

Christchurch City Council Annual Report 2000



CHRISTCHURCH
CITY COUNCIL · YOUR PEOPLE · YOUR CITY



CHRISTCHURCH CITY COUNCIL

ANNUAL REPORT

2000

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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 30 November 2000.

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THE MISSION STATEMENT OF THE CHRISTCHURCH CITY COUNCIL

Enhancing the well-being of the people of Christchurch and their city 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 ŌTAUTAHĪ

Ma te hangai tonu o nga ture a-rohe me te tuku i te ratonga hiranga e whakakaha ake i te toiora o nga tangata katoa me te taone nui o Ōtautahi.

Te tutukitanga pai o nga tikanga o te Kaunihera ka:

- tahuri mai ki ngā hiahia o te iwi kainga
- tautoko kaha i te tuakiri o te iwi kainga
- whakahaere ngātahi ai te manapori, te whakatutuki, te whakahaere i ngā kaupapa
- whakatau tika i ana mahi katoa
- kaiwawao i ngā kaupapa hei painga mo te iwi kainga
- 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 hapai kia pūmau ai
- whakahaere tika ai i ana ratonga katoa
- mahi ngātahi ai ki te whakatutuki i ngā whainga e whāia nei e te Kawanatanga me te Wahanga a rohe o te Kaunihera a rohe
- tu hei rangatira topu, hei kaituku mahi

CHRISTCHURCH CITY COUNCIL

Mayor

Garry Moore CA

Deputy Mayor

Councillor Lesley Keast QSM JP

Councillors

Carole Anderton

Paddy Austin MA(Hons) PhD

Erin Baker MBE

Robin Booth

Sally Buck MEd

David Buist

David Close QSO MA(NZ) MA(Essex)

Graham Condon QSM JP

Barry Corbett

Anna Crichton JP MA(Hons)

Carole Evans QSO JP

Ishwar Ganda

Pat Harrow Dip Hort

Ian Howell OBE FNZIM

Alister James LLB

Charles Manning MA (S'ton)

Denis O'Rourke LLB

Gail Sheriff

Barbara Stewart

Ingrid Stonhill

Sally Thompson QSM

Sue Wells BA

Ron Wright JP MPMI

Membership of Community Boards

Burwood-Pegasus

Chrissie Williams (Chair)

Glenda Burt

Caroline Kellaway

David Close (Cr)

Andy Lea

David Dobbie

Don Rowlands

Gail Sheriff (Cr)

Carole Evans (Cr)

Shirley-Papanui

Yvonne Palmer QSM JP (Chair)

Myra Barry QSO

Ingrid Stonhill (Cr)

Robin Booth* (Cr)

Sally Thompson (Cr)

Anne Carroll

Steve Wright

Dennis Hills JP BSc
FNZIC FIM FAPRI
CContEd MRSNZ

Graham Condon (Cr)

Fendalton-Waimairi

Keith Nuttall JP (Chair)

Sally Buck* (Cr)

Yiyi Ku MMus(Dist)

Diana Bradley

Barbara Stewart (Cr)

Val Carter

Mike Wall

Pat Harrow (Cr)

Ron Wright (Cr)

Spreydon-Heathcote

Oscar Alpers LLB Notary Public (Chair)

Carole Anderton* (Cr)

Sonia Gill BA ATCL AREINZ

Lynda Carter

Ian Howell (Cr)

Barry Corbett (Cr)

Elizabeth Maunsell

Phil Clearwater MA(Hons) Sue Wells (Cr)

Hagley-Ferrymead

Bob Todd OBE JP (Chair)

Erin Baker (Cr)

Liz McRostie JP

Anna Crichton (Cr)

Charles Manning (Cr)

Aaron O'Brien BA

Linda Rutland

John Freeman JP MA
DipTchg TTC

Derek McCullough

Riccarton-Wigram

Mike Mora (Chair)

Paddy Austin (Cr)

Mary Corbett JP TCC

David Buist (Cr)

Bob Shearing

Ishwar Ganda (Cr)

Alison Wilkie

Helen Broughton
MA DipEd (GC)

Neville Bennett BSc(Hons)
PhD

* Denotes member elected to both Council and Community Board

Senior Management

City Manager

Director of Business Projects and Relationships

Director of Finance

Director of Human Resources

Director of Information

Director of Operations

Director of Policy

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

Ian Hay CA ACIS AFNZIM

Bob Lineham BCom FCA AFNZIM

Dorothea Brown NZLA Cert FNZLA AFNZIM

Simon Markham, BA BTP

Ken Lawn BA DipTP MNZPI

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

DIRECTORS OF TRADING ENTERPRISES & REPRESENTATION ON OTHER ORGANISATIONS

Listed below are the trading enterprises in which the Council has an interest, together with the directors of the trading enterprises. Also listed are other organisations on which the Council is represented. The 1999/00 Statements of Service Performance for nearly all these organisations are detailed on pages 68 to 83.

Christchurch City Holdings Limited (100% owned)

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

Canterbury Technology Park (Joint Venture)

Mary Harvey (Chair)	Jim Lee
Ian Hay	

Travis Group (100% owned)

Bob Lineham	Peter Taylor
Mark Russell	

Christchurch International Airport Limited (75% owned)

Peter Leeming (Chair)	Denis O'Rourke (Cr)
Syd Bradley	Barry Thomas
David Lyall	Gail Sheriff (Cr)
Robin Mann	

Canterbury Development Corporation

Stewart Leck (Chair)	Doug Marsh
Carole Anderton (Cr)	Garry Moore (Mayor)
Paddy Austin (Cr)	Barbara Stewart (Cr)
Ian Howell (Cr)	David Walker
Garth Carnaby	Ian Hall

Orion Group Limited (87.625% owned)

Linda Constable (Chair)	Peter Rae
Philip Carter	Don Sollitt
John Gray	Sir Allan Wright
Chris Laurie	

Canterbury Museum Trust Board

Paddy Austin (Cr) (Chair)	Ian Leggat
Tony Arps	Gaye Stanley
Peter Fitzgerald	Barbara Stewart (Cr)
Leo Hayward	Murray Thacker
Jim Hopkins	Sally Thompson (Cr)
Lesley Keast (Cr)	

Lyttelton Port Company Limited (65.38% owned)

Brent Layton (Chair)	Donald Stewart
Peter Coakley	Bob Todd
Ian Howell (Cr)	David Viles
Sue McCormack	

Red Bus Limited (100% owned)

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

Riccarton Bush Trust Board

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

Selwyn Plantation Board Limited (39.32% owned)

Doug Marsh (Chair)	Peter Coakley
David Buist (Cr)	Allan Berge
Don Cameron	Graham Heenan

Recovered Materials Foundation Board

Denis O'Rourke (Cr) (Chair)	Chris Pickrill
Sally Buck (Cr)	Mark Prain
Ian Howell (Cr)	Mike Stockwell
Graeme King	Tom Thomson
Dixon McIvor	Peter Townsend

City Care Limited (100% owned)

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

Transwaste Canterbury Limited (37.85% owned)

Denis O'Rourke (Cr) Chair	Alton Jamieson
Noeline Allan	Ray Harris
Gil Cox	Jim Fulton
Gerald Clemens	Peter Drummond

Jade Stadium Limited (100% owned)

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

Christchurch City Facilities Limited (100% owned)

Peter Taylor (Chair)	Barry Corbett (Cr)
Graham Condon (Cr)	Dennis Sheard

HIGHLIGHTS OF THE YEAR

ANNUAL REPORT HIGHLIGHTS

REPORT FOR THE YEAR ENDED 30 JUNE 2000

This Annual Report provides an opportunity for the Council to report on what has been achieved during the year ended 30 June 2000. It enables the Community to judge the Council's performance in achieving the objectives set out in its 1999 Plan.

Christchurch – A Great Place to Live

The Council believes Christchurch continues to improve as a great place to live and work and is aware that citizens are also proud of the city and most contribute personally, as well as collectively through the Council, to this progress. Once again in 2000 the 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 the sophistication of our expectations is steadily rising.

Central City Revitalisation

Supporting the Mayoral initiatives for the revitalisation of the Central City has been an important task during the year. A project manager has been appointed and a core team of staff has been set up to assist the Mayoral Forum in its aims for rejuvenation of the Central City. Work is continuing on development of a 25-year strategy, to be implemented by a number of concept plans and projects. The strategy will focus on business activity, residential development, cultural foci, heritage initiatives, streetscape, river precinct and amenity improvements, transport linkages and other measures to ensure life and activity characterise Central Christchurch.

Leisure

The holding of a major event in North Hagley Park on New Year's Eve was a difficult but rewarding undertaking, providing Christchurch with a spectacular event over six hours. An America's Cup Parade the day before Classical Sparks and a Super 12 Parade for the province were organised at short notice.

The City, with QEII Park as the main venue, hosted two major events with the FIFA Under 17 World Cup, plus the World Wheelchair Games.



Athletes competing at the World Wheelchair Games at QEII Park

The World Netball Championships were held at the WestpacTrust Centre and earned the distinction of being the world's largest women's sporting event with 28 teams taking part.

The Council has been successful in bidding for a number of major sporting events for the future, including the Corporate Games 2000, FINA Masters Swimming 2002, World Billiards 2001, Men's and Women's World Bowls 2008. The economic benefits to Christchurch and New Zealand will be considerable.

The Council's recreation initiatives were recognised nationally by the awarding of the New Zealand Recreation Association Outstanding Award for its publication "Walk Christchurch: 60 Short Walks That Explore Your City" and the Hillary Commission's national Push Play Award for its "Active Christchurch" programme.

A full year's operation of the Pioneer and Centennial Leisure Centres has seen attendance numbers and income exceeding projections.

Heritage Buildings

An appeal to the Council's decision on the application to demolish the Warner's, Lyttelton Times and Star buildings was brought before the Environment Court in August 1998. An interim decision by the Environment Court was released on 1 April 1999. The environment Court's final decision was issued in February 2000.

The Council has agreed to contribute \$150,000 per annum for five years to assist in the retention and redevelopment of Warner's Hotel.

Public Transport, Cycling and Road Safety

This year has seen the commencement of the new bus exchange on Lichfield Street. This building will replace Cathedral Square as the connection point for all bus services coming into the central city. It will provide modern airport style facilities for bus users and should assist with the continued growth in bus passenger numbers.

In conjunction with the Land Transport Safety Authority and Transit New Zealand, the Council has introduced special part-time speed zones at five schools. The distinctive yellow signs and flashing speed signs have been successful in reducing speeds outside these schools.

The year also saw the further development of cycle facilities, including the Railway cycleway and Shirley area cycleways, and the expansion of the Cycle Safe training programme in schools. Some 80% of Christchurch's year 6 children now have access to this programme.

Road accident levels in the City continue to decline and Christchurch's accident rate no longer stands out from other cities in New Zealand. Safety campaigns during the year included urban speed, red light running and developing safe routes to schools.

HIGHLIGHTS OF THE YEAR

City Streets

Steady progress has been made on progressing the long term future of arterial routes including Opawa Road, Fendalton Road and the northern access to the City.

The first stage of the Woolston-Burwood Expressway between Travis Road and New Brighton Road was completed during the year.

The new link in the ring road includes an off-road cycleway and improvements to the adjacent waterways. Other projects completed include the four laning of Lincoln Road between Wrights Road and Whiteleigh Avenue intersections, other safety work on Blenheim Road, and the reconstruction of Matipo Street.

A review of traffic calming measures started during the year with an emphasis on creating streets for living rather than just for traffic movement. Cholmondeley Avenue in Opawa and Tui Street in Fendalton were two kerb and channel renewal projects where major changes were made to the street to improve traffic safety and at the same time improve the living environment for residents.

Cathedral Square

Stage IV of the Cathedral Square redevelopment was completed on programme and within the approved budget. The official opening of the redeveloped Square was held on 21 December 1999. Terms of Reference and a Project Brief for Stage V (north-west corner) will be prepared in September/October 2000. As well as Stage V, a project team will also consider the implementation of additional work to the existing Stages I-IV. The introduction of soft landscaping elements, such as relocatable planter tubs designed to introduce softness and colour as soon as possible, will be part of this, together with the appointment of a manager responsible for the promotion, use and management of the Square as an outdoor event/market area including participation by the owners and/or occupiers of adjoining properties.

Special Housing Partnership with Colombo Street Baptist Church

During the year the Council signed a management agreement with the Colombo Street Baptist Church for the church to manage a new Council-built eleven unit rental housing complex in Beckenham. This action cemented a unique 75% Council/25% Church financial partnership to develop housing for those in the community who would benefit from a supported accommodation arrangement.

Tenant Support Policy

The Council adopted a significant social housing policy this year when it unanimously endorsed the new "Tenant Support Policy". This policy confirms the Council's commitment to social housing. The ultimate aim of this is to enable tenants to live independently, maintain their tenancy, and achieve a good quality of life.

New Brighton Pier Terminus Building

Opened in July 1999, the two-storey Pier Terminus building sits prominently on its New Brighton waterfront site. A solid structure of steel, concrete, glass and "sails", it is positioned lengthways on the foreshore and gives the impression of a boat moored at the pier. The building contains a café/restaurant at its northern end and a state-of-the-art library incorporating a number of unique features, eg "Pipeline" – a 28m x 24m "gantry" providing youth with interactive entertainment including simulation games and videos, and Media Centre – giving individuals and groups a chance to use computers and experience new technology. "The PAD" (Play and Display) – an area designed to host activities and exhibits for children and the community – is also in the building.

The Pier Terminus building recently received several architectural awards and it has also created international interest. The Library itself received over half a million visitors in its first year.



Lancewood Courts, the new rental housing complex financed through a partnership between the Colombo Street Baptist Church and the Council.

HIGHLIGHTS OF THE YEAR



A view from Jeffreys Road of the new Fendalton Service Centre and Library

Libraries

Libraries continued to provide a wide range of services to meet the information, recreation and education needs of Christchurch people.

The overall circulation rose by 1.5% (from 5.4 million to 5.5 million) on the previous year, so that book issues per head in Christchurch remain one of the highest of any city in the world with which we make comparisons. A new "front end" for accessing the library's databases, the Web Catalogue was in place in all libraries by April 2000. This is making it significantly easier for customers to browse the library's stock and databases to locate the most appropriate book or information for their needs.

The 10th anniversary of the Books for Babies scheme was celebrated in April 2000. Information about the project and the 10th anniversary was published on the Internet. This has been a very successful initiative and has received international recognition and commendation. The URL for the site is <<http://www.ccc.govt.nz/Library/Childrens/BooksForBabies/>>.

Open Internet access for customers on a fee basis using cash cards, was introduced into all libraries. It has proved a very popular service and in most community library locations, is the only publicly accessible entry to the Internet and email.

Business Advantage, a fee-based research service for business customers, was launched on 5 April 2000, building on the successful implementation of the Council's Information Service "Insite". Information for business requirements can be difficult to source and the skills of a library information professional coupled with the wide range of databases available through the library are meeting a significant need for local firms. The feedback received about the service offered and work are very positive.

This year marked the final year of "Canterbury Public" Library. From July 2000 the name changed to "Christchurch City" Libraries

to more clearly reflect its relationship to the Christchurch City Council.

Art Gallery

Progress with the design and construction of the new Art Gallery has proceeded to the point where tenders for the new Art Gallery building were called in August 2000, with construction planned to start at the beginning of December 2000. The expected completion date for the construction project is October 2002, followed by its fit-out and opening of the new Gallery in March 2003.

The total budget for the new Art Gallery project is \$38.1 million. The fundraising target is \$13.5 million, of which \$12.3 million has been raised. A feature of the fundraising for this year was the \$5.8 million received from the government.

In acknowledgement of the Sesquicentenary the Art Gallery has installed a series of critically acclaimed Canterbury Vignettes, highlighting key Canterbury artists from European settlement to the present day.

The artwork conservation programme has continued with 169 artworks being conserved.

Fendalton Library - Service Centre

The new co-located Fendalton library and service centre was completed on programme and within the approved budget. The official opening was on 3 July 2000 and the facilities are being very well patronised.

QEII Development

Work commenced on the QEII pools site in early January 2000 on the \$20 million redevelopment. Construction of the new 51 metre training pool is progressing well for completion ahead of programme at the end of January 2001. The new entry, lift/stairs, and changing rooms will be completed in June 2001. The remaining areas (leisure pool area including a wave machine, swirl pools, steam room, sauna, teaching pool and mezzanine floor) will be completed in March 2002.

English Park Redevelopment

Consultants have been appointed for the redevelopment of English Park, including a new park and grandstand complete with community-requested facilities. Council adopted the concept design in August 2000. Tenders will be called in December 2000/January 2001 and construction will commence in February 2001. The expected completion date is October/November 2001.



Work is continuing on the redevelopment of the QEII pools

HIGHLIGHTS OF THE YEAR

Jade Stadium

The Council's Major Projects Co-ordinator has continued in the role of Project Director for the Jade Stadium redevelopment, reporting to the Board of the Council-owned Jade Stadium Ltd. The South Stand was completed on programme (to an extremely tight timeframe) for the July 22 All Black vs Springbok test. Tenders for the west embankment removal, light tower alterations, relocation of the 11 KVA power supply, relocation of the media facilities and subsoil improvement under the new West Stand have been let. Tender documentation for the new West Stand is being prepared and tenders will be called in October 2000.

Economic Development and Employment

The Canterbury Development Corporation (CDC) is contracted by the Council to develop and deliver a range of services in the areas of economic development and employment creation.

CDC worked with more than 3,000 businesses resulting in more than 2,000 small and medium-sized firms receiving targeted advice and assistance in the form of referrals to other agencies, business education, training and mentoring. Over 2,500 clients availed themselves of the CDC's BIZ training programme with overwhelming endorsement of the programme being received. This programme provided targeted training to groups of ten high tech, high growth potential companies and to groups of companies wanting to understand opportunities from ECommerce. Supporting this and other programmes, CDC's network 150 business mentors provided one on one support for companies.

CDC continued to work with unemployed youth during the year, with over 2,000 receiving individual attention aimed at enhancing their employment prospects. The majority of young people were placed into full or part time employment or further education and training. This programme will expand this year in partnership with the Department of Work and Income New Zealand.

Turning to the younger age group, CDC helped 12 secondary schools in the region actively work with industry partners to understand the needs of the modern workplace.

In addition to its work with youth, CDC has also undertaken a major research project aimed at developing a greater understanding of the issues of the "Third Age" - the lengthening part of our lives between thoughts of retirement and loss of independence.

The November 1999 change of Government provided greater opportunities for CDC to work with various Government departments and agencies, resulting in the successful negotiation of a range of Government contracts that allowed CDC to significantly increase its services.

Clean Air and Energy Efficiency Project

The "Helping Hand for Heating" scheme has helped 5,200 Christchurch households close up open fires, a major source of air pollution in the city. Hundreds of participants have also insulated their homes. To further promote home energy efficiency and clean air heating, in February 2000 the Council opened its Energy Efficiency Show Home where city residents can obtain independent and free advice from the Council's Energy Adviser. The Show Home is situated at 10 Leander Street, Papanui and is open from 11.00am to 6.00pm every day except Wednesday.

City Plan

Following public notification of the City Plan in June 1995, hearings were completed in September 1998 and decisions on the City Plan were released in May and June 1999. Copies of the Plan and planning maps as amended by decision were also made available. Work is now concentrated on addressing the 350 references made to the Environmental Court.

Wastewater Treatment and Disposal

The Council is required to renew its consent for the discharge of treated waste water into the Estuary by 1 October 2001. Before the application for renewal is made, a decision is required on the future treatment and disposal of the City's wastewater. The public will be consulted about the two options available (discharge via the Estuary or direct to the ocean in a pipeline). With the treatment methods proposed, neither will have a significant impact on the environment.

Work continues on the current major upgrade of the Christchurch Treatment Works that started in 1996. This project, budgeted to cost \$33.7 million, is 50% complete and is on target to meet its planned completion date in the 2005/06 year.

Solid Waste

The Council, in partnership with five others in Canterbury and two commercial waste companies, has been seeking a site for a new Canterbury Regional Landfill. The site identified in October 1999 was deemed to be unsuitable following detailed seismic surveys, due to its location in relation to Canterbury's aquifers - the source of the region's drinking and irrigation water. Canterbury Waste Services (our commercial partner) has now identified and purchased a site at Kate Valley (70 kilometres north-east of Christchurch). This area will be considered as a site for a possible landfill when the Burwood landfill closes within the next few years. Due to longer haul distances and higher environmental standards required by a modern landfill, disposal charges will rise significantly for the new landfill.

During the year we introduced trailer weighing and sorting, and domestic hazardous waste reception at three refuse stations. New refuse bags were introduced with handles that were able to be tied together.

As part of our target of zero waste by the year 2020, the Community Gardens project was initiated. Local groups wanting to grow vegetables for their own use originally set up Community Gardens. The Council's Waste Unit is now working with them to help reduce the amount of organic waste that is sent to the landfill by using it for composting at the gardens. A small pilot trial at four existing gardens has proven that they can have real benefits to the community both environmentally and socially.

Financial Performance

Parent (Council)

The year under review has produced an increased operating surplus that is above budget by \$12.1 million. This is largely the result of increased dividends received from subsidiaries, offset by some reduction in interest earnings. Christchurch City Holdings also paid additional dividends from its interest earnings on accumulated capital held pending an IRD binding ruling on the repayment of projected capital to Council. \$22.5 million of the dividends received forms part of the budgeted

HIGHLIGHTS OF THE YEAR



Visitors utilising some of the facilities provided at the new New Brighton Library

capital repatriation from subsidiary companies and has been transferred to the Council's Loan Repayment Reserve to reduce the Council's debt levels.

There were fluctuations in the final net results of the various activities and as a result the overall performance of significant activity revenue and significant activity operating expenditure against their respective budgets showed a variance. However, it is pleasing to note that the overall net result was within 0.6% of the net budget, which is a very satisfactory result considering the size of the overall budget.

The Statement of Financial Position for the parent Council continues to show a strong balance sheet with a growth in equity in excess of \$2 million since last year. Actual equity is significantly in excess of the budget, which reflects an early estimate of the position as published in the Annual Plan before the increased values of assets through revaluations in the previous year had been taken into account.

Group

The Group accounts reflect a significantly reduced turnover, reflecting primarily the change in the nature of the Orion core business from an electricity retailer to a lines business.

Nevertheless, the Group accounts continue to illustrate the size and strength of the group as whole:

· Turnover	\$618 million
· Net Surplus (Before Tax)	\$113 million
· Total Assets	\$3,719 million
· Total Debt	\$551 million*
· Total Equity	\$2,919 million

(*Note: \$271 million was repaid after balance date by Orion from the sale proceeds of the North Island gas network.)

It is pleasing to once again record that, following a review by Standard and Poors in July 2000, the Council's and CCHL's credit rating has again been confirmed as 'AA' with short term paper rated as 'A-1+'.

Garry Moore, Mayor

David Close, Chairman Strategy & Resources Committee

Mike Richardson, City Manager

November 2000

REPORT ON LONG TERM FINANCIAL STRATEGY AND POLICIES

Year Ended 30 June 2000

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 those 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 Annual Plan for the financial year, and the actual achievement of those objectives and policies. This report reflects the second year since these policies were adopted.

1. Long Term Financial Strategy Overall Performance

In the Annual Plan for the year under review, notification was given of a revised formula for calculating operating surpluses. This now ensures that sufficient cash is generated from operations (funded depreciation and surpluses) to fund 55% of the average capital expenditure over a 20 year period plus the annual provision for debt repayment. This has reduced the long-term forecast debt levels of the Council. 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 the Council has substantially achieved the objectives and performance indicators that were adopted in the 1999/00 Annual Plan.

Specific Objectives and Targets

Objective	2000 Targets	2000 Actual Performance	1999 Actual Performance
Maintain four key ratios in the long term:			
Term Debt as a percentage of Total Assets below 12%	2.7%	0.9% ⁺	6.0%
Term Debt as a percentage of Realisable Assets below 33%	5.0%	1.7% ⁺	11.8%
Net Interest as a percentage of Operating Revenue below 8%	2.9%	2.7%	3.8%
Net Debt in relation to Funds Flow below 5 times	1.2 times	(0.1)# times	1.0 times
Operating Surplus	\$46.1 million	\$45.4 million	\$37.5 million*
⁺ The ratio is calculated by deducting \$123 million, being the balance in the Loan Repayment Reserve, and \$6 million of Sinking Funds held from the total debt of both the Council and Christchurch City Holdings Ltd, as these funds are held for repayment of this debt.			
[#] The amount of the Council's short term investments, available for debt repayment, exceeds the term debt owed.			
[*] This surplus includes special dividends of \$30 million received in lieu of planned capital repayments.			

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 the funding policy being calculated inclusive of internal charges that have been eliminated in the financial statements.

Specific Objectives and Targets

Objectives	2000 Targets	Actual Performance	Actual 1999
Proportion of revenue by source			
User Charges	36.3%	22.2%	24.4%
Grants and Subsidies	4.0%	3.8%	4.5%
Corporate Revenue	14.5%	28.5%	22.5%
Capital Value Rating	40.8%	41.1%	43.8%
Uniform Annual Charge	4.4%	4.4%	4.8%
Rates by Sector			
Residential	71.8%	71.8%	70.0%
Commercial/Industrial	25.9%	25.9%	27.7%
Rural	1.5%	1.5%	1.5%
Institutions	0.8%	0.8%	0.8%

REPORT ON LONG TERM FINANCIAL STRATEGY AND POLICIES

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 LATE's and subsidiaries during the year and reported seven times to the Council through its Strategy and Resources Committee.

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

Specific Changes in Investments

Changes to the list of equity investments in subsidiary companies have however taken place as follows:

- The Council has contributed equity totalling \$8.8 million to City Care Limited which is a wholly owned subsidiary that was expanded during the year by the transfer from the Council of the Works Operations Unit and the Mechanical Services Section of the Plant & Building Services Unit.
- The Council has contributed equity totalling \$1.7 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 \$1.0 million to Jade Stadium which is a wholly owned subsidiary that is operating, managing and redeveloping Jade Stadium and will, once legal issues have been addressed, own all of the stadium and its assets.
- The Council has contributed equity totalling \$0.7 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.

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 Annual Plan.

Specific Objectives and Targets

Objective	2000 Targets	2000 Actual Performance	1999 Actual Performance
Maintain adequate liquidity	No more than 35% of debt maturing in any one year	12.8% matures in 2000/01. Funds are earmarked to provide for repayment	16.1%
	Liquidity ratio at not less than 1:1 (100%) excluding special purpose investments and the current portion of term debt	60.7% due to \$140 million of investments held for debt repayment being excluded from the calculation	51.5%
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 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 2000 fairly reflect the financial position and operations.

Garry Moore, Mayor

30th November 2000

Mike Richardson, Chief Executive

30th November 2000



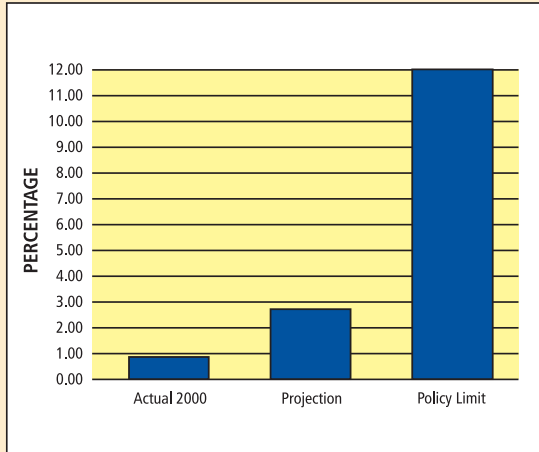
Visitors admiring a display in the Cathedral during the Floral Festival

FINANCIAL HIGHLIGHTS

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

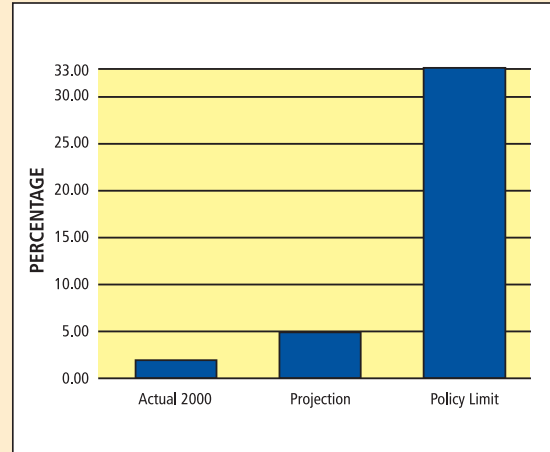
TERM DEBT TO TOTAL ASSETS (Ratio)

0.89% (Actual 2000) 2.71% (Projection) 12.00% (Policy Limit)



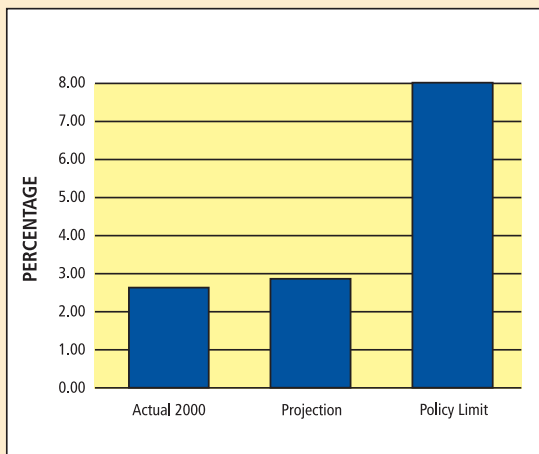
TERM DEBT TO REALISABLE ASSETS (Ratio)

1.73% (Actual 2000) 4.96% (Projection) 33.00% (Policy Limit)



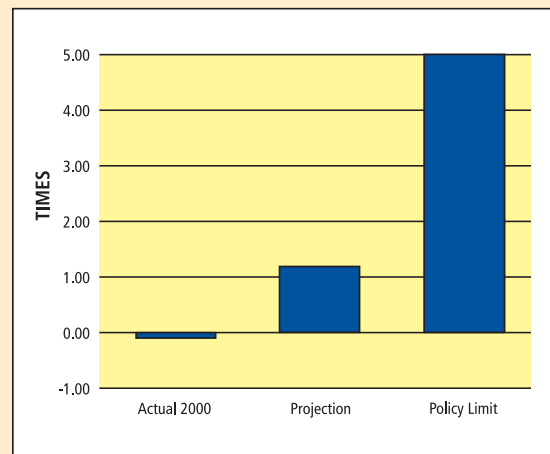
NET INTEREST TO OPERATING REVENUE (Ratio)

2.67% (Actual 2000) 2.87% (Projection) 8.00% (Policy Limit)



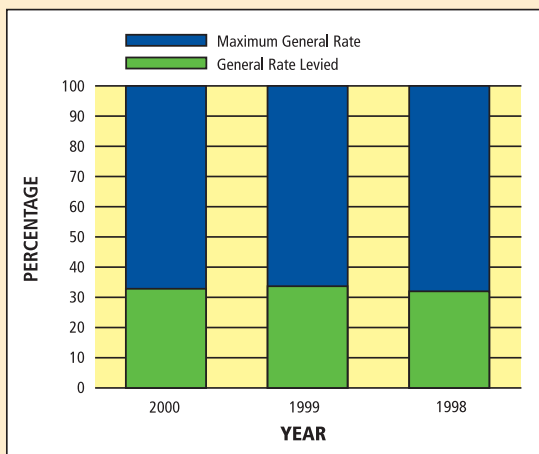
NET DEBT TO FUNDS FLOW (Times)

-0.14 (Actual 2000) 1.17 (Projection) 5.00 (Policy Limit)



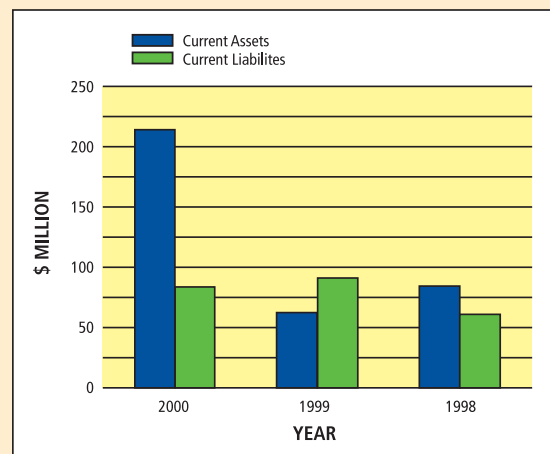
GENERAL RATE AS PERCENTAGE OF MAXIMUM LEGAL LIMIT

32.29% (2000) 32.77% (1999) 31.31% (1998)



WORKING CAPITAL RATIO (Times)

Number of times Current Assets exceed Current Liabilities by
2.56 (Actual 2000) 0.69 (1999) 1.38 (1998)





Audit New Zealand

REPORT OF THE AUDIT OFFICE

TO THE READERS OF THE FINANCIAL STATEMENTS OF CHRISTCHURCH CITY COUNCIL AND GROUP FOR THE YEAR ENDED 30 JUNE 2000

We have audited the financial statements on pages 16 to 83. 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 2000. This information is stated in accordance with the accounting policies set out on pages 21 to 23.

Responsibilities of the Council

The Local Government Act 1974 requires the Council to prepare financial statements which fairly reflect the financial position of Christchurch City Council and group as at 30 June 2000 and the results of its operations and cash flows and service performance achievements for the year ended 30 June 2000.

Auditor's Responsibilities

Section 25(1)(c) of the Public Finance Act 1977 requires the Audit Office to audit the financial statements presented by the Council. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and to report its opinion to you.

The Controller and 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 generally accepted auditing standards, including 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.

During the period we performed two assignments for Christchurch City Council. These involved a review of the Major Projects Co-ordination Unit and providing assistance in the compilation of Council's financial statements. We also carried out two assurance related assignments and a review assignment for subsidiaries within the group. These involved issuing audit certificates pursuant to the Electricity (Information Disclosure) Regulations 1999 and the Gas (Information Disclosure) Regulations 1997 and a review of interim financial statements. Other than these assignments and in our capacity as auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in Christchurch City Council or any of 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 16 to 83:

- comply with generally accepted accounting practice; and
- fairly reflect:
 - the financial position as at 30 June 2000;
 - 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 30 November 2000 and our unqualified opinion is expressed as at that date.

D Menon

Audit New Zealand

On behalf of the Controller and Auditor-General

Christchurch, New Zealand



The following pages report the financial statements of the Christchurch City Council and its Subsidiaries for the year ended 30 June 2000.

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 investments in subsidiaries.
 The financial statements consolidated are for the year ended 30 June 2000. Subsidiaries of this Company are:
 - Orion Group Limited:
 This Company owns Orion New Zealand Limited and subsidiaries and is a national energy network management company. Christchurch City Holdings Limited has an 87.625% interest in Orion Group Limited.
 The financial statements consolidated are for the year ended 31 March 2000.
 - 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 2000.
 - 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 2000.
 - Lyttelton Port Company Limited
 This Company is 65.63% owned by Christchurch City Holdings Limited. The financial statements consolidated are for the year ended 30 June 2000.
- City Care (formerly Canroad Construction) Limited
 This Company is a wholly owned local authority trading enterprise that provides construction and maintenance services for Council and other organisations and that manufactures and supplies roading paving material. The financial statements consolidated are for the year ended 30 June 2000.
- 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 2000.
- 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 own all of Jade Stadium once the necessary legislation has been passed to transfer ownership from the Victory Park Board.
 The financial statements consolidated are for the year ended 30 June 2000.
- Streetworks Management (Christchurch) Limited
 This Company is a non trading local authority trading enterprise wholly owned by the Christchurch City Council.
 The financial statements consolidated are for the year ended 30 June 2000.
- Selwyn Plantation Board Limited
 This associate company is 39.32% owned by the Christchurch City Council.
 The financial statements for the year ended 31 March 2000 are equity accounted.
- 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 2000 are equity accounted.
- Travis Finance Limited
 This Company is a holding company wholly owned by the Christchurch City Council, and has subsidiaries involved in ownership and maintenance of Travis Heritage Park, a natural reserve protecting native species. The financial statements consolidated are for the year ended 30 June 2000.

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2000

	Note	Parent Actual 2000 \$000's	Parent Estimate 2000 \$000's	Parent Actual 1999 \$000's	Group Actual 2000 \$000's	Group Actual 1999 \$000's
Income						
Significant Activities	1	74,614	76,816	71,670	70,377	69,903
Rates		126,030	125,075	122,195	125,110	121,163
Other Income	1	75,966	63,705	61,891	422,155	713,221
Total Operating Income		\$276,610	\$265,596	\$255,756	\$617,642	\$904,287
Expenditure						
Significant Activities	2	224,180	225,512	211,541	217,305	206,677
Other	2	6,989	6,760	6,684	316,458	493,098
Total Operating Expenditure		\$231,169	\$232,272	\$218,225	\$533,763	\$699,775
Operating Surplus		45,441	33,324	37,531	83,879	204,512
Vested Assets	29	22,477	15,014	13,257	22,477	13,257
Grants/Contributions to Major Projects	30	6,301	3,580	925	6,301	925
Surplus before taxation		\$74,219	\$51,918	\$51,713	\$112,657	\$218,694
Less Tax Expense	16	0	0	0	(40,030)	(42,872)
Surplus after taxation		\$74,219	\$51,918	\$51,713	\$72,627	\$175,822
Minority interests in surpluses of Subsidiaries		0	0	0	(12,179)	(36,251)
Equity accounted earnings of Associates		354	0	18	649	(1,571)
Net Surplus for Year	4	\$74,573	\$51,918	\$51,731	\$61,097	\$138,000

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

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2000

	Note	Parent Actual 2000 \$000's	Parent Estimate 2000 \$000's	Parent Actual 1999 \$000's	Group Actual 2000 \$000's	Group Actual 1999 \$000's
Equity at 1 July		3,204,610	2,595,964	2,564,793	2,942,820	2,761,281
Infrastructural Assets Adjustment	31	(1,836)	0	(20,534)	(1,836)	(20,534)
Amended Equity at start of Year		3,202,774	2,595,964	2,544,259	2,940,984	2,740,747
Net Surplus Attributable to:						
Parent Entity Shareholders		74,573	51,918	51,731	61,097	138,000
Minority Interests		0	0	0	12,179	36,251
Movement Relating to Preacquisition Revaluation Reserves	4	0	0	0	(51,631)	0
Increases/(Decreases) in Revaluation Reserves	4	152,574	0	608,620	(7,066)	162,197
Total Recognised Revenues and Expenses for the Year		227,147	51,918	660,351	14,579	336,448
Distribution Paid and Provided to Minority Interests		0	0	0	(20,025)	(14,981)
Other movements in Minority Interests		0	0	0	(16,797)	(119,394)
Equity at 30 June		\$3,429,921	\$2,647,882	\$3,204,610	\$2,918,741	\$2,942,820

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2000						
	Note	Parent Actual 2000 \$000's	Parent Estimate 2000 \$000's	Parent Actual 1999 \$000's	Group Actual 2000 \$000's	Group Actual 1999 \$000's
Equity	4	3,429,921	2,647,882	3,204,610	2,918,741	2,942,820
Non -Current Liabilities	5	62,642	84,005	82,184	279,219	520,844
Current Liabilities	6	83,454	57,519	90,925	514,273	255,904
Deferred Taxation	16	0	0	0	6,530	1,796
Total Equity and Liabilities		\$3,576,017	\$2,789,406	\$3,377,719	\$3,718,763	\$3,721,364
Represented by:						
Current Assets	8	\$213,513	\$169,522	\$62,412	\$617,363	\$267,423
Non-Current Assets						
Investments	9	1,123,266	445,885	1,121,501	79,561	84,235
Operational Assets	10	473,798	505,900	464,535	1,255,845	1,573,062
Infrastructural Assets	11	1,491,016	1,387,052	1,472,529	1,491,016	1,472,529
Restricted Assets	12	274,424	281,047	256,742	274,424	256,742
Deferred Tax		0	0	0	554	0
Goodwill		0	0	0	0	67,373
Total Non-Current Assets		\$3,362,504	\$2,619,884	\$3,315,307	\$3,101,400	\$3,453,941
Total Assets		\$3,576,017	\$2,789,406	\$3,377,719	\$3,718,763	\$3,721,364

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2000

	Note	Parent Actual 2000 \$000's	Parent Estimate 2000 \$000's	Parent Actual 1999 \$000's	Group Actual 2000 \$000's	Group Actual 1999 \$000's
OPERATING ACTIVITIES						
Cash was provided from:						
Rates, Grants, Subsidies, and Other Sources		207,944	235,428	200,375	606,907	711,589
Interest Received		3,734	6,998	4,245	9,567	8,996
Dividends		47,860	25,398	53,203	259	320
		<u>\$259,538</u>	<u>\$267,824</u>	<u>\$257,823</u>	<u>\$616,733</u>	<u>\$720,905</u>
Cash was disbursed to:						
Payments to Suppliers and Employees		170,036	201,175	155,857	370,353	521,380
Net GST		(1,077)	0	87	(842)	8,728
Income Tax Paid		108	0	111	50,324	35,462
Interest Paid		7,279	8,219	8,744	42,503	37,897
		<u>\$176,346</u>	<u>\$209,394</u>	<u>\$164,799</u>	<u>\$462,338</u>	<u>\$603,467</u>
NET CASH FLOW FROM OPERATIONS	15	\$83,192	\$58,430	\$93,024	\$154,395	\$117,438
INVESTING ACTIVITIES						
Cash was provided from:						
Sale of Assets		17,975	4,202	35,710	111,668	44,894
Loans Repaid		24	0	5,022	0	1,096
Investments Realised		0	400	0	22,283	0
Capital Repatriation		162,000	184,500	0	0	0
Goodwill on Sale of Energy Retailing		0	0	0	0	154,582
		<u>\$179,999</u>	<u>\$189,102</u>	<u>\$40,732</u>	<u>\$133,951</u>	<u>\$200,572</u>
Cash was applied to:						
Purchase of Assets		90,902	93,363	88,103	95,747	169,123
Purchase of Investments		13,357	3,529	50,828	52,773	15,806
Exploration Expenditure		0	0	0	13,590	0
Purchase of Minority Interests		0	0	0	0	152,459
		<u>104,259</u>	<u>96,892</u>	<u>138,931</u>	<u>162,110</u>	<u>337,388</u>
NET CASH FLOW FROM INVESTING ACTIVITIES		\$75,740	\$92,210	(\$98,199)	(\$28,159)	(\$136,816)
FINANCING ACTIVITIES						
Cash was provided from:						
Raising of Loans		30,433	16,839	2,020	14,003	117,022
Net Movements in Sinking Funds		0	3,032	0	0	0
		<u>\$30,433</u>	<u>\$19,871</u>	<u>\$2,020</u>	<u>\$14,003</u>	<u>\$117,022</u>
Cash was applied to:						
Repayment of Term Liabilities		52,820	37,355	20,952	88,159	40,616
Payment of Dividends		0	0	0	15,064	21,090
Financing Payments		0	0	0	9,136	0
Bank Account Sold		0	0	0	822	1,146
		<u>\$52,820</u>	<u>\$37,355</u>	<u>\$20,952</u>	<u>\$113,181</u>	<u>\$62,852</u>
NET CASH FROM FINANCING ACTIVITIES		(\$22,387)	(\$17,484)	(\$18,932)	(\$99,178)	\$54,170
Increase (Decrease) in Cash		136,545	133,156	(24,107)	27,058	34,792
Inter-entity Transactions Between Balance Dates		0	0	0	78,033	0
Add Opening Cash		31,993	10,921	56,100	89,125	54,333
ENDING CASH BALANCE		\$168,538	\$144,077	\$31,993	\$194,216	\$89,125
Represented by:						
Cash and Short Term Investments		168,538	144,077	33,396	194,727	97,250
Bank Overdraft		0	0	(1,403)	(511)	(8,125)
		<u>\$168,538</u>	<u>\$144,077</u>	<u>\$31,993</u>	<u>\$194,216</u>	<u>\$89,125</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.

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 inter company 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 Consolidated Statement of Financial Performance, and shows the amount of equity held in Investments in the Consolidated 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 1999 to net current value on an existing use basis.

(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 will be valued in future, as follows:

All Plant and Chattels and Library Books	At initial valuation and cost for subsequent purchases.
Land & Buildings	To be cyclically revalued every three years by external valuers.

(ii) Airport Fixed Assets:

Fixed assets are recorded at original cost less accumulated depreciation.

Cost recognises the acquisition price paid on the purchase of the Airport assets from the Christchurch Airport Authority and subsequent capital expenditure. Fixed assets have not been revalued above original cost, except for Land which is revalued every three years. The current valuation of land is at net current value as at 30 June 1999 by Crighton Seed & 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

Roading, (including Traffic Signals and Bus Shelters,) Stormwater and Water Reticulation Infrastructural Assets have been valued using the optimised depreciated replacement cost method at 30 June 1999, by Opus International Consultants Limited. Sewerage Infrastructural Assets have been valued using the optimised depreciated replacement cost at 30 June 2000 by the City Design Unit of the Council and peer reviewed by Opus International Consultants Limited and Beca Valuations Limited. Land under roads was valued at 30 June 1992, by Quotable Value NZ for rating purposes.

Additions to Infrastructural Assets since valuation are recorded at cost. This includes vested assets that are recorded at the cost to the subdivider except for land that is included at current value.

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 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

STATEMENT OF ACCOUNTING POLICIES

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 twenty year period has been used to calculate the average renewals expenditure except for wastewater where a thirty year period was applied. The estimated useful lives disclosed for infrastructure assets are used for planning and valuation purposes.

The main bases are the following periods:

Buildings	25 - 100 Yrs
Office and Computer Equipment	4-5Yrs
Motor Vehicles/Motorised Plant	2-16 Yrs
Mobile Plant	7.5 - 50% DV
Buses	5-6 Yrs
Sealed Surfaces (other than roads)	30-50 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

Infrastructural Assets

Roading	9-60 Yrs
Sewers, Stormwater and Water Systems and Plant	10-125 Yrs
Streetlights	25 Yrs
Bridges	50 or 100 Yrs
Bus Shelters	40 Yrs

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

H. Provision for Resealing Surfaces (Airport Company)

Whereas depreciation is provided for in respect of Airport sealed surfaces, recognising the ultimate economic life of those surfaces, additional provision is made for periodic maintenance involving the resealing of the surfaces. The resealing provision takes account of the accruing maintenance throughout the financial period and has the character of a timing difference which is not deductible for taxation purposes until the eventual expenditure is incurred.

The selected economic life for sealed surfaces is based on the assumption that periodic maintenance will be carried out. The provision is, therefore, regarded as being the equivalent of additional depreciation which will be reversed when the actual resurfacing is carried out. Total provision is deducted from the carrying value of sealed surfaces.

I. 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.

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 Group 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.

Orion Group Ltd and Christchurch International Airport Ltd apply 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.

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.

STATEMENT OF ACCOUNTING POLICIES

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

Subsidiaries, apart from Christchurch City Holdings Ltd (CCHL), Associates and shares in Local Government Insurance Corporation Limited and New Zealand Counties Investment Company Limited are valued at share of equity of the latest Statement of Financial Position. Shares in CCHL were revalued at 30 June 2000, based on the market valuation undertaken by Ernst & Young at 31 March 1999 which Council considers to be sustainable.

R. Financial Instruments

Christchurch City Council and its subsidiaries are party to financial instrument arrangements as part of its everyday operations. These financial instruments include Banking funds, Bank Deposits, Short Term Investments, Accounts Receivable, Long Term 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 Receivable 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) Share investments, gifted in trust, are valued at market value as at 30 June 2000.
- (e) Loans to various sporting and cultural organisations are recorded at fair value.
- (f) All other financial instruments, including Cash and Bank balances, Accounts Payable and Term Debt are valued at fair value.

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 1999.

T. Cost Allocations

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

External service refers 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 Design, 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 Annual Plan for the year ended 30 June 2000 adjusted for expenditure and revenue carried forward into the next financial year, and budget changes authorised by the Council.

X. Changes in Accounting Policies

Previously Council accounted for employee entitlements to retiring gratuities on an entitlement basis. These are now assessed on an actuarial basis. This had the effect of reducing the Operating Surplus by \$1.8 million.

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 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Significant Activity Income:	\$74,614	\$76,816	\$71,670	\$70,377	\$69,903

(Refer to Summary of Activities on Page 40)

	Actual 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Other Income:					
Interest Income					
Subsidiaries	768	608	952	0	0
Loan Repayment Investments	383	412	408	383	408
Short Term Investments	1,419	5,126	1,363	8,608	6,338
Special and Other Fund Investments	1,673	1,264	1,682	1,791	1,682
Total Interest Income	\$4,243	\$7,410	\$4,405	\$10,782	\$8,428

	Actual 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Dividend Income:					
Christchurch City Holdings Ltd					
-Ordinary	40,263	26,987	20,050	0	0
-Special	22,500	22,500	30,000	0	0
Local Government Insurance Corporation Ltd	0	40	22	0	22
NZ Counties Investment Co Ltd	0	0	62	0	62
Selwyn Plantation Board Ltd	342	240	236	342	236
City Care Ltd	870	32	94	0	0
Total Dividend Income	\$63,975	\$49,799	\$50,464	\$342	\$320

	Actual 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Sundry Income:					
Petroleum Tax	2,005	1,950	1,946	2,005	1,946
Sundry	2,011	1,046	743	26,244	27,792
Goodwill Received	0	0	0	0	154,582
Grants	3,732	3,500	4,333	3,732	4,333
Trading Subsidiaries Operating Income (Segment Report in Note 3)	0	0	0	379,050	515,820
Total Sundry Income	\$7,748	\$6,496	\$7,022	\$411,031	\$704,473

Total Other Income	\$75,966	\$63,705	\$61,891	\$422,155	713,221
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NOTE 2:

Expenditure

	Actual 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Significant Activity Expenditure	\$224,180	\$225,512	\$211,541	\$217,305	\$206,677

(Refer to Summary of Activities on Page 40)

	Actual 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Other Expenditure					
Levies	4,000	4,182	3,662	4,000	3,662
Professional Fees re Subsidiaries	10	80	101	10	101
Grants	0	0	627	0	627
Sundry	2,979	2,498	2,294	17,572	20,028
Trading Subsidiaries Operating Expenditure (Segment Report in Note 3)	0	0	0	294,876	468,680
Total Other Expenditure	\$6,989	\$6,760	\$6,684	\$316,458	\$493,098

NOTES TO THE FINANCIAL STATEMENTS

	Actual 2000 Parent \$000's	Actual 1999 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	1,131	995
(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	101	104
(d) Purchase of insignia and robes of office and civic insignia of any kind	0	0
(e) Provision of Entertainment	72	75
(f) Payment of levies or general contributions to organisations considered appropriate to the functions of the Council		
Civil Defence	752	614
Canterbury Museum	2,608	2,359
Riccarton Bush	335	335
Rural Fire Fighting	304	354
(g) Unauthorised Expenditure	0	0
(h) Council appoints four members as its representatives on the Canterbury Museum Trust Board		

NOTE 3:

(a) Operating Surplus	Actual 2000 Parent \$000's	Estimate 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
After Charging:					
Audit fees					
Fees paid to principal auditor	160	150	140	355	317
Fees paid to other auditors	0	0	0	39	109
Other services provided by principal auditor	11	0	0	23	17
Other services provided by other auditors	0	0	0	54	30
Amortisation of Goodwill	0	0	0	3,884	2,364
Bad Debts	58	25	118	1,342	1,909
Depreciation	47,295	49,930	47,925	98,000	100,772
Interest	6,824	7,285	8,699	36,005	46,999
Leasing and Rental Costs	3,330	3,547	75	5,863	2,339
Increase/(Decrease) in Provision for Doubtful Debts	0	0	0	356	1,133
Councillors' Remuneration	1,290	1,275	1,193	1,290	1,193
Directors Fees	0	0	0	844	1,283
Gain/(Loss) on Sale of Assets	318	0	94	6,933	171
Severance and Restructuring Costs	1,170	0	0	1,711	3,984
Research and Development	0	0	0	16	391
Parent Company Expenses	0	0	0	1,227	1,158
Movement in Provision For Resealing	0	0	0	806	31
Foreign Exchange Losses/(Gains)	0	0	0	92	(114)
Exploration Expenditure Written off	0	0	0	18,638	1,552
Donations	10	0	0	122	113
Commerce Commission Penalty	0	0	0	0	11
Assets written off	2,997	0	472	3,471	472

NOTES TO THE FINANCIAL STATEMENTS

(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. In the preceding year, Orion New Zealand Limited disposed of its electricity supply operation, and gas retail operations. Revenue and Profits attributable to continuing and discontinued activities are summarised as follows:

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Continuing Activities:				
Revenue	276,610	255,756	504,298	609,656
Net surplus/deficit	74,573	51,731	45,658	39,106
Discontinued Activities				
Revenue	0	0	113,344	294,631
Net surplus/deficit	0	0	15,439	98,894

(c) Segment Information

	2000 Group \$000's	1999 Group \$000's
Segmental Income		
Energy and Energy Networks	272,903	575,976
Airport	54,903	51,361
Port	58,069	55,274
Public Transport	15,521	15,062
	<u>401,396</u>	<u>697,673</u>
Inter Entity Movement	(22,346)	2,201
Entity Income	<u>\$379,050</u>	<u>\$699,874</u>
Being:		
Operating Revenues	383,246	519,533
Goodwill on Sale	0	154,582
Interest Received	7,179	4,975
Other Income.	15,776	20,784
	<u>406,201</u>	<u>699,874</u>
Offset on Consolidation	(27,151)	(3,713)
	<u>\$379,050</u>	<u>\$696,161</u>
Segmental Expenditure		
Energy and Energy networks	242,472	435,897
Airport	41,675	39,205
Port	43,212	42,160
Public Transport	14,237	13,673
	<u>341,596</u>	<u>530,935</u>
Inter entity elimination	(46,720)	(58,133)
Entity Expenditure	<u>\$294,876</u>	<u>\$472,802</u>
Being:		
Operating Costs	187,889	367,265
Interest	35,940	39,236
Depreciation	45,187	49,122
Other Expenses	84,903	17,179
	<u>353,919</u>	<u>472,802</u>
Offset on consolidation	(59,043)	(4,122)
	<u>\$294,876</u>	<u>\$468,680</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4:

Equity	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
(a) Reserve Funds				
Opening Balance	34,840	42,274	34,840	42,274
Transferred (to)/from Retained Earnings	140,627	(7,434)	140,627	(7,434)
Closing Balance	<u>\$175,467</u>	<u>\$34,840</u>	<u>\$175,467</u>	<u>\$34,840</u>
(b) Capital Reserve				
Opening Balance	1,735,689	1,756,223	1,735,689	1,756,223
Infrastructural Assets Adjustment	(1,836)	(20,534)	(1,836)	(20,534)
Closing Balance	<u>\$1,733,853</u>	<u>\$1,735,689</u>	<u>\$1,733,853</u>	<u>\$1,735,689</u>
(c) Asset Revaluation Reserves				
Opening Balance	1,215,580	608,992	361,936	494,629
Revaluation of Shares of Subsidiaries and Associates	159,620	466,996	(20)	104
Revaluation of Assets	(7,046)	141,624	(7,046)	162,093
Realised Assets Revaluation Reserve	(24)	(2,032)	(24)	(294,890)
Closing Balance	<u>\$1,368,130</u>	<u>\$1,215,580</u>	<u>\$354,846</u>	<u>\$361,936</u>
(d) Retained Earnings				
Opening Balance	218,501	157,304	704,823	264,499
Add Surplus for Year	74,573	51,731	61,097	138,000
Add Transfers (to)/from Reserves	(140,627)	7,434	(140,627)	7,434
Movement Relating to Preacquisition Revaluation Reserves	0	0	(51,631)	0
Realised Assets Revaluation Reserve	24	2,032	24	294,890
Closing Balance	<u>\$152,471</u>	<u>\$218,501</u>	<u>\$573,686</u>	<u>\$704,823</u>
Minority Interest*	0	0	\$80,889	\$105,532
Total Equity	<u>\$3,429,921</u>	<u>\$3,204,610</u>	<u>\$2,918,741</u>	<u>\$2,942,820</u>
*Minority Interest			2000	1999
Christchurch International Airport Ltd			\$000's	\$000's
Lyttelton Port Company Limited			30,241	36,422
Orion NZ Ltd			11,340	13,242
			39,308	55,868
			<u>\$80,889</u>	<u>\$105,532</u>

NOTE 5:

Non Current Liabilities	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Term Debt-Note 7	41,922	62,672	256,491	501,332
Provision for Landfill Aftercare	13,578	13,598	13,578	13,598
Provision for Employee Entitlements	7,142	5,914	7,418	5,914
Other	0	0	1,732	0
Total Non Current Liabilities	<u>\$62,642</u>	<u>\$82,184</u>	<u>\$279,219</u>	<u>\$520,844</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6:

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Current Liabilities				
Trade Creditors	32,263	39,571	99,854	84,557
Owing to Subsidiaries	20,878	954	0	0
Bank Overdrafts	0	1,403	511	8,125
Proposed Dividend	0	0	8,811	3,850
Provision for Taxation	636	744	1,991	12,426
Current Portion of Term Debt	20,750	37,371	294,707	123,962
Unsecured Debt	0	1,446	0	1,446
Deferred Tax	0	0	18,100	0
Other	0	0	79,508	4,185
	<u>\$74,527</u>	<u>\$81,489</u>	<u>\$503,482</u>	<u>\$238,551</u>
Employee Entitlements				
Accrued pay	1,689	945	1,947	959
Annual leave	7,238	8,491	8,844	16,394
	<u>\$8,927</u>	<u>\$9,436</u>	<u>\$10,791</u>	<u>\$17,353</u>
Total Employee Entitlements				
	<u>\$8,927</u>	<u>\$9,436</u>	<u>\$10,791</u>	<u>\$17,353</u>
Total Current Liabilities	<u>\$83,454</u>	<u>\$90,925</u>	<u>\$514,273</u>	<u>\$255,904</u>

NOTE 7:

Public Debt	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
(a) Current				
Secured loans	20,750	37,371	294,707	123,962
Total Current Debt	<u>\$20,750</u>	<u>\$37,371</u>	<u>\$294,707</u>	<u>\$123,962</u>
(b) Non-Current				
Unsecured Loans	0	0	100,000	0
Secured Loans	41,922	62,672	156,491	501,332
Total Non-Current Debt	<u>\$41,922</u>	<u>\$62,672</u>	<u>\$256,491</u>	<u>\$501,332</u>

(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 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
1999/2000	0	37,371	0	123,962
2000/2001	20,750	20,750	294,707	320,135
2001/2002	7,656	7,656	90,262	57,656
2002/2003	10,223	10,223	60,002	27,223
2003/2004	3,174	3,174	12,924	3,174
2004/2005	376	376	376	376
Later	20,493	20,493	92,927	92,768
	<u>\$62,672</u>	<u>\$100,043</u>	<u>\$551,198</u>	<u>\$625,294</u>

Of the \$294,707,000 debt due within one year, \$271,600,000 relates to debt of Orion New Zealand Limited. This debt was repaid subsequent to balance date from the proceeds of the North Island gas network sale.

(e) Interest Rates

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

	Actual 2000 Parent 7.86%	Actual 1999 Parent 7.86%	Actual 2000 Group 5.27% to 7.09%	Actual 1999 Group 5.99% to 7.86%
Secured Loans and Debentures				

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's
The Council has loan repayment investments (sinking funds) which are to be used for repayment of Term Debt.	6,000	6,557
The Council also has a Loan Repayment Reserve to be applied to reduction of Term Debt.	\$123,000	\$7,000

NOTES TO THE FINANCIAL STATEMENTS

Christchurch City Holdings Ltd (CCHL) has borrowings at 30 June 2000, comprising two tranches of \$50 million, with one tranche (coupon rate 7.0%) maturing in 2002, and the other (coupon 7.75%) maturing in 2006. These borrowings were effected on 25 August 1999 under a \$350 million debt issuance programme.

The purpose of the new debt programme is to enable CCHL to borrow on behalf of Christchurch City Council to fund its future capital expenditure programme. The two tranches of \$50 million each, were issued at a discount that will be amortised over the period to maturity. These borrowings are unsecured, but the loan documentation imposes certain covenants and restrictions on CCHL.

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 almost all borrowings are floating, based on 90 day bank bill rates plus a margin. These rates varied from 6.21% to 6.87% during the year. The Orion group has entered into interest rate swaps to hedge its exposure to interest rate fluctuations.

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 2003. All borrowings are unsecured and are supported by a negative pledge deed. At 30 June 2000, the Company had on issue 90 day short term registered notes with a face value of \$84million. (1999 \$64 million) with a discounted value of \$83 million (1999 \$63 million). Interest rates are determined by reference to prevailing market rates and during the year ranged from 5.27% to 7.09%.

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 ranks equally with other creditors. The effective interest rate during the year was 6.96% (1999 7.37%).

Unsecured Loans

The Council has no unsecured loans (1999 \$1.446 million at an interest rate of 5.25%).

Variations/ Changes to the Borrowing Management Policy

There have been no changes or variations to this Policy.

NOTE 8:

Current Assets

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Cash at Bank, and Short Term Investments	\$168,538	\$33,396	\$194,727	\$97,250

Receivables and Prepayments

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Rates Debtors	6,741	4,982	6,741	4,982
Other Trade Debtors	6,243	7,031	34,340	134,388
Amount owing by Subsidiaries	316	1,914	0	0
Amount owing by Associates	8	7	8	7
Other Receivables/Prepayments	8,037	5,971	8,073	6,033
GST Receivable	437	1,911	804	1,942
Taxation Receivable	0	0	14,487	6,116
Dividends Receivable	21,436	5,321	303	219
Goodwill	0	0	63,311	0
Amounts owing by Directors/Councillors	0	0	0	0
	<u>43,218</u>	<u>27,137</u>	<u>128,067</u>	<u>153,687</u>
Less Provision for Doubtful Debts	(250)	(250)	(250)	(250)
Total Receivables and Prepayments	<u>\$42,968</u>	<u>\$26,887</u>	<u>\$127,817</u>	<u>\$153,437</u>

Inventories

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
General Stores	1,354	1,609	7,178	8,401
Livestock and Feed	219	206	219	206
Souvenirs and Food	272	164	272	164
Development Land	162	150	162	150
Total Inventories	<u>\$2,007</u>	<u>\$2,129</u>	<u>\$7,831</u>	<u>\$8,921</u>

Fixed Assets Held for Resale

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Fixed Assets Held for Resale	<u>\$0</u>	<u>\$0</u>	<u>\$286,988</u>	<u>\$7,815</u>
Total Current Assets	<u>\$213,513</u>	<u>\$62,412</u>	<u>\$617,363</u>	<u>\$267,423</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9:

Non-Current Assets	Actual 2000	Actual 1999	Actual 2000	Actual 1999
	Parent	Parent	Group	Group
	\$000's	\$000's	\$000's	\$000's
Investments				
Government and Local Body Stock	6,560	13,163	6,560	13,163
Sinking Funds	6,000	6,557	6,000	6,557
General Investments				
Mortgages and Loans	12,857	4,489	11,088	5,489
Investment in Companies				
(at share of equity)				
NZ Counties Investments Co Ltd	235	285	235	285
NZ Local Government Insurance Co Ltd	677	673	677	673
(at market valuation)				
Shares held on a/c MK Richards Trust	665	565	665	565
Subsidiary Companies				
(at share of equity)				
City Care Ltd	10,107	438	0	0
Christchurch City Facilities Ltd	47,654	50,625	0	0
Jade Stadium Ltd	2,255	1,500	0	0
Streetworks Management Ltd	0	41	0	0
Windsor Central Ltd	0	9,690	0	0
Christchurch City Holdings Ltd (CCHL)	1,000,531	1,000,531	0	0
(at market value)				
Associate Companies				
(at share of equity)				
Selwyn Plantation Board Ltd	31,429	30,453	31,429	30,453
Transwaste Canterbury Ltd	2,747	918	2,747	918
Loans to Subsidiary Companies				
City Care Ltd	33	57	0	0
Travis Finance Ltd	1,516	1,516	0	0
Subsidiary Company Investments	0	0	20,160	26,132
Total Investments	<u>\$1,123,266</u>	<u>\$1,121,501</u>	<u>\$79,561</u>	<u>\$84,235</u>
	2000	1999		
	\$000's	\$000's		
Publicly Traded Investments				
Market Value of CCHL's investment in				
Lyttelton Port Company Ltd at 30 June	\$99,948	\$106,611		

NOTE 10:

Operational Assets	Valuation or	Accumulated	N.B.V	N.B.V
	Cost	Depreciation	30 June 2000	30 June 1999
	\$000's	\$000's	\$000's	\$000's
Parent				
Land	141,200	0	141,200	128,967
Buildings	281,644	5,973	275,670	263,306
Buildings in Progress	16,506	0	16,506	26,614
Plant	14,418	6,285	8,133	8,456
Work in Progress-Plant	3,136	0	3,136	1,933
Chattels	32,562	19,593	12,969	9,193
Library books	48,331	36,306	12,025	11,339
Mobile Plant	8,437	4,279	4,159	14,727
Total Parent Operational Assets	<u>\$546,234</u>	<u>\$72,436</u>	<u>\$473,798</u>	<u>\$464,535</u>

Net book value of Land and Buildings as 30 June 2000 is considered to be fair value.

	Valuation or	Accumulated	N.B.V	N.B.V
	Cost	Depreciation	30 June 2000	30 June 1999
	\$000's	\$000's	\$000's	\$000's
Group				
Land	270,311	0	270,311	255,164
Site Improvements	8,192	271	7,921	3,031
Buildings	467,927	37,475	430,452	457,772
Plant and Chattels	137,337	69,026	68,311	73,108
Buses	10,078	491	9,587	8,505
Mobile Plant	8,437	4,279	4,158	14,728
Sealed Surfaces	32,192	19,635	12,557	13,825
Electricity Distribution System	401,541	0	401,541	696,651
Harbour Structures	39,056	9,350	29,706	28,082
Vessels	2,613	1,320	1,293	1,812
Other Assets	56,540	36,532	20,008	20,384
Total Group Operational Assets	<u>\$1,434,224</u>	<u>\$178,379</u>	<u>\$1,255,845</u>	<u>\$1,573,062</u>

Net book value of Land and Buildings as 30 June 2000 is considered to be fair value.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11:

Infrastructural Assets	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V 30 June 2000 \$000's	N.B.V 30 June 1999 \$000's
Parent and Group				
Bus Shelters	370	15	355	370
Roading	879,748	20,496	859,252	842,528
Sewers	297,277	0	297,277	263,875
Stormwater	178,205	2,090	176,115	170,387
Water Reticulation	119,938	3,494	116,444	115,796
Water Meters	14,033	488	13,545	16,020
Streetlights	12,857	503	12,354	12,640
Traffic Lights	7,126	285	6,841	7,126
Water Pumping Stations	7,023	442	6,581	5,625
Sewer Pumping Stations	2,252	0	2,252	38,162
Total Infrastructural Assets	\$1,518,829	\$27,813	\$1,491,016	\$1,472,529

NOTE 12:

Restricted Assets	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V 30 June 2000 \$000's	N.B.V 30 June 1999 \$000's
Parent and Group				
Art Works	26,294	0	26,294	20,587
Library Books NZ Room	4,548	0	4,548	4,447
Reserve Land and Improvements	228,888	230	228,658	217,281
Reserve Land and Improvements in Progress	478	0	478	0
Buildings-Historic	14,599	206	14,393	14,374
Properties held in trust for other organisations	53	0	53	53
Total Restricted Assets	\$274,860	\$436	\$274,424	\$256,742

Net book value of Land and Buildings as 30 June 2000 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 highways 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 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
(a) Contingent Liabilities				
Uncalled Capital in Christchurch City Holdings Ltd	488,999	138,999	0	0
Uncalled Capital in Transwaste Ltd	2,839	3,217	0	3,217
Ratepayers for Uniform Annual General Charges Levied	925	925	925	925
Redbus Limited- Performance Bonds	0	0	1,320	870
City Care Ltd- Performance Bonds	0	0	606	23
City Care Ltd- Letter of Credit Facility	0	0	0	20
Guarantees to Sporting and Community Organisations	315	315	0	315
	\$493,078	\$143,456	\$2,851	\$5,370

- In August 1999, Christchurch City Holdings Ltd issued \$350 million of 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.

- A national issue has arisen as to the correctness of levying certain uniform annual charges on rating apportionments.

All Councils which include uniform annual charges as part of their general rates, have potentially been adversely impacted by the Court of Appeal's decision to overturn the ruling that

the local authorities did have sufficient authority for the historical levying of uniform annual general charges on rating apportionments. Leave to appeal to the Privy Council has been granted by the Court of Appeal. Therefore the Council has made no provision in these financial statements for the potential liability of \$925,000.

- 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.

NOTES TO THE FINANCIAL STATEMENTS

(b) Contingent Assets

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Vested Assets- Nurses Chapel (at valuation)	\$400	\$400	\$400	\$400

NOTE 14: Capital Commitments

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Computer Equipment	0	1,793	0	1,793
Council Works	50,289	39,503	50,289	39,503
Library Computers	0	68	0	68
Christchurch International Airport Ltd	0	0	396	0
City Care Ltd	0	0	75	3
Jade Stadium Limited	0	0	2,691	491
Lytelton Port Company Ltd	0	0	324	24
Orion NZ Ltd	0	0	11,498	14,884
Red Bus Ltd	0	0	0	280
	<u>\$50,289</u>	<u>\$41,364</u>	<u>\$65,273</u>	<u>\$57,046</u>
	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
At balance date, lease commitments were as follows:				
Under 1 year	0	0	2,274	1,542
1-2 years	0	0	945	878
2-5 years	0	0	1,300	1,100
Over 5 years	0	0	2,185	2,606
	<u>\$0</u>	<u>\$0</u>	<u>\$6,704</u>	<u>\$6,126</u>

Christchurch City Facilities Limited has leased land from Addington Raceway Limited, for a Sports and Entertainment site. 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 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Net Surplus after Taxation	74,219	51,713	72,627	175,822
Non-Cash Items				
Depreciation	47,295	47,925	98,000	100,772
Increase/(Decrease) in Deferred Tax	0	0	5,766	(9,411)
Goodwill Written Off	0	0	3,884	2,364
Assets Vested in Council	(22,477)	(13,257)	(22,477)	(13,257)
Other Movements in Minority Interest	0	0	0	0
Assets Written Off	2,997	472	3,471	472
Provision for Resealing	0	0	806	0
Equity Accounted Earnings	0	0	(295)	0
Other Non-Cash Items	0	0	(60)	0
Increase in Landfill Aftercare Provision	518	282	518	282
Movements in Working Capital Items				
(Increase)/Decrease in:				
Accounts Receivable & Accruals	(17,956)	885	11,885	2,999
Taxation Receivable	0	0	(8,371)	6,574
Inventory	122	(105)	1,090	5,086
Increase/(Decrease) in:				
Accounts Payable and Accruals	(2,328)	4,361	(15,697)	(11,051)
Taxation Payable	(108)	(111)	(10,435)	10,571
Non-Current Employee Entitlements	1,228	765	1,504	626
Less Items classified as Investing:				
Net (Gain)/Loss on Sale of Fixed Assets	(318)	94	(6,933)	171
Unrealised Revaluation of Assets	0	0	474	0
Exploration Expenditure Written Off	0	0	18,638	0
Goodwill on Sale of Energy Retailing	0	0	0	(154,582)
Net Cash Inflow/(Outflow) from Operating Activities	<u>\$83,192</u>	<u>\$93,024</u>	<u>\$154,395</u>	<u>\$117,438</u>

The following items 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 2000, these were \$175,467K (1999 \$34,840K).

NOTES TO THE FINANCIAL STATEMENTS

NOTE 16:	Actual 2000	Actual 1999	Actual 2000	Actual 1999
Taxation	Parent \$000's	Parent \$000's	Group \$000's	Group \$000's
Net Surplus/(Deficit) before Tax	74,219	51,713	112,657	218,694
Prima Facie Tax Expense at 33%	24,492	17,065	37,177	72,169
Permanent Differences	4,795	9,304	518	(26,307)
Timing Differences not Recognised	0	0	3,831	21,229
Loss not Previously Recognised	0	0	(897)	1,939
Imputation Credit Adjustment	(31,510)	(26,158)	(168)	(26,158)
Tax Credit Re Group Losses	2,223	(211)	0	0
Under/(Over) Provision	0	0	(431)	0
Income Tax Expense	<u>\$0</u>	<u>\$0</u>	<u>\$40,030</u>	<u>\$42,872</u>
	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Comprising:				
Current Taxation	0	0	35,999	43,441
Deferred Taxation	0	0	4,031	(569)
	<u>\$0</u>	<u>\$0</u>	<u>\$40,030</u>	<u>\$42,872</u>
Deferred Taxation				
Opening Balance	0	0	(1,796)	(11,207)
Prior Year Adjustment	0	0	(18,249)	8842
Current Year	0	0	(4,031)	569
Deferred Tax Asset/(Liability Current + Deferred)	<u>\$0</u>	<u>\$0</u>	<u>(\$24,076)</u>	<u>(\$1,796)</u>

Unrecognised future income tax benefits from timing differences existing in the Group, amount to \$1,735K (1999 \$1,810K)

Orion Group Limited has an unrecognised deferred tax liability of \$33 million. This relates to potential tax depreciation recovered on the electricity distribution network. This liability would crystallise if these assets were sold at their carrying value.

NOTE 17:

	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Imputation Credit Account		
Christchurch City Holdings Ltd	61,379	37,572
CCHL Subsidiaries	24,400	45,749
Other CCC Subsidiaries	16	17
	<u>\$85,795</u>	<u>\$83,338</u>

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

NOTES TO THE FINANCIAL STATEMENTS

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 \$215,040 per annum.

This is comprised of:	2000	1999
	\$	\$
Salary	184,400	173,342
Superannuation Subsidy	18,440	17,334
Imputed Value of Vehicle	7,500	7,500
Allowances	4,700	4,700
	<u>\$215,040</u>	<u>\$202,876</u>

For the year ended 30 June 2000, the total cost to the Council, including fringe benefit tax and salary arrears, was \$226,529 (1999 \$211,607).

Six Directors are employed on remuneration packages in the following range: Annual Salary : \$110,000 to \$140,000. Other elements of remuneration : \$25,000 to \$35,000.

19 Senior Managers are employed on salaries in the following

ranges: (Additional benefits are generally between 10% and 20% of salary and consist of superannuation subsidy, professional fees, and use of a vehicle varying between limited private use to no private use). :

Salary Range	2000 Number in Range	1999 Number in Range
\$60,000-\$70,000	-	1
\$70,000-\$80,000	4	3
\$80,000-\$90,000	8	12
\$90,000-\$100,000	6	2
\$100,000-\$110,000	<u>1</u>	<u>1</u>
	<u>19</u>	<u>19</u>

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* 2000, the following payments were made: (1999 \$108,047.)

Engineering Officer \$74,332

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 on-going 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 such as those needed for cover and control systems.
- on-going site maintenance for drainage systems, final cover, and vegetation.

To provide for the estimated cost of aftercare a charge is made each year. This charge is based on the following formula:

$$\frac{\text{Estimated total current cost} \times \text{cumulative capacity used.}}{\text{Total estimated capacity} \\ \text{less Amount previously recognised}}$$

The estimated total liability for closure and post-closure is \$3.5 million. The amount remaining to be recognised is \$2.3 million.

Capacity of the Site

The resource consent expires on 31 May 2002 but due to problems that have occurred in the selection of a site for the new regional landfill, it is now anticipated that the Council will not be able to use the new landfill until at least 30 June 2004.

Because of the uncertainty Council will be applying for a resource consent extension to May 2006 or when the new landfill opens, whichever comes first. Burwood Landfill does have the capacity to accommodate the waste stream until 2006 if this proves necessary.

NOTES TO THE FINANCIAL STATEMENTS

Closed Landfills

The Council is still awaiting the issue of resource consents for the closed landfills for which it is responsible for the on-going monitoring and maintenance. The liability has been estimated based on the assumption that monitoring will be required for a 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 \$7.9 million.

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 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Cash, Bank and Short Term Deposits	168,538	33,936	194,727	97,250
Accounts Receivable	42,968	26,887	127,817	153,437
Loans to Cultural and Sporting Organisations	12,857	4,489	11,088	5,489
Shares Gifted in Trust	665	565	665	565
Government and Local Body Stock	6,560	13,163	6,560	13,163
Loans	1,549	1,573	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 counterparts, it does not expect such losses to occur. The notional principal or contract amounts outstanding at 30 June are as follows:

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Foreign Currency Forward Exchange Contracts	0	0	0	1,076
Interest Rate Swaps and Forward Rate Agreements (FRA's)	0	0	56,250	538,250
Interest Rate Options	0	0	0	0
Bond Forward Rate Agreement	0	0	21,000	100,000

(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 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Interest Rate Options	0	0	0	(6)
Interest Rate Swaps and FRA's	0	0	1,567	12,311
Bond Forward Rate Agreement	0	0	20	(752)

(Figures in brackets are receivables)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 21:

Transit New Zealand Act disclosures

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's
Works Operations Business Unit		
Revenue from TNZ Minor and Ancillary Works	872	846
Revenue from Other Activities	12,220	30,275
Total Works Performed	13,092	31,121
Total Operating Costs	(14,937)	(30,672)
Surplus/(Deficit) on Operations	(\$1,845)	\$449

The Surplus/(Deficit) is transferred to the Council's General Fund.

In House Professional Services

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's
City Streets Business Unit		
Revenue from In-house Professional Services for TNZ Financially Assisted Roading	1,913	988
Revenue from Other Activities	2,381	5,233
Total Works Performed	4,294	6,221
Total Operating Costs	(4,294)	(6,221)
Surplus on Operations	0	0
City Design Business Unit		
Revenue from In-house Professional Services for TNZ Financially Assisted Roading	1,293	678
Revenue from Other Activities	5,590	5,798
Total Works Performed	6,883	6,476
Total Operating Costs	(6,549)	(6,248)
Surplus on Operations	\$334	\$228

The Surplus 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 755 Christchurch City residents in March/April 2000 and have a margin of error of +/- 3%.

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. 350 off-street car park users and 234 on-street park users were interviewed in 2000. The estimated sampling error for these surveys lies within the +/-3% range.

NOTES TO THE FINANCIAL STATEMENTS

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 2000 \$000's	Actual 1999 \$000's
Related Parties and Balances		
Interest received on loans to related parties	766	952
Interest paid on loans to related parties	495	0
Dividends paid to the Council	62,763	50,380
Accounts payable to the Council	538	1,921
Accounts receivable from the Council	6,468	954
Loans to related parties	10,203	1,573
Loans from related parties	16,430	0
Issue of shares to the Council	12,203	36,257
Services provided to the Council	23,779	7,679
Services provided by the Council	4,441	4,414
Subvention receipts from the Council	746	739
Rates paid to the Council	924	1,032
Reimbursement of Construction Costs to the Council	0	34,857
Fixed assets sold by the Council	10,251	0
Capital repatriation to the Council	162,000	0

In May 2000, Christchurch City Holdings Limited (CCHL), the Council's wholly owned investment holding company, repurchased 3,185,972 of its ordinary shares at their market value of \$33.04 per share at a total cost of \$105,255,020. It also redeemed 56,745 preference shares at their redemption value of \$1,000 per share at a total cost of \$56,745,000. This resulted in a return to the Council of \$162 million.

	Actual 2000 \$000's	Actual 1999 \$000's
Transactions between Subsidiaries:		
Dividends received/receivable to Christchurch City Holdings Ltd	145,928	87,189
Interest received/receivable Christchurch City Holdings Ltd	11,129	10,094
Subvention payments	0	2,051

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, purchase of rubbish bags).

Except for these transactions, and items of a trivial nature, no other Councillors or senior management have entered into related party transactions with the Group.

NOTE 25:

Subsequent Events

- On 24 July 2000, Streetworks Management (Christchurch) Limited distributed its surplus assets to its shareholder and a request was made for the company to be removed from the Companies' Register.
- A decision has been made to transfer the majority of Council staff involved with maintenance work to the Council LATE, City Care Limited.
- The Council has commenced the implementation of a restructuring plan that will reduce the staffing levels by up to fifty full time equivalents.
- On 1 April 2000, Orion Group Limited (balance date 31 March 2000), sold its North Island gas networks and contracting activities to United Networks Limited for \$550 million.
- Effective 30 April 2000, Orion Group Limited sold its gas trading business to Contact Energy Limited for \$10.2 million.

Both of these sales cease Orion Group Limited's operation in these sectors. The resulting tax liability on depreciation recovered on the assets sold as part of the transactions is expected to be approximately \$21.1 million.

The net surplus after tax on the sale of the above activities, after write off of \$64.1 million of related goodwill, is estimated as follows:

- Gas Networks & Contracting Activities \$181.9m
- Industrial Gas Trading Activities \$ 5.3m

These net surpluses will be reported in Orion Group Limited's financial statements for the year ending 31 March 2001, and in the Christchurch City Council's consolidated financial statements for the year ended 30 June 2001.

- Other than those described above, there are no subsequent balance date events in relation to the Council or its subsidiaries that materially affect the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 26:

There is a difference between the Annual Plan and the Annual Report in respect of the amount shown in the Estimates. This difference has been brought about by the full allocation of Support Services to External Significant Service Delivery Costs. 2000 Estimate figures are restated as per the table below.

Reconciliation of Estimates reported in the Annual Plan and Annual Report

	Annual Plan Cost of Service Statements \$000's	Property Surplus Allocated \$000's	Other Internal Service Provider Surpluses Allocated \$000's	Projects and Other Costs Carried Forward \$000's	Transfers and Other Adjustments \$000's	Annual Report Service Statements \$000's
Art Gallery	2,151				(39)	2,112
Car Parking	(1,488)	(824)	(39)		(991)	(3,342)
City Streets	31,854		(230)	(88)	338	31,874
Community Services	11,209	(1,563)	(97)	198	(2,288)	7,459
Economic Development	11,610			(4)	70	11,676
Environmental Policy and Services	12,132			(662)	(40)	11,430
Housing	(1,943)			20	(166)	(2,089)
Library and Information Services	18,184	(1,205)	(155)	(50)	(1,318)	15,456
Parks	15,471		(752)	(542)	(765)	13,412
Public Accountability	9,694			10	(291)	9,413
Sewerage	13,868		(75)		(857)	12,936
Sports, Leisure and Events	10,470			23	(51)	10,442
Waste Minimisation and Disposal	6,096		(75)	(347)	(528)	5,146
Water Supply	10,033		(152)	(150)	(433)	9,298
Waterways and Wetlands	8,148		(152)	60	98	8,154
	<u>\$157,489</u>	<u>(\$3,592)</u>	<u>(\$1,727)</u>	<u>(\$1,532)</u>	<u>(\$7,261)</u>	<u>\$143,377</u>
Add Back Service Provider Income						1,727
Adjustments for Budget Transfers						3,592
						<u>\$148,696</u>

NOTE 27:

Major Budget Variations - Parent

Statement of Financial Performance

Explanations for major variations from the Council's estimate figures in the 1999/00 annual plan are as follows:

	\$000's
Higher than Budgeted Dividends from subsidiaries due to Christchurch City Holdings paying higher dividends due to its delayed capital repatriation and because of the special dividends by two of its subsidiaries.	14,176
Higher than Budgeted Vested Assets Income.	7,463
Lower than Budgeted Interest Income due to the delayed receipt of the capital repatriation monies and lower than budgeted interest rates in the first half of the year.	(3,167)
Lower than budgeted Depreciation principally related to depreciation on plant sold to City Care Limited when the Works Operations Unit was corporatised on 1 December 1999 and delays in the completion of capital projects.	2,635
Higher than budgeted Significant Activity expenditure principally due to restructuring costs and the writeoff of the book value of Infrastructure Assets replaced early to facilitate more efficient renewal of the networks.	(1,303)
Lower than budgeted Significant Activity Income due to corporatisation of the Works Operations Unit and Mechanical Services Section on 1 December 1999.	(2,202)
Higher than Budgeted Grants Income Received for new Art Gallery from the Ministry of Cultural and Heritage Affairs.	2,700

NOTES TO THE FINANCIAL STATEMENTS

Statement of Movements in Equity

Apart from the increased unbudgeted income referred to above, there is an increase brought about by the three-yearly revaluation of Artworks, an increase in the value of ownership of subsidiary companies, partially offset by the decrease from the downward revaluation of Liquid Waste Infrastructure Assets.

Statement of Financial Position

The upward revaluation of Artworks and the increase in value of subsidiary companies, partially offset by the downward revaluation of Liquid Waste Infrastructural Assets, resulted in an increase in Non-Current Assets and a resulting increase in 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 2000 \$000's	Interest 2000 \$000's	Total 2000 \$000's	Total 1999 \$000's
Subsidiaries:				
City Care Ltd	870	15	885	101
Christchurch City Facilities Ltd	0	0	0	4
Christchurch City Holdings Ltd	62,763	0	62,763	50,256
Jade Stadium Ltd	0	18	18	0
Travis Finance Ltd	0	735	735	735
Associates:				
Selwyn Plantation Board Limited	342	0	342	236
Transwaste Canterbury Ltd	0	0	0	0
	\$63,975	\$768	\$64,743	\$51,332

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 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Restricted Land and Buildings	5,049	2,960	5,049	2,960
Infrastructural Assets	16,716	10,297	16,716	10,297
Artworks	712	0	712	0
	\$22,477	\$13,257	\$22,477	\$13,257

NOTE 30:

Grants/Contributions to Major Projects

	Actual 2000 Parent \$000's	Actual 1999 Parent \$000's	Actual 2000 Group \$000's	Actual 1999 Group \$000's
Ministry for Cultural & Heritage Affairs for New Art Gallery	5,790	0	5,790	0
The Community Trust Grant for New Art Gallery	344	822	344	822
Other Sponsorships and Contributions	167	103	167	103
	\$6,301	\$925	\$6,301	\$925

NOTE 31:

Accounting Standards Review Board Release 5

In June 1999, the stormwater and water infrastructure assets were revalued. The resulting decrease in value of \$20.534 million was debited to equity in accordance with ASRB Release 5. In 2000, based on better information, the valuation of water meters was decreased by \$1.836 million. This adjustment was debited to the capital reserve.

NOTE 32:

Restructuring

Restructuring costs totalling \$1.17 million were incurred by the Council with City Care Limited's acquisition of the Works Operations business unit and the Mechanical Services Section of the Plant & Building Services Unit.

SUMMARY OF ACTIVITIES

	Costs(After Internal Recoveries) 2000 \$000's	Income 2000 \$000's	Net Costs 2000 \$000's	Estimate 2000 \$000's	Actual 1999 \$000's
A SUMMARY OF SERVICE DELIVERY ACTIVITIES					
Art Gallery	2,440	256	2,184	2,112	2,110
Car Parking	7,446	10,783	(3,337)	(3,342)	(3,229)
City Streets	47,448	12,891	34,557	31,874	33,522
Community Services	11,260	1,517	9,743	7,459	7,866
Economic Development and Employment	12,051	1,131	10,920	11,676	9,053
Environmental Policy and Services	19,632	8,662	10,970	11,430	10,307
Housing	5,878	9,310	(3,432)	(2,089)	(2,988)
Library and Information Services	17,589	1,124	16,465	15,456	14,146
Parks	16,648	1,789	14,859	13,412	12,830
Public Accountability	8,869	0	8,869	9,413	7,991
Sewerage	15,307	3,469	11,838	12,936	15,129
Sport, Leisure and Events	16,905	5,943	10,962	10,442	9,048
Waste Minimisation and Disposal	16,470	10,944	5,526	5,146	4,006
Water Supply	13,251	2,621	10,630	9,298	9,277
Waterways and Wetlands	9,196	384	8,812	8,154	10,803
Total Cost of Service Delivery	220,390	70,824	149,566	143,377	139,871
Add Back Service Provider Income	3,790	3,790	0	1,727	0
Adjustments for Carry Forwards			0	0	
Adjustments for Budget Transfers				3,592	
Activity Results represented in Statement of Financial Performance	<u>\$224,180</u>	<u>\$74,614</u>	<u>\$149,566</u>	<u>\$148,696</u>	<u>\$139,871</u>
B SUMMARY OF CONSOLIDATING SUBSIDIARY AND ASSOCIATED ORGANISATIONS					
			Income 2000 \$000's	Net Result After Tax After Deducting Minority Interest 2000 \$000's	Net Result After Tax After Deducting Minority Interest 1999 \$000's
City Care Ltd			24,347	1,740	129
Canterbury Technology Park			383	172	678
Christchurch City Facilities Ltd			9,221	(3,671)	(4,186)
Christchurch City Holdings Ltd			161,367	150,201	91,002
Christchurch International Airport Ltd			54,903	13,228	12,156
Jade Stadium Limited			1,580	(157)	(88)
Lyttelton Port Co Ltd			58,069	14,857	13,151
Orion NZ Ltd			272,903	30,431	144,248
Red Bus Limited			15,521	1,285	2,457
Selwyn Plantation Board Ltd			5,367	1,452	717
Streetworks Management Christchurch Ltd			0	(40)	0
Transwaste Canterbury Limited			0	(331)	(74)
Travis Finance Ltd			746	1	(5,834)
Windsor Central Ltd			0	0	26
			<u>\$604,407</u>	<u>\$209,168</u>	<u>\$254,382</u>

ART GALLERY

A public art museum comprising the Robert McDougall Art Gallery located in the Botanic Gardens and the Art Annex at the Arts Centre. These facilities provide 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.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	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 satisfied with value of Council spending on the Art Gallery, at least	58%	63%
	1.2 Residents/visitors satisfied with Art Gallery and/or Annex visits, at least	83%	88%
2. Continue the programme of art works conservation.	2.1 Numbers of art works conserved, at least	169	130 per year
3. Acquire art works and develop the collection.	3.1 Number of art works acquired, to optimise available budget, at least	465	60 per year
4. Provide a programme of exhibitions of excellence representing best achievements of NZ and International art.	4.1 Number of exhibitions of local artists, at least	6	6 per year
	4.2 Number of exhibitions from permanent, collection, at least	6	5 per year
	4.3 Number of gallery/annex visits at least	251,185	250,000
5. Provide a programme of cultural and educational activities focused on the visual arts.	5.1 School group visits, more than	416	500

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Art Collection	718	52	666	697	696
Exhibition	1,131	186	945	958	893
Information and Advice	591	18	573	457	521
COST OF SERVICE	\$2,440	\$256	\$2,184	\$2,112	\$2,110

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$256, Estimate 2000 \$545, Actual 1999 \$446.

Depreciation included is: Actual 2000 \$93 Estimate 2000 \$114, Actual 1999 \$111.

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 2,350 metered spaces, 328 coupon spaces, 16 off street parking buildings, and 3,600 spaces. Facilities employ 66 FTE staff.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	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	56%	60%
	1.2 Number of motorists surveyed who consider parking officers apply 'the rules' fairly	56%	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% / 83%	52% / 86%
	2.2 Users of off street parking facilities satisfied with service provided (average of four factors), at least	69%	68%
3. To develop strategies, in conjunction with Environment Canterbury, to integrate the management and provision of off street parking with the management and operation of public transport.	3.1 Draft integration strategies developed for consideration by Council by	Being progressed but Bus Interchange & other initiatives were given priority	30 June 2000

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Enforcement	2,516	3,837	(1,321)	(493)	(635)
Parking	4,872	6,941	(2,069)	(2,888)	(2,632)
Abandoned Vehicles	58	5	53	39	38
COST OF SERVICE	<u>\$7,446</u>	<u>\$10,783</u>	<u>(\$3,337)</u>	<u>(\$3,342)</u>	<u>(\$3,229)</u>

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$10,783, Estimate 2000 \$10,006, Actual 1999 \$8,628.

Depreciation included is: Actual 2000 \$342, Estimate 2000 \$458, Actual 1999 \$262.

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 1,524km of carriageway, 139 bridges, 2,285km of kerbs and channel, and 2,188km of sealed footpaths.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	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 5-10 years in implementing the City Plan by	September 1999	30 September 1999
	1.2 Develop and implement a Safety Management System by	Draft completed & received by MOT, LTSA & Transfund. Expected to be completed by July 2002	30 June 2000
	1.3 Develop, schedule and initiate an AMP improvement plan by	30 June 2000	30 June 2000
	1.4 Report to City Services Committee on cycle planning and strategy implementation, at least	Achieved	Monthly
	1.5 Report to the City Services Committee on Public Transport infrastructure initiatives, at least	Achieved	Quarterly
	1.6 Complete or review 6 LATM's by	2 Completed 1 Partially Completed	30 June 2000
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		
	2.2 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. To increase community awareness of road safety and develop a safety culture leading to a reduction in traffic collisions.	3.1 Road safety education and promotion projects and campaigns	15 projects by 30 June 2000	15 projects by 30 June 2000
	3.2 Decrease in		
	a) percentage of crashes involving responsible road use factors b) number of crashes per 10,000 people	a) 25% b) 22%	a) > 0 b) > 0
4. To cost effectively maintain all assets in a constant condition, 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	\$9,813/km pa	\$10,006/km pa
	4.2 Asset condition indicators maintained or improved by	5.7% improvement	> 0
	4.3 Percentage compliance with all service levels during year	100%	100%
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	\$415,095	\$420,000/km
	5.2 Report percentage of projects completed at year end, by a) value and b) number by	a) 89% b) 90%	30 June 2000
	5.3 The amounts of each asset type renewed or created to be reported annually against AMP targets	All by September 2000	All by 30 June 2000
	5.4 Percent completion of major projects		
		Woolston Burwood Expressway - Travis-New Brighton - Bridge - Bridge-Wainoni Lincoln Road Widening Railway Cycleway Stages 1-4 Blenheim Road Improvements Briggs/Marshlands Traffic Signals	100% 80% 80% 100% 100% 100% 100%

CITY STREETS

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
6. Provide cost effective and customer responsive professional services to enable delivery of the annual maintenance and capital works programmes.	6.1 Total professional services costs no more than,		
	¥ Maintenance	7.2%	8% of programme value
	¥ Capital Works	16.6%	17% of programme value
	6.2 Number of requests for service, relating to the following assets and services is reported annually	30 September 2000	by 30 June 2000
	¥ Carriageways		
	¥ Footpaths		
	¥ Landscaped areas		
	¥ Weedspraying		
	¥ Grass berm mowing		
	¥ Street cleaning		
	6.3 Number of residents and businesses satisfied with capital works completed in their street (sample survey) at least,	87% Residents	80 %
		84% businesses	

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Output Agreement Administration	837	76	761	662	538
Planning	3,952	333	3,619	3,120	2,963
Roading and Traffic Advice-Service Centres	0	0	0	0	171
Activities on Street	1,606	1,810	(204)	(343)	(12)
Transfund Output Agreements	152	152	0	(22)	(198)
Provision of Roading Land	24,214	122	24,092	21,478	20,870
Underground Wiring Conversion	1,674	0	1,674	1,662	569
Roading System Maintenance	14,999	4,246	10,753	10,599	13,159
Transfer from LTDA for Infrastructural Assets	14	6,152	(6,138)	(5,282)	(4,538)
COST OF SERVICE	\$47,448	\$12,891	\$34,557	\$31,874	\$33,522

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$12,891, Estimate 2000 \$11,367, Actual 1999 \$10,759.

Depreciation included is: Actual 2000 \$20,533, Estimate 2000 \$20,639, Actual 1999 \$18,565.

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 1999/00	Performance Indicators	Actual	Target
1. Liaise with, advise and advocate on behalf of and assist community organisations, appropriate key agencies and citizens to help reduce disadvantage and improve quality of life.	1.1 Provide policy advice to Government on social policy issues through the submission process.	Submissions made on 3 Policies	No target set
	1.2 Hold a metropolitan Funding Seminar to outline the community development funding process by	Partially achieved. Information shared at various Community forums	30 April 2000
2. Provide accessible childcare at Council operated venues.	2.1 Favourable Education Review Office reports are received for these creches.	No ERO review performed during the year	Favourable reports received
3. Encourage participation and a sense of belonging in communities.	3.1 Stocktake of research, projects and results achieved against the outcomes of the Community Development and Social Well-being policy by	Stocktake not performed, but results of all projects were reported to Community Boards.	30 June 2000

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Community Buildings	1,166	87	1,079	589	733
Advocacy	3,189	74	3,115	1,967	2,268
Community Services	2,222	910	1,312	839	1,739
Customer Support Services	1,503	237	1,266	1,143	899
Customer Services-Corporate	365	21	344	98	186
Customers Services- Operations	318	0	318	535	103
Cathedral Square Toilets	367	3	364	448	293
Community Services Services Grants	1,015	0	1,015	913	711
Arts and Culture Grants	1,022	185	837	844	801
Grants Administration	93	0	93	83	133
COST OF SERVICE	\$11,260	\$1,517	\$9,743	\$7,459	\$7,866

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$1,517, Estimate 2000 \$1,422, Actual 1999 \$1,408.

Depreciation included is: Actual 2000 \$215, Estimate 2000 \$237, Actual 1999 \$137.

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 1999/00	Performance Indicators	Actual	Target
1. Provide a range of support services for the region's small and medium sized enterprises designed to enhance their ability to provide sustainable employment and economic growth.	1.1 Maintenance of a comprehensive directory of mentors available to assist SMEs, at least	152	100 mentors
	1.2 Refer SMEs to providers of business support and assistance, at least	1,773	1,000 referrals
	1.3 Regular dissemination of details of tenders, purchase enquiries to appropriate local businesses on the BUSINESSLINK database, at least	144 4,673	250 tenders 5,000 businesses listed
2. Provide support to the education sector that recognises the need to enhance the core competencies and skills of the 21st century work force.	2.1 Maintain existing and develop new partnerships between industry and education, at least	13 3	12 partnerships 4 Teacher forums
3. Develop project initiatives that have potential to enhance the level of regional activity and employment including equity investment matching, technology commercialisation and business relocations.	3.1 Introduce investors seeking equity to potential investors, at least	71	25 investors
	3.2 Industry cluster groups established to support technology transfer, at least	5	4 groups
	3.3 Presentations made to potential business relocations, at least	11	10
4. Production of current information on the region, its economy, infrastructure and quality of life.	4.1 Appropriate current promotional material available at all times	100%	100%
5. Facilitate initiatives that enhance sustainability.	5.1 Contribute to initiatives that have a sustainability focus for the region, at least	5	5 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 young unemployed people through at least	20	10 projects
	6.2 Young unemployed people, individually case managed, at least	2,130	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 for a least	40	20 groups
	7.2 Key agencies express satisfaction with support provided	100%	100%
8. Provide advice and information to tourists through Information Office Services.	8.1 Days Visitor Centre is open and providing services, at least Centre to have the following visitor numbers and counter advice January to March per day July to September per day	364 1,980/840 540/244	364 days 1,650/700 450/220
	8.2 Visit or host overseas travel wholesalers during the year, at least	49	30
	8.3 The Christchurch Convention Bureau prepares bid documents on behalf of organisations seeking to bring conferences to Christchurch, at least	23	10

ECONOMIC DEVELOPMENT AND EMPLOYMENT

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (CONT'D)

Objectives for 1999/00	Performance Indicators	Actual	Target
9. Wide ranging community use of the Town Hall, convention and entertainment facilities.	9.1 Residents satisfied with the value for money of rates spent on the Town Hall, Convention Centre and Entertainment Centre, at least	71%	69%
	9.2 Total number of Town Hall and Convention Centre visits, at least	400,000	590,000
	9.3 Residents visiting the Town Hall, Convention Centre and Westpac Trust Sport and Entertainment Centre at least once during the year, at least	54%	63%
10. Project an image to venue users of the highest possible quality.	10.1 Customers rating quality of staff service during year (across all categories) as good or better, at least	Not Measured	70%
	10.2 Customers satisfied with visits to Town Hall, Convention Centre and Entertainment Centre during the year, at least	Not Measured Not formally measured but 3 meetings were held with these organisations to achieve this plus ongoing liaison with CCML.	80% 100% by 30 June 2000
11. To ensure consistency in imagery and message used to promote Christchurch by monitoring the promotional material.	11.1 Main organisations promoting Christchurch agree on the key messages and images used in promotion.	Not formally measured. However, 85 organisations (50 on a monthly basis) were provided this material	100%
	11.2 Main organisations promoting Christchurch use Council co-ordinated promotional material.		
12. To encourage international exchange through Sister City networks.	12.1 Administration and servicing is provided for Sister City Committee meetings across the year, at least	47	40
	12.2 Sister City activity is maintained at the current level or increased	Not formally measured	No target in Annual Plan
13. To implement, monitor and review the City Centre Marketing Strategy.	13.1 Strategy and Plan adjustments reported to Strategy and Resources Committee by	Not met - 31 August 2000	31 October 1999
14. To increase retailer buy-in to strategy and improve communication between Central City Marketing and retailers.	14.1 Retailer Forum groups held with retailers at least	6	6 times by 30 June 2000
	14.2 Publish Street Talk, at least	4	4 issues by 30 June 2000
15. Co-ordinate and lead the marketing of Christchurch/Canterbury with a focus on sustainable growth of visitors.	15.1 Visit or host travel wholesalers, at least	95	70 by 30 June 2000
16. Drive Christchurch/Canterbury as the best value New Zealand destination for all group visitation.	16.1 Successful bids by Convention Bureau no less than	60%	70%
	16.2 Increase the average nights stayed for the group/convention market from 2.9 days average to	3.4 days	3.8 days
17. In addition to the traditional international focus, we need to maximise domestic visitor arrivals to Christchurch/Canterbury.	17.1 Increase in domestic visitors from Auckland, at least	Domestic Tourism Survey results not yet available	0.1%

ECONOMIC DEVELOPMENT AND EMPLOYMENT

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Advice to Council	98	17	81	72	17
Administration	56	0	56	52	436
Business Support	270	0	270	270	289
Education	50	0	50	50	0
Regional Economic Development	385	0	385	385	0
Sustainable Development	40	0	40	40	0
Employment and Training Scheme Administration	2,341	641	1,700	1,848	1,852
Employment Promotion	576	44	532	409	391
Workforce Preparation & Renewal	127	0	127	116	0
Visitor Promotions	1,172	0	1,172	1,172	872
City Promotional Activity	265	35	230	220	182
Civic Receptions & Ceremonies	16	17	(1)	(70)	0
Turning Point 2000	634	73	561	545	364
Central City Marketing	284	7	277	298	417
Central City Promotions	235	11	224	266	201
Sister Cities	355	0	355	374	308
Tram and Shuttle Operations	1,009	120	889	1,046	711
Convention and Entertainment Facilities	3,560	166	3,394	4,005	2,390
Economic Development & Employment Grants	578	0	578	578	623
COST OF SERVICE	\$12,051	\$1,131	\$10,920	\$11,676	\$9,053

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$1,131, Estimate 2000 \$1,345, Actual 1999 \$1,256.

Depreciation included is: Actual 2000 \$778, Estimate 2000 \$767, Actual 1999 \$334.

Refer Note 22.



A convention hosted at the Christchurch Convention Centre

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.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. Assist with the hearing of submissions on the City Plan, particularly as they relate to the objectives and policies.	1.1 Residents satisfied with the value for money of rates on overall city and environmental planning, at least	59%	60%
	1.2 Residents satisfied with the value for money of rates spent on regulating activities and investigating nuisances, at least	44%	57%
	1.3 Reports completed within time frame set down by City Plan process	100%	100%
2. Prepare concept plans for the environmental improvement of the Central City, urban renewal in the inner city and suburban shopping centres.	2.1 Complete within budget by	Budget not met	30 June 2000
	2.2 Complete plans for suburban shopping centres	Met. Edgeware & Woolston completed	Two shopping centres 30 June 2000
3. Complete the Natural Environment Strategy.	3.1 Complete by	Partially completed	31 December 1999
4. Undertake detailed studies of parts of the City subject to change and growth.	4.1 Complete by	30 June 2000	30 June 2000
5. Assess applications for grants to help retain listed heritage buildings.	5.1 Provide assistance to owners for	17 assessed by 30 June 2000	10 listed buildings by 30 June 2000
6. Prepare the annual State of the Environment monitoring report.	6.1 Complete by	Met	31 December 1999
7. Prepare for and defend references lodged with the Environment Court.	7.1 Successfully defend references to the Environment Court of at least	First defended case yet to be heard	90%
8. Administer the City Plan in an efficient and effective manner.	8.1 Meet the following consent applications processing standards (unless extension is authorised) Of subdivision applications within Of non-notified resource consents which do not require a hearing within Of notified resource consents within	74% * *	100% in 20 working days 100% in 20 working days 100% in 70 working days
	8.2 Residents who believe building or land developments in their local area during the year, have made their area worse, no more than	8%	12%
	8.3 Monitor and report on the compliance conditions associated with notified/non-notified consents during year for	100%	100% of resource consents
9. Investigate and respond to situations which cause nuisance or objectionable effects on human health and safety.	9.1 Undertake initial investigations of complaints of excessive noise	99%	100% within 2 working days

ENVIRONMENTAL POLICY AND SERVICES

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
10. Inspect registered premises to ensure compliance with required environmental health standards.	10.1 Food premises identified as being at risk in terms of safety to be inspected	59%	All premises at least once
11. Process building consent applications within the time limits prescribed by the Building Act.	11.1 Subject to provision of complete information, process building consents within the time limits prescribed in the Building Act, at least	*	100%
12. To respond to and investigate complaints relating to nuisances caused by dogs.	12.1 Response and investigation in the following time frames: - aggressive behaviour - other complaints - complaints resolved	68%	(100% in 2 hours (100% in 72 hours (100% in 7 days

* Not reliably measured due to systems difficulties.

The performance measures and the actual performance achieved for this significant activity, are to be reviewed in the 2000/01 year.

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Consents and Applications	8,485	6,090	2,395	2,453	1,753
Environmental Effects Control	729	24	705	679	655
Plans and Policy Statements	1,487	31	1,456	1,549	1,935
Information and Advice	2,970	1,046	1,924	2,096	1,874
Animal Control	1,457	1,403	54	167	9
Consents and Applications	202	0	202	221	160
Policy Advice	2,303	25	2,278	2,325	2,342
Information	291	0	291	296	275
Environmental Promotion	262	0	262	230	240
Monitoring	191	0	191	170	159
Funds Administration	303	0	303	323	8
Energy Management	952	43	909	921	897
COST OF SERVICE	\$19,632	\$8,662	\$10,970	\$11,430	\$10,307

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$8662, Estimate 2000 \$9,407, Actual 1999 \$9,929.

Depreciation included is: Actual 2000 \$132, Estimate 2000 \$260, Actual 1999 \$334.

Refer to 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 2,174 elderly persons housing units and 387 public rental units.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. A policy of complex replacement to be developed and incorporated into the Asset Management Programme.	1.1 Adoption of a complex replacement policy by	Not achieved. Terms of Reference drafted and being refined	31 May 2000
2. Administer provision of Council housing within policy guidelines established by Council including: - receiving and processing tenancy applications - selecting and arranging tenancies - providing tenancy advice.	2.1 Tenancy services conducted to satisfaction of tenants, at least	a) Not formally measured b) 3.6% *	a) 80% Satisfaction b) 3% vacancy rate
3. Implement planned welfare services to tenants in accordance with Council Policy.	3.1 Welfare services provided to satisfaction of tenants, at least	Not formally measured	80%
4. To review the appropriateness of the Council's housing portfolio in the light of current and future needs.	4.1 Reviewed and reported by	Not achieved. Memorandum of Understanding signed to perform a joint assessment with Housing NZ.	31 March 2000

* Not adjusted for units held vacant for remodelling as occurred in previous years.

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Elderly Persons Housing	3,987	6,899	(2,912)	(2,140)	(2,393)
Trust Housing	41	64	(23)	(25)	(53)
Owner/Occupied Housing	21	23	(2)	(5)	(3)
Public Rental Housing	869	2,219	(1,350)	(692)	(1,171)
General Housing	101	105	(4)	(72)	(59)
Tenancy Services/Welfare Policy	859	0	859	845	691
COST OF SERVICE	\$5,878	\$9,310	(\$3,432)	(\$2,089)	(\$2,988)

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$9310, Estimate 2000 \$9,253, Actual 1999 \$9,302.

Depreciation included is: Actual 2000 \$781, Estimate 2000 \$907, Actual 1999 \$844.

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 1999/00	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 Adults Under 18 years	70% average for Adults and Children	65% 80%
	1.2 Borrowers satisfied with service provided (average of six factors), at least	80%	81%
	1.3 Information customers satisfied with service provided (average of five factors), at least	73.5%	85.5%
	1.4 Average cost per lending service transaction	\$2.00	\$2.07
2. Launch a Business Information Service in association with Insite (the Council's Information Service).	2.1 Business Information Service established by	5 April 2000	30 March 2000
3. Consolidate WWW site management to ensure efficient and effective delivery of Council information.	3.1 Customers have access to up-to-date, core Council information via the Web.	Not applicable	No target set in Annual Plan
	3.2 Process and frameworks established for sharing information between local organisations	These have yet to be fully developed	30 June 2000
4. Provide prompt, courteous and efficient cash receipting and general Council information at six locations and integrate the service delivery at the Papanui Library and Service Centre location.	4.1 Customer expectations, in terms of overall service provided, being met or exceeded not less than	Not measured	90% of the time
	4.2 Integration completed by	31 December 1999	30 April 2000
5. Complete the building of the new Fendalton Library and Service Centre and the extension of the Spreydon Library.	5.1 Fendalton Library and Service Centre completed by Spreydon Library by	3 July 2000 New strategy being developed	29 February 2000 31 January 2000
6. Review provisions for the remaining two libraries at Parklands and Upper Riccarton/Avonhead.	6.1 Consultations, research and report completed by	Deferred while new strategy developed	29 February 2000
7. Provide resources, advice and story telling to selected pre-schools throughout the city to acquaint parents and caregivers with the value of libraries and literacy.	7.1 Pre-school groups city-wide receiving resources, no fewer than	63	60
	7.2 Story telling workshops delivered to staff of Kindergartens and Pre-schools, at least	4	4
8. Provide and promote services to housebound customers in association with the Red Cross.	8.1 Housebound service provided to at least	252	60 Customers
9. Commence year one of a three year programme to upgrade computer terminals for public use.	9.1 Replacement completed with minimal interruption to service by	30 April 2000	30 April 2000

LIBRARY AND INFORMATION SERVICES

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Advice	137	7	130	173	138
Information Technology/WWW Web Project	180	0	180	165	101
Council Information - Insite	159	1	158	129	0
Central Library Lending Services	3,896	485	3,411	3,167	3,004
Central Library Information Services	3,941	109	3,832	3,752	3,664
Community Libraries Lending & Information Services					
Pre-School Outreach	85	0	85	89	91
Outreach	272	0	272	276	219
Mobile Libraries	579	4	575	595	600
Linwood Community Library	887	64	823	704	742
Sumner Library	206	19	187	173	159
Bishopdale Community Library	611	43	568	554	530
Fendalton Community Library	1,127	60	1,067	920	847
Halswell Community Library	370	25	345	336	292
Hornby Community Library	569	40	529	457	479
New Brighton Community Library	1,319	71	1,248	1,232	523
Shirley Community Library	946	79	867	792	767
Papanui Community Library	848	45	803	635	670
Redwood Community Library	368	18	350	352	316
Spreydon Community Library	804	52	752	707	643
St Martins Library	104	2	102	107	103
Neighbourhood Libraries	181	0	181	141	258
COST OF SERVICE	\$17,589	\$1,124	\$16,465	\$15,456	\$14,146

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$1,124, Estimate 2000 \$1,643, Actual 1999 \$1,464.

Depreciation included is: Actual 2000 \$2,798, Estimate 2000 \$2,975, Actual 1999 \$2,555.

Refer Note 22.



The New Brighton Library, which had its first full year of operation.

PARKS

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. 670 parks (5,314 Ha) and nine cemeteries maintained using in-house and external contractors.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/2000	Performance Indicators	Actual	Target
1. Enhance the quality of life of the city's residents and visitors by providing parks and open spaces so as to conserve natural resources, promote the city's unique identity and service the need for places for sport and recreation.	1.1 Annual Residents' Survey indicates that residents are satisfied that parks are well looked after, at least	89%	90%
	1.2 Residents are satisfied with the value for money of rates spent on parks, at least	81%	80%
2. Review and develop strategic plans for capital works, business and asset management, and prepare plans and development reports.	2.1 Prepare (a) Composite schedule of capital projects, and (b) Review strategic plans with emphasis on further integration with Water Services Unit along with (i) park landscape plans and (ii) community area parks and recreation plans.	(a) 30 June 2000 (b)(i) 26 (ii) 1 completed & one draft prepared	(a) by 30 June 2000 (b)(i) at least 30 (ii) at least 2
3. Develop a database for consent information and action new leases and lease renewals in line with the charging and leases policy.	3.1 (a) Complete development and database loading by; and (b) Action new lease negotiations, at least	(a) 30 June 2000 (b) 32	(a) 31 March 2000 (b) 30
4. On a regular basis, undertake a park specification quality survey of all separate parks to determine levels of compliance with standards required for parks maintenance.	4.1 Survey (a) 36 garden (b) 485 local and (c) 86 sports parks to ensure a level of compliance within 10% of park maintenance specifications.	(a) 90% (b) 92% (c) 94%	(a) 90% Compliance (b) 90% Compliance (c) 90% Compliance
5. Supply the required number and species of high quality plants through own nursery production and contract growing.	5.1 (a) Supply plants to specified standards to meet the planting programme and (b) Supplement production through contract growing of additional plants.	(a) 334,540 Plants (b) 130,750 Plants	(a) 192,000 Plants (b) 130,000 Plants
6. Process all applications for cemetery plot purchases and warrants for interment.	6.1 Action interments in accordance with statutory requirements.	869	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 Through an education programme, enhance environmental awareness and complete visitor centre displays at Halswell Quarry, Port Hills and Travis Wetland Visitor Centres by	Partially met. Interpretation plans prepared but displays still to be completed.	30 June 2000
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.	32	25

PARKS

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Customer Services	1,014	437	577	294	1,048
Environmental	14,993	1,352	13,641	12,580	11,204
Support	542	0	542	421	500
Environment and Parks Grants	99	0	99	117	78
COST OF SERVICE	\$16,648	\$1,789	\$14,859	\$13,412	\$12,830

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$1,789, Estimate 2000 \$2,096, Actual 1999 \$1,956.

Depreciation included is: Actual 2000 \$620, Estimate 2000 \$547, Actual 1999 \$535.

Refer Note 22.



The ponding area at the Travis Heritage Park

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 33 elected Community Board members.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	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 government.	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	76%	85%
2. Implement programmed community consultation to enhance the ability of Community Boards to represent their communities.	2.1 Community/residents group meetings with Board or its representatives as per proposed programme	Achieved	Continuous Consultation
3. Ensure the negotiation of Statements of Corporate Intent for the Local Authority Trading Enterprises and comparable documents for similar organisations in which the Council has a significant interest.	3.1 Contents of all Statements of Corporate Intent 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 Statements of Corporate Intent finalised within 3 months	100%
4. Implement an agreed programme of elected member meetings.	4.1 All 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
5. Prepare appropriate public accountability documents.	5.1 Adopt Annual Plan for 1999/00 and Annual Report for 1998/99 by	23 July 1999 30 November 1999	31 July 1999 30 November 1999
6. Effectively allocate Community Board discretionary funds.	6.1 Funds allocated in accordance with a statement of Community Board priorities agreed following public consultation	Completed by 30 June 2000	Completed by 30 June 2000
7. Publish and distribute information to residents on the overall activities of the Council.	7.1 Residents satisfied with the Council newsletter, City Scene, no less than	74%	75%

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Elected Member Representations	3,186	0	3,186	3,503	2,887
Decision Making	4,728	0	4,728	4,854	4,037
Liaison & Discretionary Expenditure	272	0	272	378	239
Corporate Communications	683	0	683	678	828
COST OF SERVICE	\$8,869	\$0	\$8,869	\$9,413	\$7,991

Notes (\$000's)

External Revenue included in Income is: Actual 2000 Nil, Estimate 2000 Nil, Actual 1999 \$84.

Depreciation included is: Actual 2000 \$12, Estimate 2000 \$6, Actual 1999 \$23.

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 comprises 1,353 km of sewer mains, 79 pumping stations, approximately 20,000 manholes, 1,600 flush tanks, and 100,000 sewer laterals. Treatment works are at Bromley, Belfast and Templeton.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	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 3. The objectives below will form elements of this plan.	1.1 Liquid Waste Management Plan completed and special consultative procedure started.	Draft completed. Consultation suspended until ChCh Treatment Plant discharge consent lodged	30 June 2000
2. Preserve the value of the public reticulation system by adopting an asset management strategy.	2.1 Full implementation of the 1999/00 sewer capital works programme, and the Asset Management Plan (AMP).	Capital Work of \$9,873,062 completed by 30 June 2000. Implementation of AMP is in progress	Capital Work of \$9,737,283 completed by 30 June 2000
3. To ensure adequate system capacity to cater for present and future urban growth by continuing the flow monitoring programme and eliminating stormwater entry.	3.1 Continue inflow and infiltration remedial works as recommended in the AWT Strategy Report plus inspection and remedial works on a further	Negotiating with City Care Ltd to carry out grouting programme. Draft AWT Stage II report completed 18,614 Properties	15,000 Properties
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	Nil Failures	Nil Failures
5. Provide response and control to pollution and hazardous substance spillage incidents.	5.1 Record number of responses and response time against a target	100%	98% within 15 minutes
6. To minimise energy costs for all operating plant, by maximising biogas used for energy production.	6.1 Maximise engine generator use on load over	7914	8000 hours
7. To comply with water right effluent discharge standards as required through achievement of target treatment levels.	7.1 Measure discharge pollutant levels with a target of an average reduction in BOD and suspended solids, at least	65% / 59%	70% / 65%
	7.2 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	99.9% 8200	99.7% 10,000/100ml
8. To minimise sewage treatment costs.	8.1 Achieve annual cost per year maximum of	\$13.14 per person \$34.82 per ratepayer \$0.08/m ³	\$10.60 per person \$28.00 per ratepayer \$0.07 /m ³

SEWERAGE

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Plans and Policy Statements	131	0	131	104	99
Information and Advice	179	20	159	128	68
Consents and Applications	228	0	228	335	139
Liquid Waste Collection	9,230	789	8,441	8,546	11,428
Liquid Waste Treatment and Disposal.	5,539	2,660	2,879	3,823	3,395
COST OF SERVICE	<u>\$15,307</u>	<u>\$3,469</u>	<u>\$11,838</u>	<u>\$12,936</u>	<u>\$15,129</u>

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$3,469, Estimate 2000 \$2,830, Actual 1999 \$2,353.

Depreciation included is: Actual 2000 \$5,064, Estimate 2000 \$5,261, Actual 1999 \$8,329.

Refer Note 22.



Testing of samples at the Christchurch Wastewater Treatment Plant Laboratory.

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 1999/00	Performance Indicators	Actual	Target
1. Assist, encourage and advise clubs, organisations and the general public to maintain or increase overall participation levels, and to ensure adequate resources are available.	1.1 Increase participation in Council recreation programmes by at least	11%	10%
	1.2 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	7	3
	2.2 Secure pre Sydney 2000 Olympic or Paralympic Games competition events to be held in Christchurch/Canterbury	5	5
3. Prepare a leisure strategy for Christchurch and implement the Council's new recreation and sport policy.	3.1 Completion and implementation of Council's Recreation & Sport Long Term Strategy by	Service level agreements established with all Leisure Teams by 30 June	75% by 30 June 2000
4. Maintain and improve existing Council stadia, pools, and other recreation facilities.	4.1 Residents visiting Council stadia once or more during the year	41%	35%
	4.2 Residents visiting Council swimming pools during the year	44%	43%
	4.3 Residents satisfied with the value for money of rates spent on providing swimming pools, sports grounds, and stadia, at least	Sports Grounds 81% Swimming Pools & Stadia 68%	70%
5. To effectively administer grants and funding for community organisations.	5.1 Residents satisfied with the value for money of rates spent on sports and recreation, at least	67%	70%
6. Operate each facility for which the Council is directly responsible efficiently and effectively.	6.1 Annual Client surveys indicate satisfaction with Council sporting facilities of at least	75%	80%
	6.2 All Council operated or owned/operated pools comply with the requirements of NZS 441:1985 'Code of Practice for the Operation of Swimming Pools' and NZS 5826:1995 'Code of Practice for the Operation of Swimming Pools.'	100%	100%
7. Provide clean, accessible and safe toilets in Cathedral Square.	7.1 Number of complaints recorded about servicing of Cathedral Square toilets.	Nil	Nil
8. Continue the major maintenance upgrading of QEII Pool and Stadia Facility	8.1 Work completed during the year will enable completion by	Project on track to be completed no later than this	31 December 2001
9. Plan, organise and deliver the SummerTimes Festival.	9.1 Residents satisfied that programmes are delivered and that value for money spending on SummerTimes festival, at least	81%	80%
	9.2 Attendees satisfied with the quality of SummerTimes festival, at least	81%	80%
	9.3 Attendees satisfied with the quality of individual SummerTimes events, at least	81%	80%

SPORTS, LEISURE AND EVENTS

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (Cont'd)

Objectives for 1999/00	Performance Indicators	Actual	80 Target
10. Plan, organise and deliver KidsFest, Guy Fawkes Night and Showtime Canterbury.	10.1 Residents satisfied with the value of Council spending all events and festivals at least	84%	78%
11. Facilitate information exchange with the City's events industry to improve co-ordination.	11.1 Arrange network meetings with events organisers, at least	3	3

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Events and Festivals	2,770	295	2,475	2,356	1,959
Recreation and Arts	2,348	169	2,179	2,209	1,743
Leisure Planning	259	0	259	252	139
Sports	153	0	153	138	142
Stadia	1,760	755	1,005	614	725
Pools	3,449	2,088	1,361	1,857	1,220
Golf Courses/Range	288	384	(96)	(62)	(75)
Camping Grounds	87	73	14	(9)	0
QE2	5,141	1,798	3,343	2,835	2,537
Recreation and Sports Grants	650	381	269	252	658
COST OF SERVICE	\$16,905	\$5,943	\$10,962	\$10,442	\$9,048

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$5,943, Estimate 2000 \$5,835, Actual 1999 \$3,990.

Depreciation included is: Actual 2000 \$1,810, Estimate 2000 \$1,852, Actual 1999 \$865.

Refer Note 22.



Children participating in the Millennium Games at QEII Park



The Crusaders Horsemen at Jade Stadium, the home of the Super 12 Champions for the last three years

WASTE MINIMISATION AND DISPOSAL

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

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. Reduction To develop a Target Zero Regional Network from industry organisations, CCC, Environment Canterbury and environmental groups to promote commercial waste minimisation. To provide waste minimisation advice and motivation to the business sector and to continue waste minimisation programmes within Council operations.	1.1 Reduction Target Zero Regional Network developed in accordance with programme by	Started but not completed	30 June 2000
	1.2 Businesses that have implemented some form of waste minimisation, at least	Not formally measured	10%
	1.3 Progress on inhouse waste minimisation reported by	Redesigning Resources Conference held instead	30 June 2000
2. Reuse To assist the RMF investigate options to improve operations of resource reuse centres.	2.1 Reuse Business plan improvements in place by	Trailer sorting and weighing project in operation	30 June 2000
3.1 Recycling To advance the sustainable use of recyclable materials by delivery of sorted uncontaminated kerbside recyclable materials to the Recovered Materials Foundation.	3.1 Recycling Delivery of sorted newspaper, glass, plastic and metal cans to the Recovered Materials Foundation with complaints from RMF about contamination of no more than	1	12
3.2 Recycling To continue the advertising campaign to promote the kerbside recycling service in a way that also promotes the Reduce, Reuse, Recycle waste minimisation hierarchy and minimises contamination levels.	3.2 Recycling Increase in the level of public awareness of the Waste Minimisation hierarchy and the need for clean sorted recyclable material as measured in the Annual Citizens' Survey, at least	Not formally measured but quantities of clean material put out for recycling have increased	> 0
4.1 Resource Recovery To manage the compost plant in accordance with the management plan, resource consent and budget and to achieve the outputs in the compost facility Business Plan.	4.1 Resource Recovery Achievement of the outputs in the 1998/99 Business Plan by	All quantitative targets exceeded. Other targets were either met or substantially completed	30 June 2000
4.2 Resource Recovery To make further progress on developing links with potential partners for an enclosed composting plant.	4.2 Resource Recovery Relationship established and proposals reported to the Council by	Negotiations ended with favoured party. New feasibility report being prepared	30 June 2000
5.1 Collection Operations To provide convenient residual refuse collection services to householders and businesses.	5.1 Collection Operations The level of public satisfaction with the refuse collection service as measured by the Annual Citizens' Survey, at least	80%	90%
5.2 Collection Operations To explore the potential for domestic waste reduction through direct charging for domestic waste collection.	5.2 Collection Operations Options considered and reported to Council, if approved, implementation commenced, by	Project deferred due to other higher priorities	30 June 2000
6.1 Residue Disposal To finalise enhanced Service Level Agreement for operation of transfer stations.	6.1 Residue Disposal New service level agreement in place with a reduction in operating costs, of at least	Not achieved due to corporatisation of Works Operations Unit	5%
6.2 Residue disposal To provide a landfill for disposal of residual waste operation in accordance with a Management Strategy including compliance with all consents and bylaws, and to complete programme and management plans for Burwood Landfill closure, rehabilitation, monitoring and after care.	6.2 Residue Disposal a) Targeted level of compliance of operations at Burwood Landfill in accordance with the Management Strategy consents and Bylaws b) prepare a realistic programme and budget for the closure, rehabilitation, monitoring and after care of the Burwood Landfill by	a) 100% b) Delayed opening of new landfill meant this was delayed	a) 100% b) 30 June 2000

WASTE MINIMISATION AND DISPOSAL

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
6.3 <i>Solid Waste Planning</i> Commence implementation of strategies identified in the new Solid and Hazardous Waste Management Plan.	6.3 <i>Solid Waste Planning</i> Progress towards targets on the Waste Management Plan, reported annually to the Council by	31 July 2000	30 June 2000
6.4 <i>Solid Waste Planning</i> To plan and develop a Regional Landfill, as a replacement for Burwood Landfill, with a joint venture partner and in association with the Canterbury Waste Sub-committee.	6.4 <i>Solid Waste Planning</i> Site identified and Resource Consent application lodged for a new Regional Landfill by	Third site identified with detailed planning having commenced	30 June 2000

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Reduction	462	9	453	400	227
Resource Re-use Centres	266	37	229	250	138
Recycling	2,292	2,466	(174)	(300)	1,200
Resource recovery	1,225	590	635	548	623
Residual Disposal	11,607	7,838	3,769	4,086	1,721
Plans and Policy Statements	618	4	614	162	97
COST OF SERVICE	\$16,470	\$10,944	\$5,526	\$5,146	\$4,006

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$10,944, Estimate 2000 \$10,402, Actual 1999 \$9,283.

Depreciation included is: Actual 2000 \$210, Estimate 2000 \$125, Actual 1999 \$141.

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 1999/00	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	86%	90%
2. Effectively respond to requests for water supply information.	2.1 a) Maintain first contact action on general water supply information, related correspondence and enquiries, at least b) Commence investigation on specialist information requests, at least	100% 100%	99% within 3 working days 100% within 10 working days
3. Effectively respond to applications for service.	3.1 Process land and project information memoranda applications within 3 and 2 days respectively 3.2 Process applications for new connections within 3 working days of receipt of application, at least	93% of LIMS 83% of PIMS 100%	90% 90% 99%
4. Operate and maintain the water supply system.	4.1 Headworks shutdowns resulting in loss of supply to customers for longer than four hours 4.2 Unplanned shutdown incidents of less than four hours' duration. 4.3 Repair of reported A-C category leaks as per the scheduled time frames 4.4 Quality of water tested meeting the public health requirements of the New Zealand 1995 Drinking Water Standards.	Nil 11 *Category 'U' 98% *Category '1' 90% *Category '3' 95% 99% compliance with drinking water standards	Nil Less than 10 95% 100%

* Categories were changed to the following:

- 'U' - urgent, repair the same day
- '1' - repair within one day (ie 24 hours)
- '3' - repair within 3 days

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Plans and Policy Statements	221	0	221	214	259
Information and Advice	683	0	683	568	799
Consents and Applications	209	622	(413)	(536)	(259)
Supply of Water	12,138	1,999	10,139	9,052	8,478
COST OF SERVICE	\$13,251	\$2,621	\$10,630	\$9,298	\$9,277

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$2,621, Estimate 2000 \$3,062, Actual 1999 \$2,585.

Depreciation included is: Actual 2000 \$4,887, Estimate 2000 \$4,750, Actual 1999 \$4,336.

Refer Note 22.

WATERWAYS AND WETLANDS

The operation and/or maintenance of the stormwater collection system, waterway environments and flood control facilities together with associated water quality, biota and physical monitoring. Systems include 287 kilometres of waterways and 572 kilometres of stormwater drains.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. To develop programmes for the implementation of waterways and wetlands strategies.	1.1 Produce a programme of visionary projects that implement the protection and restoration objectives of the Waterways and Wetlands Asset Management Strategy by	Asset Mgmt Strategy presented to Parks & Recreation Cttee, October 1999	31 December 1999
2. Effectively respond to requests for waterways, wetlands and drainage information.	2.1 Action general waterways, wetlands and drainage information related correspondence and enquiries within three working days	99%	99%
3. Effectively respond to applications for service.	3.1 Process a) project information memoranda applications within two working days and b) land information memoranda within four working days	a) 83% b) 93%	a) 90% b) 90%
4. To maintain progress with implementation of the Asset Management Plans for waterways, wetlands and drainage.	4.1 Protect waterway margins by covenant, road stopping, reserve acquisition or land purchase, at least	Achieved through Templeton stormwater and Papanui waterway diversion	1km by 30 June 2000
	4.2 Produce restoration and protection plans for at least	Clearwater Resort Plan only	Two Priority 1 waterways by 30 June 2000
5. Operate and maintain stormwater collection and flood control systems, and manage the City's waterways and wetlands.	5.1 Increase in long term maintenance cost/unit length of established enhanced waterway banks and berms over the 1997/98 drain maintenance cost/unit length	Cost reductions achieved	Nil

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	2000 COSTS (After Internal Recoveries) \$000's	2000 INCOME \$000's	2000 NET COST \$000's	2000 ESTIMATE NET COST \$000's	1999 ACTUAL NET COST \$000's
OPERATIONAL OUTPUTS					
Stormwater Pipelines	2,800	203	2,597	2,368	5,550
Pumping Stations	121	0	121	109	115
Utility Waterways	1,083	12	1,071	1,175	1,377
Flood Management	76	0	76	100	27
Rivers	1,215	0	1,215	1,221	1,011
Environmental Asset Waterways and Wetlands	1,162	45	1,117	938	1,225
Environmental Monitoring	654	0	654	545	378
Plans and Policy Statements	610	0	610	524	296
Information and Advice	1,107	12	1,095	1,068	803
Consents and Applications	368	112	256	106	21
COST OF SERVICE	\$9,196	\$384	\$8,812	\$8,154	\$10,803

Notes (\$000's)

External Revenue included in Income is: Actual 2000 \$384, Estimate 2000 \$262, Actual 1999 \$214.

Depreciation included is: Actual 2000 \$2,168, Estimate 2000 \$2,150, Actual 1999 \$4,821.

Refer Note 22.



INTERNAL SERVICE PROVIDERS

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000 CITY DESIGN

	COSTS	INCOME	NET	NET	NET
	2000	2000	2000	2000	1999
<u>Consultancy Services</u>	ACTUAL	ACTUAL	ACTUAL	ESTIMATE	ACTUAL
	\$000's	\$000's	\$000's	\$000's	\$000's
Structural Consulting Services	533	636	(103)	(34)	(63)
Roading & Traffic Design Consulting Services	1,594	1,706	(112)	(124)	(76)
Water & Environmental Consulting Services	856	944	(88)	(67)	(75)
Land Surveying Consulting Services	719	772	(53)	(62)	(85)
Environmental & Architecture Consulting Services	525	568	(43)	(47)	36
Plan Records and Printing Consulting Services	0	0	0	0	2
Project Management Consulting Services	625	190	435	(17)	43
Mechanical/Electrical Consulting Services	1,790	2,160	(370)	(21)	(10)
ALLOCATED TO SERVICE DELIVERY ACTIVITIES	<u>\$6,642</u>	<u>\$6,976</u>	<u>(\$334)</u>	<u>(\$372)</u>	<u>(\$228)</u>

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000 PLANT AND BUILDING SERVICES

	COSTS	INCOME	NET	NET	NET
	2000	2000	2000	2000	1999
<u>Operational Outputs</u>	ACTUAL	ACTUAL	ACTUAL	ESTIMATE	ACTUAL
	\$000's	\$000's	\$000's	\$000's	\$000's
Mechanical Services	69	72	(3)	0	(43)
Plant Hire Services	5,331	6,057	(726)	(1,243)	(1,299)
Building Services	2,274	2,386	(112)	0	(6)
ALLOCATED TO SERVICE DELIVERY ACTIVITIES	<u>\$7,674</u>	<u>\$8,515</u>	<u>(\$841)</u>	<u>(\$1,243)</u>	<u>(\$1,348)</u>

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000 WORKS OPERATIONS

	COSTS	INCOME	NET	NET	NET
	2000	2000	2000	2000	1999
<u>Operational Outputs</u>	ACTUAL	ACTUAL	ACTUAL	ESTIMATE	ACTUAL
	\$000's	\$000's	\$000's	\$000's	\$000's
<u>Contracting Services</u>					
Council Units	13,335	11,490	1,845	0	(1,003)
CCC Lates	700	700	0	0	425
Public and Others	902	902	0	(13,290)	129
ALLOCATED TO SERVICE DELIVERY ACTIVITIES	<u>\$14,937</u>	<u>\$13,092</u>	<u>\$1,845</u>	<u>(\$13,290)</u>	<u>(\$449)</u>

City Care Limited is a local authority trading enterprise, 100% owned by the Christchurch City Council. It was previously known as Canroad Construction Ltd and has been significantly expanded by the transfer from the Council of the Works Operations Unit and the Mechanical Services Section of the Plant and Building Services Unit. The company provides construction and maintenance services for Waste Management, Parks, Roading and Water Services. City Care Ltd have benchmarked and renegotiated a number of former Works Operations contracts. 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 1999/00	Performance Indicators	Actual	Target
1. To yield projected return on investment.	1.1 Minimum after tax return on shareholders' funds of	33%	10%

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999
Revenue	24,347	5,400	3,957
Operating, Financing and Depreciation Costs	21,744	5,280	(3,865)
NET PROFIT BEFORE TAXATION	\$2,603	\$120	\$92
Tax Expense/(Benefit)	863	40	(37)
NET PROFIT AFTER TAXATION	\$1,740	\$80	\$129

NB: As the 1999/2000 was a year of transition for the company, the formal targets for the predecessor company, Canroad Construction were not adjusted.



City Care Parks Maintenance staff at work

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 1999/00	Performance Indicators	Actual	Target
1. Provide a range of support services for the region's small and medium sized enterprises 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.	152 Mentors	100 Mentors
	1.2 Refer SME's to providers of business support and assistance.	1,773	1,000 referrals
	1.3 Regular dissemination of details of tenders, purchase enquiries to appropriate local businesses on the Businesslink Database.	144 4,673	250 tenders 5,000 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.	13 3	12 partnerships 4 teacher forums
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.	3.1 Investors seeking equity are introduced to potential investors.	71	25 investors introduced
	3.2 Industry Cluster groups established to support technology transfer.	5	4 groups
	3.3 Presentations made to potential business relocations.	11	10 presentations
4. Production of current information on the region, its economy, infrastructure and quality of life.	4.1 Appropriate current promotional material available at all times.	100%	100%
5. Facilitate initiatives that enhance sustainability.	5.1 Contribute to initiatives that have a sustainable focus for the region.	5	5 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.	20	10 projects
	6.2 Individually case manage young unemployed people.	2,130	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.	40	20 groups
	7.2 Key agencies express satisfaction with support provided.	100%	100%

STATEMENT OF COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999 \$000's
Income			
CCC Contract	809	809	673
Other Income	1,435	1,000	667
	<hr/> 2,244	<hr/> 1,809	<hr/> 1,340
Less Expenses	2,243	1,808	1,485
	<hr/> \$1	<hr/> \$1	<hr/> (\$145)
SURPLUS (DEFICIT)	<hr/>	<hr/>	<hr/>

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 91% of the levies received by the Museum.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. To progress towards a total new visitor experience through the public galleries.	1.1 Finalise strategic plan for the multi-year project to revitalise the Museum visitor experience by	Final report in preparation for Board approval	30 June 2000
	1.2 Open to the public a new Document History suite and public research room by	Opened September 1999	30 June 2000
	1.3 Stage a major charge for special exhibition by	Lock, Stock & Barrel exhibition December 1999 - July 2000	30 June 2000
2. Improved customer focus and service.	2.1 Increase visitor numbers in excess of	545,718	525,000
	2.2 Increase in revenue earned from the international visitor market, at least	Achieved. Total revenues from all visitors increased by \$28,000 or 16.2%	0.1%
	2.3 Maintain visitor satisfaction rating with displays, exhibits and facilities in excess of	Displays 87% Facilities 82%	70%
	2.4 Increase visits from schools in the Canterbury region to at least	35,982 children	20,000 children
3. Improved care of heritage collections.	3.1 Continue programme to relocate and properly store the Museum's 1.9million collection items in line with appropriate international standards	Environment controls installed in new Document History store. Reboxing of collections continued in all departments	Continuing
	3.2 Reduce collections cataloguing backlog to meet cataloguing targets by	Achieved except for Canterbury & Antarctic History collections	30 June 2000
	3.3 Select, purchase & begin implementation of centralised collection management system	Selection process complete. Installation expected by December 2000	30 June 2000
4. Corporate development to enhance staff's abilities to meet the above objectives.	4.1 Develop and install computer network by	Network installation complete and operational for 95% of staff	30 June 2000
	4.2 Relocate Museum staff and Trust Board to improve centralised office and work areas	January 2000	30 June 2000
	4.3 Implement Investors in People training and development standard, and achieve certification by	Standard implemented. Substantial progress made to achieve certification in April 2001	30 June 2000

STATEMENT OF COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999 \$000's
Costs	4,060	4,049	3,491
Less Levies	(2,829)	(2,829)	(2,550)
Less Income	(869)	(818)	(1,639)
Net Surplus/(Deficit)	(\$362)	(\$402)	\$698

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 is developing land near Christchurch International Airport to facilitate the establishment and development of technology-based industries. After land sales are complete, it is anticipated that the Council's involvement will cease.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. Continue to progress the sale of remaining land to maximise the value to joint venture partners and their stakeholders	1.1 Further land sales totalling at least	0.3 hectares	1.2 hectares

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2000

	ACTUAL	ACTUAL
	\$000's	1999 \$000's
INCOME		
Land Sales	380	1,453
Interest Received	3	12
	<u>383</u>	<u>1,465</u>
EXPENDITURE		
Opening Value of Land Held	449	1,045
Land Development and Sale Costs	42	116
	<u>491</u>	<u>1,161</u>
Less Closing Value of Land Held	358	449
	<u>133</u>	<u>712</u>
Cost of Land Sold	133	712
Administration and Operating	22	29
Audit Fee	3	2
Management Fees	27	28
Promotion Expenses	5	1
Repairs and Maintenance Ground	13	12
Legal Costs	8	3
	<u>211</u>	<u>787</u>
NET SURPLUS/(DEFICIT) TRANSFERRED TO PARTNERS' CAPITAL ACCOUNTS	<u>\$172</u>	<u>\$678</u>

NOTE: 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 Entertainment Centre buildings and improvements. It holds a lease of the Entertainment Centre land and the Town Hall.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. To manage cash inflows and outflows to best advantage.	1.1 To achieve projected financial performance	\$3,671,000 Deficit	Nil surplus
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 2000

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999 \$000's
INCOME			
Operating	9,220		7,494
EXPENDITURE			
Operating and Other	(12,891)		(11,680)
NET SURPLUS/(DEFICIT) BEFORE TAX	(\$3,671)	Nil	(\$4,186)
Provision for Taxation	0	0	0
TAX PAID SURPLUS/(DEFICIT) FOR THE YEAR	(\$3,671)	Nil	(\$4,186)



The Silver Ferns in action in the 1999 World Netball Championships at the WestpacTrust Centre

CHRISTCHURCH CITY HOLDINGS LIMITED

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

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. Achieve projected financial performance	1.1 Pay dividends to the Council, totalling	\$33.6M Plus special dividend of \$29.2M	\$19.2M
2. Meet other objectives in Statement of Corporate Intent	2.1 Variances from planned objectives	No material variances	Nil

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999 \$000's
Interest Earned	15,090		11,601
Dividends	145,928		87,189
Other Income	349		797
	<hr/> 161,367	<hr/> 32,983	<hr/> 99,587
EXPENSES			
Interest Paid	7,395	8,041	7,302
Other	3,771	947	1,283
	<hr/> 11,166	<hr/> 8,988	<hr/> 8,585
TOTAL EXPENSES			
	<hr/> \$150,201	<hr/> \$23,995	<hr/> \$91,002
NET SURPLUS			

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.

Objectives for 1999/00	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 Tonnes of international airfreight movements, at least	41,535 4.084M 38,126 Tonnes	39,000 3.663M 36,000 Tonnes
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 60% of after tax profit amounting to a payment of \$6.9M (CCC share equals \$5.2M).	60% and \$7.9M Plus special dividend of \$30M	60% and \$6.9M

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000'S	ACTUAL 1999 \$000's
REVENUE			
Operating Revenue	54,667		51,206
Interest Income	236		155
TOTAL REVENUE	\$54,903	52,251	\$51,361
EXPENSES			
Maintenance and Operating Costs	19,819	19,458	19,178
Financing and Interest Costs	5,420	5,972	4,959
Other	9,778	9,750	9,515
TOTAL EXPENSES	\$35,017	35,180	\$33,652
NET SURPLUS BEFORE TAX	19,886	17,071	17,709
Taxation	6,658	5,633	5,553
NET SURPLUS AFTER TAX	\$13,228	\$11,438	\$12,156



The entrance to the Christchurch International Airport domestic terminal

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 1999/00	Performance Indicators	Actual	Target
1. Manage the business within budget	1.1 Revenue, expense and capital expenditure no more than	All within approved variations to budget	Budget adopted 30 June 1999
2. Fulfil all contractual obligations	2.1 Substantiated complaints of breaches any contract	Nil	Nil
3. Promote usage of the stadium	3.1 Visitor numbers meet or exceed targets	Exceeded	100% of targets set

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ACTUAL 1999 \$000's
INCOME		
Stadium Income	1,580	0
Interest	0	0
	<hr/>	<hr/>
	1,580	0
EXPENSES	1,737	88
	<hr/>	<hr/>
NET DEFICIT FOR THE YEAR BEFORE TAX	157	88
Taxation Expense	0	0
	<hr/>	<hr/>
TAX PAID DEFICIT FOR THE YEAR	\$157	\$88
	<hr/>	<hr/>

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 1999/00	Performance Indicators	Actual	Target
1. Achieve projected financial performance	1.1 Dividend policy is to pay 50% of tax paid profit	139% Including special dividend	50%
2. Achieve projected port throughput.	2.1 Containers (in TEUs), at least	120,700TEUs	121,400TEUs
	Fuel, at least	1,054,000 tonnes	851,000 tonnes
	Coal, at least	1,440,000 tonnes	1,014,000 tonnes
	Other Cargoes, at least	2,105,000 tonnes	1,567,000 tonnes

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ACTUAL 1999 \$000's
Revenue	58,069	55,274
Net Surplus Before Tax	22,045	19,809
Less Taxation	(7,188)	(6,658)
NET SURPLUS AFTER TAXATION	\$14,857	\$13,151



Ship docked at the wharf in Lyttelton Harbour

ORION GROUP LIMITED

Orion Group 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 1999/00 Performance Indicators		Actual	Target
1. Achieve projected overall financial performance.	1.1 Net after tax profit to average owners' equity (based on revalued ordinary owners' equity of \$380 million) for year ending 31 March 2000, at least	9.5%	7.9%
	1.2 Dividend payments for year ending 31 March 2000		
	- Total	\$28.0M	\$24.0M
	- CCHL Share	\$24.5M	\$21.0M
	1.3 Interest payments on subordinated optional convertible notes paid	\$9.985M over 4 quarterly due dates	On time in full
	1.4 Return capital to shareholders	\$76.0M October 1999	Amounts agreed according to timetable

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2000

	GROUP ACTUAL 2000 \$000's	GROUP ESTIMATE 2000 \$000'S	GROUP ACTUAL 1999 \$000's
OPERATING REVENUES	272,903	246,000	316,126
Operating Surplus Before Taxation	55,209	47,471	100,819
Less Taxation Expense & Subvention Payment	(25,073)	(14,796)	(16,258)
OPERATING SURPLUS AFTER TAXATION	30,136	32,675	84,561
Less Tax paid Net Surplus Attributable to Minority Shareholders of Subsidiary Companies	-	(2,830)	(7,597)
Less Associates Losses/Plus Associate Profits	295	250	(1,170)
NET SURPLUS - PARENT COMPANY SHAREHOLDERS	\$30,431	\$30,095	\$75,794

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 1999/00	Performance Indicators	Actual	Target
1. Achieve targeted return on investment.	1.1 Pre-tax return on investment of	15%	15%
2. Achieve projected net after tax profit.	2.1 Net after tax profit of	\$1,284,555	\$954,000

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000'S	ACTUAL 1999 \$000's
REVENUE	15,521	14,220	15,062
EXPENDITURE	(13,462)	(12,796)	(12,782)
Subvention Payments	(526)	(470)	(846)
Net Surplus	1,533	954	1,434
Unrealised Revaluation of Assets	-	-	991
NET SURPLUS BEFORE TAXATION	1,533	954	2,425
Taxation Expense	248	0	(32)
NET SURPLUS AFTER TAXATION	\$1,285	\$954	\$2,457



Two of the company's buses in operation in Cathedral Square

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 1999/00	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 Management Plan	On-going	On-going
2. Remove exotic plants and invasive <i>Hoheria Sextlosa</i> from the Bush and re-establish/replant native species.	2.1 Staged programme in place for plant removal and replacement with native species	Stage 4 June 2000	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	December 1999	31 December 1999
4. Re-route existing cycleway.	4.1 To be finalised by	Opened August 2000	30 July 1999
5. Complete Stage 3 landscape design work in house grounds.	5.1 Concept and design plans completed work to commence when cycleway re-routed by	Completed August 2000	31 July 1999
6. Period furnishing of selected rooms already restored and decorated under Stages 1 and 2.	6.1 Rooms furnished by	June 2000	30 June 2000
7. Prepare concept and design plans for the re-creation of ground floor domestic wing.	7.1 Plans finalised Works begin by	July 1999 October 1999	31 July 1999 30 September 1999
8. Create historical photograph gallery in attic along with period item displays.	8.1 Completed by	December 1999	31 December 1999
9. Design and create an historical interpretive exhibition with the first floor children's bedroom wing.	9.1 Design report completed by	June 2000	31 August 1999
10. Design, construct and install high pressure water system for irrigation and fire protection within Riccarton Bush.	10.1 Design work commenced by Installation by	July 1999 December 1999	31 July 1999 31 December 1999

STATEMENT OF COST OF SERVICES FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999 \$000's
Costs	240	190	278
Depreciation	33	2	13
	<hr/> 273	<hr/> 192	<hr/> 291
Less Income	107	57	55
	<hr/> 166	<hr/> 135	<hr/> 236
Deficit before Levy & Grants	335	335	335
Less Levy and Grants	<hr/> 335	<hr/> 335	<hr/> 335
(DEFICIT)/SURPLUS ON OPERATIONS	<hr/> \$169	<hr/> \$200	<hr/> \$99

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 13,252 HA, of which 9,858 HA is stocked.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. Continue the scheduled planting programme.	1.1 Plant hectares by 31 March 2000, at least	497ha	400ha
	1.2 Tonnes of wood produced by 31 March 2000, at least	102,068 Tonnes	96,500 Tonnes

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2000

	ACTUAL 2000 \$000's	ESTIMATE 2000 \$000's	ACTUAL 1999 \$000's
INCOME			
Operating	5,367	5,150	4,535
EXPENDITURE			
Operating and Other	4,431	4,250	4,057
NET SURPLUS FOR THE YEAR BEFORE TAX	936	900	478
Provision for Tax	(516)	0	(239)
TAX PAID SURPLUS FOR THE YEAR	\$1,452	\$900	\$717

STREETWORKS MANAGEMENT (CHRISTCHURCH) LIMITED

Streetworks Management (Christchurch) Limited is a non-trading local authority trading enterprise, 100% owned by the Christchurch City Council that is currently being wound up. The Company was formed to meet the requirements of Transit New Zealand regarding tendering for subsidised roading work. The Transit New Zealand Amendment Act 1995 amended these requirements and this role is now performed by City Care Limited, another local authority trading enterprise that is 100% owned by the Christchurch City Council. 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 1999/00	Performance Indicators	Actual	Target
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NB: No formal financial targets were published as it was planned that the company would cease to operate before the commencement of the year.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ACTUAL 1999 \$000's
Income	0	0
Contract Expenditure	40	0
	<hr/>	<hr/>
GROSS SURPLUS	(40)	0
Expenses	0	0
	<hr/>	<hr/>
NET (DEFICIT)/SURPLUS BEFORE TAXATION	(40)	0
TAXATION	0	0
	<hr/>	<hr/>
NET SURPLUS AFTER TAXATION	(\$40)	\$0
	<hr/>	<hr/>

NOTE: On 24 July 2000, the company distributed its surplus assets to its shareholder and a request was made for the Company to be removed from the Companies Register.

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 1999/00	Performance Indicators	Actual	Target
1. To establish a consented regional landfill that will be operational as soon as possible with a target date of 31 May 2002	1.1 To establish landfill	Site selection progressing	31 May 2002*
2. To be a responsible Corporate Citizen by acting lawfully and fairly	2.1 Compliance with contractual arrangements	100%	100%
	2.2 Compliance with all relevant and regulatory requirements	100%	100%

* The planned opening date for the regional landfill in Canterbury has been deferred due to difficulties experienced in selecting the most appropriate site (refer Note 19 on Page 34).

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000'S	ACTUAL 1999 \$000's
INCOME		
Operating	0	0
EXPENDITURE		
Other	331	74
NET (DEFICIT) FOR THE YEAR BEFORE TAX	(331)	(74)
Provision for Taxation	0	0
TAX PAID SURPLUS/(DEFICIT) FOR THE YEAR	(\$331)	(\$74)

TRAVIS FINANCE LIMITED AND SUBSIDIARIES

Travis Finance Limited is a local authority trading enterprise, 100% owned by the Christchurch City Council. The Company was incorporated in July 1996 as a financing vehicle for the purchase of two pieces of land. One is to become the Travis Heritage Park, and the other is adjacent to Bottle Lake Forest Plantation.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Objectives for 1999/00	Performance Indicators	Actual	Target
1. To achieve projected financial performance.	1.1 Limit the net loss to no more than	\$1,024 surplus	Nil

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2000

	ACTUAL 2000 \$000's	ACTUAL 1999 \$000's
INCOME		
Operating	746	739
EXPENDITURE		
Operating and Other	(745)	(6,573)
NET SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX	1	(5,834)
Provision for Tax	0	0
DEFICIT FOR THE YEAR	\$1	(\$5,834)

NOTE: Expenditure for year ended 30 June 1999 included \$5,827K, being an amount of goodwill/investment written off.



A few of the many pukekos to be found at Travis Heritage Park

GIVING VALUE - BEING VALUED

(REFERENCE TO THE LOCAL GOVERNMENT AMENDMENT ACT NO. 2 1989
SECTION 119H)

MANAGEMENT PLAN FOR EQUAL EMPLOYMENT OPPORTUNITIES 1998/99

The EEO Consultative Committee shall:

- 1.1 Review its Team Value Statement.
- 1.2 Pursue results as identified in its Team Value Statement.

Specific Actions

1. EEO Consultative Committee Role, Structure, Membership, Term

- 1.1 Monitor the Committee's role, structure, membership and term on an annual basis.

2. Recruitment and Selection

- 2.1 Review Job Value Statements.
- 2.2 Review by December 1999 the brochure and additional information on retirement after 1999.

3. Training and Development

- 3.1 EEO review of Performance Pay Development System and practices by liaising with the Performance Team Leader.
- 3.2 Continue to conduct EEO Workshops on EEO principles and the Christchurch City Council EEO Policy for all staff.
- 3.2 Review in December 1999 the effectiveness of the EEO workshops.

4. Equal Employment Opportunities Review of the Organisation

- 4.1 Provide a report on the employment profile of the Council's Waged Women staff.
- 4.2 Update the employment profile of the Council's Salaried Women staff.
- 4.2 Invite staff from target groups to raise EEO issues and/or strategies related to their target group in focus groups or individually.
- 4.3 Follow up issues or recommendations from focus groups or individuals.
- 4.4 Review and follow up results of EEO related questions in organisation climate survey with HR Advocates.
- 4.5 Follow up recommendations from results with HR Advocates.
- 4.6 Work in partnership with other staff groups on Workforce Diversity and Work and Family initiatives.

5. Communication and Promotion

- 5.1 Continue to review in May the strategy for the communication and promotion of EEO in Council.
- 5.2 Review in December 1999 the brochure that outlines the steps involved when EEO representatives are contacted.
- 5.3 Facilitate Target Group Networks
 - Target group representatives to provide the opportunity for the development of networks.
 - Target group representatives to report back quarterly to committee meetings and to the monthly working party meetings.

As identified in the EEO Consultative Committee Management Plan the following have been achieved:

- Committee's role, structure, membership and term have been reviewed.
- All target group networks have been established and are working through the organisation.

CHRISTCHURCH CITY COUNCIL EQUAL EMPLOYMENT OPPORTUNITY POLICY

- The EEO Working Party meets on a monthly basis and receives feedback from target group representatives as necessary. Also responsible for progressing identified EEO projects.
- The EEO Consultative Committee meets quarterly.
- All Job Value Statements are monitored to ensure alignment with the principles of EEO.
- EEO Review of Performance System and Practices is on-going.
- EEO Workshops are continuing to be conducted bi-monthly on EEO principles and the Christchurch City Council EEO policy for all staff.
- The effectiveness of the EEO Workshops was reviewed in May 1999.
- The strategy for communication and promotion of EEO within the Christchurch City Council has been reviewed with the emphasis on the need to keep staff aware of EEO issues and initiatives being undertaken by the EEO Committee.
- EEO, Harassment and Retirement after 1999 brochures have all been reviewed. Some changes will be made.
- Profile on Council's salaried women staff is on-going.
- Workforce Diversity and Work and Life projects are on-going.
- Feedback was sought from waged women on the past and present profile of the organisation from their perspective.