



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

