), using new valuations & service levels, by	Only partially completed	30 June 2002
	1.4 Produce the annual Cycle Strategy Monitoring Report & Work Plan, & present to the City Services Committee, by	May 2002	30 April 2002
	1.5 Investigate, develop & finalise proposals for passenger transport initiative projects including bus priority routes for inclusion & acceptance in the Annual Plan & present to the City Services Committee by	Only partially completed	31 January 2002
	1.6 Implement a further show piece "Living Streets" project by	Construction of Geraldine St, Harvey Tce & Heywood Tce were underway	30 June 2002
2. To protect infrastructure assets from premature deterioration caused by others, with full recovery of all associated administration costs.	2.1 Service utility authorities trenching operations to meet the requirements outlined in the Council document titled, "Installation and Maintenance of Network Services in Roads", as shown by audit records	100% compliance with 100% recovery of costs	100% compliance with 100% recovery of costs
	3.1 Report to the City Services Committee on road safety education and promotion initiatives, at least	Reported monthly	Quarterly
3. To increase community awareness of road safety and develop a safety culture leading to a reduction in traffic collisions.	3.2 Decrease in		
	a) percentage of crashes involving responsible road use factors b) number of crashes per 10,000 people	a) and b) Increase not decrease due to increase in cycle casualties	a) >0 b) >0
4. To cost effectively maintain all assets in accordance with the Asset Management Plan, and to carry out all operational services at specified service levels.	4.1 Total roading system maintenance cost/km no greater than	\$10,096/km pa	\$10,500/km pa
	4.2 Percentage compliance with all service levels during year	For the 15 service levels, 6 were achieved, 5 were not achieved and 4 were not measured	100%



## city streets

Objectives for 2001/02	Performance Indicators	Actual	Target
5. To implement cost effective asset renewals to minimise asset lifecycle costs in accordance with the AMP and to implement prioritised asset improvements and new projects which contribute to achievement of the strategic transport outcomes.	5.1 Average cost of renewal projects no more than	\$480,052	\$450,000/km
	5.2 Report percentage of projects completed at year end, by a) value and b) number by	a) 75%	30 June 2002
		b) 73%	
	5.3 The amounts of each asset type renewed or created to be reported annually against AMP targets	All by September 2002	All by 30 June 2002
6. Provide cost effective and customer responsive professional services to enable delivery of the annual maintenance and capital works programmes.	5.4 Percent completion of major projects	13% <sup>1</sup>	30% <sup>1</sup>
		12% <sup>2</sup>	50% <sup>2</sup>
		6% <sup>3</sup>	20% <sup>3</sup>
6.1 Total professional services costs no more than, • Maintenance • Capital Works	6.2 Number of requests for service, relating to the following assets and services is reported for • Carriageways • Footpaths • Landscaped areas • Weedspraying • Grass berm mowing • Street cleaning at least,	9.5%	8% of programme value
		16.6%	17% of programme value
		30 September 2002	Annually
6.3 Number of residents and businesses satisfied with capital works completed in their street (sample survey) at least,		68%	80%

<sup>1</sup> Woolston Burwood Expressway Stage II    <sup>2</sup> Fendalton Road    <sup>3</sup> Blenheim Road Diversion

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Output Agreement Administration	4,230	558	3,672	3,955	503
Planning	1,382	1,372	10	(352)	2,676
Activities on Street	802	153	649	640	(300)
Provision of Roding Land	2,278	254	2,024	(107)	(47)
Underground Wiring Conversion	2,115	222	1,893	1,904	1,834
Roding System Maintenance	37,570	4,900	32,670	34,723	34,205
Transfer from LTDA for Infrastructural Assets	210	6,845	(6,635)	(6,557)	(6,141)
<b>Cost of Service</b>	<b>\$48,587</b>	<b>\$14,304</b>	<b>\$34,283</b>	<b>\$34,206</b>	<b>\$32,730</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$14,304, Estimate 2002 \$13,755, Actual 2001 \$14,721.

Depreciation included is: Actual 2002 \$20,974, Estimate 2002 \$21,090, Actual 2001 \$20,266.

Refer Note 22.

# community services

To work towards the outcomes of the Council's social and other policies through liaison, assistance and advocacy with metropolitan and local community organisations and networks, and to provide general and technical Council information to the public.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Work towards the outcomes of the Community Development and Social Wellbeing Policy (and other relevant policies of Council) through service provision, grants, advocacy and liaison at a metropolitan and local level.	1.1 Achieve a satisfaction rate in the annual client surveys at each Council operated childcare centre of at least	Tuam St 91% Pioneer 99% QE II 94%	80%
	1.2 Participate in metropolitan networking forums, at least	8	5
	1.3 Participate in community networking forums, at least	At least one held in each area	One per Community Board area
	1.4 Facilitate for community groups to participate in Council decision making through deputations to Community Boards and the Community Services Committee, at least	At least 120 presentations facilitated	10 opportunities
2. Continue to deliver effective Council information and receipt payments for walk in customers.	2.1 Customer satisfaction with service, at least,	Not formally measured	85%
3. Effectively administer grants and funding for community organisations.	3.1 Residents satisfied with value for money of rates spent on supporting voluntary groups and community organisations, at least	56%	59%
4. Provide clean, accessible and safe toilets in Cathedral Square.	4.1 Number of complaints recorded about the cleanliness of Cathedral Square toilets	Nil	Nil

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Community Buildings, Advocacy and Funding	9,476	1,146	8,330	8,564	7,795
Customer Support Services	1,288	175	1,113	1,207	1,181
Customer Services-Corporate	286	27	259	338	442
Customers Services-Operations	315	3	312	351	255
Cathedral Square Toilets	487	3	484	465	446
Community Services Grants	1,446	0	1,446	1,441	1,235
Arts and Culture Grants	1,070	0	1,070	1,070	1,520
Grants Administration	117	0	117	129	95
<b>Cost of Service</b>	<b>\$14,485</b>	<b>\$1,354</b>	<b>\$13,131</b>	<b>\$13,565</b>	<b>\$12,969</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$1,354, Estimate 2002 \$1,420, Actual 2001 \$1,614.

Depreciation included is: Actual 2002 \$54, Estimate 2002 \$70, Actual 2001 \$93.

Refer Note 22.

# economic development and employment

Provision of information, support services, marketing, incentives and co-ordination to encourage and assist economic growth, job creation and tourism.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Work with selected industry clusters to identify and develop business opportunities with growth potential.	1.1 Industry clusters actively working with CDC to achieve collaborative market outcome, at least	10	6
	1.2 Appropriately targeted business training support is provided to industry clusters and individual companies with growth potential, at least	Facilitated 10 groups	5 groups
2. Promote business investment and trade opportunities in the region to both local and foreign investors.	2.1 Inbound and local investment enquiries aligned with local opportunities, at least	18	12
	2.2 Disseminate information on business opportunities to relevant local businesses, at least,	Not achieved due to redevelopment of database	250
3. Continue to offer a range of appropriately targeted business support services including Business in the Community, Business Grow and Company Rebuilders to stimulate business survival, growth and employment generation in Canterbury.	3.1 Maintenance of a comprehensive list of mentors available to facilitate matching of mentors with businesses requiring help, at least,	201	150
	3.2 Provide information and advice to SMEs, at least resulting in referrals to other service providers of at least	2,101 827	2,000 1,000
4. Provide a range of programmes of job assistance and job placements to help youth and other unemployed persons.	4.1 Contribute to job creation projects for young unemployed people with the DWI, community organisations and through organisations representing Maori and Pacific peoples, at least	22	10 projects
	4.2 Young unemployed people, individually case managed, at least	2,161	2,000 young people
5. Support the infrastructure of community groups and agencies working with the unemployed to enhance the outcomes they achieve.	5.1 Contribute to the maintenance of community groups infrastructure for employment initiatives for at least	29	20 groups
6. Provide advice and information to tourists through Information Office Services.	6.1 Days Visitor Centre is open and providing services, at least	364	364 days
	Increase in visitor numbers and spending, at least	7%/10.5%	5%
	6.2 Visit or host overseas travel wholesalers during the year, at least	visited 2320 hosted 380	30
	6.3 The Christchurch Convention Bureau prepares bid documents on behalf of organisations seeking to bring conferences to Christchurch, at least	21	10

# economic development and employment

Objectives for 2001/02	Performance Indicators	Actual	Target
7. Wide ranging community use of the Town Hall, Convention Centre and WestpacTrust Sport & Entertainment Centre.	7.1 Total number of Town Hall and Convention Centre visits, at least	403,000	500,000
	7.2 Total number of WestpacTrust Centre visits, at least	193,000 <sup>1</sup>	250,000
8. Project an image to venue users of the highest possible quality.	8.1 Customers rating quality of staff service during year (across all categories) as good or better, at least	68%	70%
	8.2 Customers satisfied with visits to Town Hall, Convention Centre and Entertainment Centre during the year, at least	91% Town Hall 83% Convention Centre 89% WestpacTrust Centre	80%
9. To ensure consistency in imagery and message used to promote Christchurch by monitoring the promotional material.	9.1 Main organisations promoting Christchurch agree on the key messages and images used in promotion.	Not formally measured but meetings were held across the year with these organisations to achieve this plus ongoing liaison with CCML & CDC	100% by 30 June 2002
	9.2 Main organisations promoting Christchurch use Council co-ordinated promotional material.	Not formally measured. However, 125 organisations directly & 140 indirectly were provided this material regularly	100%
10. To actively encourage and promote international exchanges through Sister City networks.	10.1 Administration and servicing is provided for Sister City Committee meetings across the year, at least	51	40
	10.2 Sister City activity is maintained at the current level or increased	23 visits & 4 art exchanges	29 visits made or hosted
11. Co-ordinate and lead the marketing of Christchurch/Canterbury with a focus on sustainable growth of visitors.	11.1 Visit or host travel wholesalers, at least	visited 2,320 hosted 380	100 by 30 June 2002
	12. Drive Christchurch/Canterbury as the best value New Zealand destination for all group visitation.	12.1 Successful bids by Convention Bureau no less than	65%
	12.2 Increase the average nights stayed for the individual/group/convention market from 2.1 days average to	2.9 days	2.5 days

<sup>1</sup> Excludes visitors to corporate boxes that were included prior to 2001.

# economic development and employment

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Economic Development	1,576	0	1,576	1,564	1,199
Employment Services	2,349	0	2,349	2,350	2,472
Visitor Promotions	1,562	0	1,562	1,582	1,269
City Promotions	1,005	68	937	1,021	1,003
Turning Point 2000	67	33	34	23	601
Tram and Shuttle Operations	1,229	126	1,103	1,031	813
Bus Interchange	1,494	218	1,276	1,497	1,069
Facilities	2,924	100	2,824	2,681	3,274
Employment Grants	616	0	616	616	582
<b>Cost of Service</b>	<b>\$12,822</b>	<b>\$545</b>	<b>\$12,277</b>	<b>\$12,365</b>	<b>\$12,282</b>

### Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$545, Estimate 2002 \$281, Actual 2001 \$479.

Depreciation included is: Actual 2002 \$1,016, Estimate 2002 \$749, Actual 2001 \$804.

Refer Note 22.



CDC, Business Support Adviser, Louise Robertson, guides a prospective small-business person through a startup programme .



# environmental policy and services

Planning for and managing the use, development and protection of the natural and physical resources of the City in a manner which enables the City, and its communities and people, to provide for their social, economic and cultural needs in a sustainable, healthy and safe way while meeting the reasonably foreseeable needs of future generations. Administering and enforcing statutory regulation of building and development work, the health and safety of licensed premises activities and the keeping of dogs with minimal compliance cost.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Prepare concept plans for the environmental improvement of the Central City, urban renewal in the inner city and suburban shopping centres.	1.1 Complete plan for one suburban shopping centre by	Not achieved	30 June 2002
2. Complete the Strategic Open Space Environment Strategy.	2.1 Complete by	Draft completed & being reviewed	30 June 2002
3. Undertake detailed studies of parts of the City subject to change and growth.	3.1 Complete by	Awatea Block study completed	30 June 2002
4. Assess applications for grants to help retain listed heritage buildings.	4.1 Provide assistance to owners for	19 buildings by 30 June 2002	10 listed buildings by 30 June 2002
5. Prepare for and defend references lodged with the Environment Court.	5.1 Successfully defend references to the Environment Court, at least	67%	90%
6. Administer the City Plan in an efficient and effective manner.	6.1 Meet the following consent applications processing standards (unless extension is authorised):		
	Of subdivision applications	80%	100% in 20 working days
	Of non-notified resource consents which do not require a hearing	83%	100% in 20 working days
	Of notified resource consents	59%	100% in 70 working days
	6.2 Residents who believe building or land developments in their local area during the year, have made their area worse, no more than	12%	12%
	6.3 Monitor conditions imposed on resource consents to ensure these are actioned within periods stipulated on monitoring request forms for	100%	100% of resource consents
7. Investigate and respond to situations which cause nuisance or objectionable effects on human health and safety.	7.1 Undertake initial investigations of complaints of excessive noise	96%	100% within 2 working days

# environmental policy and services

Objectives for 2001/02	Performance Indicators	Actual	Target
8. Inspect registered premises to ensure compliance with required environmental health standards.	8.1 Food premises identified as being at risk in terms of safety to be inspected	83%	All premises at least once
9. Process building consent applications within the time limits prescribed by the Building Act.	9.1 Subject to provision of complete information, process building consents within the time limits prescribed in the Building Act, at least	94%	100%
10. To respond to and investigate complaints relating to nuisances caused by dogs.	10.1 Response and investigation in the following time frames: - aggressive behaviour - other complaints - complaints resolved	93% 86% 91%	100% in 2 hours 100% in 72 hours 100% in 7 days
11. Survey through Annual Citizens Survey ratepayer satisfaction with environmental planning and services	11.1 Residents satisfied with the value for money of rates spent on overall city and environmental planning, at least  11.2 Residents satisfied with the value for money of rates spent on regulating activities and investigating nuisances, at least	58%  43%	60%  57%

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Consents and Applications	7,734	5,642	2,092	2,221	2,312
Environmental Effects Control	915	281	634	656	697
Plans and Policy Statements	2,134	27	2,107	1,898	1,518
Information and Advice	3,475	1,471	2,004	2,367	2,481
Animal Control	1,558	1,308	250	61	81
Consents and Applications	206	0	206	166	227
Policy Advice	2,466	32	2,434	2,596	2,555
Environmental Promotion	358	1	357	404	250
Monitoring	78	0	78	91	48
Funds Administration	721	0	721	709	843
Energy Programmes	415	0	415	977	996
<b>Cost of Service</b>	<b>\$20,060</b>	<b>\$8,762</b>	<b>\$11,298</b>	<b>\$12,146</b>	<b>\$12,008</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$8,762, Estimate 2002 \$9,831, Actual 2001 \$8,301.

Depreciation included is: Actual 2002 \$87, Estimate 2002 \$74, Actual 2001 \$104.

Refer Note 22.

# housing

Implementation of the housing policies of the Council in providing tenancy and welfare services to Christchurch citizens, appropriately maintaining the Council asset and conducting ongoing research and advice. Units managed in this activity include 2,131 elderly persons housing units and 448 public rental units.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Adoption of a Housing Asset Management Plan (AMP) by the Council by 30 June 2002.	1.1 Adoption of a Housing AMP by the Council by	90% complete with completion expected October 2002	30 June 2002
2. To undertake a satisfaction/quality of life survey of tenants.	2.1 Report results of survey to Community Services Committee by	June 2002	31 December 2001



Units forming part of the Council's housing complex in Hornby.

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Elderly Persons Housing	6,136	7,010	(874)	(1,817)	(3,194)
Trust Housing	42	84	(42)	(37)	33
Owner/Occupied Housing	35	123	(88)	7	(8)
Public Rental Housing	1,469	2,541	(1,072)	(716)	(1,280)
General Housing	66	16	50	42	24
Tenancy Services/Welfare/Policy	465	0	465	550	1,329
<b>Cost of Service</b>	<b>\$8,213</b>	<b>\$9,774</b>	<b>(\$1,561)</b>	<b>(\$1,971)</b>	<b>(\$3,096)</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$9,774, Estimate 2002 \$9,428, Actual 2001 \$9,473.

Depreciation included is: Actual 2002 \$979, Estimate 2002 \$850, Actual 2001 \$817.

Refer Note 22.

# library and information services

Developing the knowledge, literacy and information skills of the city's residents and to contribute to the city's cultural, economic and social wellbeing and cultural understanding by providing and promoting accessible, non-exclusive, high quality and cost effective library and information services. Library Services manages a book stock of 999,228 volumes and provides services to 244,652 enrolled members and other users.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Continue to deliver effective library and information services to customers.	1.1 Residents visiting a Council Library during the year, at least	70%	65%
	1.2 Borrowers satisfied with service provided (average of six factors), at least	75%	81%
	1.3 Information customers satisfied with service provided (average of five factors), at least	85%	85%
2. Introduce an ethnic language collection in Fendalton Library to meet customer demand.	2.1 Collection introduced by	31 March 2002	31 March 2002
3. Extend the range of electronic databases available to remote users.	3.1 Remote users have access to, at least	10	6 electronic databases
4. Implement the third year of the development plan for the Central City Library to provide improvements to services to customers.	4.1 Alterations to second floor completed by	30 June 2002	31 December 2001
5. Complete the first full year of operation of the Fingertip Library (the Library's Call Centre).	5.1 Calls answered without hand on, at least	64%	80%
6. Plan, and commence building the new Library and Learning Centre in the South of Christchurch.	6.1 Building to commence by	Construction contract out to tender	30 June 2002
7. Implement year three of the programme to upgrade library information technology to enable implementation of the TAOS software.	7.1 Terminal replacement completed & software installed by	Terminal replacement completed by June 2002. TAOS software not implemented as it will no longer be developed	30 June 2002
8. Implement programmed electronic service developments to be delivered via the Council's Website.	8.1 Programmed electronic service developments implemented within budget by	Programme office established. First year projects substantially progressed	30 June 2002

# library and information services

Objectives for 2001/02	Performance Indicators	Actual	Target
9. Prepare the annual "State of the (City's) Environment" monitoring report.	9.1 Monitoring report completed & published by	30 June 2002	30 June 2002
10. Extend CINCH (Community Information Database) as the core electronic access to community information, as part of Christchurch on-line	10.1 Work commenced by	30 April 2002	30 April 2002

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Collections	8,134	140	7,994	8,229	7,018
Resource Delivery	5,536	975	4,561	4,687	4,499
Library Website	191	25	166	167	101
Voluntary Libraries	251	0	251	254	170
Enquiries	3,212	333	2,879	3,091	2,499
Creating Content	608	237	371	368	457
Public Programmes	463	0	463	470	392
Information Skills	581	0	581	596	538
NZ Heritage	664	4	660	658	589
Advice	380	4	376	431	461
CCC Website	98	0	98	99	218
City Monitoring & Research	346	0	346	399	427
Information Development	302	0	302	493	0
<b>Cost of Service</b>	<b>\$20,766</b>	<b>\$1,718</b>	<b>\$19,048</b>	<b>\$19,942</b>	<b>\$17,369</b>

### Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$1,718, Estimate 2002 \$1,641, Actual 2001 \$1,350.

Included within the External Revenue was a grant of \$235,000 from the Community Trust for the development of Christchurch Online - the gateway to Christchurch and Canterbury information.

Depreciation included is: Actual 2002 \$3,534, Estimate 2002 \$3,766, Actual 2001 \$3,250.

Refer Note 22.



These Tukutuku panels in the Nga Pounamu Maori Centre at the Central City Library. From left "Waharu", "Kaokao", "Poutama" and "Double Poutama"



# parks and waterways

Planning and managing the acquisition, maintenance, development and use of the City's resource of public parks and reserves for the purposes of recreation, amenity and conservation. 689 parks (5,327 Ha) and nine cemeteries maintained using in-house and external contractors. The operation and maintenance of the stormwater collection system, waterway environments and flood control facilities together with associated water quality, biota and physical monitoring. Network includes 77 kilometres of rivers and streams, 24 pumping stations, 274 kilometres of waterways, 620 kilometres of stormwater drains and 36 retention basins or swales.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Enhance the city environment and the quality of life of the city's current and future residents by managing parks, open spaces and water resources in accordance with legislative requirements and, in a manner that sustains recreational, ecological, landscape, scenic, cultural, heritage and drainage values.	1.1 Annual Residents' Survey indicates that residents are satisfied that parks and waterways are well looked after, at least	Not Measured	90%
	1.2 Residents are satisfied with the value for money of rates spent on parks and waterways, at least	Parks 80% Waterways 63%	80%
2. Review and develop park & waterway strategic plans and prepare development programmes and capital works plans.	2.1 Integrate sections of the Parks and Waterways and Wetlands Asset Management Plan by	Preliminary work undertaken	30 June 2002
	2.2 Prepare, at least the following number of plans: (a) Parks Area Plans (b) Parks Development Plans	3 13	2 15
	2.3 Develop monitoring programmes for surface water environment quality in conjunction with Asset Management Strategy implementation by	Base water quality testing undertaken & Urban Stream Habitat assessment established	30 June 2002
3. Respond to lease, licence and concession applications for parks and waterways and formalise outstanding lease agreements.	3.1 Applications processed and decision provided	90%	100% within 3 months of date of receipt
	3.2 Formalise outstanding lease agreements, at least	11 completed; 19 under negotiation	25
	3.3 Provide advice on consent applications to Environmental Services Unit	Not reliably measured	100% within 10 working days of receipt
4. On a regular basis, undertake a park specification quality survey of parks to determine levels of compliance with standards required for parks maintenance.	4.1 Survey (a) 28 garden (b) 451 local and (c) 97 sports parks to ensure a level of compliance with park maintenance specifications of	93% 91% 84%	90% Compliance 90% Compliance 90% Compliance
	5.1 (a) Supply plants to specified standards to meet the planting programme and (b) Supplement production through contract growing of additional plants.	483,680 Plants	233,300 Plants
		73,900 Plants	92,000 Plants

# parks & waterways

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
6. Process all applications for cemetery plot purchases and warrants for interment.	6.1 Action interments in accordance with statutory requirements.	876	900 per annum
7. Provide an education service to schools, interest groups and families, along with visitor centre displays at Regional Flagship parks.	7.1 (a) Provide one fact sheet for each "Learning Outside the Classroom" site by	Fact sheets produced for 6 sites	30 June 2002
	(b) Produce, at least the following number of brochures:		
	(i) Recreation activities (ii) Regional Parks	3 brochures ] plus 1 map ]	3 2
8. Provide a ready response to rural fires as required under the Forest and Rural Fires Act.	8.1 Meet the Rural Fire Management Code of Practice requirements by ensuring that additional firefighters attain NZQA basic standards.	18	25 firefighters
9. Effectively respond to requests for waterways, wetlands and drainage information.	9.1 Contact customers after receipt of enquiry	Not reliably measured	100% within 3 working days 100% within 10 working days
	9.2 Initiate follow up action by		
10. To maintain progress with implementation of the Asset Management Plans for waterways, wetlands and drainage.	10.1 Replace timberlined waterways at least	779m	700m by 30 June 2002
	10.2 Improve utility waterways by piping and naturalisation, at least	1.73 km	1.5km by 30 June 2002
	10.3 Protect waterway margins by covenant, road stopping, reserve acquisition or land purchase	2.9km	1km by 30 June 2002
11. To contain and where possible, reduce the costs of long term maintenance for waterways and wetlands at the agreed level of service.	11.1 Prepare 2 maintenance contracts to achieve a cost saving of at least and an agreed level of service of at least	2 contracts prepared but cost savings yet to be determined	2% 90%



Council team members helping "clean up the world".

# parks & waterways

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Plans and Policy Statements	559	1	558	553	514
Information and Advice	631	26	605	757	1,302
Consents and Applications	72	1	71	145	174
Utilities Maintenance	4,945	42	4,903	4,754	4,180
Waterways & Wetlands Maintenance	2,796	32	2,764	3,059	2,815
Customer Services	1,527	142	1,385	944	701
Environmental	16,849	1,667	15,182	15,026	14,247
Support	995	1	994	786	987
Environment and Parks Grants	86	0	86	86	91
<b>Cost of Service</b>	<b>\$28,460</b>	<b>\$1,912</b>	<b>\$26,548</b>	<b>\$26,110</b>	<b>\$25,011</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$1,912 Estimate 2002 \$2,337, Actual 2001 \$2,091.

Depreciation included is: Actual 2002 \$3,046, Estimate 2002 \$3,123, Actual 2001 \$2,726

Refer Note 22.



Tree planting at the Council's Sydenham Cemetery by the Somerfield Residents Association.

# public accountability

Provision for civic leadership and the democratic process of decision making by elected members through remuneration and support arrangements for the Mayor, 24 Councillors and 34 elected Community Board members.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To achieve the purposes of local government, including recognising identity, values and rights of the Christchurch community, providing for choice in the provision of public facilities and services, and encouraging effective public participation in local govt.	1.1 Proportion of residents satisfied with the value for money of rates spent on significant activities as disclosed in the Annual Residents' Survey, to be not less than	63%	85%
2. Ensure the negotiation of Statements of Corporate Intent (SCIs) for the Local Authority Trading Enterprises and comparable documents for similar organisations in which the Council has a significant interest.	2.1 Contents of all SCIs or similar documents in compliance with Section 594T of the Local Government Act, and all such statements finalised within three months of commencement of the relevant corporate body's financial year	All SCIs finalised within 3 months	100%
3. Implement an agreed programme of elected member meetings.	3.1 Meetings of elected members held in complete compliance with provisions of the Local Government Official Information and Meetings Act without the need for subsequent procedural correction	All meetings 100% of the time	All meetings 100% of the time
4. Prepare appropriate public accountability documents.	4.1 Adopt Annual Plan for 2001/02 by and Annual Report for 2000/01 by	12 July 2001 26 November 2001	31 July 2001 30 November 2001
5. Effectively allocate Community Board discretionary funds.	5.1 Funds allocated in accordance with a statement of Community Board priorities agreed following public consultation	Completed by 30 June 2002	Completed by 30 June 2002
6. Publish and distribute information to residents on the overall activities of the Council.	6.1 Residents satisfied with the Council newsletter, City Scene, no less than	75%	75%

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Elected Member Representation	4,124	250	3,874	3,982	3,183
Decision Making	4,138	0	4,138	4,367	3,861
Liaison & Discretionary Expenditure	348	0	348	356	490
Corporate Communications	826	0	826	1,046	582
<b>Cost of Service</b>	<b>\$9,436</b>	<b>\$250</b>	<b>\$9,186</b>	<b>\$9,751</b>	<b>\$8,116</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$250, Estimate 2002 Nil, Actual 2001 \$1.

Depreciation included is: Actual 2002 \$16, Estimate 2002 \$9, Actual 2001 \$13.

Refer Note 22.



# sewerage

Provide liquid waste transport, treatment and refuse services in a manner that will enhance the health, safety and convenience of the Christchurch community, and meet the needs of a growing city in conformity with the intentions of district and regional plans. The sewage collection system serves all of the Christchurch City urban area and Prebbleton, Lincoln, Tai Tapu and Springston in the Selwyn District and comprises 1,570km of sewer mains, 78 pumping stations, approximately 22,500 manholes, 1,600 flush tanks, and 113,000 sewer laterals. Treatment works are at Bromley and Belfast.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To develop a comprehensive Liquid Waste Management Plan which conforms to the requirements of the Local Government Amendment Act No 4. The objectives below will form elements of this plan.	1.1 Draft Liquid Waste Management Plan completed and special consultative procedure started by	Draft completed. Consultation suspended until ChCh Treatment Plant discharge consent application completed to avoid confusion	30 June 2002
2. Preserve the value of the public reticulation system by following an asset management strategy.	2.1 Full implementation of the 2001/02 sewer capital works programme, as set out in the Asset Management Plan (AMP).	Capital Work of \$11,921,400 completed by 30 June 2002. Implementation of remainder is in progress - uncompleted work carried forward	Capital Work of \$10,084,675 completed by 30 June 2002
3. To ensure adequate system capacity to cater for present and future urban growth by continuing the infiltration and inflow remedial works.	3.1 Complete major catchment flow monitoring investigations by and commence sub-catchment investigations, inspections and remedial works on a further plus sub-catchment pipe joint grouting by	Final report received March. Sewer grouting commenced.  Additional 2800 properties surveyed	30 June 2002  15,000 Properties 30 June 2002
4. Minimise sewerage outflows to private property, public roads and waterways.	4.1 Record and report all overflows of sewerage resulting from failure of Council pumping equipment, with a target of	3 Failures	Nil Failures
5. To minimise energy costs for all operating plant, by maximising biogas used for energy production.	5.1 Maximise engine generator use on load over, at least	6964 hours	8000 hours
6. To comply with water right effluent discharge standards as required through achievement of target treatment levels.	6.1 Measure discharge pollutant levels with a target of an average reduction in BOD and suspended solids, at least	75% / 66%	75% / 75%
	6.2 Reduction in faecal coliforms across the whole Christchurch Wastewater Treatment Plant and Oxidation pond with a final average effluent as measured in the final pond prior to discharge, less than	99.8%	99.8%
		14,000/100ml	10,000/100ml
	6.3 Develop a baseline monitoring programme & a baseline data set for nitrogen removal through the plant and compare to upgrade plant nitrogen base line data by	31 July 2001	30 June 2002



# sewerage

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
7. To hold sewage treatment total costs to targeted figures.	7.1 Achieve annual treatment cost per year maximum of	\$16.71 per person \$43.44 per ratepayer \$0.10/m <sup>3</sup>	\$18.30 per person \$47.50 per ratepayer \$0.12 /m <sup>3</sup>
	7.2 Achieve annual total operational cost maximum of	\$42.02 per person \$109.25 per ratepayer \$0.23 m <sup>3</sup>	\$48.95 per person \$127.50 per ratepayer \$0.32 /m <sup>3</sup>



Construction of one of the new clarifiers at the Christchurch Wastewater Treatment Plant.

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Information and Advice	74	10	64	132	214
Planning	327	0	327	203	128
Liquid Waste Collection	11,043	2,144	8,899	8,896	8,249
Liquid Waste Treatment and Disposal	5,755	1,344	4,411	4,848	3,759
<b>Cost of Service</b>	<b>\$17,199</b>	<b>\$3,498</b>	<b>\$13,701</b>	<b>\$14,079</b>	<b>\$12,350</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$3,498, Estimate 2002 \$2,709, Actual 2001 \$3,479.

Depreciation included is: Actual 2002 \$5,525, Estimate 2002 \$5,645, Actual 2001 \$5,704.

Refer Note 22.

# sports, leisure and events

Enhancing the health and well-being of the people of Christchurch and their enjoyment of life through the provision and promotion of selected sport, recreation, arts and events programmes and facilities.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Assist, encourage and advise clubs, organisations and the general public, especially children, youth, people with disabilities and people on low incomes, to maintain or increase overall participation levels, and to ensure adequate resources are available.	1.1 Residents satisfied with value for money through rates spent on sports and recreation, at least	68%	70%
	1.2 Increase participation in Council recreation programmes by at least	10%	5%
	1.3 Participants satisfied with the Council's recreation programmes, at least	90%	90%
2. Encourage major sporting and recreation events to come to Christchurch.	2.1 Secure major sporting events and/or recreation events, minimum of	6	3
3. Complete implementation of the Recreation and Sport strategy for Christchurch.	3.1 Commence implementation by	Delayed due to further consultation undertaken	30 June 2002
4. Maintain, improve and increase the usage of and satisfaction with existing Council stadia, pools, and other recreation facilities.	4.1 Residents visiting Council stadia once or more during the year, at least	62%	35%
	4.2 Residents visiting Council swimming pools during the year, at least	52%	43%
	4.3 Residents satisfied with the value for money of rates spent on providing swimming pools and stadia, at least	Swimming Pools 75% Stadia 70%	70%
5. Operate each facility for which the Council is directly responsible efficiently and effectively.	5.1 All Council operated or owned/operated pools comply with the requirements of NZS 4441:1985 / 'Code of Practice for the Operation of Swimming Pools' and NZS 5826:1995 'Code of Practice for the Operation of Swimming Pools.'	100%	100%
6. Complete the major maintenance upgrading of QE II Pool and Stadia Facility.	6.1 Work completed during the year will enable completion by	August 2002	31 March 2002
7. Plan, organise and deliver the SummerTimes Festival.	7.1 Attendees satisfied with the quality of SummerTimes festival, at least	Not formally measured	80%
8. Plan, organise and deliver a balanced programme of festivals and events.	8.1 Residents satisfied that programmes are delivered and that there is value for money spending on all events and festivals, at least	79%	78%
	8.2 Implement the Events strategy as per agreed timeline	Substantially achieved	100%

# sports, leisure and events

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Events and Festivals	2,476	317	2,159	2,324	1,993
Recreation and Arts	2,710	456	2,254	2,217	2,639
Leisure Planning	194	0	194	180	314
Sports	315	3	312	328	143
Stadia	1,078	211	867	859	673
Pools	1,258	187	1,071	998	903
Leisure Centres	4,353	3,048	1,305	1,465	1,020
Golf Courses/Range	368	402	(34)	(9)	(66)
Camping Grounds	164	53	111	75	49
QE II	6,127	2,155	3,972	3,957	4,476
Recreation and Sports Grants	746	346	400	393	357
<b>Cost of Service</b>	<b>\$19,789</b>	<b>\$7,178</b>	<b>\$12,611</b>	<b>\$12,787</b>	<b>\$12,501</b>

### Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$7,178, Estimate 2002 \$6,592, Actual 2001 \$6,096.

Depreciation included is: Actual 2002 \$2,102, Estimate 2002 \$2,285, Actual 2001 \$1,809.

Refer Note 22.



Opening of the Great Pipe Dream on 29 June 2002, part of the 2002 KidsFest Festival.



Paige van Beurten gets into the spirit of the Books & Beyond Festival at Papanui Library.

# waste minimisation and disposal

Providing regular refuse collection services and operating transfer, recycling and disposal facilities. Public and commercial refuse collection is provided through three transfer stations open seven days per week, with final disposal at the landfill site. All these services are to be provided in a safe and environmentally responsible manner.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. <i>Commercial Waste Reduction</i> To provide waste reduction advice and assistance to businesses through workshop programmes for 20 businesses, taskforce visits for 20 businesses, advice by mail, telephone or site visits for 100 businesses, two monthly meetings with 40 attendees per meeting, and quarterly newsletters with a distribution of 1500.	1.1 Rates of participation of business in: (a) workshop programmes, (b) taskforce visits (c) advice given to (d) meetings  (e) receipt of newsletters	(a) 21 organisations (b) 43 (c) 356 organisations (d) average 36 at 5 meetings (e) 2000 organisations received 5 newsletters	(a) 20 businesses (b) 20 businesses (c) 100 businesses (d) 40 per 2 monthly meetings (e) 1500 businesses quarterly
2. <i>Recycling Centres</i> To uplift, sort, pack and transport to SuperShed for sale, recyclable and reusable materials from domestic vehicles.	2.1 Tonnage of material taken to SuperShed  2.2 Gross sales levels at SuperShed  2.3 Tonnage of rejected material returned to refuse stations	1,226 tonnes  \$1,162,575  130 tonnes	] ] New measures, no targets set ]
3.1 <i>Recycling: (Kerbside City Water and Waste Unit)</i> To provide a convenient and efficient recyclable collection service to householders.	3.1 Public satisfaction with the recycling collection service, as measured by the annual citizens survey, at least	88%	90%
3.2 <i>Recycling: (Recovered Materials Foundation)</i> To accept delivery of, process and market the materials from the Council Kerbside Recycling Scheme.	3.2 Total gross sales for the year	\$1,662,235	\$1,460,000
4.1 <i>Composting</i> To increase incoming green waste material.	4.1 Garden organic tonnage received at refuse stations	33,379 tonnes	37,000 tonnes
4.2 To raise public knowledge of alternatives to disposal of organic waste as refuse.	4.2 Number of schools participating in Wai Ora Trust composting education programme	Not achieved due to a change in the Council's education policy	New measure, no target set

# waste minimisation and disposal

Objectives for 2001/02	Performance Indicators	Actual	Target
5.1 <i>Collection Operations</i> To provide convenient residual refuse collection services to householders and businesses.	5.1 The level of public satisfaction with the refuse collection service as measured by the Annual Citizens' Survey, at least	77%	90%
6.1 <i>Transfer Operations</i> To manage the City Care contract to ensure that the Refuse Stations are operated in accordance with current operations and management plans.	6.1 Level of compliance with City Care contract Key Performance Indicators	90%	100%
6.2 <i>Disposal</i> To operate Burwood Landfill in accordance with all consents and bylaws.	6.2 Targeted level of consent & bylaw violation recorded by ECAN	Minor odour and dust violations with remedial action taken	Nil
6.3 <i>Advance Planning</i> Solid and Hazardous Waste Management Plan Part I reviewed.	6.3 Draft revised Part I Solid & Hazardous Waste Management Plan, complete and out for submission by	Work deferred awaiting outcome of Budget Scrutiny & Audit Committee Review	30 June 2002

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Reduction	535	38	497	534	379
Resource Re-use Centres	166	0	166	169	271
Recycling	4,308	526	3,782	3,761	3,401
Resource recovery	1,737	1,301	436	537	853
Residual Disposal	13,136	6,549	6,587	5,102	5,063
Plans and Policy Statements	249	3	246	353	411
Waste Minimisation Fees	(1,061)	6,064	(7,125)	(7,243)	(4,408)
<b>Cost of Service</b>	<b>\$19,070</b>	<b>\$14,481</b>	<b>\$4,589</b>	<b>\$3,213</b>	<b>\$5,970</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$14,481, Estimate 2002 \$13,045, Actual 2001 \$12,329.  
Depreciation included is: Actual 2002 \$122, Estimate 2002 \$152, Actual 2001 \$100.

Refer Note 22.



# water supply

Planning, operating and maintaining the City's water supply and distribution system, supplying high quality water to meet residential and business needs, and for firefighting purposes.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To provide a sufficient, reliable and cost effective supply of high quality water to the Christchurch community.	1.1 Residents satisfied with the value for money of rates spent on water supply services, at least	82%	90%
2. Operate and maintain the water supply system efficiently and reliably 24 hours a day, seven days a week.	2.1 Unplanned headworks shutdown resulting in loss of supply to customers for longer than four hours	Nil	Nil
	2.2 Unplanned headworks shutdown incidents of less than four hours' duration	2	Less than 10
	2.3 Reticulation shutdowns resulting in loss of supply for more than 4 hours.	13	Less than 13
3. Undertake a programme of sampling and analysis of drinking water for microbiological and chemical quality, to comply with NZ Drinking Water Standards.	3.1 Quality of water tested meeting the public health requirements of the New Zealand 1995 Drinking Water Standards Guidelines.	99.5% compliance with drinking water standards	100%
4. Continue investigations relating to the sustainable management of water supply assets.	4.1 Updated Water Supply AMP presented to the Council for approval by	April 2002	30 September 2001
5. Ensure that the issues relating to the Council's water requirements are appropriately communicated to Environment Canterbury during their regional planning processes.	5.1 Appropriate input to Ecan's planning documents is provided on time following appropriate consultation by	Completed by 31 March 2002	30 June 2002
6. Respond to customer enquiries concerning water supply problems. Where appropriate, carry out site inspections/ investigations and advise on an appropriate course of action and responsibility.	6.1 a) Maintain first contact action on general water supply information, related correspondence and enquiries, at least	95% due to Telstra Saturn's high unusual demand	100% within 3 working days
	b) Commence investigation on specialist information requests, at least	100%	100% within 10 working days
7. To hold water supply costs to targeted figures.	7.1 Annual cost per year, maximum of	\$119 \$103 \$0.28	\$131/connection \$116/ratepayer \$0.29/m <sup>3</sup>

# water supply



A vintage water pump adjacent to the Canterbury Provincial Chambers building.

## Statement of Cost of Services for the Year Ended 30 June 2002

	2002 Costs (After Internal Recoveries) \$000's	2002 Income \$000's	2002 Net Cost \$000's	2002 Estimate Net Cost \$000's	2001 Actual Net Cost \$000's
<b>Operational Outputs</b>					
Plans and Policy Statements	472	0	472	545	565
Information and Advice	280	0	280	449	512
Consents and Applications	148	613	(465)	(477)	(316)
Supply of Water	12,104	2,411	9,693	10,239	8,997
<b>Cost of Service</b>	<b>\$13,004</b>	<b>\$3,024</b>	<b>\$9,980</b>	<b>\$10,756</b>	<b>\$9,758</b>

Notes (\$000's)

External Revenue included in Income is: Actual 2002 \$3,024, Estimate 2002 \$2,594, Actual 2001 \$2,866.

Depreciation included is: Actual 2002 \$3,902, Estimate 2002 \$3,845, Actual 2001 \$4,978.

Refer Note 22.

# city care limited

City Care Limited is a local authority trading enterprise, 100% owned by the Christchurch City Council through Christchurch City Holdings Limited. The company provides construction and maintenance services for most Council business units. The Council retains control over the activities of the company through approval of the company's annual Statement of Corporate Intent.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To yield projected return by way of dividend.	1.1 Minimum projected dividend to shareholders	\$1,231,000	\$1,100,000
2. Achieve projected net profit.	2.1 Net profit after tax of	\$2,859,000	\$2,560,000
3. Maintain an appropriate capital structure.	3.1 Shareholders funds to total assets, at least	67%	79%



City Care staff conducting pump maintenance for the City Council.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Revenue	47,725	43,707	44,281
Operating, Financing and Depreciation Costs	43,455	39,616	40,627
<b>Net Profit Before Taxation</b>	<b>\$4,270</b>	<b>\$4,091</b>	<b>\$3,654</b>
Tax Expense/(Benefit)	1,411	1,350	1,213
<b>Net Profit After Taxation</b>	<b>\$2,859</b>	<b>\$2,741</b>	<b>\$2,441</b>



# canterbury development corporation

Canterbury Development Corporation acts as the economic development arm of the Christchurch City Council, providing economic development and employment services.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Provide a range of support services for the region's small and medium sized enterprises (SME's) designed to enhance their ability to provide sustainable employment and economic growth.	1.1 Maintenance of a comprehensive directory of mentors available to assist SME's.	201	100 Mentors
	1.2 Refer SME's to providers of business support and assistance.	827 as more requests being met at initial contact point	1,000 referrals
	1.3 Regular dissemination of details of tenders and purchase enquiries to appropriate local businesses on the Businesslink Database.	Not achieved due to redevelopment of database 5000 + businesses	250 tenders 4,000 businesses listed
2. Provide support to the education sector that recognises the need to enhance the core competencies and skills of the 21st Century workforce.	2.1 Maintain existing and develop new partnerships between industry and education.	17 5	12 partnerships 4 teacher forums
	3.1 Investors seeking equity are introduced to potential investors.	18	12 investors introduced
3. Develop project initiatives that have potential to enhance the level of regional economic activity and employment including equity investment matching, technology commercialisation and attracting new business to the region.	3.2 Industry Cluster groups established to support technology transfer.	10	4 groups
	3.3 Presentations made to potential business relocations and investors.	23	10 presentations
	4.1 Appropriate current promotional material available at all times.	90%	100%
4. Production of current information on the region, its economy, infrastructure and quality of life.			
5. Facilitate initiatives that enhance sustainability and are socially inclusive.	5.1 Contribute to initiatives that have a sustainable focus for the region.	4	3 initiatives
6. Provide a range of programmes of job assistance and job placements to help youth and other unemployed persons.	6.1 Contribute to job creation projects for unemployed people.	22	10 projects
	6.2 Individually case manage young unemployed people.	2,161	2,000 young people
7. Support the infrastructure of community groups and agencies working with the unemployed to enhance the outcomes they achieve.	7.1 Contribute to the maintenance of community groups' infrastructure.	29	20 groups

# canterbury development corporation

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
CCC Contract	3,025	3,544	3,409
Other Income	2,139	1,700	2,965
<b>Total Income</b>	<b>5,164</b>	<b>5,244</b>	<b>6,374</b>
Less Expenses	5,101	5,244	6,348
<b>Surplus/(Deficit)</b>	<b>\$63</b>	<b>Nil</b>	<b>\$26</b>

The establishment of the Human Interface Technology Laboratory of New Zealand (HITLabNZ) was one of the CDC's major technology initiatives during the year. The lab is a human-computer interface research centre hosted at the University of Canterbury.





# canterbury museum trust board

The Canterbury Museum Trust Board is established under the Canterbury Museum Trust Board Act 1993. Five local authorities are levied contributions to fund the ongoing activities of the Museum Trust Board. The Board composition includes four appointees from the Christchurch City Council. The Christchurch City provides 92% of the levies received by the Museum.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Continue the development of a total new visitor experience throughout the public galleries.	1.1 Obtain funding and implement Stage 4 of the strategic plan for the multi-year project to revitalise the Museum visitor experience by	Funding obtained May 2002 & concept design report prepared	30 June 2002
	1.2 Develop and open "Living Rooms" environmental exhibition in association with Environment Canterbury by	Partially completed, new completion date 30 November 2002	30 June 2002
2. Improved customer focus and service.	2.1 Visitor numbers, at least	548,436	500,000
	2.2 Maintain visitor satisfaction rating with displays, exhibits and facilities in excess of	77%	70%
	2.3 Maintain visits from schools in the Canterbury region to at least	29,752 children	30,000 children
3. Improve care of heritage collections.	3.1 Complete implementation of collection database by and enter at least	30 June 2002 180,000 records	30 June 2002 20,000 records
	3.2 Complete development of a new costume and textile storage facility by	31 October 2001	30 June 2002

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Costs	4,297	4,586	4,047
Less Levies	(3,444)	(3,444)	(3,128)
Less Income	(2,668)	(685)	(1,782)
Net Surplus/(Deficit)	\$1,815	(\$457)	(\$863)

# canterbury technology park

A joint venture undertaken by three equal (33 $\frac{1}{3}$ %) partners, Christchurch City Council, WestpacTrust Limited and Aoraki Corporation Limited. The joint venture has been developing land near Christchurch International Airport to facilitate the establishment and development of technology-based industries. In September 2002, the Council resolved to take the steps necessary to wind up the joint venture.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Continue to progress the sale of remaining land to maximise the value to joint venture partners and their stakeholders both commercially and socially.	1.1 Further land sales totalling at least	0.8 hectares	0.5 hectares



One of the Airways Corporation buildings in the Canterbury Technology Park.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Actual 2001 \$000's
<b>Income</b>		
Land Sales	644	928
Interest Received	2	15
	<u>\$646</u>	<u>\$943</u>
<b>Expenditure</b>		
Opening Value of Land Held	162	358
Land Development and Sale Costs	18	29
	<u>180</u>	<u>387</u>
Less Closing Value of Land Held	2	162
Cost of Land Sold	178	225
Administration and Operating	9	40
Audit Fee	2	2
Promotion Expenses	0	2
Repairs and Grounds Maintenance	13	12
Legal Costs	0	6
	<u>202</u>	<u>287</u>
<b>Net Surplus/(Deficit) Transferred to Partners' Capital Accounts</b>	<u>\$444</u>	<u>\$656</u>

NB: Christchurch City Council has accounted for 33 $\frac{1}{3}$ % of this profit using the proportionate method.

# christchurch city facilities limited

Christchurch City Facilities Limited was incorporated as a local authority trading enterprise on 27 June 1997. The Company owns the Convention Centre land and building and the WestpacTrust Sports & Entertainment Centre buildings and improvements. It holds a lease of the Sports & Entertainment Centre land and the Town Hall.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To manage cash inflows and outflows to best advantage.	1.1 To achieve projected financial performance	\$2,809,444 deficit	\$3,074,087 deficit after tax
2. To ensure financial accountability of the three venues which are under contract management.	2.1 The Company to report on its operations by way of an Annual Statement of Corporate Intent, a half-yearly report and an Annual Report by	All information reported within required timeframes	30 June 2002



Christchurch Convention Centre Foyer.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Income			
Operating	9,662		8,406
Expenditure			
Depreciation	(3,637)	(3,560)	(3,788)
Other	(8,834)		(7,620)
Net Surplus/(Deficit) Before Tax	(\$2,809)	(\$3,074)	(\$3,002)
Provision for Taxation	0	0	0
Tax Paid Surplus/(Deficit) for the Year	(\$2,809)	(\$3,074)	(\$3,002)

# christchurch city holdings limited

Christchurch City Holdings Limited (CCHL) is a wholly owned subsidiary of the Christchurch City Council formed for the purpose of holding investments in subsidiary organisations.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Achieve projected financial performance.	1.1 Pay dividends to the Council, totalling	\$30.6M*	\$30.6M
	1.2 Complete planned capital repatriation from Orion gas sale proceeds by	15 March 2002	30 June 2002
2. Meet other objectives in Statement of Corporate Intent.	2.1 Variances from planned objectives	No material variances	Nil

\* CCHL also paid special dividends totalling \$153.9M, of which \$135.9M related to the capital repatriation from the Orion gas proceeds.



Christchurch International Airport that is owned by one of the CCHL's subsidiaries.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Interest Earned	11,168		14,086
Dividends	52,777		30,733
Other Income	419		419
<b>Total Revenue</b>	<b>64,364</b>	<b>61,952</b>	<b>45,238</b>
Interest Paid	9,953	10,283	7,795
Other	5,854	2,795	10,302
<b>Total Expenses</b>	<b>15,807</b>	<b>13,078</b>	<b>18,097</b>
<b>Net Surplus</b>	<b>48,557</b>	<b>48,874</b>	<b>27,141</b>
Taxation	(271)		
<b>Net Surplus after Tax</b>	<b>\$48,828</b>	<b>\$48,874</b>	<b>\$27,141</b>



# christchurch international airport limited

A private company jointly owned by Christchurch City Holdings Limited (75%) and the New Zealand Government (25%). The primary activity of the company is to own and operate Christchurch International Airport efficiently and on sound business principles for the benefit of both commercial and non-commercial aviation users and in accordance with the terms of the aerodrome licence which defines standards and conditions laid down by the Ministry of Transport.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Achieve through service provision and promotion targeted aircraft, passenger and international airfreight movements.	1.1 Aircraft departures, at least Passenger movements, at least	41,105 4.2M	43,000 4.5M
2. Maintain acceptable safety standards.	2.1 Compliance with the standards and conditions issued by the C.A.A.	100%	100%
3. Achieve projected dividend payments.	3.1 Subject to Directors' recommendation, dividend payments of a minimum of with the CCC share a minimum of	\$9.216M \$6.912M	\$7.666M \$5.75M



International terminal at Christchurch International Airport.

## Consolidated Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
<b>Revenue</b>			
Operating Revenue	53,625		56,586
Interest Income	209		276
<b>Total Revenue</b>	<b>\$53,834</b>	<b>\$54,825</b>	<b>\$56,862</b>
<b>Expenses</b>			
Maintenance and Operating Costs	18,600	18,065	21,719
Financing and Interest Costs	4,590	4,786	5,635
Other	9,561	10,448	9,287
<b>Total Expenses</b>	<b>\$32,751</b>	<b>\$33,299</b>	<b>\$36,641</b>
<b>Net Surplus Before Tax</b>	<b>21,083</b>	<b>21,526</b>	<b>20,221</b>
Taxation	6,834	7,104	6,685
<b>Net Surplus After Tax</b>	<b>\$14,249</b>	<b>\$14,422</b>	<b>\$13,536</b>



# jade stadium limited

Jade Stadium Limited was formed in June 1998. It is the wholly owned subsidiary company to which Christchurch City Council has transferred the responsibility to undertake the development and management of Jade Stadium and the activities associated with those facilities.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Manage the redevelopment contract.	1.1 Complete the West Stand within budget estimates by	30 June 2002	30 June 2002
2. Manage the Stadium business within budget.	2.1 Business operating successfully and within budget	All within approved variations to budget	Budget adopted 30 June 2001
3. Fulfil all contractual obligations.	3.1 Substantiated complaints of breaches of any contract	Nil	Nil
4. Achieve targeted level of owner's equity to total assets.	4.1 Ratio of Shareholders' Funds to Total Assets, no less than	2% at 30 June 2002	15%



Jade Stadium is the home ground of the Crusaders who won a record fourth Super 12 title in May 2002. The Council organised the victory parade shown above.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Actual 2001 \$000's
<b>Income</b>		
Stadium Income	4,945	1,563
Interest	36	29
	<hr/> 4,981	<hr/> 1,592
<b>Expenses</b>	6,517	2,811
<b>Net Deficit for the Year Before Tax</b>	<hr/> 1,536	<hr/> 1,219
Taxation Expense	0	0
<b>Tax Paid Deficit for the Year</b>	<hr/> \$1,536	<hr/> \$1,219

# lyttelton port company limited

A company established under the Port Companies Act 1988 operating the Port of Lyttelton. Through Christchurch City Holdings Limited, the Christchurch City Council has 65% control. The Company provides services for receiving and despatching to and from the Port a wide range of products, facilities for the berthage, repair and servicing of marine vessels and owns land and facilities necessary to maintain its commercial assets.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Achieve projected financial performance.	1.1 Dividend policy is to pay 50% of tax paid profit	69%	50%
2. Achieve projected port throughput.	2.1 Containers at Lyttelton Container Terminal (in TEUs*), at least	131,000 TEUs	124,000 TEUs
	Other International Containers (TEUs), at least	13,000 TEUs	13,000 TEUs
	Fuel, at least	1,043,000 tonnes	1,004,000 tonnes
	Coal, at least	1,834,000 tonnes	1,666,000 tonnes
	Car (units), at least	47,000	33,000
	Other Cargoes, at least	989,000 tonnes	1,154,000 tonnes

\* TEUs - Twenty foot equivalent units



## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Actual 2001 \$000's
Revenue	61,986	58,255
Net Surplus Before Tax	24,238	20,609
Less Taxation	(7,934)	(6,952)
Net Surplus After Taxation	\$16,304	\$13,657

# orion new zealand limited

Orion New Zealand Limited is a national energy network management company in which the Christchurch City Council has an 87.6% shareholding through Christchurch City Holdings Limited.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Achieve projected overall financial performance.	1.1 Net after tax profit excluding abnormals, to average owners' equity (based on revalued ordinary owners' equity of \$444 million) for year ending 31 March 2002, at least	7.3%	7.0%
	1.2 Dividend payments for year ending 31 March 2002		
	- Total	\$24.2M	\$24.2M
	- CCHL Share	\$21.2M	\$21.2M
	1.3 Interest payments on subordinated optional convertible notes paid	\$10.2M over 4 quarterly due dates	On time in full
Linesmen at work on part of the company's network.	1.4 Repayment of the subordinated optional convertible notes of plus a fully imputed special dividend of	\$180M	\$180M
		\$20M	\$20M



## Consolidated Statement of Financial Performance for the Year Ended 30 June 2002

	Group Actual 2002 \$000's	Group Estimate 2002 \$000's	Group Actual 2001 \$000's
Operating Revenues	190,073	142,000	408,248
Operating Surplus Before Taxation	60,632	49,591	262,632
Less Taxation Expense & Subvention Payment	(29,169)	(20,934)	(11,772)
<b>Operating Surplus After Taxation</b>	<b>31,463</b>	<b>28,657</b>	<b>250,860</b>
Tax paid Net Surplus Attributable to Minority Shareholders of Subsidiary Companies	(2)	1,661	-
Less Associates Losses/Plus Associate Profits	-	-	(359)
Less Goodwill written off	-	(2,260)	-
<b>Net Surplus - Parent Company Shareholders</b>	<b>\$31,461</b>	<b>\$28,058</b>	<b>\$250,501</b>

The 2001 result included the \$209 million profit on the sale of its North Island gas distribution network.



# red bus limited

A local authority trading enterprise, 100% owned by Christchurch City Holdings Limited. It provides public passenger transport, freighting and ancillary services to domestic and commercial users, including the tourist market.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Operate a profitable, sustainable and innovative business in providing public transport and ancillary services.	1.1 Passengers carried for the year, at least	9,762,000	7,500,000
2. Achieve targeted return on investment.	2.1 Maintain an interest coverage ratio of at least	5.0 times	1.5 times
3. Achieve projected net after tax profit.	3.1 Net after tax profit of	\$1,293,000	\$310,000



Part of the Red Bus fleet at the Ferry Road Depot.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Revenue	19,590	17,708	16,601
Expenditure			
Operating	(17,667)	(17,244)	(14,672)
Subvention Payments	(405)	-	(563)
Net Surplus Before Taxation	1,518	464	1,366
Taxation Expense	225	153	288
Net Surplus After Taxation	\$1,293	\$311	\$1,078

# recovered materials foundation

The Recovered Materials Foundation (RMF) is contracted to the Council to promote and facilitate the further development of refuse and recycling of waste. It is an independent non-profit trust established to develop sustainable and viable markets for waste materials. The RMF Board is comprised of two city councillors, and representatives from the Canterbury Development Corporation, Canterbury Employers Chamber of Commerce, Canterbury Manufacturing Association and local recycling businesses.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. <i>Recycling Centres</i> To uplift, sort, pack and transport to SuperShed for sale, recyclable and reusable materials from domestic vehicles.	1.1 Tonnage of material taken to SuperShed	1,226 tonnes ]	New measures, no targets set
	1.2 Gross sales levels at SuperShed	\$1,162,575 ]	
	1.3 Tonnage of rejected material returned to refuse stations	130 tonnes ]	
2. <i>Recycling: (Recovered Materials Foundation)</i> To accept delivery of, process and market the materials from the Council Kerbside Recycling Scheme.	2.1 Total gross sales for the year	\$1,662,235	\$1,460,000

General Cable Limited, one of the winners of the Target Zero Special Award for Business Resource Efficiency for its wax waste reduction programme. This was one of the many projects implemented through participation in the Council's Target Zero programme.



## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's
<b>Income</b>		
Material Sales	2,964	1,460
Environment Canterbury Grant	2	13
Christchurch City Council Grant	1,147	1,147
Other Income	696	
<b>Total Revenue</b>	<b>4,809</b>	<b>2,620</b>
<b>Expenditure</b>		
Administration	1,007	112
Site Operations	)	1,340
RMF Service Functions	) 3,129	1,128
<b>Total Expenses</b>	<b>4,136</b>	<b>2,580</b>
<b>Net Surplus Before Taxation</b>	<b>673</b>	<b>40</b>
<b>Taxation</b>	<b>0</b>	<b>0</b>
<b>Net Surplus After Taxation</b>	<b>\$673</b>	<b>\$40</b>



# riccarton bush trust

Riccarton Bush Trust manages a 6.373 hectare native bush remnant gifted to the people of Canterbury in 1914. The Trust manages Riccarton House and its 5.41 hectare of grounds including Deans Cottage, the first house built on the Canterbury Plains. Incorporated under a 1914 Act of Parliament, the Riccarton Bush Trust has powers to levy the Christchurch City Council for funding to maintain and operate the Riccarton Bush, Riccarton House and its grounds. The Christchurch City Council appoints six of the nine members on the Trust Board.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. To protect, enhance and make accessible the lands described as 'Riccarton Bush' within the Act.	1.1 Conserve and enhance the property in complete accordance with the Act and the conservation, business and management plans	On-going	On-going
2. Remove exotic plants and invasive <i>Hoheria Sexstylosa</i> from the Bush & re-establish/replant native species.	2.1 Staged programme in place for plant removal and replacement with native species	On-going programme	No target set in Annual Plan
3. Provide further information panels, displays and brochures for visitor and educational use.	3.1 To be completed in stages by	30 June 2002	30 June 2002
4. Apply the special Riccarton Bush boundary protection zone through the City Plan variation.	4.1 Submission made to City Council by	31 July 2001	31 July 2001
5. Improve house grounds planting integrity and recreate features and period visitor attractions.	5.1 Design completed by Installation continues to	30 September 2001 28 March 2002	30 September 2001 30 June 2002
6. Establish management programme for house ground trees.	6.1 In operation by	11 March 2002	31 March 2002
7. Restore Riccarton House 1900 domestic wing and recreate period visitor attraction.	7.1 To be completed by	17 June 2002	30 September 2001
8. Conservation and repair work to 1856 Riccarton House structure.	8.1 To be completed by	28 June 2002	31 October 2001
9. Period furnishing of selected rooms already restored and decorated.	9.1 Continuous programme to	13 May 2002	30 June 2002
10. Adopt design for heritage interpretation wing and begin installation.	10.1 Staged until	22 April 2002	30 June 2002

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Costs	328	251	276
Depreciation	39	2	39
<b>Total Expenses</b>	<b>367</b>	<b>253</b>	<b>315</b>
Less Income	74	88	71
Deficit before Levy & Grants	293	165	244
Less Levy and Grants	208	208	235
<b>(Deficit)/Surplus on Operations</b>	<b>(\$85)</b>	<b>\$43</b>	<b>(\$9)</b>

# selwyn plantation board limited

A company engaged in forestry related activities, jointly owned by Selwyn District Council (61%) and the Christchurch City Council (39%). Land area is 13,689HA, of which 10,455HA is stocked.

## Statement of Objectives and Service Performance

Objectives for 2001/02	Performance Indicators	Actual	Target
1. Continue the scheduled planting programme.	1.1 Plant by 31 March 2002, at least	474ha	300ha
	1.2 Wood produced by 31 March 2002, at least	158,854 Tonnes	165,000 Tonnes
	1.3 To prune and thin, at least	171ha	300ha
2. Achieve projected financial performance.	2.1 Debt equity ratio, no more than	0%	40%
	2.2 Net profit before tax, at least	\$3,263,073	\$2,481,000
	2.3 Earnings before tax as a percentage of paid up capital, at least	12.5%	9.5%
3. Achieve projected dividend payments.	3.1 Annual dividend as a percentage of net profit after tax, at least	15%	60%



A Waratah whole tree harvester being used to fell trees in the Southbridge Plantation.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Estimate 2002 \$000's	Actual 2001 \$000's
Operating Income	9,785	8,822	8,296
Operating and Other Expenditure	6,522	6,341	5,774
Net Surplus for the Year Before Tax	3,263	2,481	2,522
Provision For Tax	617	819	415
Tax Paid Surplus For The Year	\$2,646	\$1,662	\$2,107

# transwaste canterbury limited

Transwaste Canterbury Limited was incorporated on 31 March 1999 with the principal purposes of selecting, consenting, developing, owning and operating a non-hazardous regional landfill in Canterbury. All activities to date have been in accordance with those purposes. As at balance date, the Company was engaged in the site selection process. The Company is a joint venture between local authorities in the region and two private companies. The Council's share of the ownership of the company is 37.85%.

## Statement of Objectives and Service Performance

### Objectives for 2001/02

1. To identify and purchase a suitable site, and carry out site evaluation and testing procedures in accordance with accepted standards.

2. To be a responsible Corporate Citizen by acting lawfully and fairly.

### Performance Indicators

1.1 Suitable site identified and purchased and resource consent applied for by

2.1 Compliance with contractual arrangements

2.2 Compliance with all relevant legislative and regulatory requirements

**Actual**  
Suitable site purchased. Consent application being progressed

100%

100%

### Target

30 June 2002

100%

100%



One of the Onyx trucks used to perform domestic refuse collection.

## Statement of Financial Performance for the Year Ended 30 June 2002

	Actual 2002 \$000's	Actual 2001 \$000's
Income		
Operating	0	0
Expenditure		
Other	240	301
Net (Deficit) For The Year Before Tax	(240)	(301)
Provision for Taxation	0	0
Tax Paid Surplus/(Deficit) For The Year	(\$240)	(\$301)

