



Christchurch City Council

Annual Report 04



CHRISTCHURCH
CITY COUNCIL • YOUR PEOPLE • YOUR CITY

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The Christchurch City Council produces an Annual Report each year to account for the money provided to it by ratepayers, financial institutions and government agencies. It shows how the Council is delivering on the outcomes the community wants.

This report makes references to the Council's strategies and plans, particularly the 'Financial Plan and Programme: 2004 Edition', adopted in July 2003 after consultation with ratepayers and other important stakeholders.

The activities undertaken by the Council aimed to achieving the following goals, as outlined in the Financial Plan:

- Community cohesion and well-being
- Economic development
- Environmental sustainability

In achieving these goals, the Council sought to respect the need for:

- Democratic governance
- Essential infrastructure
- Financial stewardship
- Treaty of Waitangi and cultural diversity

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 13 September 2004.

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From the Mayor

History will confirm that this last year was the year when Christchurch City Council and the city itself hit a new level of maturity. This year, in a change from tradition that reflects this new maturity, we have split the covering comments from the Mayor and Chief Executive Officer. This change sums up the way we have started on the long, and sometimes difficult, journey to separate governance and management. It is an overdue change, in my view, that will let both parties improve their overall performance.

This last year has been one where, along with the normal day-to-day operations, we have also been busy with some major internal housekeeping. We have put together a structure that will allow us to start to live up to the far-ranging new powers and potentials we have, courtesy of the new Local Government Act. This legislation is potentially the most profound for local government since the abolition of Provincial Government in the 19th Century.

It is hard to overstate how significant this new law is for a city with a tradition for liking to tackle its own challenges in our own way. The structural and psychological changes it will require have meant that it was vital for us to get a new CEO capable of steering a major corporate entity such as the Christchurch City Council through a time of significant change.

I believe that with the unanimous endorsement of Dr Lesley McTurk for the job that the Councillors made a very good choice. There have also been changes at the top levels of the Council staff structure. These have been the result of the new demands for the new system we are now developing.


In my view we are now moving into a phase of local government development that is probably the most significant since the last major wave of change in the 1980's. Part of this process for us as a Council will be to make sure the Council reflects its leading role in the South Island economy. As about the largest corporate entity in the South Island, the Christchurch City Council has huge strategic and economic weight. We need to make sure that this power is used efficiently and in a way that reflects the aims and aspirations of our ultimate owners, the ratepayers.

I believe our recent internal changes will help us to do this well. We are also now poised to start dealing with the reality of a Council half the size of what we have had in the past. It is another major organisational change that will call on Councillors to show increased strategic vision and discipline in dealing with issues. For Community Boards this will mean more power, and the potential for devolving local decision-making to them, a reality at last.

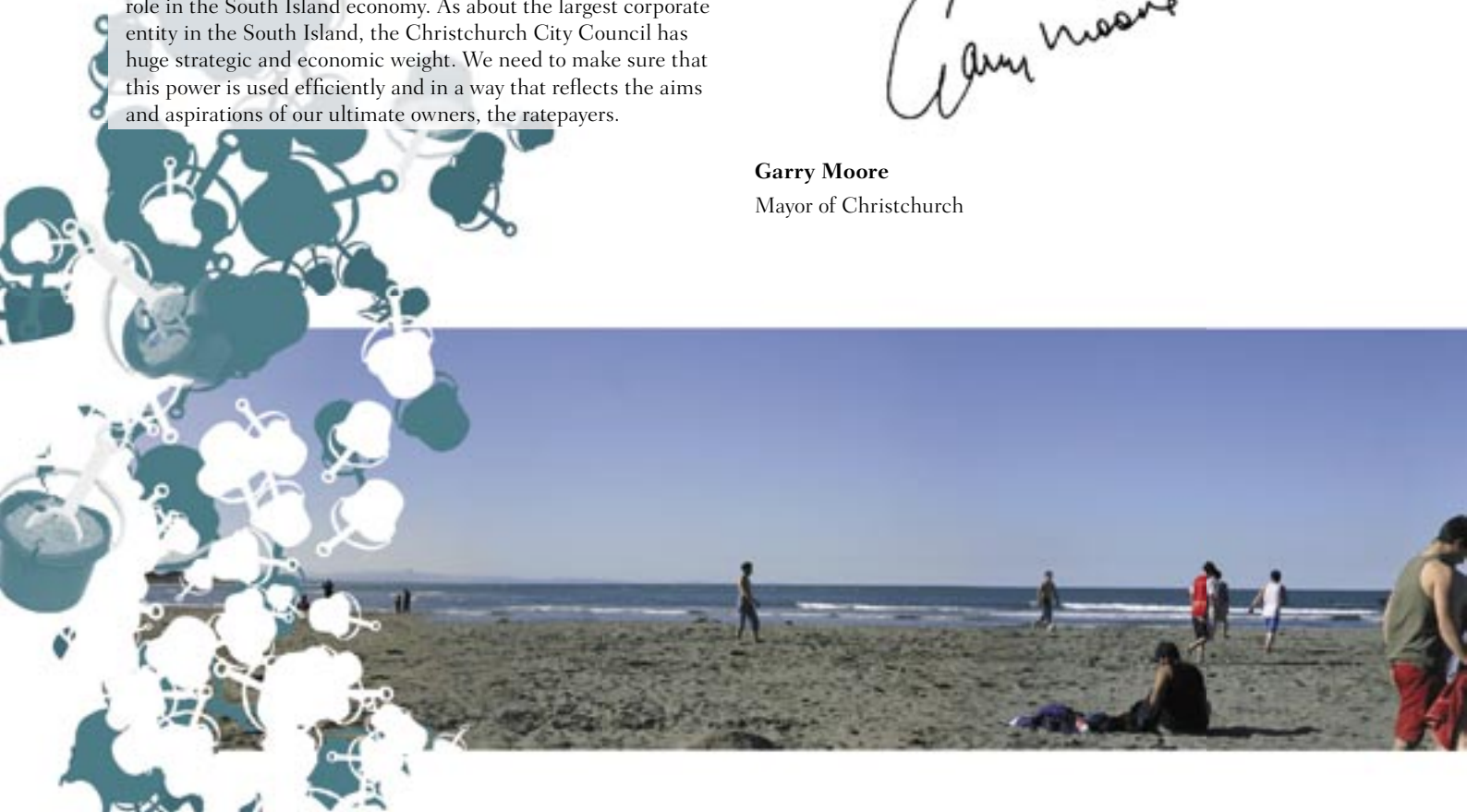
But not all the last year has been internal housework. One of the greatest days in the recent history of Christchurch was when we finally opened our new Art Gallery. It was a magical day for all who were there, and for the rest of Christchurch, marked a watershed day in our maturing as a city. It has meant that we now have one of the key indicators of a mature metropolitan city, an Art Gallery that reflects the importance and achievement of art in Christchurch and Canterbury. Along with this well-overdue event, it also meant that Christchurch now has one of the largest cultural precincts of any city anywhere.

With the foundations in place of a new Act which requires us to promote a sustainable environment, community and economy; with our Council smaller and a new executive in place; Christchurch City Council is set to tackle the 21st Century with gusto.

This boutique city will reach out to the world, promoting our quality of life and our marvellous community. The role of this City Council is to support, advocate for, and include, all in our community. This year we have continued our task. This report records some of our successes. The unrecorded bit rests in Christchurch residents' hearts. That's why we live here.



Garry Moore
Mayor of Christchurch



From the Chief Executive

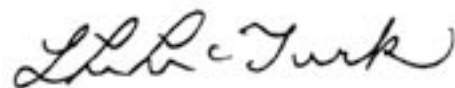
The year ending 30 June 2004 was one of significant change for the Council.

A new structure was developed to provide greater accountability and a more customer-focused organisation. It sees our business divided into four operational units, each headed by a general manager. These groups are supported by three cross-organisation support functions, each also headed by a general manager (see diagram on page 10). The aim has been to build upon the strengths of our history while ensuring that the Council is equipped to deal with the challenges of the Local Government Act 2002.

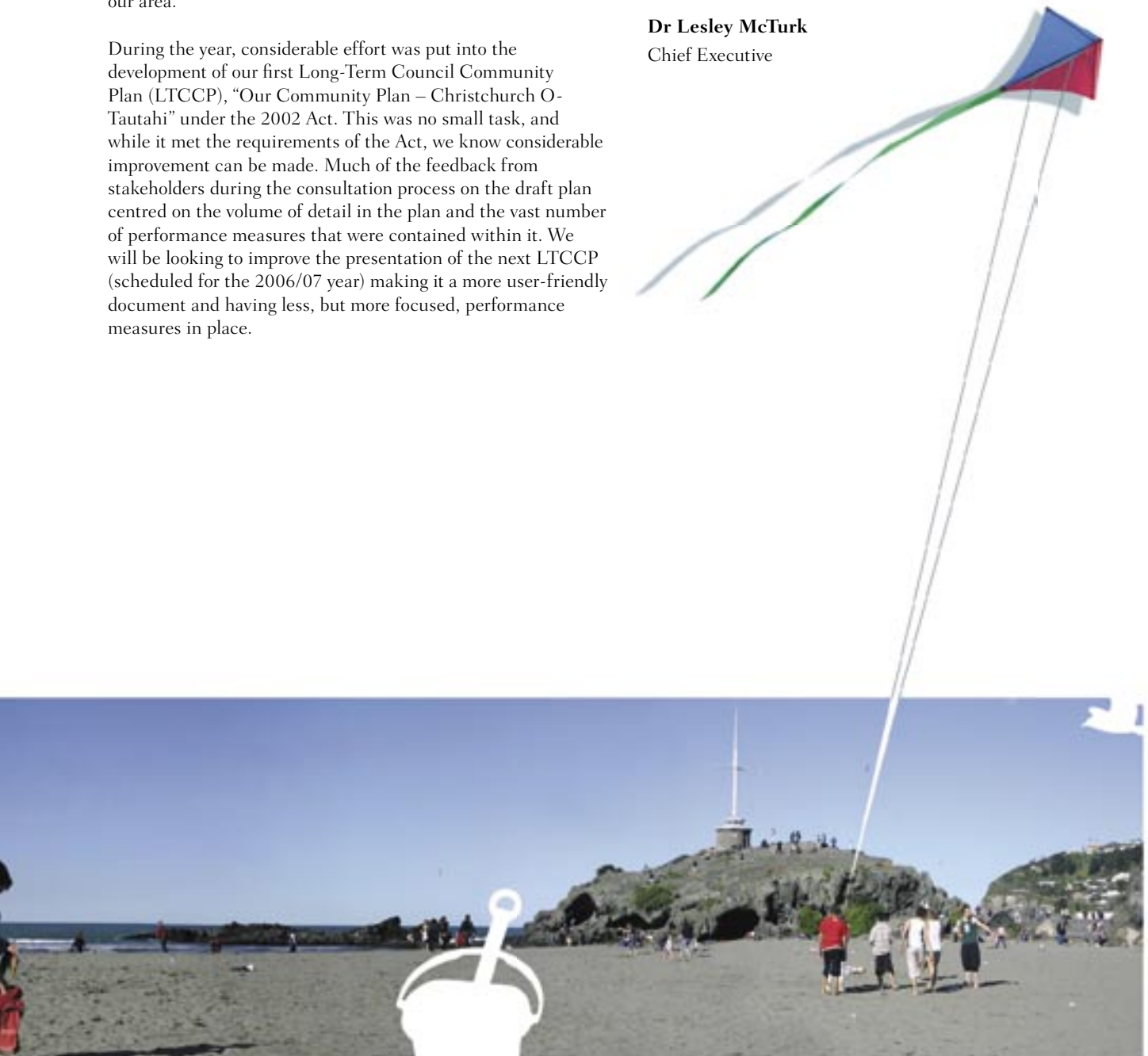
The shift that flows from local government's new statutory framework cannot be underestimated. The Council's role is far wider than ever before. Not only do we have to consider the four aspects of well-being: social, economic, environmental and cultural, we must also promote sustainable development within our area.

During the year, considerable effort was put into the development of our first Long-Term Council Community Plan (LTCCP), "Our Community Plan – Christchurch O-Tautahi" under the 2002 Act. This was no small task, and while it met the requirements of the Act, we know considerable improvement can be made. Much of the feedback from stakeholders during the consultation process on the draft plan centred on the volume of detail in the plan and the vast number of performance measures that were contained within it. We will be looking to improve the presentation of the next LTCCP (scheduled for the 2006/07 year) making it a more user-friendly document and having less, but more focused, performance measures in place.

The LTCCP is designed to focus the Council on the present and future well-being of our community. It will contribute to better alignment of the community's aspirations and vision for Christchurch and the Council's work programme. The Council, however, cannot deliver all the outcomes on its own. Other organisational groups and agencies will also contribute to a positive future for the city. Your Council will need to work not only with Central Government, but also regional bodies and local organisations to make sure that the outcomes of the plan can be delivered over time.



Dr Lesley McTurk
Chief Executive



Cave Rock, Summer

Highlights

The Christchurch City Council's role is enormously diverse. From treating sewerage to displaying fine art and providing housing, it delivers a range of services to support and enhance its residents' quality of life.

It is only possible to offer a glimpse of the Council's major achievements during the year. See from page 60 for detailed information about its performance, reported in triple bottom line format.

Refuse and recycling

Ten million two-litre plastic milk bottles were just some of the recycled materials collected from Christchurch kerbsides this year. The Council's popular recycling programme, delivered in partnership with the Recovered Materials Foundation and Onyx, continued to develop during 2004.

Research conducted by the Council showed that half of the contents of a typical household rubbish bag can be recycled or composted. This led to a significant change with the provision of rubbish bags halved to encourage a reduction in the amount of rubbish going to landfill.

Another key foundation of a sustainable approach to waste disposal for Christchurch was laid when the Environment Court granted resource consents for a regional landfill at Kate Valley in North Canterbury. The Christchurch City Council is the largest of six Canterbury councils which, along with two private firms, collectively sought the rights to build and operate a landfill at the Kate Valley site.

www.ccc.govt.nz/waste

Events

Citizens continued to enjoy the city's popular public events programme, including Summertimes and Kidsfest, the latter incorporating a record 180 different events in 2004. The Council was involved in a number of other events, including the Whiri Maori new year celebration, conducted in partnership with Ngai Tahu. Event attendance overall increased by 10%. In the Council's annual survey, 82% of residents were satisfied with the value for money that events and festivals represented.

The Council continued to generate economic growth through the support of key events in the city. As well as providing core funding to a wide range of festivals, it gave specific support to several income generating events. Major events included The New Zealand Professional Golf Association Championships at Clearwater, the World Softball Championships at Cuthberts Green, the World Underwater Hockey Championships at QEII and the Warriors-Tigers rugby league match at Jade Stadium.

www.ccc.govt.nz/recreation



Recycling innovation

A Gold Crate campaign was introduced in 2004, designed to thank those household recyclers who put the right, clean materials out for collection. 2,400 of the prized crates were awarded.

In an increasing endeavour to improve the ease of recycling for all residents, the Council translated its "Help Us Recycle" poster into 11 different languages. After consulting local ethnic groups, posters were produced in Afghani; Cambodian; Chinese; English; Ethiopian; Japanese; Korean; Russian; Somali; Thai and Vietnamese.

Wastewater

Treatment and disposal of wastewater is one of the major environmental issues facing Christchurch. The Council committed significant funds to, and made progress towards improving the way Christchurch deals with its wastewater.

The Council resolved to build a 3km ocean outfall to carry treated wastewater from the Christchurch Wastewater Treatment Plant out into Pegasus Bay off South New Brighton beach. The decision followed significant consultation with Christchurch residents and technical analysis.

A major sewer upgrade programme for the entire city is also underway. It involves laying more than 30km of new pipelines, several new pumping stations, and the proposed construction of a large storage tank during the next 10 years.

Upgrades to the treatment ponds at the plant were completed during the year. The upgrades have changed how the flow moves through the pond system and are expected to produce an effluent quality that is some 10 times better than what was previously discharged into the Estuary.

www.ccc.govt.nz/wastewater

Parks & Reserves

Strategies completed during the year to protect and enhance Christchurch's green spaces – such as parks, reserves and wetlands, include:

- a planting strategy
- a draft Bio-diversity Strategy
- the Avon River Central City Strategy
- the Estuary Management Plan

Major projects in Christchurch's famous parks network included the Fire Fighters Reserve Stage 2, Bexley Wetland rehabilitation, Charlesworth Wetlands extension, a new ranger's office at Victoria Park, and the redevelopment of Wainoni Park. Work began on Heathcote Heritage Park, Jellie Park pond redevelopment and planning for new facilities at the Christchurch Botanic Gardens.

www.ccc.govt.nz/parks

Transport

The transport systems in and around Christchurch are critical to the quality of life and future prospects of the region. During the year the Council released the Metropolitan Christchurch Transport Statement: Stage One (MCTS). The MCTS is part of a programme to provide an overarching direction for transport policy and strategy for the Christchurch metropolitan area and surrounding districts for the next 20 years.

The MCTS seeks to integrate transport planning for the city and all of its main commuter catchments — Rangiora, Kaiapoi, Rolleston, Burnham, Lyttelton and Diamond Harbour. The Council hopes to gain the support of other organisations, agencies and surrounding local bodies for the plan. It includes recommendations about provision of roading, public passenger transport, walking and cycling. The second, more detailed stage will begin later in the year. It will involve more intense work with neighbouring local bodies and national transport agencies – Transit and Transfund, alongside more consultation with major stakeholder groups and the public.

As well as planning for the future, the Council completed many roading projects. The upgrade of Fendalton Road was one of the most notable, providing a four laned road with landscaped median, cycle lanes, and visitor parking among the existing trees where possible. The showcase Living Streets project in Aynsley Terrace was also completed.

www.ccc.govt.nz



The Botanic Gardens turned 140 this year. Civic tree planting around Christchurch began in 1863, including the Christchurch Botanic Gardens. An oak, a *Quercus robur*, was planted to commemorate the marriage of Queen Victoria's eldest son Prince Albert Edward to Princess Alexandra of Denmark. This

Regulation

As well as providing services to the city's residents, the Council is also playing a significant role in developing and enforcing bylaws. During the year, the Council initiated measures to control gambling, brothels, liquor consumption in public places and dangerous dogs.

A moratorium was placed on the number and location of gaming machines, brothels were restricted to operating in a defined area of the central business district, public drinking bans were extended and dangerous dogs were required to be neutered and strictly controlled.

 www.ccc.govt.nz

Community Facilities

Use of Council facilities was up on previous years, with 2.9 million visits recorded at recreation centres throughout the city. 58% of all residents said they visited a swimming pool and 63% a Council owned stadium¹. More than 220,000 people participated in Council run recreation programmes, which cover everything from aquasize to pilates to tai chi.

A specific highlight was the opening of a multi-sensory environment for people with disabilities, the Southern Centre QEII Park. It established a world-class facility that offers recreation and leisure experiences for people with profound and multiple disabilities.

 www.ccc.govt.nz/leisurecentres

Libraries

South Christchurch Library in Beckenham opened to a huge response from Christchurch residents. The facility incorporates a Council service centre, a café, learning centre and library. Prime Minister Helen Clark was 'blown away' with the learning centre at its opening.

It has quickly become the second-busiest in the library network, issuing 555,099 items and receiving 348,904 visits in just over 10 months. It has won several awards including the supreme award in the 2004 New Zealand Institute of Architects Resene New Zealand Awards.

 www.library.christchurch.org.nz

Christchurch Art Gallery Te Puna O Waiwhetu

Christchurch's new art gallery turned one during the year. It broke all estimates with more than 550,000 visitors enjoying 25 exhibitions. The Gallery also won awards for its branding, created by advertising agency Strategy Advertising & Design. They included a bronze Clio Award, presented during the 45th Annual Clio Festival at Miami Beach, and a Highly Commended for Promotional Design from the Museums of Australia Design Awards.

 www.christchurchartgallery.org.nz



Prime Minister, Helen Clark, is shown some of the latest learning technologies at the opening of the Council's South Learning Centre by Daniel Rogers and Thomas Gardner.

¹Annual Residents Survey, March 2004

*78% of residents said
they had visited a library
this year²*

Economic prosperity

The Council is involved directly and indirectly in initiatives that directly support the city's economy. An example of direct involvement was an agreement concluded during the year between the Council and a joint venture of Pratt & Whitney and Air New Zealand for an engine testing facility to be constructed at Christchurch International Airport. The project will deliver jobs and foreign exchange earnings to Christchurch.

The Canterbury Development Corporation (CDC) and Christchurch and Canterbury Marketing (CCM) are two specialist service providers which the Council engages to deliver economic development initiatives.

CDC continued to work with many businesses in Christchurch, providing thousands of hours of workshops and one-on-one coaching. This included mentoring for 600 businesses, and support services for 400 start-up firms. It assisted local companies secure \$2.25 million in government grants.

CDC continued to support the six key industry clusters it has identified: electronics, software, nutraceuticals, international education, film and fashion. The organisation was also involved in a number of citywide economic development initiatives included the Mayoral delegation to the Chinese city of Wuhan.

Key tourism indicators showed the contribution to the city's economic health made by the marketing of Christchurch and Canterbury as a tourist destination by CCM. For the year ending June 2004, guest nights were up 5.8% in Christchurch, exceeding the national average of 3.9%. Christchurch also grew its share of tourists compared with other tourism regions in the country, increasing from 15% to 15.3% of total guests nights, estimated to raise visitor spending by \$40 million.

Virgin Airlines selects Christchurch

75% Council-owned Christchurch International Airport announced it will be the home base for Pacific Blue, Virgin Blue's new trans-Tasman airline. The deal is estimated to be worth over \$140 million to the South Island and a boost to employment, trade and tourism opportunities.

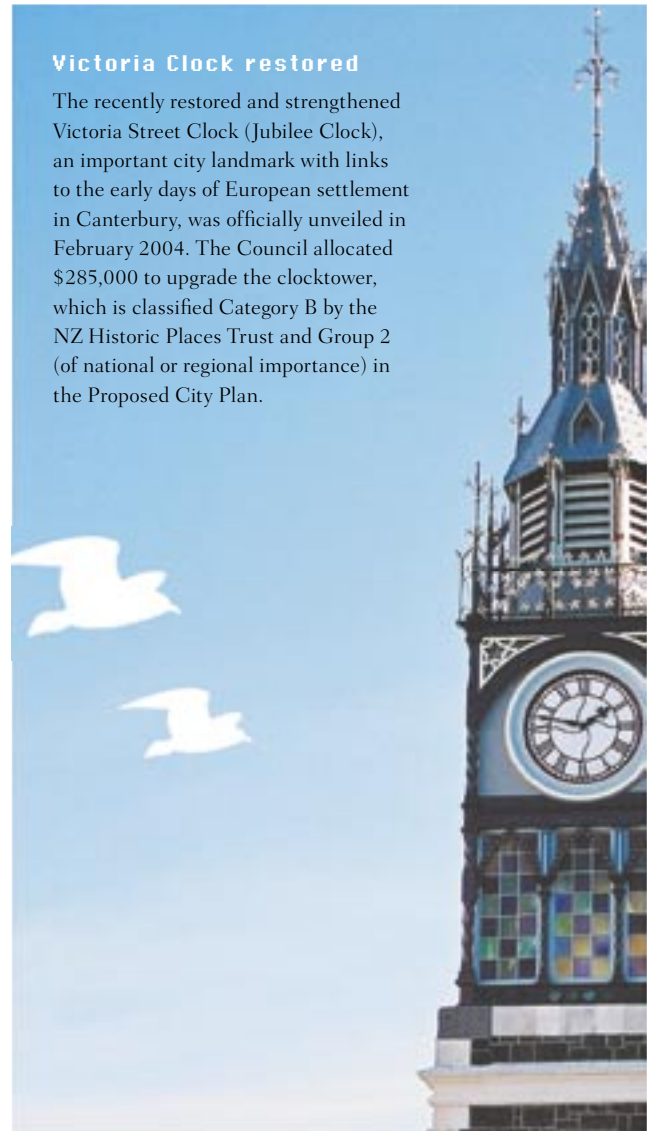
The Council's own Christchurch City Holdings Limited (CCHL) continued to contribute to the economic strength of the city. Its equity increased from \$741 million to \$762 million, assisted by a \$50 million increase in the value of Christchurch International Airport Ltd's land and sealed surfaces, and an increase in the value of the group's investment in Selwyn Plantation Board Ltd of \$4.4 million. CCHL paid special dividends of \$38 million to the Council during the year.

Since 1995, the overall value of CCHL's assets has increased from \$400 million to nearly \$1 billion. In that period over \$600 million of capital and dividend payments have been made to the Council.

i www.ccc.govt.nz/christchurchcityholdings
www.christchurchnz.net
www.cdc.org.nz

Victoria Clock restored

The recently restored and strengthened Victoria Street Clock (Jubilee Clock), an important city landmark with links to the early days of European settlement in Canterbury, was officially unveiled in February 2004. The Council allocated \$285,000 to upgrade the clocktower, which is classified Category B by the NZ Historic Places Trust and Group 2 (of national or regional importance) in the Proposed City Plan.



²Annual Residents Survey, March 2004

Financial highlights

Parent result³

Our operating surplus for the year was \$44.4m, \$31.4m ahead of the estimate. Contributions to this performance are outlined in note 27 of the detailed accounts and include the early receipt of a special dividend of \$35m from Christchurch City Holdings Limited (CCHL), and an offsetting unbudgeted cost of \$10m (net) relating to roading transfers and swaps between Council and Transit New Zealand.

Vested Assets at \$106.6m were \$92m higher than estimated. Sixty-one million dollars related to a change in policy to recognise for the first time the Council's ownership of sewer laterals⁴ city-wide. Vested assets are transferred to the Council as a result of developments/ subdivision contributions and are typically items such as kerb and channels and sewerage pipes.

The Council has continued to strive to deliver cost-effective services, allocating the \$156.7 million of rates collected across the following areas: [below left]

Our statement of Financial Position reflects the Council's strong position with a growth in equity of over \$189 million to a new high of \$4.1 billion. This strength supported the Council's ability to deliver \$89 million on new capital expenditure in the following areas: [see chart below]

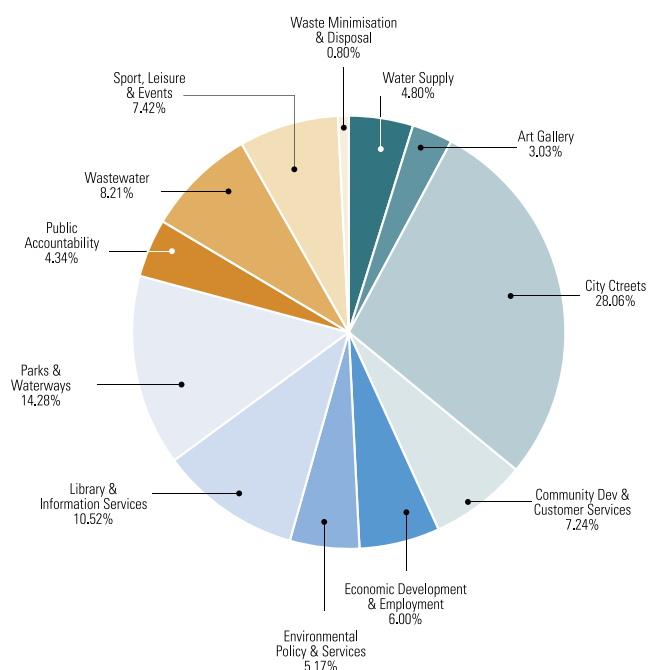
Major capital projects included \$9.7 million for enhancing the city's wastewater system, \$6.3 million for upgrading streets, \$3.6 million for new book purchases in the library network, \$1.6 million for parks and \$1.1 million for the water supply infrastructure.

*over 239,000 plants
were grown by the Council
nursery for planting*

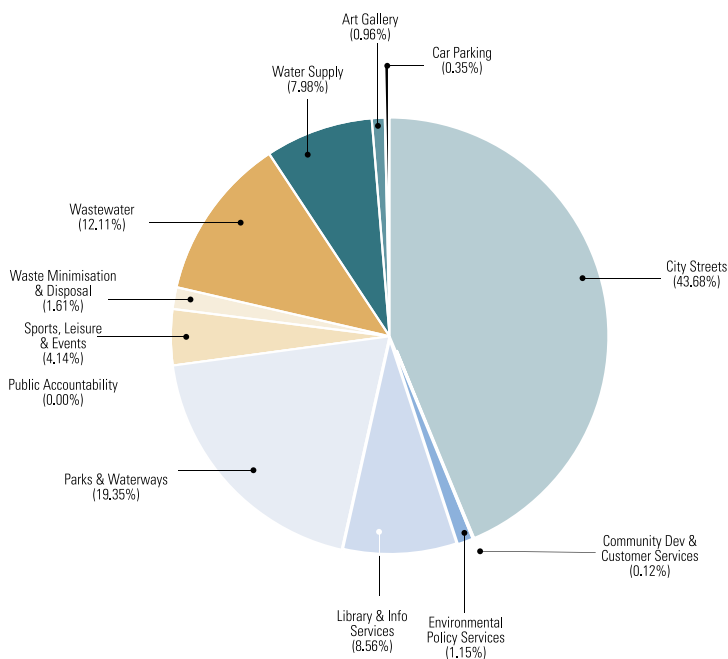
³Covers the Council operations only

⁴The section from the main sewer pipes to the property boundary

How your rates dollars were spent



Capital expenditure by significant activity



Group result

The Group covers the Council and its trading operations (refer to page 19). The numbers, which are after all inter-company transactions have been eliminated, reflect the financial strength and size of the organisation as a whole.

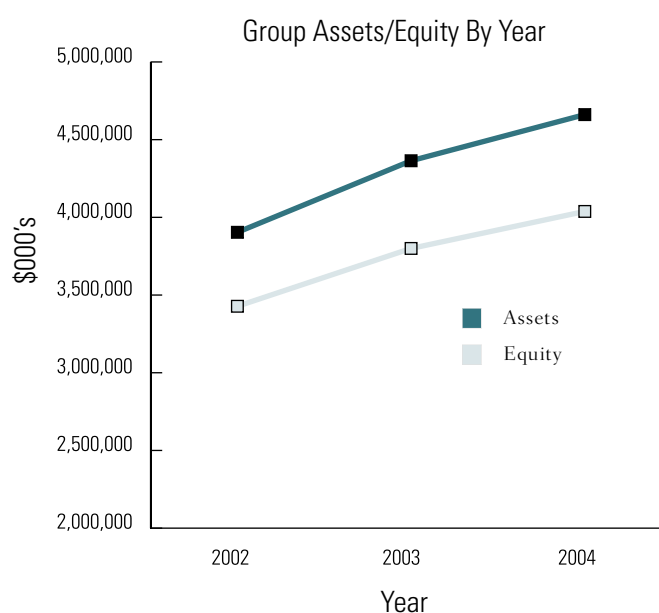
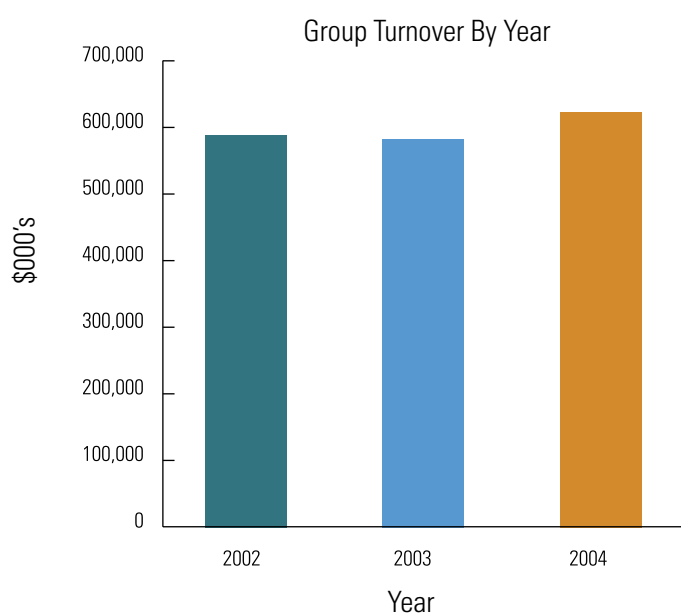
	\$ Million
Turnover	\$622
Net Surplus (before tax)	\$151
Total Assets	\$4,661
Total Debt	\$419
Total Equity	\$4,038

This result continues a positive trend in results for the Group, and the increasing value of the assets held by the city.

The Council's financial strength was confirmed during the year by international rating agency Standard and Poors (S&P). The agency affirmed the Council's AA+ long-term rating and said the outlook was stable. The announcement followed a visit to the Council by Standard and Poors officers in August 2003. The Council was rated AA by S&P from 1994 to 2000. In 2001 it was lifted to AA+, the agency's second-highest ranking. The rating — for the Council operation and for its holding company, Christchurch City Holdings Ltd — has been earned by only three New Zealand local authorities.



CDC working with its ethnic communities via its Ethnic Communities Employment Advocates Programme (ECEAP).



How the Council works

The elected Council

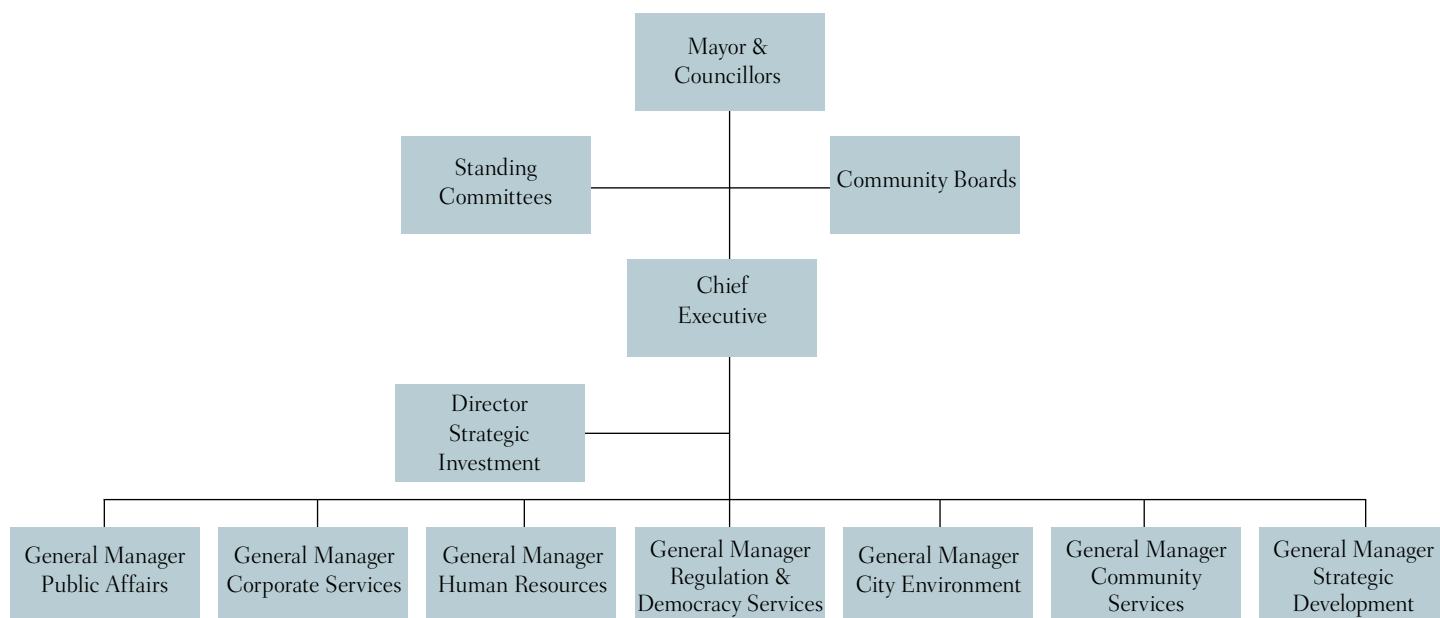
Christchurch City Council has a Mayor and 24 Councillors, who were elected in October 2001 for a three year term. After the next election, to be held on 9 October 2004, the Local Government Commission has determined that the Council will reduce to a Mayor and 12 Councillors.

The Mayor is the elected leader of the Council, chairing meetings of the full Council and performing ceremonial roles as the leading citizen of the City. The Mayor is the spokesperson on major Council matters and participates in regional and national meetings as the Council's representative.

The Council meets in the Council Chambers at Civic Offices, usually on the last Thursday of each month. The role of the elected members is to set the direction of the Council and monitor how effectively its staff are delivering on the goals agreed with the public.

Also elected every three years are the Council's community boards. These boards provide a close link between the community and the Council, and have authority to make certain decisions on behalf of the Council in their area. They meet once a month, and each have six directly elected members and four appointed Councillors. Christchurch's six community boards[#] are:

- Burwood/Pegasus
- Fendalton/Waimairi
- Hagley/Ferryroad
- Riccarton/Wigram
- Shirley/Papanui
- Spreydon/Heathcote



At each meeting, the Council considers recommendations which have been discussed from Council's standing committee meetings. Standing committees are similar to parliamentary select committees, and carry out the bulk of the council's political work. The standing committees,* which meet monthly, are:

- Arts, Culture and Heritage
- Community and Leisure
- Parks, Gardens and Waterways
- Property and Major Projects
- Regulatory and Consents
- Strategy and Finance
- Sustainable Transport and Utilities

58% of us used public transport at some time during 2004

*These will change after the 2004 election

[#]These will change after the 2004 election

Mayor & Councillors



Mayor: Garry Moore

*15,319 LIMs
(land information memorandums) were processed*



Burwood Ward: Carole Evans & Gail Sheriff



Fendalton Ward: Barbra Stewart & Ron Wright



Ferrymead Ward: David Cox & Linda Rutland



Hagley Ward: Anna Crighton & Denis O'Rourke



Heathcote Ward: Oscar Alpers & Sue Wells



Papanui Ward: Graham Condon & Norm Withers



Pegasus Ward: Alister James & Chrissie Williams



Riccarton Ward: Paddy Austin & Helen Broughton



Shirley Ward: Megan Evans & Ingrid Stonhill



Spreydon Ward: Carole Anderton & Barry Corbett



Waimairi Ward: Sally Buck & Pat Harrow



Wigram Ward: Ishwar Ganda & Lesley Keats

Community Board members

Burwood/Pegasus Community Board

Don Rowlands (Chairperson)
Bob Andrews
Glenda Burt
Cr Carole Evans
Carmen Hammond
Cr Alister James
Caroline Kellaway
Andrew Lea
Cr Gail Sheriff
Cr Chrissie Williams

Fendalton/Waimairi Community Board

Mike Wall (Chairman)
Sally Buck
Val Carter (Deputy Chairman)
Cheryl Colley
George Hampton
Pat Harrow
Yiyi Ku
Mark Kunnen
Barbara Stewart
Ron Wright

Hagley/Ferrymead Community Board

Bob Todd OBE JP (Chairperson)
Rod Cameron
Cr Anna Crighton
Cr David Cox
Shirley Fairhall
John Freeman
Yani Johanson
Cr Denis O'Rourke
Cr Linda Rutland
Dr Brendan Smith

Riccarton/Wigram Community Board

Mike Mora (Chairperson)
Cr Paddy Austin
Neville Bennett
Cr Helen Broughton
Ken Cummings
Cr Ishwar Ganda JP
Cr Lesley Keast JP
Peter Laloli
Bob Shearing

Spreydon/Heathcote Community Board

Phil Clearwater (Chairperson)
Cr Oscar Alpers
Cr Carole Anderton
Lynda Carter
Cr Barry Corbett
Paul de Spa
Sonia Gill
Elizabeth Maunsell
Cr Sue Wells

Shirley/Papanui Community Board

Yvonne Palmer (Chairperson)
Myra Barry
Robin Booth
Anne Carroll
Cr Graham Condon
Cr Megan Evans
Dennis Hills
Cr Ingrid Stonhill
Cr Norm Withers
Steve Wright

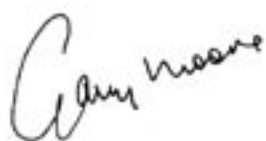
Statement of compliance and responsibility

Compliance

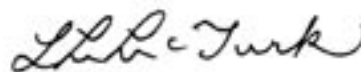
- 1 The Council and management of the Christchurch City Council confirm that all the statutory requirements of section 283 of the Local Government Act 2002, which includes the requirement to comply with Part VIIA of the Local Government Act 1974 regarding financial management and borrowing, have been 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 2004 fairly reflect the financial position and operations.



Garry Moore - Mayor
13 September 2004



Dr Lesley McTurk - Chief Executive
13 September 2004

Chief executive and executive team

The Chief Executive of Christchurch City Council is Dr Lesley McTurk. Dr McTurk is the only employee of the elected Council, and is responsible to the Council for carrying out its decisions.

The Chief Executive employs all of the other staff in the CCC. With an executive team of eight, Dr McTurk manages a staff of more than 2000 people.

The executive team:



Dr Lesley McTurk
Chief Executive

Philippa Jones
General Manager, Human Resources
Human resources develops corporate programmes and policies for the Council's staff, as well providing advice and support to line managers.



Roy Baker
General Manager, Corporate Services
Corporate services supports the organisation through the provision of accounting, information technology, procurement and a variety of administration services.



Stephen Hill
General Manager, Public Affairs
Public Affairs manages the Council's relationship with its customers, covering its customer service, marketing, communications and consultation functions.



Peter Mitchell
General Manager, Regulatory and Democracy Services
Regulatory and Democracy Services provides a secretariat for the elected Council and community boards, as well monitoring and enforcing the Council's regulatory responsibilities.



Robert Lineham
Director, Strategic Investment
Strategic Investment oversees the Council's significant investment in local strategic assets through Christchurch City Holdings Limited.



Jane Parfitt
General Manager, City Environment
City Environment is responsible for planning and delivery of the Council's primary infrastructural responsibilities: water, wastewater treatment, solid waste, transport, parks and other public open spaces, and property assets.



Stephen McArthur
General Manager, Community Services
Community Services delivers a range of social, cultural and recreation services, including the libraries network, the Christchurch Art Gallery, recreation centre network and social housing stock.



Ian Hay
General Manager, Strategic Development
Strategic Development drives policy development and planning, as well as providing project management services.

Financial Information

Long term financial strategy and policies

Year Ended 30 June 2004

Each local authority is required to prepare and adopt a Long Term Financial Strategy, Revenue and Financing policy, Investment policy and Liability 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, Revenue and Financing Policy, Investment Policy, and Liability Management Policy, set out in the Financial Plan for the financial year, and the actual achievement of those objectives and policies. This report reflects the second year since these policies were reviewed.

1. Long term financial strategy overall performance

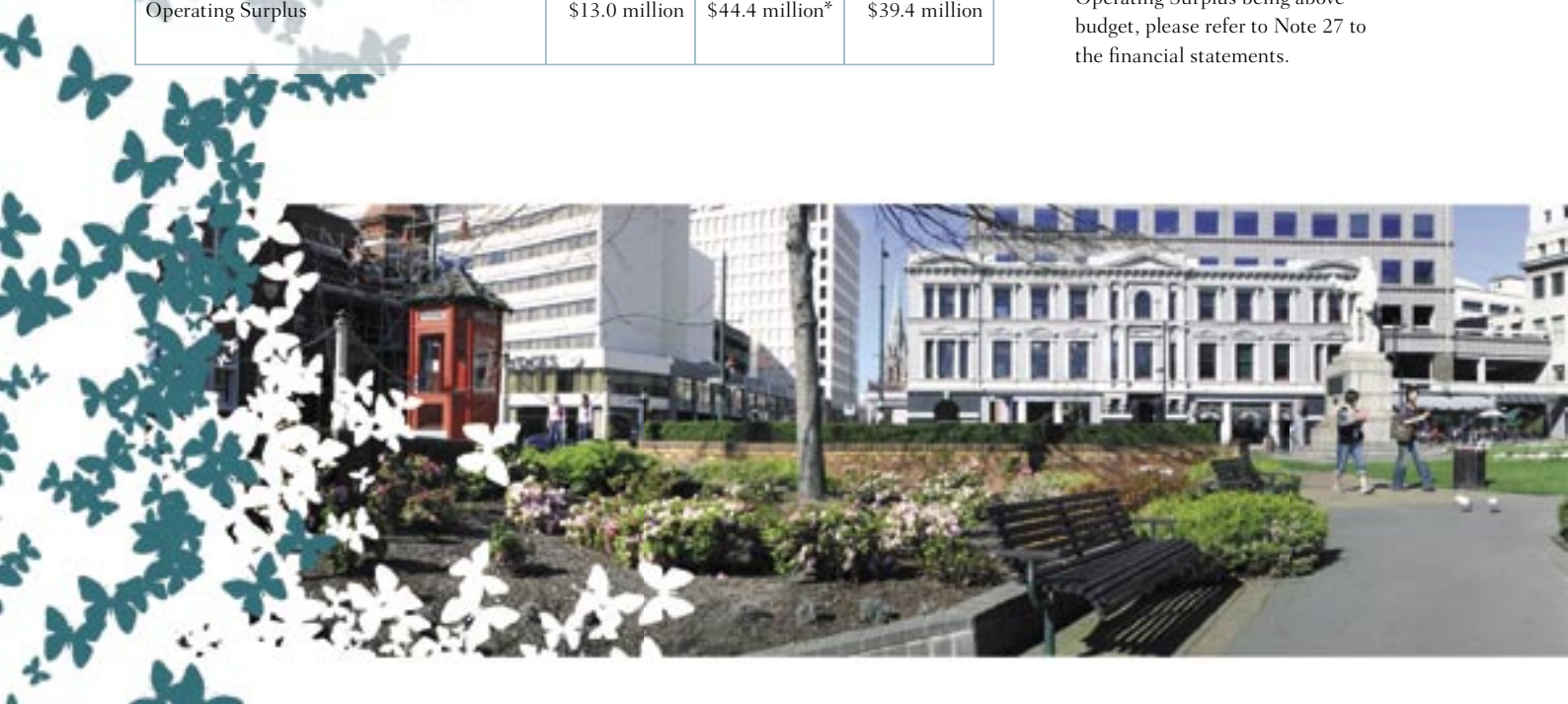
The Council's actual financial performance and financial position is presented in the Statement of Financial Performance and Statement of Financial Position. The Statements of Service Performance attached to each report on Significant Activities show the Council has substantially achieved the objectives and performance indicators that were adopted in the 2003/04 Financial Plan.

Specific Objectives and Targets			
Objective	2003 Targets	2004 Actual Performance	2003 Actual Performance
Maintain four key ratios in the long term:			
Term Debt as a percentage of Total Assets below 12%	4.1%	1.9% [#]	2.8% [#]
Term Debt as a percentage of Realisable Assets below 33%	8.4%	4.2% [#]	6.0% [#]
Net Interest as a percentage of Operating Revenue below 8%	(0.6%)	(0.6%)	0.6%
Net Debt in relation to Funds Flow below 5 times	0.4 times	(0.4) [†] times	(0.4) [†] times
Operating Surplus	\$13.0 million	\$44.4 million [*]	\$39.4 million

[#]The ratio is calculated by deducting \$154 million (2003 \$128M) of the Council's short-term investments, held for debt repayment.

[†] Net Debt is calculated by deducting liquid financial assets from Term Debt and these exceed the Term Debt owed.

^{*}This surplus includes special dividends of \$38.5 million. For more detail of the reasons for the Operating Surplus being above budget, please refer to Note 27 to the financial statements.



2. Revenue and financing policy

The implementation of the Revenue and Financing policy has proceeded without any significant variations in respect of the ordinary revenues of Council except that user charges were 7.3% ahead of budget and corporate revenue was 98.4% ahead of budget. The higher than budgeted ordinary revenues was due to a combination of a buoyant economy and revenue opportunities being maximised. The higher than budgeted corporate revenue was principally due to Christchurch City Holdings Ltd paying the \$35 million special dividend in 2003/04 rather than 2004/05 as budgeted.

The lower level of funding from user charges is due to two main factors. Firstly, the early receipt of the \$35 million special dividend. Secondly, the Revenue and Financing policy being calculated inclusive of internal charges that have been eliminated in the financial statements. This has the effect of increasing the percentage of funding from the other sources:

Specific Objectives and Targets			
Objectives: Proportion of revenue by source	2004 Targets	Actual Performance	Actual 2003
User Charges	34.4%	23.7%	25.6%
Grants and Subsidies	5.4%	4.5%	4.9%
Corporate Revenue	14.2%	26.8%	21.1%
Capital Value Rating	41.9%	41.0%	44.3%
Uniform Annual Charge	4.1%	4.0%	4.1%
Rates by Sector			
Residential	72.2%	72.2%	71.5%
Commercial/Industrial	25.0%	25.0%	26.1%
Rural	1.6%	1.6%	1.5%
Institutions	1.2%	1.2%	0.9%

3. Investment policy

Overall Performance

The Council has always had a prudent financial management policy. Christchurch City Holdings Limited has monitored the performance of all Council investments in Council Controlled Trading Organisations and subsidiaries during the year and reported six times to the Council through its Strategy and Finance Committee.

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

Specific changes in investments

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

The Council has contributed equity totalling \$1.45 million to Christchurch City Facilities Limited which is a wholly owned subsidiary. It owns the Christchurch Convention Centre and Westpac Centre and is responsible for the management and development of these two facilities plus the Christchurch Town Hall that is leased from the Council.



4. Liability management policy

Overall Performance

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

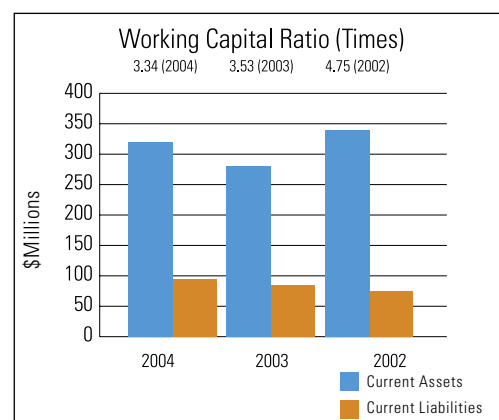
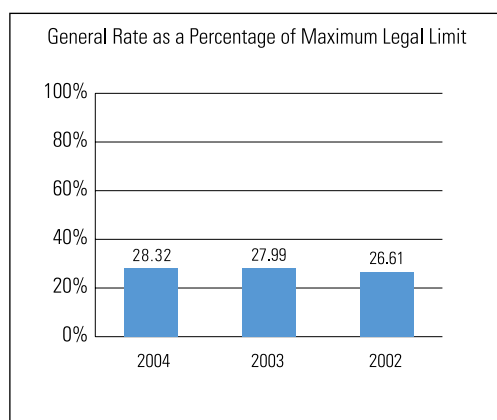
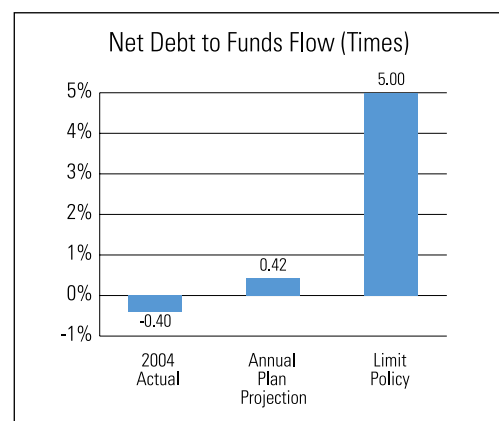
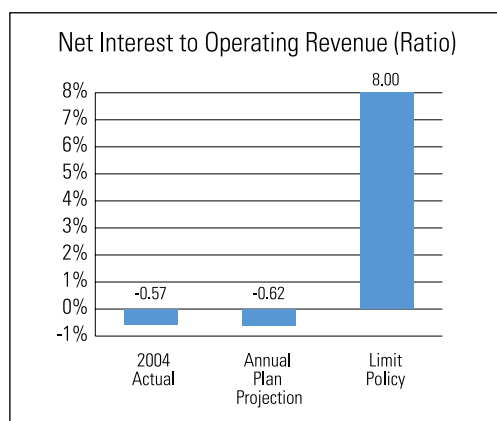
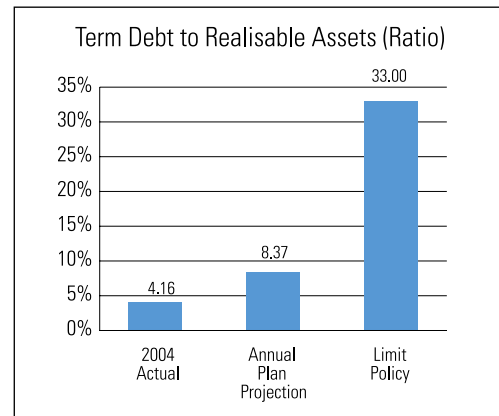
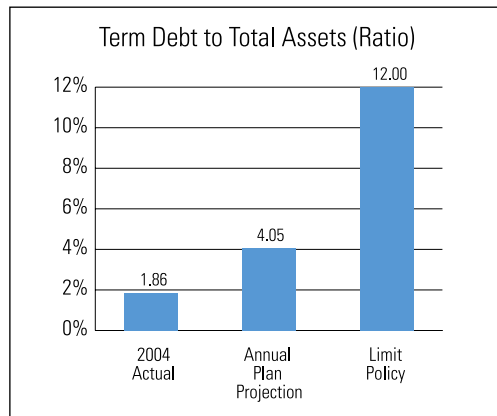
Specific Objectives and Targets			
Objectives	2004 Targets	2004 Actual Performance	2003 Actual Performance
Maintain adequate liquidity	No more than 35% of total debt maturing in any one year. Liquidity ratio at not less than 1:1 (100%) excluding special purpose investments and the current portion of Term Debt.	31.6% matures in 2004/05 Funds are earmarked to provide for repayment. 6.8% due to \$154 million of funds held for debt repayment being excluded from the calculation of Liquid Assets.	21.2% matures in 2003/04 Funds are earmarked to provide for repayment. 99.5% due to the \$128 million of funds held or debt repayment being excluded from the calculation of Liquid Assets.
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 on previous page	Within limits	Within limits



World-first launch of a 3-D book at Council's South Library. Author Gavin Bishop (centre) watches Lucas Keane test out his 3-D book, "Giant Jimmy Jones" with Hitlab NZ Director, Mark Billinghamurst and Hitlab team member, Claudia Nelles also taking a keen interest. CDC helped fund the project that was suggested by Bill Nagelkerk, the Council's Children's Librarian.

Financial overview

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





Audit New Zealand

Report of the Auditor-General Office

To the readers of the financial statements of Christchurch City Council and Group For the year ended 30 June 2004

The Auditor-General is the auditor of Christchurch City Council (the City Council) and group. The Auditor-General has appointed me, Devan Menon, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the City Council and group, on his behalf, for the year ended 30 June 2004.

Unqualified opinion

In our opinion the financial statements of the City Council and group on pages 19 to 107:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the City Council and group's financial position as at 30 June 2004;
 - the results of operations and cash flows for the year ended on that date; and
 - the service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 13 September 2004, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;

- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the City Council and group as at 30 June 2004. They must also fairly reflect the results of operations and cash flows and service performance achievements for the year ended on that date. The Council's responsibilities arise from the Local Government Act 2002, which requires the Council to prepare financial statements under the Local Government Act 1974.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

In addition to the audit we have carried out audit related and assurance assignments for subsidiaries within the City Council group. These involved issuing an audit certificate pursuant to the Electricity (Information Disclosure) Regulations 1999, an audit report on a Threshold Compliance Statement pursuant to the Commerce Act (Electricity Lines Thresholds) Notice 2003, an audit certificate pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 and two limited scope assurance reviews.

These assignments are compatible with those independence requirements.

Other than the audit and these assignments, we have no relationship with or interests in the City Council or any of its subsidiaries.

D Menon

Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Christchurch City Council Group

The following pages report the financial statements of the Christchurch City Council and its subsidiaries and associates for the year ended 30 June 2004.

Christchurch City Council Parent Statements include:

Christchurch City Council
Various Bequest and Special Funds
Mayor's Welfare Fund

The Council group in the financial statements comprises the Christchurch City Council parent above plus the subsidiaries and associates listed below.

Subsidiaries and Associates are:

Christchurch City Holdings Limited

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

The financial statements consolidated are for the year ended 30 June 2004. Major subsidiaries and associates of this Company are:

- **Orion Group Limited**

This Company owns Orion New Zealand Limited and subsidiaries and is an 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 2004.

- **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 2004.

- **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 2004.

- **Lyttelton Port Company Limited**

This Company is 65.33% owned by Christchurch City Holdings Limited. The financial statements consolidated are for the year ended 30 June 2004.

- **City Care Limited**

This Company, that is wholly owned, provides construction and maintenance services for Council and other organisations and manufactures and supplies roading paving material. The financial statements consolidated are for the year ended 30 June 2004.

- **Selwyn Plantation Board Limited**

This associate company is 39.32% owned by Christchurch City Holdings Limited. The financial statements for the year ended 31 March 2004 are equity accounted.

Christchurch City Facilities Limited

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

The financial statements consolidated are for the year ended 30 June 2004.

This company owns 100% of Jet Engine Facility Limited that has been set up to construct, own and lease the engine testing facility.

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 and West Stands and other assets constructed or purchased since June 1998 and will operate all of Jade Stadium in its own right once the necessary legislation has been passed to transfer ownership from the Victory Park Board to the Council and the company.

The financial statements consolidated are for the year ended 30 June 2004.

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 2004 are equity accounted.

Travis Finance Limited

This Company is a non-trading company wholly owned by the Christchurch City Council, that formerly owned and maintained Travis Heritage Park, a natural reserve protecting native species. The land held by the Travis Group was sold to the Christchurch City Council on 28 June 2002. The financial statements consolidated are for the year ended 30 June 2004.



DB Draught Stand, Jade Stadium

Statement of financial performance

For the year ended 30 June 2004

	Note	Parent Actual 2004 \$000's	Parent Estimate 2004 \$000's	Parent Actual 2003 \$000's	Group Actual 2004 \$000's	Group Actual 2003 \$000's
Income						
Significant Activities	1	102,252	94,151	92,621	113,073	101,319
Rates		156,714	156,293	148,449	153,927	145,678
Dividends	1	64,339	26,410	32,445	528	113
Other Income	1	31,016	21,642	30,109	354,679	333,675
Total Operating Income		\$354,321	\$298,496	\$303,624	\$622,207	\$580,785
Expenditure						
Significant Activities	2	299,601	273,813	253,616	265,549	195,967
Other	2	10,337	11,709	10,598	312,759	292,940
Total Operating Expenditure		\$309,938	\$285,522	\$264,214	\$578,308	\$488,907
Operating Surplus		44,383	12,974	39,410	43,899	91,878
Vested Assets	29	106,638	15,000	36,349	106,638	36,349
Grants/Contributions for Major Projects	30	542	603	2,132	542	2,132
Surplus before Taxation		\$151,563	\$28,577	\$77,891	\$151,079	\$130,359
Less Tax Expense/(Benefit)	16	0	0	0	32,724	36,989
Surplus after Taxation		\$151,563	\$28,577	\$77,891	\$118,355	\$93,370
Minority interests in surpluses of Subsidiaries		0	0	0	(9,142)	(11,030)
Net Surplus for Year	3	\$151,563	\$28,577	\$77,891	\$109,213	\$82,340



Statement of movement in equity

For the year ended 30 June 2004

	Note	Parent Actual 2004 \$000's	Parent Estimate 2004 \$000's	Parent Actual 2003 \$000's	Group Actual 2004 \$000's	Parent Group 2003 \$000's
Equity at 1 July		3,908,359	3,591,891	3,557,350	3,799,959	3,427,804
Net Surplus Attributable to						
Parent Entity Shareholders		151,563	28,577	77,891	109,213	82,340
Minority Interests		0	0	0	9,142	11,030
Return of Share Capital	4	0	0	0	0	(200)
Movement Relating to Preacquisition Revaluation Reserves, etc	4	0	0	0	(20)	(638)
Increases/(Decreases) in Revaluation Reserves	4	37,872	0	273,118	121,224	273,257
Total Recognised Revenues and Expenses for the Year		189,435	28,577	351,009	239,559	365,789
Distribution Paid and Provided to Minority Interests		0	0	0	(14,321)	(10,963)
Other Movements in Minority Interests		0	0	0	12,873	17,329
Equity at 30 June		\$4,097,794	\$3,620,468	\$3,908,359	\$4,038,070	\$3,799,959



Victoria Square

Statement of financial position

For the year ended 30 June 2004

	Note	Parent Actual 2004 \$000's	Parent Estimate 2004 \$000's	Parent Actual 2003 \$000's	Group Actual 2004 \$000's	Group Actual 2003 \$000's
Equity	4	4,097,794	3,620,468	3,908,359	4,038,070	3,799,959
Non-Current Liabilities	5	68,561	84,034	84,271	462,657	401,663
Current Liabilities	6	93,883	88,366	78,370	160,376	162,554
Total Equity and Liabilities		\$4,260,238	\$3,792,868	\$4,071,000	\$4,661,103	\$4,364,176
Represented by:						
Current Assets:	8	314,000	224,452	276,673	378,415	335,052
Investments	9	953,635	855,194	986,626	151,576	162,066
Operational Assets	10	549,088	589,302	573,792	1,687,597	1,633,149
Infrastructural Assets	11	2,084,077	1,812,092	1,889,333	2,084,077	1,889,333
Restricted Assets	12	359,438	311,828	344,576	359,438	344,576
Total Non-Current Assets		3,946,238	3,568,416	3,794,327	4,282,688	4,029,124
Total Assets		\$4,260,238	\$3,792,868	\$4,071,000	\$4,661,103	\$4,364,176



Statement of cash flows

For the year ended 30 June 2004

	Note	Parent Actual 2004 \$000's	Parent Estimate 2004 \$000's	Parent Actual 2003 \$000's	Group Actual 2004 \$000's	Group Actual 2003 \$000's
OPERATING ACTIVITIES						
Cash was provided from:						
Rates, Grants, Subsidies, and Other Sources		271,336	286,224	257,130	601,714	571,715
Interest Received		19,412	14,093	20,486	18,324	19,385
Dividends		71,834	28,200	46,773	1,216	310
Net GST		523	0	5,293	537	5,273
		363,105	328,517	329,682	621,791	596,683
Cash was applied to:						
Payments to Suppliers and Employees		215,278	246,998	198,749	401,840	366,214
Income Tax Paid		0	0	0	24,730	27,055
Interest Paid		6,058	3,851	6,951	24,444	21,847
		221,336	250,849	205,700	451,014	415,116
Net Cash Flow From Operating Activities	15	141,769	77,668	123,982	170,777	181,567
INVESTING ACTIVITIES						
Cash was provided from:						
Sale of Assets		2,099	2,190	3,377	4,545	5,020
Loans Repaid		1,500	0	5,500	58	1,090
Investments Realised		18,908	0	10,526	18,429	10,526
		22,507	2,190	19,403	23,032	16,636
Cash was applied to:						
Purchase of Assets		86,210	98,080	109,711	166,657	256,863
Purchase of Investments		26,022	25,573	16,952	21,635	12,502
Loans Made/Investing Payments		0	0	0	596	0
Miscellaneous		3,484	0	0	0	0
		115,716	123,653	126,663	188,888	269,365
Net Cash Flow From Investing Activities		(93,209)	(121,463)	(107,260)	(165,856)	(252,729)

	Note	Parent Actual 2004 \$000's	Parent Estimate 2004 \$000's	Parent Actual 2003 \$000's	Group Actual 2004 \$000's	Group Actual 2003 \$000's
FINANCING ACTIVITIES						
Cash was provided from:						
Raising of Loans		22,181	45,501	1,080	85,296	128,252
Deferred Revenue Received		0	0	0	0	13,000
		22,181	45,501	1,080	85,296	141,252
Cash was applied to:						
Repayment of Term Liabilities		24,830	24,380	19,462	34,077	64,722
Payment of Dividends		0	0	0	14,321	10,963
		24,830	24,380	19,462	48,398	75,685
Net Cash Flow From Financing Activities		(2,649)	21,121	(18,382)	36,898	65,567
Increase/(Decrease) in Cash		45,911	(22,674)	(1,660)	41,819	(5,595)
Inter-entity Transactions Between Balance Dates		0	0	0	131	22
Add Opening Cash		241,776	190,170	243,436	275,589	281,170
Exchange Fluctuations		0	0	0	(125)	(8)
ENDING CASH BALANCE		287,687	167,496	241,776	317,414	275,589
Represented by:						
Cash and Short Term Investments		287,687	167,496	241,776	317,636	277,268
Bank Overdraft		0	0	0	(222)	(1,679)
		287,687	167,496	241,776	317,414	275,589

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 authority under the Local Government Act 2002. The group consists of the entities listed on page 19.

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 Council Controlled Trading Organisations

Subsidiaries are entities controlled by the Council and are accounted for by line aggregations of assets, liabilities, revenues, expenses and cash flows that are recognised in the financial statements of all entities in the consolidated group. All significant intercompany transactions are eliminated upon consolidation.

Associate Organisations

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

Joint Ventures

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

B. Property, Plant and Equipment

(i) Council Operational Assets:

- (a) The following operational assets were valued as at 30 June 1991 by Harcourts Valuations Ltd.
 - Chattels
 - Mobile Plant (including vehicles)
 - Plant
 Valuations above were based on depreciated replacement value. This is deemed to be cost.
- (b) Land and Buildings were valued by Simes Ltd at 30 June 2002 to fair value by reference to their highest and best use.

- (c) Library Books are shown at a valuation by Harcourts Valuations Ltd at 30 June 1992. The valuation was based on the lower of the net current replacement cost, and the recoverable amount. This is deemed to be cost.

Operational Assets are valued as follows:

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

(ii) Airport Fixed Assets:

Fixed assets are recorded at original cost less accumulated depreciation except for land and sealed surfaces which are revalued on a systematic basis at least once every three years.

Cost recognises the acquisition price paid on the purchase of the Airport assets from the Christchurch Airport Authority and subsequent capital expenditure. The current valuation of land and sealed surfaces is at fair value as at 30 June 2004 by Crighton Anderson Property & Infrastructure Limited.

(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 1999 by Darroch Limited. These assets are no longer revalued with the carrying value being based upon this valuation.

(v) Orion Group Fixed Assets

Electricity Distribution Systems (EDS):

The EDS was revalued by Orion management on an optimised depreciated replacement cost basis and was certified by registered valuers, Ernst and Young Corporate Finance Limited, as at 31 March 2003.

Land and Buildings were valued by Ernst & Young Corporate Finance as at 31 March 2003.

(vi) Assets purchased since valuation

These are recorded at cost.

C. Infrastructure assets

Infrastructure Assets are revalued on a three-yearly rolling basis. Stormwater Infrastructure Assets were valued using the optimised depreciated replacement cost method at 30 June 2002, by Meritec Limited. Sewerage Infrastructure Assets have been valued using the optimised depreciated replacement cost at 30 June 2003 by GHD Limited. Roading and Water Reticulation Infrastructure Assets (including Traffic Signals & Bus Shelters) have been valued using the optimised depreciated replacement cost method at 30 June 2004 by Maunsell Limited. Land under roads was valued at 30 June 1992, by Quotable Value NZ. This is deemed to be cost.

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

D. Assets under construction

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

E. Restricted Assets

These assets are:

Land and Buildings with restrictions on sale
e.g. 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.

Heritage Assets

These assets have been valued at optimised depreciated reproduction cost as at 30 June 2003 by Plant & Machinery Valuers Limited or at cost to the Council if they were recorded prior to this date or acquired after that date.

Works of Art

Works of Art have been valued at market value by the Senior Curator of the Robert McDougall Art Gallery as at 30 June 2003 with this revaluation peer reviewed by Marshall Seiffert, an experienced valuer of New Zealand artworks.

Additions are recorded at cost for purchases and at valuation for vested assets.

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 Infrastructure Assets is intended to write off the cost of assets over their estimated useful lives.

For Operational Assets and Infrastructure Assets, the straight line method is used.

The main bases are the following periods:

Buildings	10–100 yrs
Office and Computer Equipment	4–5 yrs
Mobile Plant including Vehicles	2–30 yrs
Buses	17 yrs
Sealed Surfaces (other than roads)	9–100 yrs
Container Cranes	5–20 yrs
Harbour Structures	3–50 yrs
Electricity Distribution System	60 yrs
Gas Mains and Services	80 yrs
Meters and Local Control Equipment	30 yrs
Leasehold Land Improvements	5–100 yrs
Library Books	3–10 yrs
Vessels	5–25 yrs

Infrastructure Assets

Pavement Sub-base	Not depreciated
Basecourse	50–90 yrs
Surface	2–63 yrs
Streetlights & Signs	25 yrs
Kerb, Channel, Sumps & Berms	80 yrs
Bridges	70–150 yrs
Bus Shelters & Furniture	20–40 yrs
Water Supply	55–130 yrs
Water Meters	20–25 yrs
Stormwater	30–120 yrs
Waterways	15–120 yrs
Sewer	50–150 yrs
Treatment Plant	15–100 yrs
Pump Stations	10–100 yrs

Restricted Assets are not depreciated except for Historic Buildings, Artworks and Heritage Assets that are depreciated at 1%, 0.1% and 0.1% on a straight line basis respectively.

H. Landfill after care costs

As operator of the Burwood Landfill, the Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill site after closure.

Amounts provided for landfill post-closure costs are capitalised to the landfill asset where they give rise to future economic benefits. Components of the capitalised landfill asset are depreciated over their useful lives.

The estimated cost is calculated based on estimates of:

(i) Total cost

This is the estimated amount required by the Council to meet its obligations for all equipment, facilities and services.

The estimated amounts are based on costs of closure of similar landfills by other local authorities and increasing these costs for inflation.

(ii) The estimated costs have been discounted to their present value using a discount rate of 6%.

(iii) Total capacity

The estimated length of time needed for post-closure care is 35 years.

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

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

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

I. Revenue recognition

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

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

J. Goods and Services Tax

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

K. Research and Development Costs

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

L. Goodwill

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



City Care Carpenter, Brent Peterson, has been working at Christchurch's QEII complex for 3 years

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's expense and the income tax effects of timing differences applied on a comprehensive basis and calculated using the liability method.

All subsidiaries apply tax effect accounting on a comprehensive basis.

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

N. Inventories

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

O. Leases

(i) Finance Leases

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

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

(ii) Operating Leases

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

P. Employment Entitlements

Provision is made in respect of the Council's liability for retiring 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 using current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement. These estimated amounts were discounted to their present value using an interpolated 10 year government bond rate.

Q. Investments

Shares in subsidiaries, apart from Christchurch City Holdings Ltd (CCHL), associates and shares in Local Government Insurance Corporation Limited, are valued at share of equity off the latest Statement of Financial Position. Shares in CCHL

were revalued at 30 June 2003, based on a market valuation undertaken by KPMG with this value reduced as a result of the annual impairment test. All other investments are stated at lower of cost and net realisable value.

R. Financial Instruments

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

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

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

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

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

The group uses derivative financial instruments within pre-determined policies and limits in order to reduce its exposure to fluctuations in interest rates and exchange rates.

While these financial instruments are subject to the risk that market rates may change subsequent to the acquisition of the financial instrument, such changes would generally be offset by opposite effects on the item being hedged. Any differential to be paid or received on forward rate or swap agreements is accrued as interest rates change, and is recognised as a component of interest expense over the life of the agreement.

The group does not engage in speculative transactions or hold derivative financial instruments for trading purposes.

S. Debt servicing costs

Specific large capital projects have their Debt Servicing Costs allocated to their operating activities. Other Debt Servicing Costs are apportioned on the basis of the book value of the Operational and Infrastructural Assets employed at 1 July 2003.

T. Foreign exchange transactions

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Short term transactions covered by forward exchange contracts are measured and reported at the forward rates specified in those contracts.

At balance date, foreign monetary assets and liabilities are translated at the closing rate, and exchange variations arising from these translations are recognised in the statement of financial performance.

The exchange difference on hedging transactions undertaken to establish the price of particular sales or purchases, together with any costs associated with hedging transactions, are deferred and included in the measurement of the purchase or sale transaction.

U. Cost Allocations

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

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

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

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

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

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

V. 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.

W. 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.

X. Budgets/estimates disclosed

The budget and estimate figures shown in the financial statements represent the budgets included in the Financial Plan for the year ended 30 June 2004 adjusted for expenditure and revenue carried forward into the next financial year, and budget changes authorised by the Council.

Y. Changes in accounting policies

During the year the accounting policy relating to the depreciation of the Water Supply, Wastewater and Stormwater networks was changed to conform to the requirements of FRS-3: 'Accounting for Property, Plant and Equipment'.

Under the previous policy, depreciation was calculated 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. Depreciation is now calculated using the straight line method.

As a result of the above change in accounting policy:

- (a) The depreciation charged to the Statement of Financial Performance was \$2.851 million higher than if the LRARA method had been used.
- (b) The book value of these Infrastructure Assets shown in the Statement of Financial Position was \$2.851 million lower than if the LRARA method had been used.

Changes in the accounting policies of companies within the group were as follows:

The Valuation of the Investment in Energy Developments Limited (EDL)

Previously, the policy of both Orion Group Ltd and the group was to base the carrying amount of the investment in EDL on cost, converted at the closing AUD/NZD exchange rate. This policy has now changed as described below.

Orion Group Ltd

In Orion Group Ltd's financial statements, the carrying amount of EDL is based on the closing 31 March 2004 Australian stock exchange price, converted using the closing AUD/NZD exchange rate. As at 31 March 2003, the carrying amount was based on cost converted at the closing AUD/NZD exchange rate. The reason for the change was increased authoritative support for the new treatment – specifically the mandatory provisions of the 2003 revised international standard relating to

financial instruments (IAS 39) and the New Zealand exposure draft of that standard (ED NZ IAS 39).

The impact of the above change in accounting policy has been to reduce the carrying amount of Orion Group Ltd's investment in EDL by \$13 million and to reduce Orion Group Ltd's net surplus by \$13 million in 2004.

CCHL Group

Paragraph 5.28(c) of Financial Reporting Standard 37, Consolidating Investments in Subsidiaries, requires adjustments to be made for the effects of significant events that occur between the respective balance dates of the subsidiary and parent companies, where those balance dates differ.

At Orion Group Ltd's balance date of 31 March 2004, the closing Australian stock exchange price of EDL was A\$2.27. At 30 June 2004, the share price had increased to A\$2.83, and there were also movements in foreign exchange rates that affected Orion's Australian dollar denominated borrowings in relation to its investment in EDL.

In view of the significance of the above movement, and in accordance with Paragraph 5.28(c) of Financial Reporting Standard 37, the group's investment in EDL has been revalued on the basis of the closing Australian stock exchange price and foreign exchange rates as at 30 June 2004. This revaluation in the group financial statements has had the effect of reversing \$10.1 million of the afore-mentioned loss on revaluation recorded by Orion Group Limited.

The net effect of this change in group accounting policy has been to reduce the carrying amount of the group's investment in EDL by \$2.9 million, from \$58.0 million to \$55.1 million, as at 30 June 2004 and to reduce the group's net surplus by \$2.9 million (pre-tax \$2.2 million) for the year ended 30 June 2004.

Valuation of buses and coaches

The accounting policy with regard to the revaluation of buses and coaches has changed. Previously this asset class was revalued periodically, with additions between revaluations recorded at cost.

Effective from 1 July 2003 buses and coaches are no longer revalued, as it is now considered that the previous policy to revalue buses and coaches is no longer providing relevant or reliable information to the readers of the financial statements.

The carrying value of the assets held at 1 July 2003 is based on the most recent independent valuation (30 June 1999) with subsequent additions recorded at cost. These amounts are depreciated over the buses' and coaches' useful lives.

The financial impact of the change in accounting policy, as determined by a valuation as at 31 October 2003, would have been, if recognised, to increase the carrying value of buses and coaches in the Statement of Financial Position by \$964,566.

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



The refurbished viewing lounge at Porritt Park

Notes to the financial statements

Note 1

Income	Actual 2004 Parent \$000's	Estimate 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
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Significant Activity Income:	\$102,252	\$94,151	\$92,621	\$113,073	\$101,319
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(Refer to Summary of Activities on Page 58)

Dividend Income:

Christchurch City Holdings Ltd

–Ordinary	25,805	26,410	28,900	0	0
–Special	38,534	0	3,400	0	0
Travis Finance Ltd	0	0	145	0	0
Subsidiary Companies Investments	0	0	0	528	113
Total Dividend Income	\$64,339	\$26,410	\$32,445	\$528	\$113

The higher than budgeted Dividends Income is principally due to the early payment of a special dividend by Christchurch City Holdings Ltd (CCHL) of \$35.05M budgeted for the 2004/05 year.

Other Income:

Interest Income

Subsidiaries	3,048	3,763	3,065	0	0
Loan Repayment Investments	653	634	544	653	544
Short Term Investments	9,694	4,510	10,878	11,535	12,647
Special and Other Fund Investments	6,408	5,819	6,603	6,408	6,603
Total Interest Income	\$19,803	\$14,726	\$21,090	\$18,596	\$19,794

Sundry Income:

Petroleum Tax	2,143	2,050	2,097	2,143	2,097
Sundry	3,850	1,916	3,292	5,902	8,835
Grants	5,333	2,950	3,724	5,333	3,724
Equity Accounted Earnings of Associates	(113)	0	(94)	(3,569)	(5,420)
Trading Subsidiaries Operating Income	0	0	0	326,274	304,645
Total Sundry Income	\$11,213	\$6,916	\$9,019	\$336,083	\$313,881

Total Other Income	\$31,016	\$21,642	\$30,109	\$354,679	\$333,675
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Note 2

Expenditure

	Actual 2004 Parent \$000's	Estimate 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Significant Activity Expenditure	\$299,601	\$273,813	\$253,616	\$265,549	\$195,967
(Refer to Summary of Activities on Page x)					
Other Expenditure					
Levies	5,349	5,357	5,525	5,349	5,525
Professional Fees re Subsidiaries	0	50	2	0	2
Sundry	4,988	6,302	5,071	29,639	41,248
Trading Subsidiaries Operating Expenditure	0	0	0	277,771	246,165
Total Other Expenditure	\$10,337	\$11,709	\$10,598	\$312,759	\$292,940

	Actual 2004 Parent \$000's	Actual 2003 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	2,458	1,871
(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	40	45
(d) Purchase of insignia and robes of office and civic insignia of any kind	10	4
(e) Provision of entertainment	149	120
(f) Payment of levies or general contributions to organisations considered appropriate to the functions of the Council:		
Civil Defence	750	714
Canterbury Museum	4,702	5,004
Riccarton Bush	228	224
Rural Fire Fighting	432	415
(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 2004 Parent \$000's	Estimate 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
After Charging:					
Audit Fees					
Fees paid to principal auditor	168	175	160	436	418
Fees paid to other auditors	0	0	0	40	38
Other services provided by principal auditor	0	0	12	18	24
Other services provided by other auditors	0	0	0	57	39
Amortisation of Goodwill	0	0	0	5,797	3,520
Bad Debts	764	41	189	1,312	825
Depreciation					
Land Improvements & Buildings including Restricted	10,872		8,801	25,579	21,963
Plant, Equipment & Vehicles	7,104		6,937	16,018	14,594
Library Books	3,482		3,198	3,482	3,198
Artworks & Heritage Assets	67		30	67	30
Roading Infrastructure	22,135		21,911	22,135	21,911
Sewerage Infrastructure	8,100		5,472	8,100	5,472
Stormwater Infrastructure	3,447		3,230	3,447	3,230
Water Reticulation Infrastructure	3,592		3,139	3,592	3,139
Vessels	0		0	360	279
Buses	0		0	1,367	1,213
Sealed Surfaces	0		0	1,997	2,006
Electricity Distribution System	0		0	20,031	16,173
Harbour Structures	0		0	1,193	1,120
Other Assets	0		0	2,714	2,597
Total Depreciation	58,799	59,490	52,718	110,082	96,925

Note 3 (cont)

A. Operating Surplus (cont)	Actual 2004 Parent \$000's	Estimate 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Interest	5,889	7,952	6,744	24,616	22,259
Leasing and Rental Costs	4,196	4,567	4,330	6,246	6,486
Increase/(Decrease) in Provision for Doubtful Debts	290	0	0	333	1
Councillors' Remuneration	1,395	1,102	1,315	1,395	1,315
Directors Fees	0	0	0	1,115	1,007
Loss/(Gain) on Sale of Assets	1,261	0	(124)	2,439	(372)
Research and Development	0	0	0	348	17
Foreign Exchange Losses/(Gains)	0	0	0	2,700	431
Exploration Expenditure Written off	0	0	0	0	6
Donations	0	0	0	367	101
Assets Written off	24,797	3,876	3,281	25,545	4,120
Orion Group Writedown of Subsidiary Company Investments	0	0	0	2,209	0
Investment Revaluation - Edl	0	0	0	2,214	0
Investment Revaluation - Other	0	0	0	2,000	0



Software designed by the Council has won an award from US computer giant Intergraph. Staff involved in the software's development include (from left) Chris Sharman, Bryan Clarke and Craig Lemon.

Note 4

Equity

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
a) Reserve Funds				
Opening Balance	256,551	275,710	256,551	275,710
Transferred (to)/from Retained Earnings	53,581	(19,159)	53,581	(19,159)
Closing Balance	\$310,132	\$256,551	\$310,132	\$256,551
(b) Capital Reserve				
Opening Balance	1,733,853	1,733,853	1,733,853	1,733,853
Transferred (to)/from Retained Earnings	0	0	0	0
Closing Balance	\$1,733,853	\$1,733,853	\$1,733,853	\$1,733,853
(c) Asset Revaluation Reserves				
Opening Balance	1,429,721	1,157,660	819,999	547,799
Revaluation of Shares of Subsidiaries and Associates	(41,976)	124,798	3,460	(2,299)
Revaluation of Assets	79,848	148,320	117,764	275,556
Realised Assets Revaluation Reserve	(7,576)	(1,057)	(7,576)	(1,057)
Closing Balance [#]	\$1,460,017	\$1,429,721	\$933,647	\$819,999
(d) Retained Earnings				
Opening Balance	488,234	390,127	861,845	760,127
Add Surplus for Year	151,563	77,891	109,213	82,340
Add Prior Period Adjustments for Year	0	0	0	0
Add Transfers (to)/from Reserves	(53,581)	19,159	(53,581)	19,159
Return of Share Capital	0	0	0	(200)
Movement Relating to Preacquisition Revaluation Reserves, etc	0	0	(20)	(638)
Realised Assets Revaluation Reserve	7,576	1,057	7,576	1,057
Closing Balance	\$593,792	\$488,234	\$925,033	\$861,845
Minority Interest*	0	0	\$135,405	\$127,711
Total Equity	\$4,097,794	\$3,908,359	\$4,038,070	\$3,799,959

	2004 \$000's	2003 \$000's
*Minority Interest		
Christchurch International Airport Ltd	52,657	38,535
Lyttelton Port Company Limited	17,564	17,207
Orion NZ Ltd	65,184	71,969
	\$135,405	\$127,711

#Revaluation Reserves

Land & Buildings	138,953	139,164	205,565	175,636
Library Books	1,621	1,621	1,621	1,621
Artworks	23,936	23,924	23,936	23,924
Roading Infrastructure	181,663	154,653	181,663	154,653
Sewerage Infrastructure	210,183	210,535	210,183	210,535
Stormwater Infrastructure	71,314	71,410	71,314	71,410
Water Reticulation Infrastructure	67,408	21,499	67,408	21,499
Investments	764,939	806,915	9,432	10,717
Electricity Distribution Network	0	0	130,033	130,033
Sealed Surfaces	0	0	32,492	19,971
	1,460,017	1,429,721	933,647	819,999

Note 5

Non-current Liabilities

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Term Debt-Note 7	44,302	58,204	372,315	313,536
Provision for Landfill Aftercare	16,718	18,349	16,718	18,349
Provision for Employee Entitlements	7,541	7,718	7,541	7,718
Deferred Tax	0	0	52,558	47,250
Other	0	0	13,525	14,810
Total Non-Current Liabilities	\$68,561	\$84,271	\$462,657	\$401,663

Note 6

Current Liabilities

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Trade Creditors	37,202	34,549	74,849	74,854
Owing to Subsidiaries	8,426	7,818	0	0
Bank Overdrafts	0	0	222	1,679
Employee Entitlements	10,929	9,930	22,353	20,614
Provision for Taxation	0	0	0	0
Current Portion of Term Debt – Subsidiaries	37,000	22,945	0	0
– Other	326	3,128	46,396	52,905
Other	0	0	16,556	12,502
Total Current Liabilities	\$93,883	\$78,370	\$160,376	\$162,554

Included within Trade Creditors is \$4,167K (2003 \$351K) that represents estimated Landfill Aftercare expenditure in the 2004/05 year.

Included within the Group amount for “Other” are the following Provisions:

	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Warranties, Remedial Work & Site Restoration		
Opening Balance	450	1,078
Additional Provision Made	(13)	55
Amount Utilised	(34)	(683)
Closing Balance	\$403	\$450
Revenue Adjustments		
Opening Balance	525	2,025
Additional Provision Made	(267)	0
Amount Utilised	(258)	(1,500)
Closing Balance	\$0	\$525
Restructuring		
Opening Balance	994	258
Additional Provision Made	57	2,285
Amount Utilised	(994)	(1,549)
Closing Balance	\$57	\$994
Closing Balance of all the Provisions above	\$460	\$1,969

Note 7

Public Debt

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
(a) Current				
Unsecured Loans	0	0	46,070	49,672
Owing to Subsidiaries	37,000	22,945	0	0
Other Secured Loans	326	3,128	326	3,233
Total Current Debt	\$37,326	\$26,073	\$46,396	\$52,905

(b) Non-Current				
Unsecured Loans	0	0	351,437	292,332
Owing to Subsidiaries	23,424	37,000	0	0
Other Secured Loans	20,878	21,204	20,878	21,204
Total Non-Current Debt	\$44,302	\$58,204	\$372,315	\$313,536

(c) Security

Council Term Loans are secured either by general rates of the City, or by Council income.

(d) Repayment Terms

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

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Payable no later than 1 year	37,326	26,073	46,396	52,905
1 - 2 years	83	37,326	5,183	40,427
2 - 3 years	20,037	82	267,874	152,421
3 - 4 years	657	20,038	657	69,931
4 - 5 years	18	657	81,518	657
Later than 5 years	23,507	101	17,083	50,100
Total Term Debt	\$81,628	\$84,277	\$418,711	\$366,441



Note 7 (continued)

(e) Interest Rates

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

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
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Loans and Debentures

	7.11%	7.21%	7.10%	7.10%
--	-------	-------	-------	-------

The Council has loan repayment investments (sinking funds) which are to be used for repayment of Term Debt

	5,670	14,046		
--	-------	--------	--	--

The Council also has a Debt Repayment Reserve to be applied to reduction of Term Debt.

	147,836	113,766		
--	---------	---------	--	--

Christchurch City Holdings Ltd borrowings at 30 June 2004, comprised bonds in four tranches ranging from \$17 million to \$50 million. These borrowings mature at annual intervals until 15 July 2009. Coupon rates are between 6.21% and 7.75%. These borrowings were effected under a \$350 million debt issuance programme. The main purpose of the debt programme is to enable CCHL to borrow on behalf of Christchurch City Council to partially fund its future capital expenditure programme. These borrowings are unsecured but the loan documentation imposes certain covenants and restrictions on CCHL. The effective interest rate on CCHL's borrowings for the year was 7.1% (2003 7.1%).

Orion NZ Ltd Group's debt is all unsecured but it is required to comply with certain covenants under the loan agreement. Interest rates for all borrowings are floating, based on 90 day bank bill rates plus a margin. As at 31 March 2004, the Company had on issue interest bearing debt with a face value of \$75 million in New Zealand dollars (2003 \$30 million) and \$45 million in Australian dollars (\$A) (2003 \$A45 million). At 31 March 2004, interest rates were 5.56% (2003, 5.99%) and averaged 5.86% for \$A borrowing (2003, 5.015%). 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 2007 through a \$75 million revolving credit facility. All borrowings are unsecured and are supported by a negative pledge deed. ANZ also provides a \$5 million money line facility and the BNZ provides a \$1 million overdraft facility. At 30 June 2004, the Company had on issue 90 day short term registered notes with a face value of \$70 million (2003 \$72 million) with a discounted value of \$69 million (2003 \$71 million). Interest rates are determined by reference to prevailing market rates and during the year ranged from 5.26% to 6.3% after adjusting for the effect of offsetting interest rate swaps.

Lyttelton Port Company Limited has short term borrowings and term advances raised pursuant to a multi-option credit line agreement with Westpac Bank. 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 6.17% (2003 6.42%).

Variations/Changes to the Liability Management Policy

There have been no changes or variations to this Policy.



New Brighton Beach and Pier

Note 8

Current Assets

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Cash at Bank, and Short Term Investments	\$287,687	\$241,776	\$317,636	\$277,268
Receivables and Prepayments				
Rates Debtors	5,196	5,489	5,196	5,489
Other Trade Debtors	6,567	6,968	31,015	27,171
Amount Owing by Subsidiaries	1,580	1,684	0	0
Amount Owing by Associates	0	0	0	0
Other Receivables/Prepayments	7,743	7,031	7,814	8,598
GST Receivable	2,231	2,799	2,571	2,799
Taxation Receivable	0	0	1,490	2,484
Dividends Receivable	1,805	9,300	0	0
Amounts Owing by Directors/ Councillors	0	0	0	0
	25,122	33,271	48,086	46,541
Less Provision for Doubtful Debts	(640)	(350)	(640)	(370)
Total Receivables and Prepayments	\$24,482	\$32,921	\$47,446	\$46,171
Inventories				
General Stores	1,249	1,496	10,978	7,726
Livestock and Feed	254	204	254	204
Souvenirs and Food	328	276	328	276
Total Inventories	\$1,831	\$1,976	\$11,560	\$8,206
Fixed Assets Held for Resale	\$0	\$0	\$1,773	\$3,407
Total Current Assets	\$314,000	\$276,673	\$378,415	\$335,052

Note 9

Non-Current Assets

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Investments				
Government and Local Body Stock	14,977	9,017	14,977	9,017
Stocks & Bonds	21,479	22,875	21,479	22,875
Sinking Funds other than Local Body Stock	5,670	14,046	5,670	14,046
General Investments				
Mortgages and Loans	5,379	5,485	5,379	5,485
Investment in Companies				
NZ Local Government Insurance Co Ltd	677	677	677	677
Subsidiary Companies			0	0
Christchurch City Facilities Ltd	39,193	40,514	0	0
Jade Stadium Ltd	2,935	3,654	0	0
Travis Finance Ltd	10	11	0	0
Christchurch City Holdings Ltd (CCHL)	814,000	849,000	0	0
Associate Company Investments	5,491	5,604	40,233	40,084
Loans to Subsidiary Companies				
Jade Stadium Ltd	34,243	35,743	0	0
Jet Engine Facility Ltd	9,581	0	0	0
Subsidiary Company Investments	0	0	63,161	69,882
Total Investments	\$953,635	\$986,626	\$151,576	\$162,066

Average Earnings Rates

	Actual 2004	Actual 2003
Cash Investments	5.6%	6.0%
Community Loans	5.2%	4.7%
Loans to Subsidiary Companies	8.0%	7.4%

Publicly Traded Investments

	Actual 2004 \$000's	Actual 2003 \$000's
Market Value of CCHL's investment in Lyttelton Port Company Ltd at 30 June	\$109,942	\$114,607

Note 9 (continued)

Investment in Associates

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Opening balance – carrying value	5,604	5,698	31,910	28,483
Opening balance – goodwill	0	0	8,174	13,510
Equity accounted surplus / (deficit)	(113)	(94)	(3,569)	(5,420)
Purchase of shares in associates	0	0	5,123	10,813
Parent company share of revaluations	0	0	4,398	(2,299)
Carrying value adjustment	0	0	0	0
Goodwill amortised during the year	0	0	(5,115)	(2,948)
Dividends from associates	0	0	(688)	(197)
Disposal of associate	0	0	0	(1,858)
Carrying value at end of year	\$5,491	\$5,604	\$40,233	\$40,084

Closing balances are made up as follows:

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Carrying value	5,491	5,604	37,174	31,910
Goodwill	0	0	3,059	8,174
	\$5,491	\$5,604	\$40,233	\$40,084

Equity accounted earnings

Surplus/(deficit) before tax	(113)	(94)	(3,277)	(5,142)
Income tax	0	0	(292)	(278)
Total recognised revenues and expenses	(113)	(94)	(3,569)	(5,420)

Goodwill relating to associates

Closing balances are made up as follows:

Gross amount	0	0	15,858	15,858
Accumulated amortisation	0	0	(12,799)	(7,684)
	\$0	\$0	\$3,059	\$8,174



Note 10

Operational Assets	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V. 30 June 2004 \$000's	N.B.V. 30 June 2003 \$000's
Parent				
Land & Land Improvements	182,978	7,974	175,004	173,545
Land Improvements in Progress	362	0	362	0
Buildings	342,435	16,471	325,964	349,024
Buildings in Progress	2,770	0	2,770	5,790
Plant and Chattels	69,470	44,508	24,962	26,681
Work in Progress-Plant	438	0	438	348
Library Books	63,018	48,533	14,485	14,272
Mobile Plant	8,369	3,266	5,103	4,132
Total Parent Operational Assets	\$669,840	\$120,752	\$549,088	\$573,792

Net book value of Land and Buildings as at 30 June 2004 is considered to be fair value.

	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V. 30 June 2004 \$000's	N.B.V. 30 June 2003 \$000's
Group				
Land & Land Improvements	324,032	7,974	316,058	276,941
Land Improvements in Progress	362	0	362	0
Site Improvements	3,136	598	2,538	2,637
Buildings	611,772	94,766	517,006	548,419
Buildings in Progress	11,172	0	11,172	5,790
Plant and Chattels	220,877	115,449	105,428	76,161
Work in Progress-Plant	438	0	438	348
Buses	25,779	4,809	20,970	19,755
Sealed Surfaces	59,075	1,424	57,651	40,724
Electricity Distribution System	609,790	20,031	589,759	581,337
Harbour Structures	41,711	13,774	27,937	46,613
Vessels	10,125	1,728	8,397	8,753
Other Assets	87,178	57,297	29,881	25,671
Total Group Operational Assets	\$2,005,447	\$317,850	\$1,687,597	\$1,633,149

Net book value of Land and Buildings as at 30 June 2004 is considered to be fair value.

Note 11

Infrastructural Assets

	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V. 30 June 2004 \$000's	N.B.V. 30 June 2003 \$000's
Parent and Group				
Bus Shelters	568	0	568	1,004
Roading	1,025,673	0	1,025,673	977,125
Roading in Progress	13,198	0	13,198	12,900
Sewers	501,959	7,667	494,292	432,814
Sewers in Progress	13,685	0	13,685	11,366
Stormwater	235,335	4,877	230,458	246,267
Stormwater in Progress	2,586	0	2,586	2,591
Water Reticulation	181,347	0	181,347	131,675
Water Reticulation in Progress	551	0	551	3,477
Water Meters	24,774	0	24,774	22,008
Streetlights	23,437	0	23,437	14,774
Streetlights in Progress	462	0	462	0
Traffic Lights	17,860	0	17,860	8,353
Water & Stormwater Pumping Stations	33,635	127	33,508	10,330
Water Pumping Stations in Progress	2,262	0	2,262	0
Sewer Pumping Stations	15,263	444	14,819	14,649
Sewer Pumping Stations in Progress	4,597	0	4,597	0
Total Infrastructural Assets	\$2,097,192	\$13,115	\$2,084,077	\$1,889,333



Note 12

Restricted Assets

	Valuation or Cost \$000's	Accumulated Depreciation \$000's	N.B.V. 30 June 2004 \$000's	N.B.V. 30 June 2003 \$000's
Parent and Group				
Art Works	48,309	47	48,262	47,373
Library Books NZ Room	4,970	0	4,970	4,846
Reserve Land and Improvements	275,659	534	275,125	259,849
Reserve Land and Improvements in Progress	1,849	0	1,849	3,432
Buildings-Historic	14,238	385	13,853	13,959
Heritage Assets	15,242	27	15,215	15,054
Heritage Assets in Progress	101	0	101	0
Properties Held in Trust for Other Organisations	63	0	63	63
Total Restricted Assets	\$360,431	\$993	\$359,438	\$344,576

Net book value of Land and Buildings as at 30 June 2004 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.



The Band Rotunda in the Botanic Gardens

Note 13

Contingencies

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
(a) Contingent Liabilities				
Uncalled Capital in Christchurch City Holdings Ltd	488,999	488,999	0	0
Uncalled Capital in Transwaste Canterbury Ltd	1,514	1,514	1,514	1,514
Professional Indemnity Insurance Claims Lodged with FAI (NZ) General Insurance Company Ltd	400	400	400	400
Linwood Outfall Drain	300	300	300	300
Other Professional Indemnity Insurance Claims Lodged either unresolved or not accepted	217	440	217	440
Red Bus Limited - Performance Bonds	0	0	1,075	966
City Care Ltd – Performance Bonds	0	0	1,909	1,335
Orion Group – Performance Bonds	0	0	100	0
Telecom NZ Limited challenge to the rating valuation of its telecommunications network	568	403	568	403
Claim for additional fees on a construction contract	155	155	155	155
Guarantees to Sporting and Community Organisations	100	100	100	100
	\$492,253	\$492,311	\$6,338	\$5,613

- In August 1999, Christchurch City Holdings Ltd issued \$350 million new redeemable preference shares to the Christchurch City Council. No call has been made on these shares. This amount is included in the contingent liability shown above.
- From 1989 until 30 June 1997, the Council's professional indemnity and public liability insurance cover was placed with FAI (NZ) General Insurance Company. In February 1999, HIH (NZ) Ltd took control of FAI (NZ) Ltd including the Council's outstanding claims. HIH (NZ) Ltd went into liquidation on 19 July 2001 following the collapse of its Australian parent company. The purchaser of parts of the HIH (NZ) Ltd's portfolio did not take over the company's liabilities. Therefore, there is uncertainty as to whether the Council will receive either full or partial recovery of the losses for which it has lodged claims. The maximum loss is estimated to be \$400,000.
- Telecom NZ Limited has challenged the rating valuation of its telecommunications network. The Council believes that the valuations have been performed professionally in accordance with the relevant legislation. If the Telecom challenge was upheld then a rates refund of up to \$568,000 would be payable.
- There are also contingent liabilities arising from claims from the parents of children attending the Civic Child Care Centre. The financial effect of these claims cannot be quantified.
- The Council has a contingent liability to provide an interest free loan of \$652K for restoration work on a heritage building.

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
(b) Contingent Assets				
Vested Assets- Nurses Chapel (at valuation)	\$400	\$400	\$400	\$400
Assistance to Central Plains Water Trust (CPWT)	\$494	\$494	\$494	\$494

The financial assistance given to the CPWT has been on the basis that this will be converted to a loan to the Council or an equity investment in CPWT if the scheme is successful.

Note 14

Capital Commitments

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Council Works	22,069	29,731	22,069	29,731
Christchurch International Airport Ltd	0	0	22,255	1,413
City Care Ltd	0	0	368	0
Jade Stadium Limited	0	0	0	0
Christchurch City Facilities Ltd (CCFL)	0	0	11,998	0
Lyttelton Port Company Ltd	0	0	4,042	7,798
Orion NZ Ltd	0	0	9,171	28,146
Red Bus Ltd	0	0	0	68
	\$22,069	\$29,731	\$69,903	\$67,156
At balance date, lease commitments were as follows:				
Under 1 year	0	0	2,126	1,752
1–2 years	0	0	1,381	858
2–5 years	0	0	1,473	687
Over 5 years	0	0	2,618	2,231
	\$0	\$0	\$7,598	\$5,528

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

Jet Engine Facility Limited (JEFL), a subsidiary of CCFL, has entered into agreements with Pratt & Whitney and Air New Zealand (PWANZ) to construct a V2500 engine test facility based at Christchurch International Airport. On its completion later in 2004, it will be leased to a joint venture between PWANZ for a term not exceeding 15 years. JEFL's capital commitment to the construction project is forecast to be \$20 million with \$11.99 million committed to complete the project based on current estimates.

Note 15

Reconciliation of Net Operating Cash Flow and Operating Surplus

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Net Surplus after Taxation	151,563	77,891	109,213	82,340
Minority Interests in Surpluses of Subsidiaries Non Cash items	0	0	9,142	11,030
Depreciation	58,799	52,718	110,082	96,925
Increase/(Decrease) in Deferred Tax	0	0	5,308	10,627
Goodwill Written Off	0	0	5,797	3,520
Other Amortisation	0	0	(148)	0
Vested Assets	(106,638)	(36,349)	(106,638)	(36,349)
Assets Written Off	24,797	3,281	25,545	4,120
Subsidised Assets	0	0	(2,771)	(1,745)
Equity Accounted Earnings	113	94	3,569	5,420
Foreign Exchange Difference	0	0	2,700	431
Investment Revaluations	0	0	4,214	0
Forestry Revaluations	0	0	(530)	0
Investment Writedowns	0	0	2,209	0
Other Non-Cash Items	0	0	2,191	(354)
Increase in Landfill Aftercare Provision	2,185	0	2,185	0
Movements in Working Capital Items				
(Increase)/Decrease in:				
Accounts Receivable & Accruals	8,439	21,828	4,069	9,474
Taxation Receivable	0	0	994	2,634
Inventory	145	77	(3,354)	(419)
Increase/(Decrease) in:				
Accounts Payable and Accruals	1,296	7,065	(2,410)	(2,771)
Taxation Payable	0	0	0	0
Non-current Employee Entitlements	(177)	296	(177)	296
Less Items classified as Investing:				
Net (Gain)/Loss on Sale of Fixed Assets	1,261	(124)	1,969	(620)
Profit on Sale of Shares	0	0	0	(198)
Other Assets in Revenue	0	0	0	0
Deferred Revenue	0	0	(867)	(695)

Exploration Expenditure Written Off	0	0	8	6
Movement in Fixed Asset Related Accounts Receivable	437	0	437	0
Movement in Fixed Asset Related Accounts Payable	(451)	(2,795)	(1,960)	(2,105)
Net Cash Inflow/(Outflow) from Operating Activities	\$141,769	\$123,982	\$170,777	\$181,567

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 2004, these were \$310,132K (2003 \$256,551K).

Note 16:

Taxation	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Net Surplus/(Deficit) before Tax	151,563	77,891	151,079	130,359
Prima Facie Tax Expense at 33%	50,016	25,704	49,856	43,018
Permanent Differences	(23,663)	(12,148)	(28,524)	(7,876)
Timing Differences not Recognised	0	0	946	158
Loss not Previously Recognised	0	0	1	843
Imputation Credit Adjustment	(31,689)	(15,909)	0	0
Tax Losses not Recognised	5,336	0	10,266	0
Tax Credit re Group Losses	0	2,353	0	0
Writeoff of Tax Asset	0	0	688	736
Under/(Over) Provision	0	0	(509)	110
Income Tax Expense/(Benefit)	\$0	\$0	\$32,724	\$36,989
Comprising:				
Current Taxation	0	0	26,796	26,362
Deferred Taxation	0	0	5,928	10,627
	\$0	\$0	\$32,724	\$36,989
Deferred Taxation				
Opening Balance	0	0	47,250	36,623
Prior Year Adjustment	0	0	(33)	4,803
Current Year	0	0	5,341	5,824
Net Deferred Tax Liability/(Asset)*	\$0	\$0	\$52,558	\$47,250

*The net Deferred Tax Liability is made up as follows:

Deferred Tax Liability	0	0	53,879	48,776
Less Deferred Tax Asset	0	0	(1,321)	(1,526)
Net Deferred Tax Liability/(Asset)	\$0	\$0	\$52,558	\$47,250

Taxable losses for the Council of \$5,336K (2003 \$26K) with a tax effect of \$1,761K (2003 \$9K) and for the Group of \$16,452K with a tax effect of \$5,429K (2003 \$3,386K), have not been recognised. These losses are available to be carried forward to offset against future assessable income. Unrecognised future income tax liabilities for the Group, arising from timing differences, amount to Nil (2003 Nil).

Note 17

Imputation Credit Account

	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Christchurch City Holdings Ltd	12,261	11,718
CCHL Subsidiaries	21,074	36,472
Other CCC Subsidiaries	3	6
	\$33,338	\$48,196

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

Note 18

Remuneration

As at 30 June 2004, the remuneration package of the Council's Chief Executive Officer, appointed on 1 May 2003 under Section 119C(1) (a) of the Local Government Act 1974, is \$305,465 per annum plus provision for 10% performance pay.

For the year ended 30 June 2004, the total cost to the Council, including fringe benefit tax, was \$335,965 (2003 \$555,479). The 2003 cost included payments to the former City Manager for accrued leave entitlements, salary arrears and performance payment.

Cost of Severance Payments

Section 223 E (12) 1 (a) of the Local Government Act 1974 requires reporting of severance payments including any tax liability, over \$50,000. For the year ended 30 June 2004, there were no payments over \$50,000 made. (2003 Nil.)

Note 19

Landfill Aftercare Liability

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

Closure responsibilities:

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

Post-closure responsibilities:

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

The estimated total liability for closure and post-closure is \$18.7 million for the Burwood Landfill including its closed stages.

Capacity of the Site

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

Closed Landfills

The liability has been estimated, based on a monitoring period of 35 years. The estimated cost for the closed landfills, excluding the closed stages of the Burwood landfill is \$2.2 million.

Landfill Aftercare Cost Provision	Actual 2004	Actual 2003	Actual 2004	Actual 2003
	Parent \$000's	Parent \$000's	Group \$000's	Group \$000's
Opening balance	18,700	18,700	18,700	18,700
Additional provision made	2,544	0	2,544	0
Amount utilised	(359)	0	(359)	0
Closing balance	20,885	18,700	20,885	18,700

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 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Cash, Bank and Short Term Deposits	287,687	241,776	317,636	277,268
Accounts Receivable	24,482	32,921	47,446	46,171
Loans to Cultural and Sporting Organisations	5,379	5,485	5,379	5,485
Government and Local Body Stock	14,977	9,017	14,977	9,017
Stocks & Bonds	21,479	22,875	21,479	22,875
Sinking Funds other than Local Body Stock	5,670	14,046	5,670	14,046
Loans to Subsidiary Companies	34,243	35,743	0	0

No collateral security is held for the above.

The fair value of financial instruments is as shown in the Statement of Financial Position.

(c) Off Balance Sheet Risk

Interest rate swaps and bond forward rate transactions are 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 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Foreign Currency Forward Exchange Contracts	0	0	2,039	164
Interest Rate Swaps and Forward Rate Agreements (FRAs)	0	0	297,818	184,500
Interest Rate Caps	0	0	5,000	0
Bond Forward Rate Agreement	0	0	56,258	69,000

(Figures in brackets are receivables)

(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 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Foreign Currency Forward Exchange Contracts	0	0	(170)	0
Interest Rate Caps	0	0	0	0
Interest Rate Swaps and FRA's	0	0	(636)	1,026
Bond Forward Rate Agreement	0	0	1,678	(162)
(Figures in brackets are receivables)				

Note 21

Rates Remission disclosures

	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Sports Bodies	218	
Churches	73	
Other Social and Cultural Organisations	164	
Other	201	
Total	\$656	\$325

The budget for remissions did not include remissions on penalties charged on the late payment of rates. It also did not take into account the large increase in the rateable values of some of the ratepayers who qualified for remissions.

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 770 Christchurch City residents in February and March 2004 and have a margin of error of +/- 3% at the 90% confidence level.

Note 23

Parking Survey

These indicators are based on results drawn from surveys of off-street and on-street car park users designed by Statistics NZ and actioned by temporary staff engaged by the Council. 192 off-street car park users and 195 on-street park users were interviewed in 2004. The estimated sampling error for these surveys lies within the +/- 2.3% range at the 80% confidence level.

Note 24

Related Party Transactions:

All members of the Group are considered to be related parties of the Christchurch City Council. This includes subsidiaries, associates and joint ventures.

	Actual 2004 \$000's	Actual 2003 \$000's
Related Parties and Balances		
Interest received on loans to related parties	3,048	3,065
Interest paid on loans to related parties	4,134	4,625
Dividends paid to the Council	64,339	32,445
Accounts payable to the Council	1,580	1,684
Accounts payable by the Council	8,426	7,818
Loans to related parties	43,824	35,743
Loans from related parties	60,424	59,945
Issue of shares to the Council	1,450	4,450
Services provided to the Council	47,872	46,406
Services provided by the Council	2,946	2,936
Subvention payments to the Council	3,578	3,198
Rates paid to the Council	2,787	2,771
Fixed Assets sold by the Council	250	250

The Council paid \$3.484 million to CCHL in respect of a selling price adjustment for its sale of shares in Selwyn Plantation Board Limited to CCHL in March 2002.

	Actual 2004 \$000's	Actual 2003 \$000's
Transactions between Subsidiaries:		
Dividends received/receivable to Christchurch City Holdings Ltd	74,614	41,856
Interest received/receivable Christchurch City Holdings Ltd	339	344
Subvention payments	1,767	2,105

Key Management and Members of the Council

During the year, Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with the Council such as the payment of rates and purchase of rubbish bags. Cr Anna Crighton owns a company, The Art Registry Company Limited. This company provided services to the Council for the year on normal terms and conditions that totalled \$15,945. Christchurch City Facilities Limited paid legal fees to Simon Mortlock Partners, of which S G Mortlock, a director of the company, is a partner. The fees were charged on normal terms and conditions. Fees paid during the period totalled \$94,014. 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

There are no known subsequent balance date events in relation the Council or its subsidiaries that materially affect the financial statements.

Note 26

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

Reconciliation of Estimates Reported in the Financial Plan and Annual Report

	Annual Plan Cost of Service Statements \$000's	Project & Other Costs Carried Forward \$000's	Internal Service Provider Allocations \$000's	Transfers & Other Adjustments \$000's	Annual Report Cost of Service Statements \$000's
Art Gallery	5,190	0	(76)	746	5,860
Car Parking	(4,098)	0	(664)	51	(4,711)
City Streets	33,696	580	228	2,124	36,628
Community Development & Customer Services	13,587	33	872	483	14,975
Economic Development	14,774	(347)	(1,306)	(345)	12,776
Environmental Policy & Regulatory Services	13,309	(831)	30	(262)	12,246
Housing	(1,295)	0	(124)	38	(1,381)
Library and Information Services	22,032	113	(242)	(103)	21,800
Parks & Waterways	28,735	212	(155)	383	29,175
Public Accountability	8,566	16	211	(580)	8,213
Sports, Leisure and Events	14,164	201	87	213	14,665
Waste Minimisation and Disposal	(587)	(30)	668	(417)	(366)
Wastewater	20,042	(40)	(172)	(766)	19,064
Water Supply	10,642	(49)	(81)	206	10,718
Total Significant Activities	178,757	(142)	(724)	1,771	179,662
Rates	(156,293)	0	0	0	(156,293)
Internal Service Provider Surpluses	0	67	724	(791)	0
Interest Income	(14,733)	0	0	14,733	0
Dividend Income	(28,200)	0	0	28,200	0
Vested Assets	(15,000)	0	0	0	(15,000)
Capital Grants/Contributions	(500)	0	0	(103)	(603)
Other Income	(5,563)	30	0	(42,519)	(48,052)
Community Contributions	5,245	112	0	0	5,357
Emergency Services	1,161	0	0	0	1,161
Unallocated Interest Expense	3,723	0	0	1,243	4,966
Sundry Expenditure	1,544	204	0	(1,523)	225
Net Surplus for Year	(29,859)	271	0	1,011	(28,577)

Note 27

Major Budget Variations – Parent

Statement of Financial Performance

Explanations for major variations from the Council's Estimate figures in the 2003/04 Annual Plan are as follows: \$000's

Higher than budgeted Dividends Income principally due to early payment of a special dividend by Christchurch City Holdings Ltd	37,929
Higher than Budgeted Vested Assets Income due to higher than expected subdivision activity and recognition of the ownership of sewer laterals for the first time	80,035
Unbudgeted Vested Assets income from roads that transferred to the Council as part of the State Highway swap	11,603
Unbudgeted writeoff of the book value of roads that transferred to Transit NZ as part of the State Highway swap	(21,724)
Higher than budgeted income from Subvention Receipts from subsidiary companies	1,788
Higher than budgeted Interest Income due to the level of capital expenditure carried forward to 2004/05 being higher than budgeted and the early payment of a special dividend by Christchurch City Holdings Ltd	5,792
Lower than budgeted Interest Expense due to the level of capital expenditure carried forward to 2004/05 being higher than budgeted	(2,063)
Increase in Landfill Aftercare provision	(2,544)
Lower than budgeted depreciation costs principally due to the delays in completing the capital programme	691
Higher than budgeted income from cash in lieu of reserves and similar contributions due to higher than budgeted level of subdivision activity	2,112
Higher than budgeted income from Water Billing due to the implementation of a new computer system & improved processes	438
Higher than budgeted income from Wastewater and Water Supply capacity upgrade contributions due to higher than budgeted level of subdivision activity	1,155
Higher than budgeted income from regulatory activities principally due to higher than budgeted level of subdivision activity	1,448
Higher than budgeted Transfund subsidies	494
Higher than budgeted income from dumping fees and recycling due to higher than budgeted quantities received	1,060
Lower than budgeted writeoff of the book value of roads that were replaced early	500

Statement of Movements in Equity

Apart from the increased unbudgeted income referred to above, there is a net increase brought about by the upward revaluations of Water Supply and Roding Infrastructure Assets of \$80M, partially offset by writedown in the value of subsidiary companies of \$42M. The decrease in the value of ownership of subsidiary and associate companies of \$42M was principally due to the \$35M decrease in the valuation of Christchurch City Holdings Limited in 2004 that reflected the payment of a special dividend of this amount plus the reductions in the values of Christchurch City Facilities Ltd of \$3.5M, Jade Stadium Ltd of \$0.8M and Selwyn Plantation Board Limited of \$3.5M.

Statement of Financial Position

The Net Surplus after Taxation plus the upward revaluation of assets resulted in an increase in Equity of \$184M. This substantially funded the increase in assets of \$189M.

Note 28

Financial Involvement in Subsidiaries 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 2004 \$000's	Interest 2004 \$000's	Total 2004 \$000's	Total 2003 \$000's
Subsidiaries:				
Jet Engine Facility Ltd	0	124	124	0
Christchurch City Holdings Ltd	64,339	0	64,339	32,300
Jade Stadium Ltd	0	2,924	2,924	3,065
Travis Finance Ltd	0	0	0	145
Associates:				
Transwaste Canterbury Ltd	0	0	0	0
	\$64,339	\$3,048	\$67,387	\$35,510

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 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Restricted Land and Buildings	6,470	6,625	6,470	6,625
Infrastructure Assets	99,783	15,714	99,783	15,714
Artworks & Heritage Assets	385	14,010	385	14,010
	\$106,638	\$36,349	\$106,638	\$36,349

Vested Infrastructure Assets includes \$61 million of sewer laterals citywide that the Council recognised its ownership of for the first time and unbudgeted Vested Assets income of \$12 million from roads that transferred to the Council as part of the State Highway swap with Transit New Zealand.

Note 30

Grants/Contributions to Major Projects

	Actual 2004 Parent \$000's	Actual 2003 Parent \$000's	Actual 2004 Group \$000's	Actual 2003 Group \$000's
Grants and Donations for New Art Gallery	439	1,807	439	1,807
Other Sponsorships and Contributions	103	325	103	325
	\$542	\$2,132	\$542	\$2,132

Summary of activity

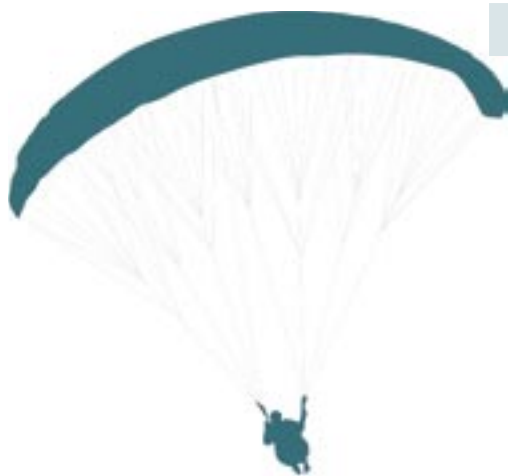
A. Summary of service delivery activities

	Cost (After Internal Recoveries) 2004 \$000's	Income 2004 \$000's	Net Costs 2004 \$000's	Estimate 2004 \$000's	Net Costs 2003 \$000's
Art Gallery	7,419	1,279	6,140	5,860	4,438
Car Parking	9,421	13,948	(4,527)	(4,711)	(4,176)
City Streets	72,851	15,959	56,892	36,628	33,748
Community Development & Customer Svce	16,843	1,798	15,045	14,975	13,271
Economic Development and Employment	12,778	614	12,164	12,776	13,388
Environmental Policy and Regulatory Services	22,054	11,570	10,484	12,246	10,012
Housing	9,879	10,753	(874)	(1,381)	(1,416)
Library and Information Services	23,286	1,958	21,328	21,800	19,249
Parks and Waterways	31,317	2,421	28,896	29,175	26,929
Public Accountability	8,807	0	8,807	8,213	7,703
Sport, Leisure and Events	23,793	8,761	15,032	14,665	13,347
Waste Minimisation and Disposal	22,098	20,475	1,623	(366)	1,789
Wastewater	21,943	5,307	16,636	19,064	13,522
Water Supply	13,766	4,063	9,703	10,718	9,191
Total Cost of Service Delivery	296,255	98,906	197,349	179,662	160,995
Add Back Service Provider Income	3,346	3,346	0	0	0
Activity Results represented in Statement of Financial Performance	\$299,601	\$102,252	\$197,349	\$179,662	\$160,995



B. Summary of Consolidating Subsidiary and Associated Organisations

	Income 2004 \$000's	Net Result after Tax after Deducting Minority Interest 2004 \$000's	Net Result after Tax after Deducting Minority Interest 2003 \$000's
City Care Ltd	62,660	1,809	2,197
Canterbury Technology Park	0	0	88
Christchurch City Facilities Ltd	10,661	(2,771)	(2,628)
Christchurch City Holdings Ltd	80,330	67,331	34,178
Christchurch International Airport Ltd	63,734	14,844	13,041
Jade Stadium Limited	8,388	(720)	(1,345)
Jet Engine Facility Ltd	176	(300)	0
Lyttelton Port Co Ltd	61,842	12,020	11,625
Orion Group Ltd	168,825	200	29,893
Red Bus Limited	22,929	1,371	1,379
Selwyn Plantation Board Ltd	11,637	2,707	2,905
Transwaste Canterbury Limited	0	(298)	(248)
Travis Finance Ltd	0	(1)	116
	\$491,182	\$96,192	\$91,201



Performance Reports For Key Activities

Art Gallery

A public art museum that operates from a new gallery which opened on 10 May 2003. This facility provides 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




Objective

1. Exhibitions Programme

To prepare a programme of exhibitions and cultural activities focused on the visual arts in the new Christchurch Art Gallery. Links to Strategic Objectives - A1, A2, A3, A4, A5

2. Collection

To ensure the ongoing growth of the collection and maintenance through conservation, storage, research, a programme of collection based exhibitions and public information continues to be carried out in a responsible, sustainable, timely and cost effective way. Links to Strategic Objectives - A1, A2, A3, A4, A5, B4, C1, C4, F2

 1. Environmental Performance Indicators	Actual	Target
1.1 To reduce the quantity of hazardous solvents used in the treatment of artworks from 30 litres to	1 litre used	25 litres
 2. Social Performance Indicators	Actual	Target
2.1 Achieving a satisfaction rating for visitors to new Gallery measured by user survey, at least	87%	84%
2.2 Canterbury Art On Tour mobile exhibitions series to tour Christchurch schools, at least	5	4
 3. Economic/Financial Performance Indicators	Actual	Target
3.1 Visitors to the new Gallery in the first full year of operation, at least	550,434	400,000
3.2 Providing advice on artworks and their conservation to, at least	1,997 queries answered	100 customers
3.3 Percentage of artworks acquired are by Canterbury artists, at least	58%	25%

*550,000 people visited Christchurch Art Gallery
Te Puna O Waiwhetū in 2004 (target 400,000)*



Art Gallery

Statement of Cost Of Services For The Year Ended 30 June 2004

	2004 Costs (after Internal Recoveries) \$000's	2004 Income \$000's	2004 Net cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Art Collection	2,313	207	2,106	2,126	1,291
Exhibitions	3,404	1,017	2,387	2,089	1,426
Information and Advice	1,702	55	1,647	1,645	786
New Christchurch Art Gallery	0	0	0	0	935
Cost of Service	\$7,419	\$1,279	\$6,140	\$5,860	\$4,438

Notes (\$000's)

Income: Actual 2004 \$1,279, Estimate 2004 \$997, Actual 2003 \$407.

Depreciation included is: Actual 2004 \$1,822, Estimate 2004 \$1,751, Actual 2003 \$291.



Car Parking

Management and administration of off-street and kerbside parking facilities with city-wide enforcement of parking bylaws and regulations, utilising 2,400 metered spaces, 328 coupon spaces, 9 off-street parking buildings, and 3,360 spaces. Facilities employ 75 FTE staff.

Statement of objectives and service performance

Objective

1. Customer Service

To help make the Central City accessible and support its commercial viability. Links to Strategic Objectives - A5, B1, B2, B3, C2, F1, F2, F5, F7


2. Management of Assets


Ensuring that the Council's car parking assets are sustainable in the long term. Links to Strategic Objectives - A5, B3, C2, F2, F5, F7


3. Road Safety

To promote road safety and thereby reduce the number of road accidents. Links to Strategic Objectives - A3, B2, C2, D5, E4

To respond rapidly to requests for assistance in relation to obstructed vehicle entrances.

 1. Environmental Performance Indicators	Actual	Target
1.1 Survey respondents satisfied with general cleanliness of parking facilities, at least [figure 1, opposite]	96%	90%
1.2 Tagging removed	100%	100% within 2 hours of being observed

 2. Social Performance Indicators	Actual	Target
2.1 Allocation of mobility (disability) parking spaces in off-street parking facilities which meet or exceed the Australian Standard, AS2890, (1 to 2% of total), at each parking facility	100%	100% compliance
2.2 Survey respondents satisfied cars are safer in CCC parking facilities than parked on the street, at least [figure 2, opposite]	69%	66%
2.3 School crossings monitored daily, at least	5	5
2.4 Responding to requests for enforcement assistance, e.g. in relation to obstructed vehicle entrances; Average response times:		
Central City	20 minutes	between 10 & 15 minutes
Suburbs	20 minutes	20 minutes

 3. Economic/Financial Performance Indicators	Actual	Target
3.1 Increase in parking building utilisation, at least	6.5%	5%
3.2 Vehicle occupancy rates in staffed off-street parking facilities:		
- Average overall, at least	51%	50%
- Peak period, at least	84%	82%
3.3 Net operating cost per space in off-street parking facilities	\$383 due to lower lower revenue	\$306
3.4 Net operating surplus per metered space, at least	\$1,268	\$1,211

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (after Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Enforcement	3,750	4,865	(1,115)	(949)	(1,955)
Parking	5,563	9,059	(3,496)	(3,820)	(2,264)
Abandoned Vehicles	108	24	84	58	43
Cost of Service	\$9,421	\$13,948	(\$4,527)	(\$4,711)	(\$4,176)

Notes (\$000's)

Income: Actual 2004 \$13,948, Estimate 2004 \$13,811, Actual 2003 \$13,133.

Depreciation included is: Actual 2004 \$395, Estimate 2004 \$460, Actual 2003 \$385.



108,697 vehicles used the Council's parking buildings, up 6.5% on 2003.

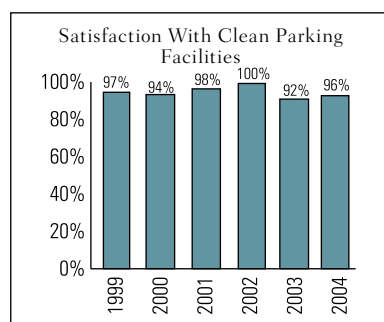


Figure 1

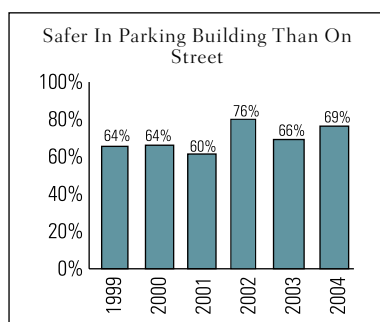


Figure 2

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 1,594km of carriageway, 157 traffic bridges, 2,585km of kerbs and channel, and 2,296km of sealed footpaths.

Statement of objectives and service performance

Objective

1. Customer Service

Educate and encourage the public to use the network safely. Links to Strategic Objectives - C2, E2, E3, E4

Meet network accepted standards and engineering best practice.

Provide viable choice of transport modes. Links to Strategic Objectives - C2, C3, E2, E3, E4

Ensure users are aware of transport choices and the means to effect them.

2. Community Engagement

Engage the community in determining, validating and prioritising needs.

Set agreed levels of service in conjunction with the community. Links to Strategic Objectives - C2, D1, D5


Create road environments that support and encourage a greater range of community and street activity.

Links to Strategic Objectives - A2, A3

3. Planning & Infrastructural Management

Cost effectively build, maintain and operate network to user group requirements. Links to Strategic Objectives - C2, E2, E4

Optimise asset life cycle costs. Links to Strategic Objectives - C2, E2, E4

	1. Environmental Performance Indicators	Actual	Target
1.1	Perceived percentage level of safety by cycle users is greater than	77%	80%
1.2	Percentage of community users satisfied with the improvement of the urban environment following street works is greater than	73%	80%
1.3	Travel time for each individual travel mode increases less than growth in total trips, at least	100%	100%
	2. Social Performance Indicators	Actual	Target
2.1	Decrease in		
	a) percentage of crashes involving responsible road use factors	Achieved. Decrease for 9 of 10 factors	>0
	b) number of crashes per 10,000 people [Figure 1, opposite]	Reduced to 22/ 10,000 from 23/10,000	>0
2.2	Consistent or increasing use of non-car transport modes		
	a) cycling	7.2% at 2001	20% of all commuters in 2006
	b) pedestrian	no census data	8% of all commuters by 2011
	c) public transport	4.5% at 2003	at least 10% of all trips by 2018

2.3	Percentage of community users satisfied with the need assessment, agreement and delivery of capital work completed in the streets surveyed is greater than [Figure 2, below]	89%	80%
2.4	Satisfaction with need assessment, agreement and delivery of transport network service and choice of transport mode is greater than [Figure 3, below]	87%	80%

	3. Economic/Financial Performance Indicators	Actual	Target
3.1	Percentage of the service levels agreed in the Asset Management Plan met during the year, at least	87%	95%
3.2	Transfund requirements met for the percentage of smooth sealed roads, at least	87%	87%

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (after Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Transport Planning / Asset Management	3,298	457	2,841	3,284	2,981
Activities on Street	663	954	(291)	(43)	(198)
Road Safety Programme	896	332	564	704	549
Provision of Roothing Land	8,537	225	8,312	(65)	(224)
Underground Wiring Conversion	2,235	93	2,142	2,116	1,993
Commercial Activities/External Services	448	410	38	0	0
Roothing System Maintenance	56,768	5,705	51,063	37,969	36,707
Revenue from Capital Works	6	7,783	(7,777)	(7,337)	(8,060)
Cost of Service	\$72,851	\$15,959	\$56,892	\$36,628	\$33,748

Notes (\$000's)

Income: Actual 2004 \$15,959, Estimate 2004 \$14,292, Actual 2003 \$15,460.

Depreciation included is: Actual 2004 \$22,125, Estimate 2004 \$21,575, Actual 2003 \$21,900.

The result for the year included a \$21.7 million writeoff being the book value of roads that transferred to Transit NZ to become State Highway. This writeoff was partially offset by the \$11.6 million of former State Highway that transferred to the Council. This vesting of assets is included in Corporate Revenues along with all other Infrastructure Assets that vested with the Council during the year.

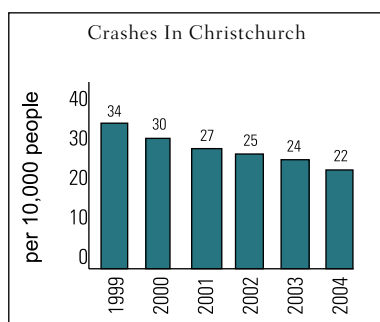


Figure 1

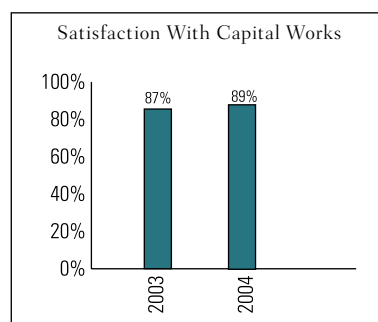


Figure 2

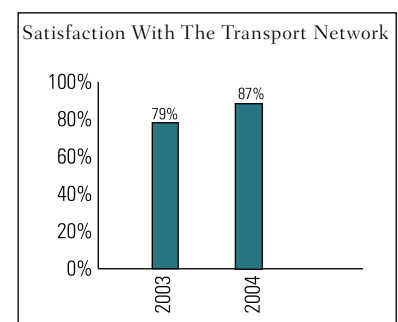


Figure 3

Community development & customer 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

Objective

1. Customer Service



Provide access to Council information and provide a network of walk in facilities and services for the payment of Council rates and fees. Links to Strategic Objectives - F3, F5

2. Community Engagement

To supplement the capabilities and resources of community groups and agencies to participate in the development of its communities. Links to Strategic Objectives - A1, A2, G1, G2

Maximise opportunities for residents to participate in learning activities, especially adults with care-giving responsibilities, by the facilitation of accessible and affordable pre-school facilities. Links to Strategic Objectives - A1, A2, A5

Manage, support and promote community facilities as a means of providing opportunities for residents to participate in community life and have a sense of belonging and identity. Links to Strategic Objectives - A1, A2, A3

 1. Environmental Performance Indicators	Actual	Target
1.1 Breaches at the Council operated facilities of the "Education (Early Childhood Centres) Regulations"	Nil	Nil
1.2 a) Breaches at the facilities of the Health and Safety legislation	Nil	Nil
b) Inspections are made to ensure compliance, at least	6 monthly	6 monthly
 2. Social Performance Indicators	Actual	Target
2.1 Percentage of customers surveyed are satisfied or better with services delivered at the first point of contact, at least	91%	85%
2.2 Percentage of respondents surveyed in the Annual Citizens Survey who feel part of their community, at least [Figure 1, opposite]	49%	65%
2.3 Satisfaction rate in the annual client surveys at each Council operated childcare centre, at least	QEII 100% Pioneer 98% Tuam St 97%	80%
2.4 Percentage of facilities to have a 60% occupancy rate, [based on usage between 9am and 9pm Monday to Friday], at least	75%	75%

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (after internal recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Suburban Services	3,597	118	3,479	3,246	1,681
Community Services	8,637	1,326	7,311	7,312	7,585
Customer Support Services	1,778	140	1,638	1,732	1,730
Community Grants	2,831	214	2,617	2,685	2,275
Cost of Service	\$16,843	\$1,798	\$15,045	\$14,975	\$13,271

Notes (\$000's)

Income: Actual 2004 \$1,798, Estimate 2004 \$1,931, Actual 2003 \$1,610.

Depreciation included is: Actual 2004 \$39, Estimate 2004 \$38, Actual 2003 \$65.

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

Objective

1. Sustainable Economic Development



To develop sustainable business opportunities that will grow the regional economy. Links to Strategic Objectives - A2, B1, B2, B3, B4, C4, D3

2. Sustainable Employment

To facilitate sustainable employment. Links to Strategic Objectives - A1, A2, A5, B1, B2, B4, D3

3. Engaging the Education Sector

To work with the education sector and industry to improve the region's level of workforce capability and job skills. Links to Strategic Objectives - A1, B1, B2, B3, B4, C4

 1. Environmental Performance Indicators	Actual	Target
1.1 Number of small/medium enterprises involved in waste minimisation programmes, at least	10	10 companies
1.2 Active involvement with environmentally focused community employment groups, at least	4	3 groups
 2. Social Performance Indicators	Actual	Target
2.1 Growth in number of jobs in small medium enterprises working with CDC, at least	51% employment growth in Hi-Tech start-up companies	5%
2.2 CDC contributes to the creation of new apprentice positions per year of at least	98	50
2.3 Minimum number of school industry partnerships in place	26 teams in 9 schools	12
2.4 CDC runs successful Careers Promotion events of at least	4 (including Career's Expo with 13,000 attendees)	3

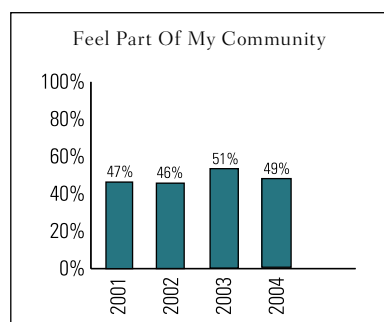


Figure 1

3. Economic/Financial Performance Indicators		Actual	Target
3.1	Number of CII (Canterbury Innovative Incubator) companies that 'graduate' each year, at least	0	2
3.2	CDC actively works with industry cluster groups, at least	6	5
3.3	Community groups funded by CDC, level of bankruptcies/closures	Nil	Nil
3.4	Level of sustainable employment in CDC client small and medium enterprises is growing by at least	51% employment growth in Hi-Tech start-up companies	5%
3.5	CDC facilitates the development and ongoing activities for specialist vocationally focused education organisations, at least	3	2 organisations
3.6	Level of graduate staircasing from specialist education organisations to industry and tertiary education, at least	Not measured	80% uptake

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Economic Development					
- Contracted Services	2,952	0	2,952	3,909	2,477
- Grants	639	25	614	639	861
Employment Services	2,420	0	2,420	2,411	2,366
Visitor Promotions	1,434	42	1,392	1,387	1,513
City Promotions	1,094	53	1,041	1,004	856
Turning Point 2000	0	0	0	0	9
Tram and Shuttle Operations	1,168	226	942	1,031	1,061
Bus Interchange	965	148	817	668	1,312
Convention and Entertainment Facilities	2,106	120	1,986	1,727	2,933
Cost of Service	\$12,778	\$614	\$12,164	\$12,776	\$13,388

Notes (\$000's)

Income: Actual 2004 \$614, Estimate 2004 \$636, Actual 2003 \$563.

Depreciation included is: Actual 2004 \$767, Estimate 2004 \$608, Actual 2003 \$896.

Environmental policy and regulatory services

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

Statement of objectives and service performance

Objective

1. Manage & Plan

To manage and plan the use, development and protection of the natural and physical resources of the city in a sustainable way. Links to Strategic Objectives - C1, C2, C3, C4, C5, G2

2. Promoting Health & Safety




To promote the environmental health of the city and the health, safety and well being of its citizens. Links to Strategic Objectives - C2, G2

3. Limiting Adverse Effects

To limit the adverse effects of activities on the environment including people and communities. Links to Strategic Objectives - C1, C3, G2

4. Compliance with Legislation

To ensure that the statutory purposes and principles of building control, health, hazardous substances, liquor licensing, and animal control are achieved with minimal compliance cost. Links to Strategic Objectives - C2, C5, D5, F5, F7, G2

 1. Environmental Performance Indicators	Actual	Target
1.1 Decisions from Environment Court of City Plan references are favourable or largely favourable, at least	66%	66%
1.2 Percentage of food premises identified as being high risk in terms of food safety to be inspected at least once during the year	98%	100%
 2. Social Performance Indicators	Actual	Target
2.1 Residents satisfied with building or land development within their area, at least [Figure 1, over]	28%	35%
2.2 Percentage of situations likely to affect human health or safety or to cause objectionable statutory nuisance are investigated and actioned	100%	100%
 3. Economic/Financial Performance Indicators	Actual	Target
3. Economic/Financial Performance Indicators		
3.1 Number of listed heritage buildings to which owners are provided financial assistance by 30 June 2004, at least	12	10
3.2 Residents satisfied with the value for money of rates spent on overall city and environmental planning, at least [Figure 2, over]	61%	60%
3.3 Residents satisfied with the value for money of rates spent on regulating activities and investigating nuisances, at least [Figure 3, over]	46%	57%
3.4 Percentage of all applications (eg building and land use resource consents) processed within the time limits prescribed by the relevant legislation	72% Building 91% Non-Notified 76% Notified 81% Subdivision	100%

Environmental policy and regulatory services (cont)

Statement of cost of services for the year ended 30 June 2004



	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Consents and Applications	8,943	7,564	1,379	2,103	1,167
Environmental Effects Control	968	254	714	741	637
Plans and Policy Statements	1,298	32	1,266	1,444	1,444
Information and Advice	3,273	2,035	1,238	2,012	1,461
Animal Control	1,663	1,677	(14)	82	7
Consents and Applications	1,279	1	1,278	1,635	1,033
Policy Advice	282	0	282	210	205
City Development Advice	1,739	0	1,739	1,392	2,138
City Planning	1,678	1	1,677	1,540	1,120
City Development Projects	47	0	47	181	0
Funds Administration	821	0	821	831	684
Energy Programmes	63	6	57	75	116
Cost of Service	\$22,054	\$11,570	\$10,484	\$12,246	\$10,012

Notes (\$000's)

Income: Actual 2004 \$11,570, Estimate 2004 \$10,127, Actual 2003 \$10,680.

Depreciation included is: Actual 2004 \$28, Estimate 2004 \$28, Actual 2003 \$30.

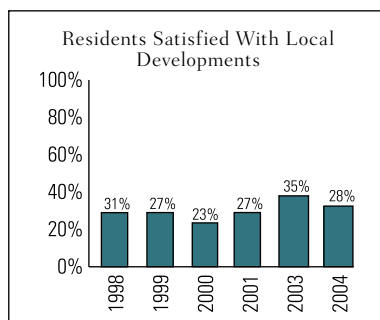


Figure 1

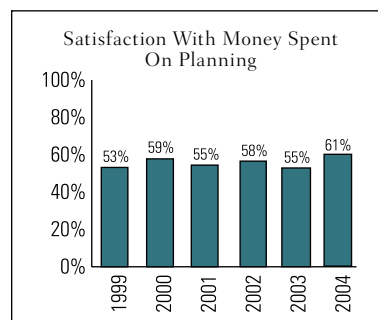


Figure 2

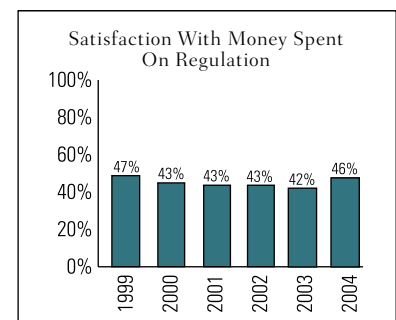


Figure 3

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. There are 2,625 units managed in this activity comprising of 19 trust housing and 2,606 other public rental units.

Statement of Objectives and Service Performance

Objective

1. Customer Service

To provide a social housing service which is affordable, accessible, appropriate and efficient. Links to Strategic Objectives - A3, F1, F2, F3, F5, F6, F7

Tenants are provided with a high level of support in accordance with the Council's Tenant Support Policy. Links to Strategic Objectives - A3, F1, F2, F3, F5, F6, F7




To promote a harmonious living environment at Council housing complexes.

2. Community Engagement

All housing "partnerships" flourishing. Links to Strategic Objectives - A2, A3, A5

3. Compliance with Legislation

Council complies with all legal requirements relating to the provision of social housing. Links to Strategic Objective - A3

 1. Environmental Performance Indicators	Actual	Target
1.1 Tenants rate level of amenity as satisfactory or better, at least	Not surveyed	50% of all respondents
 2. Social Performance Indicators	Actual	Target
2.1 Overall tenant satisfaction as measured through an annual tenant satisfaction survey, at least	Not surveyed	80%
2.2 Tenants are visited in accordance with Council policy, by a Housing Officer to ensure that they can:		
(a) continue to live independently	achieved	annually
(b) that the asset has been maintained at an appropriate level, at least	achieved	annually
2.3 Inter tenant written complaints minimised with tenants complaining about their neighbours on an annual basis, less than	less than 10%	10%
2.4 Tenants are treated fairly in terms of the Residential Tenancies Act with tenants lodging claims against the Council through the Tenancy Tribunal during the year, less than	0.04%	1%
 3. Economic/Financial Performance Indicators	Actual	Target
3.1 a) Occupancy is achieved across the portfolio of at least	96.4%	98%
b) Cost of service to the ratepayers	Nil	Nil
3.2 Annual cost per tenant for tenancy administration and support being no more than	\$741	\$606
3.3 "Partnership" arrangements return an average return on capital across the board of at least	1.5%	1.5%
3.4 Penalties or fines against the Council	Nil	Nil

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Elderly Persons Housing	9,283	10,620	(1,337)	(2,083)	(1,268)
Owner/Occupied Housing	21	27	(6)	3	29
Partnership Housing	82	93	(11)	(10)	0
Tenancy Services/Welfare Policy	493	13	480	709	599
Public Rental Housing	0	0	0	0	(780)
Trust Housing	0	0	0	0	(37)
General Housing	0	0	0	0	41
Cost of Service	\$9,879	\$10,753	(\$874)	(\$1,381)	(\$1,416)

Notes (\$000's)

Income: Actual 2004 \$10,753, Estimate 2004 \$10,477, Actual 2003 \$9,749.

Depreciation included is: Actual 2004 \$2,024, Estimate 2004 \$1,890, Actual 2003 \$1,909.



Living Street, Hawford St at Jackson's Creek

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 1,068,546 volumes and provides services to 253,678 enrolled members and other users.

Statement of Objectives and Service Performance

Objective

1. Collections

Develop and implement the strategy for collecting the best books, electronic resources and other materials to suit customers now and in the future. Links to Strategic Objective - A1

Resource Delivery

Provide systems and facilities which enable people to access the collections, both by taking items away on loan and by using them within library buildings. [Library collections (books, magazines, cds, etc) total in excess of 1 million items]. Links to Strategic Objective - A1

Library Web



Provide systems, technology and content (via the Internet) which enable people to electronically access information and services at home, work or school. Links to Strategic Objective - A1, A5, D1

Enquiries

Provide skilled and knowledgeable staff to help people find the information they need. Links to Strategic Objective - A1, A5, B2

New Zealand Heritage

Collect and preserve resources about our New Zealand and local identity for the benefit of present and future citizens including contributing to the pictures Aotearoa initiative by digitising further photographs of old Christchurch. Links to Strategic Objective - A4

	1. Environmental Performance Indicators	Actual	Target
1.1	Collections provided for shared use with the turnover of the collection, at least (that is, each item is borrowed 5.15 times per annum on average)	5.42	5.15
1.2	Public access machines provided for citizens to access information per capita of at least	1 per 1,625 of population	1 per 1,625 of population
1.3	Collections preserved for use by future generations by digitising of unique materials for shared use, at least	67,717	63,000 items
	2. Social Performance Indicators	Actual	Target
2.1	Collections support recreational, learning, and information needs with holdings per capita, no less than	3.2	3.5 items per capita
2.2	Satisfaction with range of books, no less than	93%	85%
2.3	Percentage of population as members, at least	75%	80%
2.4	Issues per capita, at least	17.10	17.23
2.5	Visits per capita, at least	10.26	10.78
2.6	Satisfaction with helpfulness and friendliness of staff, at least [Figure 1, over]	94%	95%
2.7	Number of page views through the internet per annum, at least	8,660,352	6,200,000
2.8	Satisfaction with helpfulness and friendliness of enquiries staff, at least [Figure 2, over]	90%	85%
2.9	Satisfaction with information provided, at least	86%	85%

Library and information services (cont)

3. Economic/Financial Performance Indicators	Actual	Target
3.1 Cost per capita for supply of collections , no more than	\$27.44	\$30.50
3.2 Cost per issue of lending and in house use of items, no more than	\$1.00	\$1.04
3.3 Total cost of sharing of resources output is no greater than	below	annual budget
Cost per page view is no greater than	\$0.031	\$0.047
3.4 Cost per enquiry of timely provision of information, including information which supports business and the economy, no more than	\$3.93	\$4.57

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Collections	8,675	123	8,552	8,788	7,801
Resource Delivery	6,421	1,161	5,260	5,044	4,645
Library Website	276	22	254	377	184
Voluntary Libraries	241	0	241	236	252
Enquiries	3,580	375	3,205	3,298	2,899
Creating Content	563	2	561	599	652
Events and Programmes	1,208	0	1,208	1,204	1,033
NZ Heritage	644	3	641	659	576
Advice	210	0	210	244	202
Educational Services	272	271	1	(8)	0
City Monitoring & Research	424	0	424	426	420
Information Development	772	1	771	933	585
Cost of Service	\$23,286	\$1,958	\$21,328	\$21,800	\$19,249

Notes (\$000's)

Income: Actual 2004 \$1,958, Estimate 2004 \$1,963, Actual 2003 \$1,454.

Depreciation included is: Actual 2004 \$4,189, Estimate 2004 \$4,443, Actual 2003 \$3,735.

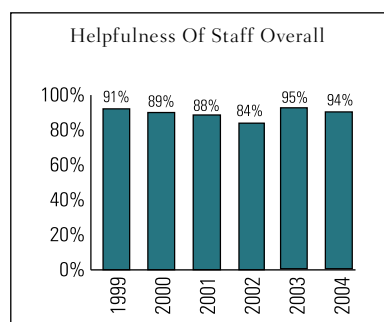


Figure 1

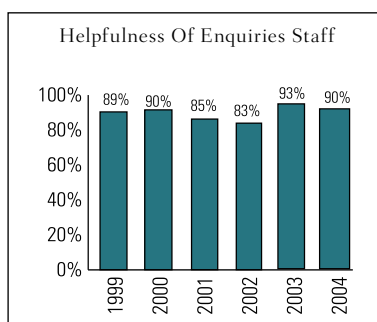


Figure 2

Parks and waterways

Planning and managing the acquisition, maintenance, development and use of the City's resource of public parks and reserves for the purposes of recreation, amenity and conservation. 773 parks (6,290 Ha) and 10 cemeteries maintained using in-house and external contractors. 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. Network includes 160 kilometres of rivers, 26 pumping stations, 156 kilometres of environment asset waterway and 124 kilometres of utility waterway, 925 kilometres of stormwater drains and 36 retention basins or swales.

Statement of objectives and service performance

Objective

1 Customer Service

The City's waterways, wetlands and drainage system is maintained in a way that is sensitive to natural values and flood hazards. Links to Strategic Objectives - A1, A2, A3, A5, B4, C1, C2, C3, C4, C5, E1

The City's greenspace areas are maintained in a healthy and safe condition.



2. Community Engagement

The community is informed and participates in the governance and management of parks and waterways. Links to Strategic Objectives - A1, A2, A3, B4, C1, C2, C3, C5, D1, G3

3. Planning and Infrastructure Management

Christchurch's green space, waterways and wetlands are renewed, enhanced and protected for the present and future people and environment. Links to Strategic Objectives - A3, A5, C1, C2, C3, C5, D1, E1, E3.

The overall form and character of the City is enhanced by green space and waterways planning.

 1. Environmental Performance Indicators	Actual	Target
1.1 Maintain surface water ecosystem health as indicated by sample chemical analysis and surveys of physical properties and fish species diversity	5 baseline surveys performed	Baseline survey
1.2 Flooding damage arising from system blockages or pump failure	Nil	Nil
1.3 Reduce herbicide application on utility waterway margins to a maximum of	215,00m ² (24.5% reductions)	360,000m ² (5% reduction)
1.4 Reduce the annual tonnage of green waste material dumped through on site processing and recycling by	Trial result 6.7%	5%
1.5 Community participation in environmental guardianship and monitoring, at least	16	15 active groups
1.6 Participation in planting projects by volunteer and community groups, at least	15,471	10,000 plants
1.7 Decrease in number of (i) native plant species, (ii) native bird populations and (iii) fish species	(i) & (ii) not reliably measured; (iii) increased	Nil
1.8 Ecologically significant sites identified and protected, at least	6	4
 2. Social Performance Indicators	Actual	Target
2.1 Percentage of complaints related to waterways received and actioned within 2 working days	90%	100%
2.2 Customer satisfaction with parks maintenance standard, at least [Figure 1, over]	92%	90%
2.3 Recreational User Groups satisfaction with services, at least [Figure 2, over]	77%	90%
2.4 Support of volunteer wardens on parks and waterways, at least	171	170
2.5 Children participation in the Learning Through Action Programme, at least	9,783	8,000
2.6 Support one annual community employment contract with unemployed people participating in the programme being, at least	59	80

Parks & Waterways (continued)

2.7	The level of satisfaction with the diversity and accessibility of recreational activities provided on parks and waterways to meet identified community needs, at least [Figure 3, below]	83%	80%
2.8	The level of satisfaction with community engagement and participation in planning processes, at least	96%	75%
2.9	Ratio of hectares of public open space per 1,000, at least	18.8	18.0 hectares

	Actual	Target
3. Economic/Financial Performance Indicators		
3.1 Residents satisfied with the value for money of rates spent on waterways and wetlands, at least [Figure 4, below]	75%	70%
3.2 Quality standards attained for waterway utilities	95% & \$16,000 under budget	85% of specification within budget targets
3.3 Residents satisfied with the value for money of rates spent on parks, at least [Figure 5, below]	86%	80%
3.4 Quality standards attained for parks maintenance, at least	94%	90% of specification within budget targets
3.5 Community volunteer hours spent on regional parks projects, at least	10,622	8,000 hours
3.6 Sponsorship revenue received, at least	\$70,766	\$100,000
3.7 Land drainage cost share schemes revenue received, at least	\$359,981	\$100,000

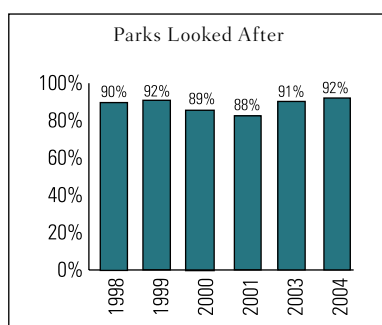


Figure 1

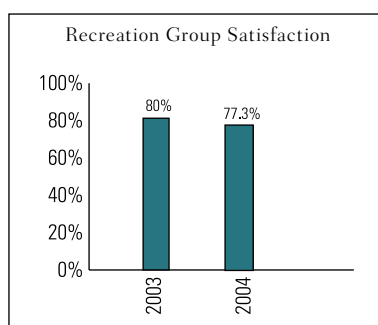


Figure 2

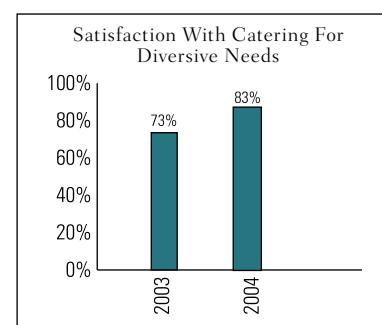


Figure 3

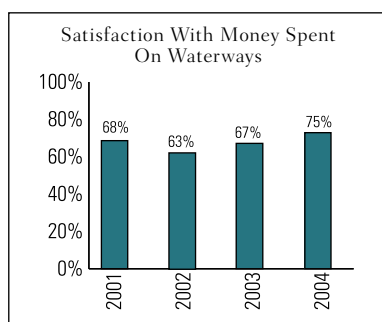


Figure 4

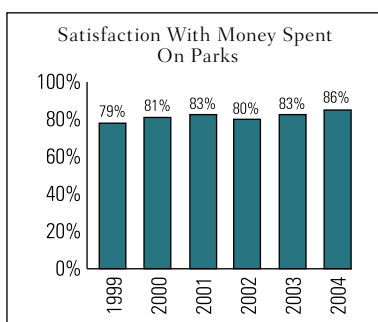


Figure 5

Parks & Waterways (continued)

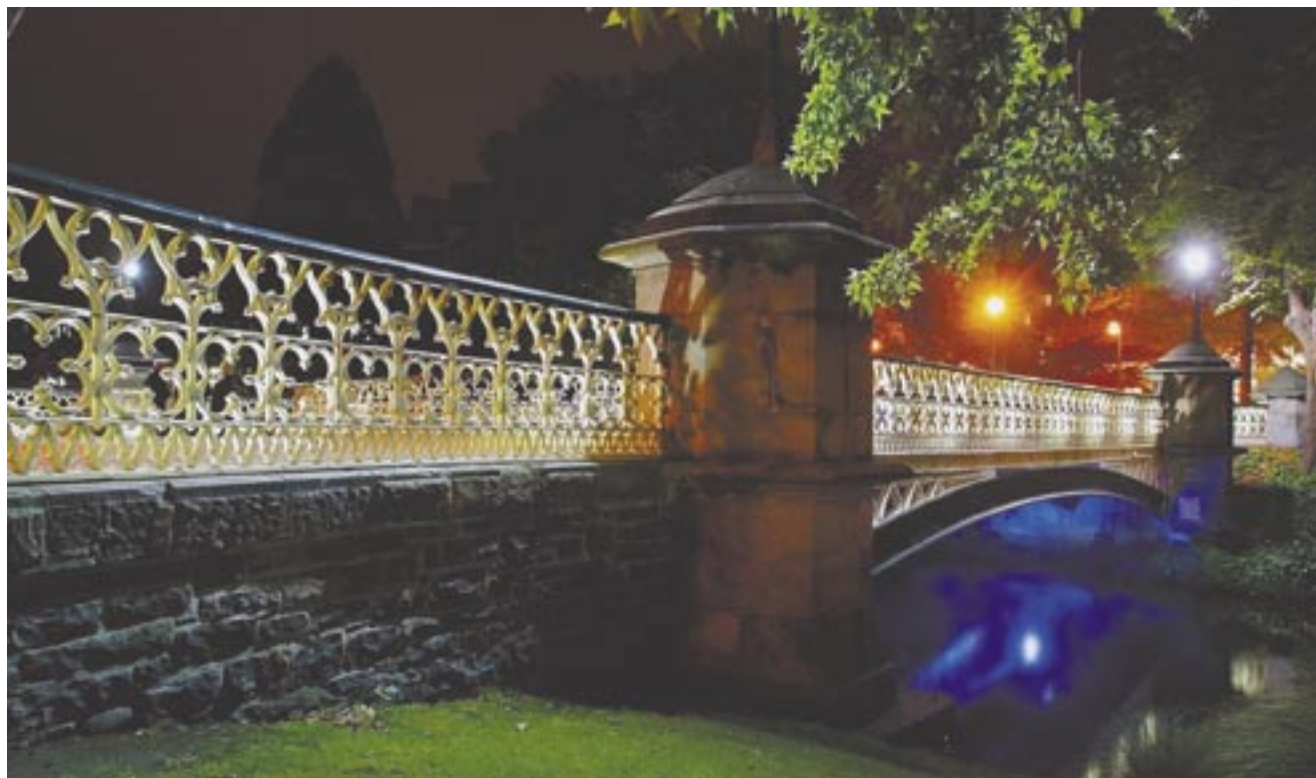
Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Plans and Policy Statements	901	0	901	515	549
Information and Advice	676	12	664	665	513
Consents and Applications	92	1	91	112	113
Utilities Maintenance	5,744	0	5,744	5,760	5,507
Waterways & Wetlands Maintenance	3,303	439	2,864	3,228	2,900
Customer Services	1,373	433	940	1,168	991
Environmental	18,324	1,534	16,790	16,728	15,574
Support	803	2	801	898	684
Environment and Parks Grants	101	0	101	101	98
Cost of Service	\$31,317	\$2,421	\$28,896	\$29,175	\$26,929

Notes (\$000's)

Income: Actual 2004 \$2,421, Estimate 2004 \$2,248, Actual 2003 \$2,676.

Depreciation included is: Actual 2004 \$4,117, Estimate 2004 \$3,914, Actual 2003 \$3,842.



Illumination of Armagh Street bridge, switched on in March 2004 – an Orion centenary gift to Christchurch City

Public accountability

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


Statement of Objectives and Service Performance

Objective

1. Community Engagement

To encourage effective public participation in local government. Links to Strategic Objectives - D1, D2, D3, D4, D5, F1, F2

Publish and distribute information to residents on the overall activities of the Council. Links to Strategic Objectives - D1, E4

 Social Performance Indicators	Actual	Target
1.1 Percentage of residents who understand Council decision making, at least [Figure 1, below]	34%	37%
1.2 Residents satisfied with the Council newsletter, City Scene, no less than [Figure 2, below]	75%	75%

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost 000's
Operational Outputs					
Elected Member Representation	3,418	0	3,418	3,301	3,481
Decision Making	4,768	0	4,768	4,327	3,823
Liaison & Discretionary Expenditure	272	0	272	293	263
Corporate Communications	349	0	349	292	136
Cost of Service	\$8,807	\$0	\$8,807	\$8,213	\$7,703

Notes (\$000's)

Income: Actual 2004 \$0, Estimate 2004 \$0, Actual 2003 \$90.

Depreciation included is: Actual 2004 \$0, Estimate 2004 \$0, Actual 2003 \$1.

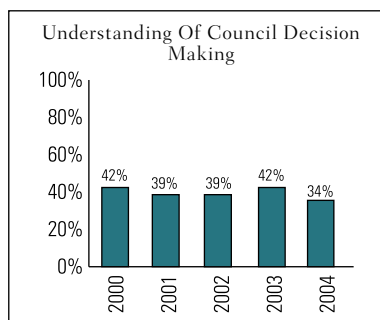


Figure 1

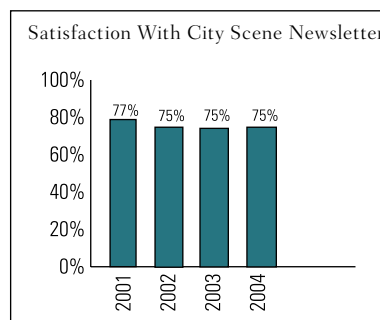


Figure 2

Sports, leisure & 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

Objective

1. Customer Service



To efficiently provide healthy, accessible and enjoyable facilities and programmes for participation in leisure. Links to Strategic Objectives - A1, A3, A5, B3, F7

2. Community Partnership


To work with the community to provide healthy, accessible and enjoyable leisure opportunities and encourage greater levels of participation in leisure. Links to Strategic Objectives - A1, A2, A3, A4, A5, B3, F7

3. Festivals & Events

To generate economic and social benefits to the city through the provision of events. Links to Strategic Objectives - A1, A2, A3, A4, A5, B3, B4, F7

 1. Environmental Performance Indicators	Actual	Target
1.1 a) Electricity use per user at facilities, no more than	4.2kwh	4.7kwh
b) Gas, no more than	0.033	0.032 gigajoules
1.2 Water consumption, no more than	0.93m ³	1.178m ³
1.3 Number of Council Leisure events at which there are significant regulatory non-compliance issues	Nil	Nil
 2 Social Performance Indicators	Actual	Target
2.1 Number of participants in Council recreation programmes, at least	220,469	200,000
2.2 Numbers visiting Council facilities, at least	2.9 million	2.4 million
2.3 Proportion of residents visiting Council pools and stadia once or more pa, at least [Figures 1 and 2 over page]	58% – Pools 63% – Stadia	50%
2.4 Injury/accident levels reported, no more than	504 as target was for 6 months	320
2.5 Audit one facility for disability access by with building issues rectified by 30 June 2004 for	Redeveloped Porritt Park met requirements	Those with a cost of \$5,000 or less
2.6 Level of participation in physical activity, at least	86%	92%
2.7 Level of participants in partnership programmes, at least	43,030	80,000
2.8 Partners' perception that performance as enablers matches expectations, at least	91%	95%
2.9 Residents satisfied with access to leisure opportunities, at least [Figure 3 over page]	89%	93%
2.10 Proportion of residents that consider festivals and events contribute to the enjoyment of living in Christchurch, at least	81%	80%

Sports, leisure & events (continued)

 3. Economic/Financial Performance Indicators		Actual	Target
3.1	Cost per user at facilities, no more than	\$2.68	\$3.00
3.2	Residents satisfied with value for money through rates on swimming pools and stadia, at least <i>[Figure 4 and 5 opposite]</i>	78% – Pools 76% – Stadia	75%
3.3	Users rating of value for money with leisure facilities, <i>measured using a 6 point scale</i> , no more than	0.48 mean	0.5 mean Customer Service Quality Gap
3.4	Residents satisfied with value for money through rates on supporting sport and recreation, at least <i>[Figure 6 opposite]</i>	72%	70%
3.5	Future international sporting events secured that meet the economic benefit criteria, at least	7	4
3.6	Residents satisfied with value for money through rates on events and festivals, at least <i>[Figure 7 opposite]</i>	82%	80%

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Events and Festivals	2,760	325	2,435	2,669	2,056
Recreation and Arts	3,332	292	3,040	3,023	2,648
Leisure Planning	278	0	278	252	225
Sports	317	3	314	326	281
Stadia	1,116	223	893	888	774
Pools	2,860	1,031	1,829	1,394	1,379
Leisure Centres	4,584	3,263	1,321	1,419	1,335
Golf Courses/Range	396	412	(16)	(46)	(26)
Camping Grounds	155	48	107	91	154
QE II	7,480	3,164	4,316	4,197	4,200
Recreation and Sports Grants	515	0	515	452	321
Cost of Service	\$23,793	\$8,761	\$15,032	\$14,665	\$13,347

Notes (\$000's)

Income: Actual 2004 \$8,761, Estimate 2004 \$8,504, Actual 2003 \$8,245.

Depreciation included is: Actual 2004 \$2,625, Estimate 2004 \$2,804, Actual 2003 \$2,598.



Sports, leisure & events (continued)

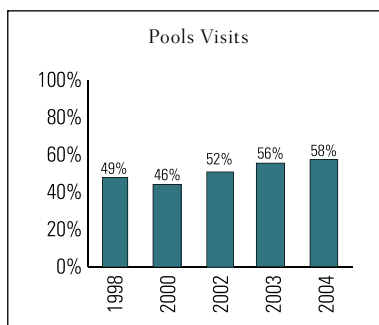


Figure 1

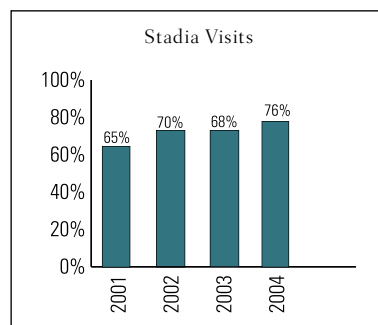


Figure 2

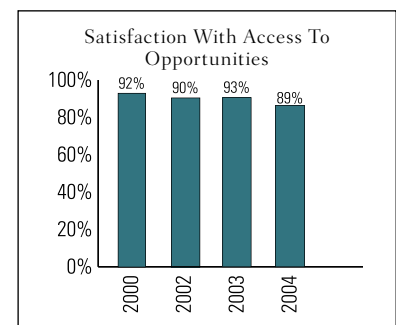


Figure 3

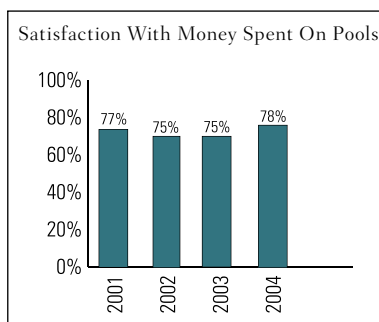


Figure 4

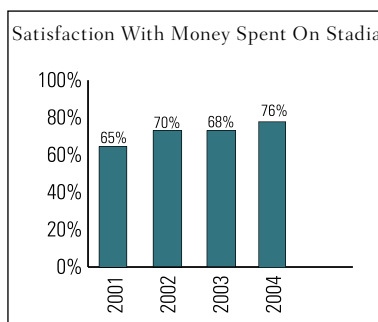


Figure 5

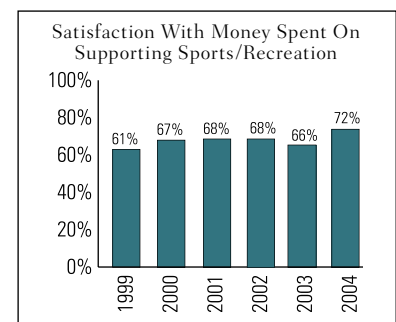


Figure 6

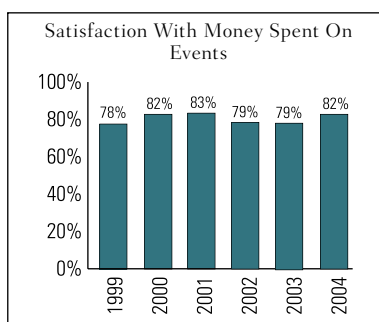


Figure 7

Waste minimisation and disposal

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

Statement of objectives and service performance

Objective

1. Customer Service

To provide the community with safe, convenient and efficient solid waste services. Links to Strategic Objectives - C4, E1, F5, F6, F7

2. Community Partnership




To work with the community to reduce the waste generated in Christchurch through reduction at source, reuse, recycling and composting. Links to Strategic Objectives - B1, C4, E3

3. Planning & Infrastructure Management

To plan and provide waste management services in partnership with the community and with other governing bodies to achieve desired outcomes. Links to Strategic Objectives - C4, D1, D3, D4, E3, F2, G1, G2, G3

4. Compliance with Legislation

To operate waste management facilities that comply with or surpass legislative requirements. Link to Strategic Objectives - C4, E1, E3

 1. Environmental Performance Indicators	Actual	Target
1.1 Incidence of illegal dumping reported to the Council per day, less than	0.96 calls	one
1.2 Amount of waste sent to landfill per person per annum, no more than [Figure 1, opposite]	726 (NB economic upturn generated more waste)	650kg
1.3 Amount of kerbside refuse recycled per household per week, at least	3.1	2.4kg
1.4 a) Total refuse, excluding hardfill, landfilled, no more than [Figure 2, opposite]	243,000	210,000 tonnes
b) Greenwaste composted, at least [Figure 3, opposite]	31,100	35,500 tonnes
c) Tonnes of waste collected from kerbside that is recycled, at least [Figure 3, opposite]	20,880	17,000 tonnes
1.5 Level of non-compliance with resource consent conditions as recorded by Environment Canterbury	4 violations at compost plant. Corrective action taken	Nil
 2. Social Performance Indicators	Actual	Target
2.1 Customers satisfied with the green crate recycling service provided, at least [Figure 4, opposite]	88%	90%
2.2 Customers satisfied with the black bag service provided, at least [Figure 5, opposite]	80%	80%
2.3 Percentage of people who take action to reduce the amount of waste they produce at home, at least	94%	90%
2.4 Number of businesses actively engaged in Target Zero Programme, at least	71	160
2.5 Number of opportunities provided for public engagement in the planning process, at least	3 per year	4 per year
 3. Economic/Financial Performance Indicators	Actual	Target
3.1 Residents satisfied that refuse collection and disposal service delivers value for money, at least [Figure 6, opposite]	78%	80%

(continued)

3.2 Cost of Waste Management per household, no more than	\$86	\$126 per household
3.3 Amount spent on waste minimisation activities per person, at least	\$12	\$15
3.4 Penalties or fines incurred	Nil	Nil

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Information & Advice	203	0	203	269	315
Plans & Policy Statements	483	5	478	339	242
Reduction	259	0	259	406	437
Resource Re-use Centres	4	0	4	7	5
Recycling	4,240	834	3,406	3,024	3,719
Resource Recovery	1,668	1,539	129	43	294
Residual Disposal	16,859	7,994	8,865	6,546	6,488
Waste Minimisation Fees	(1,618)	10,103	(11,721)	(11,000)	(9,711)
Cost of Service	\$22,098	\$20,475	\$1,623	(\$366)	\$1,789

Notes (\$000's)

Income: Actual 2004 \$20,475, Estimate 2004 \$18,767, Actual 2003 \$17,676.

Depreciation included is: Actual 2004 \$1,092, Estimate 2004 \$1,100, Actual 2003 \$1,013.

Increase in Provision for Landfill Aftercare included is: Actual 2004 \$2,544, Estimate 2004 \$0, Actual 2003 \$0.

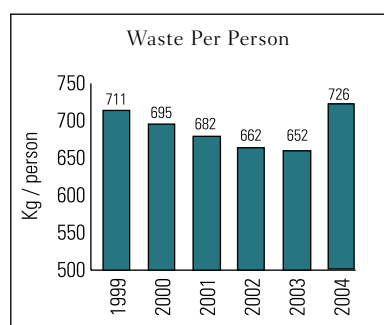


Figure 1

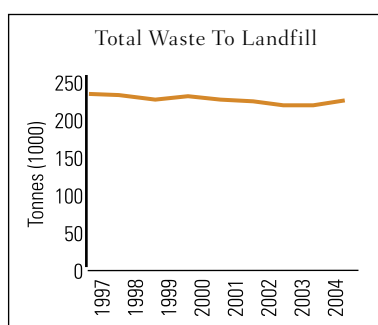


Figure 2

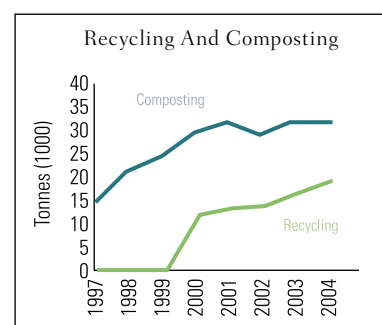


Figure 3

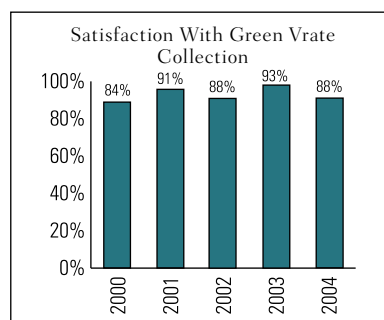


Figure 4

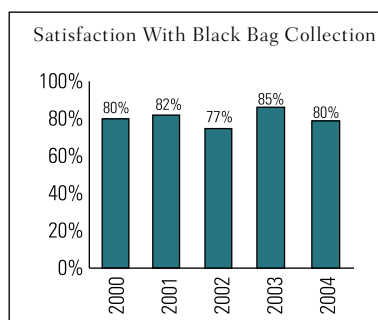


Figure 5

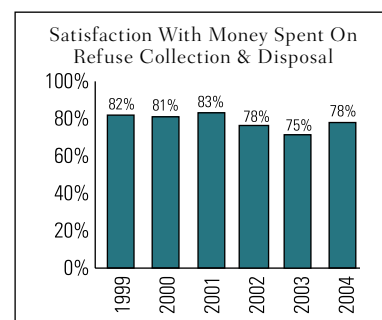


Figure 6

Wastewater

Provide liquid waste transport, treatment and refuse services in a manner that will enhance the health, safety and convenience of the Christchurch community, and meet the needs of a growing city in conformity with the intentions of district and regional plans. The sewage collection system serves all of the Christchurch City urban area and Prebbleton, Lincoln, Tai Tapu and Springston in the Selwyn District and comprises 1,570km of sewer mains, 84 pumping stations, approximately 22,700 manholes, 536 flush tanks and 944 km of sewer laterals. Treatment works are at Bromley and Belfast.

Statement of objectives and service performance

Objective

1. Customer Service

To provide the community with safe, convenient and efficient wastewater services. Links to Strategic Objectives - C1, E2, E3, F2

2. Community Engagement




To develop and enhance partnerships with the community and with governing bodies to achieve desired outcomes. Links to Strategic Objectives - C1, D1, D3, D4, E1, E3, F2, G1, G2, G3

3. Planning & Infrastructure Management

To sustainably manage the wastewater infrastructure. Links to Strategic Objectives - C1, E1, E3, F1, F6

4. Compliance with Legislation

To comply or surpass legislative requirements and standards. Links to Strategic Objectives - C1, E1, E3

 1. Environmental Performance Indicators	Actual	Target
1.1 Pollutants in treatment plant discharge is reduced by	85% 75%	75% BOD 75% suspended solids
1.2 Wastewater treated per person per day is progressively reduced to	470	435 litres per person per day, 5 year rolling average
1.3 The number of wastewater overflows directly entering waterways as a result of a failure of Council pumping equipment	Nil	Nil
1.4 Level of flaring off of biogas at the wastewater treatment plant as a proportion of the total biogas produced is less than	3%	1%
1.5 Level of compliance with air discharge and water quality conditions of resource consent	1 abatement notice received	100%
 2. Social Performance Indicators	Actual	Target
2.1 Response time for a contractor to be on site when a complaint is received that could potentially affect public health and for which the Council is responsible, less than	Not reliably measured	1 hour
 3. Economic/Financial Performance Indicators	Actual	Target
3.1 Residents satisfied that the wastewater service delivers value for money, at least [Figure 1, opposite]	72%	80%
3.2 Wastewater cost per household per year	\$131	\$126
3.3 Penalties or fines incurred	Nil	Nil

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Operations Revenue	378	2,976	(2,598)	(2,230)	(2,061)
Information and Advice	138	14	124	219	42
Planning	1,039	1	1,038	914	990
Liquid Waste Collection	12,002	169	11,833	13,382	8,549
Liquid Waste Treatment and Disposal	8,237	372	7,865	8,012	7,414
Laboratory	135	80	55	25	11
Capital Works Revenue	14	1,695	(1,681)	(1,258)	(1,423)
Cost of Service	\$21,943	\$5,307	\$16,636	\$19,064	\$13,522

Notes (\$000's)

Income: Actual 2004 \$5,307, Estimate 2004 \$4,080, Actual 2003 \$4,279.

Depreciation included is: Actual 2004 \$8,266, Estimate 2004 \$8,338, Actual 2003 \$5,692.

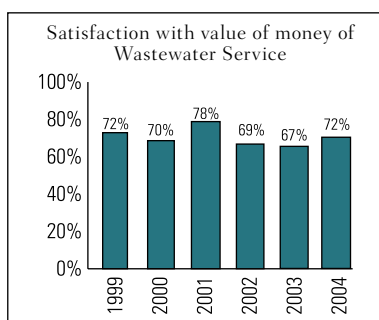


Figure 1

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. The water supply network comprises 1,536km of water mains 1,457km of sub mains, 86 pumping stations and 31 reservoirs that supplies, approximately 50 million cubic metres of water annually to 116,585 connections.

Statement of objectives and service performance

Objective

1. Customer Service

To provide the community with safe, convenient and efficient water supply services.

Links to Strategic Objectives - E1, F2, F6, F7

2. Community Engagement




To develop and enhance partnerships with the community and with governing bodies, to achieve desired outcomes. Links to Strategic Objectives - C1, D1, D3, D4, E1, E3, F2, G1, G2, G3

3. Planning & Infrastructure Management

To sustainably manage the water supply infrastructure and resource. Links to Strategic Objectives - B1, C1, E1, E3, F2, F6

4. Compliance with Legislation

To comply or surpass legislative requirements and standards. Links to Strategic Objectives - E1, E3

 1. Environmental Performance Indicators	Actual	Target
1.1 Customers satisfied with the water quality/taste, at least	95%	90%
1.2 Percentage of reported leaks in the Council's reticulation are repaired as scheduled:		
a) Major/urgent leaks where contractor is on site within one hour of the leak being reported, at least	98%	95%
b) Medium magnitude leak - repaired within one working day, at least	94%	95%
c) Minor leak repaired within three working days, at least	97%	95%
1.3 The water used per person per day is progressively reduced to	446	435 litres, 5 year rolling average
1.4 Water Supply infrastructure is designed and operated to obtain long-term overall efficiency of, at least	3.37	3m ³ of water per kW of energy
1.5 Daily unaccounted for water (leaks, fire fighting, flushing, illegal connections, etc) per connection is no more than	155	165 litres
 2. Social Performance Indicators	Actual	Target
2.1 Percentage of people who take action to reduce the amount of water they use at home, at least	84%	70%
2.2 Occasions where unplanned reticulation shutdowns result in the loss of water supply for longer than four hours, no more than	14	12 occasions
2.3 Percentage of water tested meets the public health requirements of the New Zealand drinking water standards guidelines	99.8%	100%
 3. Economic/Financial Performance Indicators	Actual	Target
3.1 Residents satisfied that water supply service delivers value for money, at least [Figure 1, opposite]	90%	90%
3.2 Water Supply cost per household per year, no more than	\$83	\$90
3.3 Penalties or fines incurred	Nil	Nil

Statement of cost of services for the year ended 30 June 2004

	2004 Costs (After Internal Recoveries) \$000's	2004 Income \$000's	2004 Net Cost \$000's	2004 Estimate Net Cost \$000's	2003 Actual Net Cost \$000's
Operational Outputs					
Operations Revenue	413	1,871	(1,458)	(1,076)	(1,187)
Information and Advice	612	0	612	705	625
Planning	1,039	0	1,039	1,024	891
Supply of Water	11,724	103	11,621	11,436	9,593
Capital Works Revenue	(22)	2,089	(2,111)	(1,371)	(1,622)
Plans and Policy Statements	0	0	0	0	891
Cost of Service	\$13,766	\$4,063	\$9,703	\$10,718	\$9,191

Notes (\$000's)

Income: Actual 2004 \$4,063, Estimate 2004 \$2,917, Actual 2003 \$3,152.

Depreciation included is: Actual 2004 \$4,741, Estimate 2004 \$4,300, Actual 2003 \$4,136.

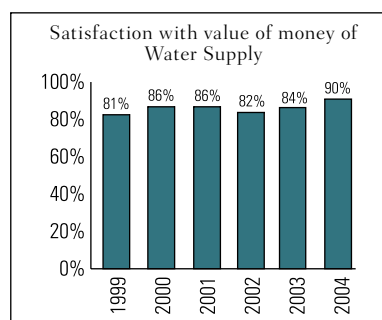





Figure 1

Corporate Operations

Objective

- 1. Community Cohesion and Well-being**
To measure Community cohesion and well-being. Links to Strategic Objectives - A
- 2. Fostering Economic Development**
To measure the fostering of economic development. Links to Strategic Objectives - B
- 3. Environment Sustainability**
To measure environmental sustainability. Links to Strategic Objectives - C
- 4. Democratic Governance**
To measure democratic governance. Links to Strategic Objectives - D
- 5. Maintenance and Improvement of Essential Infrastructure**
To measure the maintenance and improvement of essential infrastructure. Links to Strategic Objectives - E
- 6. Financial Stewardship**
To measure financial stewardship. Links to Strategic Objectives - F
- 7. Treaty of Waitangi**
To measure consultation process. Links to Strategic Objectives - G

 1. Environmental Performance Indicators	Actual	Target
1.1 Proportion of Civic Offices waste stream recycled, at least	81%	70%
1.2 Reduce total Council energy use compared to 1994 usage to	69%	78%
1.3 Reduction in CO ₂ emission for Council operations compared to 1994 emissions to	45%	65%
 2 Social Performance Indicators	Actual	Target
2.1 Proportion of respondents surveyed in the Annual Citizens Survey who feel part of the community, at least	Not surveyed	65%
2.2 Proportion of respondents surveyed in the Annual Citizens Survey that are satisfied they have some influence on the decisions that the Council makes, at least [Figure 1, below]	84%	80%
2.3 Increase in the proportion of consultation processes which involve manawhenua and other Maori, at least	Not reliably measured	2%
 3. Economic/Financial Performance Indicators	Actual	Target
3.1 Credit rating maintained, at least	AA+	AA
3.2 Council financial ratios are maintained	All within prescribed limits	All within prescribed limits

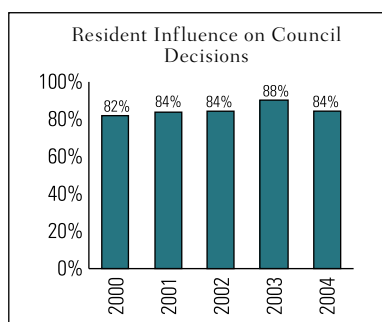


Figure 1

Strategic goals and objectives

Strategic Goals

The following goals have been identified as being vital to the community and the Council:

Outcomes

A Community Cohesion and Well-being

Provide or facilitate the delivery of services and opportunities in order to enhance the safety, health and well-being of Christchurch people.

B Economic Development

Foster opportunities for sustainable economic development in order to generate employment and income and enhance the quality of life of all residents.

C Environmental Sustainability

Conserve and where practicable restore the natural environment and develop the built environment to enhance the distinct character of Christchurch and maximise the quality of life for current and future generations.

Processes

which we will or have put in place to help deliver the outcomes

D Democratic Governance

Provide high quality consultative leadership and advocacy to ensure that Christchurch residents achieve their desired outcomes.

E Essential Infrastructure

Maintain and improve the physical and service infrastructure of the city in order to generate wealth, promote health and safety, reduce hazards and facilitate social opportunities.

F Financial Stewardship

Maintain an asset and investment base and ensure that appropriate levels of income match commitments to expenditure in order to support long term goals.

G Treaty of Waitangi and Cultural Diversity

Respect the unique position of tangata whenua and value the contribution of all peoples in Christchurch.

Strategic Objectives for each of these goals follow.

A. Community Cohesion and Well-being

The City Council will enhance community cohesion and well-being through:

- A1 Maximising opportunities for residents to participate in learning and leisure activities by
 - providing access to books and other information through the city's public libraries
 - supporting and providing visual and performing arts
 - facilitating education and learning opportunities especially pre-schools and pre-employment activities
 - advocating for quality provision of education and training at all levels.
- A2 Strengthening communities by
 - funding and supporting community initiatives, festivals and community organisations
 - initiating and supporting community development projects
 - facilitating collaboration between public, private and community agencies
 - advocating for an equitable share of national resources
 - advocating for provision of social and income support that is adequate to meet residents needs and allow them to participate in the life of the community
 - working with community groups, government agencies and other funding bodies to address key areas of social need.
- A3 Contributing to safe and healthy lifestyles by
 - promoting and protecting health standards
 - providing parks, festivals and recreation and leisure services
 - supporting self help initiatives
 - advocating for quality health and disability services
 - supporting crime reduction and public safety initiatives
 - providing affordable housing for those on low incomes.
- A4 Celebrating, protecting and increasing understanding of cultural diversity by
 - supporting a range of arts, festivals and events

- facilitating the cultural expression of ethnic and cultural groups
- recognising the unique role of tangata whenua.

A5 Ensuring that the needs and aspirations of children, youth, elderly and people with disabilities are taken into account in all Council activities.

B. Economic Development

The City Council, recognising that economic growth is not an end in itself but a means to achieve social goals, will:

- B1 Foster broad-based sustainable economic development that generates real employment, income and social opportunities for all residents
- B2 Create an environment that encourages enterprise, innovation and development of new ideas and technologies and minimises barriers to economic development
- B3 Create an environment in which businesses flourish
- B4 Support the contribution the public, private and voluntary sectors make to the local economy and promote cooperation within and between these sectors.

C. Environmental Sustainability

- C1 Managing our impact on the environment in order to
 - enhance air quality in the city
 - protect artesian water resources
 - maintain water quality in streams and rivers
 - maintain production potential of fertile soils
 - minimise erosion.
- C2 Ensuring that the development and redevelopment of the built environment
 - enhances the unique qualities of the city particularly the physical characteristics such as the parks, gardens, riverbanks, historically important exotic and indigenous trees and buildings
 - maintains the garden city image
 - provides for accessible working and leisure activities and facilities
 - offers a range of desirable residential choices
 - stimulates economic activity
 - increases the central city's role as the heart of the city
 - enhances health and safety.
- C3 Protecting significant natural features of the physical environment (such as the Port Hills and the estuary), open spaces and landscape elements, native habitat and ecosystems, significant buildings and sites and other taonga¹
- C4 Promoting efficient use of physical resources, an increase in recycling and material recovery, and a reduction of waste.

C5 Minimising the risks from earthquake, flood, fire and other natural hazards.

D. Democratic Governance

The City Council will facilitate democratic governance for the residents of Christchurch by:

- D1 Creating and maintaining mechanisms for citizens' participation in decision-making and policy development.
- D2 Protecting the rights of all citizens.
- D3 Developing cross-sector networks at local, regional, national and international level which will deliver positive outcomes for the people of Christchurch.
- D4 Providing leadership and advocacy in partnership with public, private and voluntary agencies which ensure the city's interests are reflected in regional and national decisions.
- D5 Developing a fair, cost-effective regulatory framework which protects health and safety, maintains environmental standards, and promotes business and social opportunities.

E. Essential Infrastructure

The Council will improve and sustain essential infrastructure services which will:

- E1 Ensure high quality utilities (water supply, sewerage, and waste and stormwater management) meet the reasonable service demands of residents at efficient prices.
- E2 Develop a network of roads, cycleways, footways and passenger transport to provide both for personal mobility and the needs of commerce and industry.
- E3 Design projects to enhance environmental and social sustainability and otherwise avoid or mitigate, where possible, adverse effects of both natural and technological hazards on people, property and the environment.
- E4 Where possible recognise and report on social, environmental and economic impacts and benefits.

F. Financial Stewardship

The Council will practise good financial stewardship by:

- F1 Applying financial policies which maintain or enhance the value of the Council's asset base.
- F2 Ensuring that financial assets, liabilities and cash flows are sustainable in the long term.

¹In this context this refers to land or bodies of water of cultural importance to Maori.

- F3 Operating under accounting procedures which
- are consistent with generally accepted accounting practice
 - comply in all respects with external financial reporting requirements
 - enable the true costs of goods and services produced to be determined.
- F4 Maintaining a controlling interest in those trading activities where it is critical that they are managed in a way that has regard, not only to commercial requirements, but also to wider social and economic objectives.
- F5 Operating a funding and charging system which ensures that Council services are accessible to all residents.
- F6 Assess whether programmes and activities are achieving the desired outcomes in the most effective, efficient and financially prudent manner.
- F7 Continuing to improve efficiency in the delivery of Council activities and programmes and measuring the value created through efficiency gains.

G. Treaty of Waitangi and Cultural Diversity

The Council will recognise the Treaty of Waitangi and value cultural diversity through

- G1 Protecting the rights of tangata whenua under the Treaty of Waitangi.
- G2 Maintaining mutually acceptable consultation procedures with Maori in Christchurch.
- G3 Considering and protecting the aspirations of all people in all the planning and delivery of all Council activity.



River Avon

Related Activities

City Care Limited

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

Statement of objectives and service performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. To yield projected return by way of dividend.	1.1 Minimum projected dividend to shareholders	\$1,190,000	\$933,000
2. Achieve projected net profit.	2.1 Net profit before tax of	\$2,725,000	\$2,397,000
3. Maintain an appropriate capital structure.	3.1 Shareholders funds to total assets, at least	43%	55%

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Revenue	62,660	59,573	52,534
Operating, Financing and Depreciation Costs	59,935	57,176	49,295
Net Profit Before Taxation	2,725	2,397	3,239
Tax Expense/(Benefit)	916	791	1,042
Net Profit After Taxation	\$1,809	\$1,606	\$2,197

 www.citycare.co.nz



City Care's South Island Regional Manager, Onno Mulder (left) is responsible for growing South Island business, including roading projects.

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 2003/04	Performance Indicators	Actual	Target
1. Provide a range of support services for the region's small and medium sized enterprises (SME's) designed to enhance their ability to provide sustainable employment and economic growth.	1.1 Maintenance of a comprehensive directory of mentors available to assist SME's, with at least	221	180 mentors
	1.2 Refer SME's to providers of business support and assistance, at least	495 referrals + 975 other inquiries	1,000 referrals
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.	26 teams & 9 schools in young enterprise scheme	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 management of the Canterbury Economic Development Fund. (CEDF)	3.1 Investors seeking equity are introduced to potential investors, at least	21	12 investors introduced
	3.2 Industry Cluster groups established to support market development and other collaborative activity, at least	6	4 groups
	3.3 Two funding rounds for the CEDF are offered and appropriate grants made by,	2 rounds with 33 applications	30 June 2004
4. Production of current information on the region, its economy, infrastructure and quality of life.	4.1 Appropriate current promotional material available in print form or the CDC website at all times, at least	100%	100%
5. Provide a range of programmes of job assistance and job placements to help youth and other unemployed persons.	5.1 Contribute to job creation projects for unemployed people for at least	17	10 projects
	5.2 Individually case manage, at least	2,643	2,000 unemployed young people
6. Support the infrastructure of community groups and agencies working with the unemployed to enhance the outcomes they achieve.	6.1 Contribute to the maintenance of community groups infrastructure for at least	41	20 groups

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
CCC Contract	5,293	3,957	3,025
Other Income	2,336	1,846	2,139
Total Income	7,629	5,803	5,164
Less Expenses	6,955	5,803	5,101
Surplus/(Deficit)	\$674	Nil	\$63

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 over 90% of the levies received by the Museum.

Statement of Objectives and Service Performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. Continue the development of a total new visitor experience in the Museum.	1.1 Progress the revitalisation project in accordance with agreed time lines and deliverables by	Awaiting resource consent	30 June 2004
	1.2 Interpret the revitalisation works to visitors via special exhibitions and public programmes, including community outreach by	Achieved	30 June 2004
	1.3 Develop the commercial plan within the revitalisation to clearly identify all areas for revenue generation by	Deferred until resource consent granted	30 June 2004
2. Continue focus on improved customer service.	2.1 Visitor numbers, at least	513,607	500,000
	2.2 Increase door donation to	\$133,855	\$135,000
	2.3 Increase visitor rating of displays, exhibits and facilities as an excellent or very good experience to	79%	75%
	2.4 Deliver curriculum based programmes to at least	30,387	30,000 children
	2.5 External written, telephone and email enquiries answered, at least	31,471	24,500
3. Improve care of, and access to, heritage collections.	3.1 Continue implementation of collection database to	30 June 2004	30 June 2004
	and enter at least	106,300 records	25,000 records
	taking total proportion entered to	16.5%	12.5%
	3.2 Complete design and development of Maori and Ethnology collection store, subject to receiving external funding, by	Design complete with development scheduled for 2004/05	30 June 2004
	3.3 Proportion of conservation work completed on whale skeleton by 30 June 2004, at least	85%	80%

Statement of Financial Performance for the Year Ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Costs	4,799	4,967	4,214
Less Levies	(4,206)	(4,206)	(3,802)
Less Income	(2,683)	(647)*	(2,728)
Net Surplus/(Deficit)	\$2,090	(\$114)	\$2,316

*Capital grants were not included in the operational budget

 www.cantmus.govt.nz



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 Westpac Sports & Entertainment Centre buildings and improvements. It holds a lease of the Sports & Entertainment Centre land and the Town Hall.

Statement of objectives and service performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. To manage cash inflows and outflows to best advantage.	1.1 To achieve projected financial performance	\$2,771,240	\$2,650,000 deficit after tax
2. To ensure financial accountability of the three venues which are under contract management.	2.1 The Company to report on its operations by way of an Annual Statement of Intent, a half-yearly report and an Annual Report by	All information reported within required timeframes	30 June 2004

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Income			
Operating	10,661	9,567	10,299
Expenditure			
Depreciation	(3,611)	(3,550)	(3,604)
Other	(9,821)	(8,667)	(9,323)
Net Surplus/(Deficit) Before Tax	(2,771)	(2,650)	(2,628)
Provision for Taxation	0	0	0
Tax Paid Surplus/(Deficit) for the Year	(2,771)	(2,650)	(2,628)



Christchurch City Holdings Limited

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

Statement of objectives and service performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. Achieve projected financial performance.	1.1 Net after tax surplus at least	\$ 67.3M	\$29.3M
2. To yield projected return by way of dividends	2.1 Minimum projected dividend to shareholders	\$25.8M ¹	\$28.2M
3. Meet other objectives in Statement of Corporate Intent.	3.1 Variances from planned objectives	No material variances	Nil

¹The shortfall against target was made up by additional subvention payments. In addition, special dividends totalling \$38.534M were paid.

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Interest Earned	5,471		5,530
Dividends	74,614		41,856
Other Income	245		216
Total Revenue	80,330	41,800	47,602
Interest Paid	11,689		11,812
Other	1,176		1,452
Total Expenses	12,865	12,500	13,264
Net Surplus	67,465	29,300	34,338
Taxation	134	0	160
Net Surplus after Tax	\$67,331	\$29,300	\$34,178

The Estimate values are the targets set in the company's Statement of Corporate Intent.

www.ccc.govt.nz/christchurchcityholdings



Radiata Pine and 110 year old Larch dwarf a person at Keanes Plantation, Sheffield

Christchurch International Airport Limited

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

Statement of objectives and service performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. Achieve through service provision and promotion targeted aircraft, passenger and international airfreight movements.	1.1 Aircraft departures, at least	45,492	41,870
	Passenger movements, at least	5.1M	4.9M
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	\$8.698M	\$8.525M
	with the CCC share a minimum of	\$6.524M	\$6.394M

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Revenue			
Operating Revenue	63,273		54,944
Interest Income	461		453
Total Revenue	63,734	57,852	55,397
Expenses			
Maintenance and Operating Costs	28,935	20,989	24,393
Financing and Interest Costs	4,394	4,504	4,504
Depreciation	11,731	10,635	10,120
Total Expenses	45,060	36,128	39,017
Net Surplus Before Tax	18,674	21,724	16,380
Taxation	3,830	7,169	3,339
Net Surplus After Tax	\$14,844	\$14,555	\$13,041

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 2003/04	Performance Indicators	Actual	Target
1. Manage the Stadium business within budget.	1.1 Business operating successfully and within	All within approved variations to budget	Budget adopted 31 March 2003
	1.2 Debt servicing requirements met	100%	100%
2. Fulfil all contractual obligations.	2.1 Substantiated complaints of breaches of any contract	Nil	Nil
3. Act in a manner that is consistent with preservation of the natural environment and the sustainable management of resources.	3.1 Number of formal reports by the relevant regulators of breaches of the Resource Management Act or related consents held by the company	Nil	Nil

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Income			
Stadium Income	8,377		7,605
Interest	11		7
	8,388	7,400	7,612
Expenses	9,108	8,455	8,957
Net Deficit for the Year Before Tax	720	1,055	1,345
Taxation Expense	0	0	0
Tax Paid Deficit for the Year	\$720	\$1,055	\$1,345

www.jadestadium.co.nz



Jade Stadium West Stand

Jet Engine Facility Limited

Jet Engine Facility is a council controlled trading organisation, 100% owned by the Christchurch City Facilities Limited which in turn is wholly owned by the Council. The Company was incorporated in 2003 to own and lease facilities to be used for jet engine testing at Christchurch International Airport.

Statement of objectives and service performance

Objectives for 2003/04

No formal targets were published as it was not planned that the company would be formed during the year.

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's
Operating Income	176
Operating and Other Expenditure	476
Net Surplus/(Deficit) for the Year Before Tax	(300)
Provision for Tax	0
Surplus/(Deficit) For The Year	(\$300)



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 berthing, 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 2003/04	Performance Indicators	Actual	Target
1. Achieve projected financial performance.	1.1 Dividend policy is to pay 50% of tax paid profit	93.4%	50%
2. Achieve projected port throughput.	2.1 International Containers, at least		
	Import	89,419	72,500 TEUs*
	Export	83,905	68,400 TEUs*
	Fuel, at least	1,127,200	925,500 tonnes
	Coal, at least	2,085,990	1,750,000 tonnes
	Car (units), at least	53,450	49,600
	Other Cargoes, at least		
	Import	1,032,195	1,039,000 tonnes
	Export	430,008	723,400 tonnes

*TEUs - Twenty foot equivalent units

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Actual 2003 \$000's
Revenue	61,842	60,929
Net Surplus Before Tax	18,115	17,903
Less Taxation	(6,095)	(6,278)
Net Surplus After Taxation	\$12,020	\$11,625

 www.lpc.co.nz



Orion Group Limited

Orion Group Limited is an 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 2003/04	Performance Indicators	Actual	Target
1 Achieve projected overall financial performance.	1.1 Net after tax profit excluding abnormals, to average owners' equity for year ending 31 March 2004, at least	0.04%	3.1%
	1.2 Dividend payments for year ending 31 March 2004		
	- Total	\$26.85M*	\$23.7M
	- CCHL Share	\$23.53M	\$20.8M
*A special dividend of \$40M was also paid			
2. Achieve network reliability targets.	2.1 Duration of supply interruptions per connected customer per year less than		
	- urban	20	38 minutes
	- rural	220	375 minutes
	- overall	43	76 minutes
	2.2 Number of supply interruptions per connected customer per year less than		
	- urban	0.3	0.8
	- rural	2.8	3.8
	- overall	0.6	1.1

NB: These only include interruptions sourced from the Orion Network

Statement of financial performance for the year ended 30 June 2004

	Group Actual 2004 \$000's	Group Estimate 2004 \$000's	Group Actual 2003 \$000's
Operating Revenues	168,825	135,900	163,729
Operating Surplus Before Taxation	(20,784)	48,847	55,733
Less Taxation Expense	(20,584)	(21,532)	(25,839)
Operating Surplus After Taxation	200	27,315	29,894
Tax paid Net Surplus Attributable to Minority Shareholders of Subsidiary Companies	0	0	(1)
Less Associates Losses/Plus Associate Profits	0	99	0
Less Goodwill written off	0	(9,533)	0
Net Surplus - Parent Company Shareholders	\$200	\$17,881	\$29,893

Red Bus Limited

A council controlled 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 2003/04	Performance Indicators	Actual	Target
1. Operate a profitable, sustainable and innovative business in providing public transport and ancillary services.	1.1 Passengers carried for the year, at least	10,941,115	10,000,000
2. Achieve targeted return on investment.	2.1 Maintain an interest coverage ratio of at least	5.0 times	1.5 times
3. Achieve projected net after tax profit.	3.1 Net after tax profit of	\$1,371,000	\$811,000

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Revenue	22,928	21,575	21,386
Expenditure			
Operating	(20,874)	(20,365)	(19,308)
Subvention Payments	(262)	0	(201)
Net Surplus Before Taxation	1,792	1,210	1,877
Taxation Expense	421	399	498
Net Surplus After Taxation	\$1,371	\$811	\$1,379

 www.redbus.co.nz



From photocopying to public transport - Council officer, Richard Bailey tries out a seat made from recycled toner cartridges at The Palms bus stop.

Recovered Materials Foundation

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

Statement of objectives and service performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. To increase the volume of recyclable and reuseable material diverted from the refuse stations and sold through SuperShed.	1.1 Tonnage of material recovered and taken to Super Shed, at least	2,260	1,200 tonnes
	1.2 Tonnage of material recovered for recycling at the Recycling Centres, at least	5,658	3,500 tonnes
2. To accept and process greater volumes of materials from the CCC kerbside recycling scheme.	2.1 Tonnage of material recovered through kerbside recycling collection and processed for markets by the RMF, at least	20,897	17,000 tonnes
3. To identify and process additional materials recovered from the waste stream.	3.1 Number of new material types, researched fully and investigated for long term wastestream diversion, at least	2 fully investigated & recovery implemented. 3 currently under investigation	3
4. To develop local (value-added) markets for glass recovered from kerbside recycling collection.	4.1 Total tonnes of crushed glass product sold to local markets, at least	562	750 tonnes
5. To develop a strong market for reusable whole bottles.	5.1 Number of whole wine bottles recovered for reuse market, at least	223,172	72,000 bottles

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Income			
Material Sales	3,089	2,590	4,040
Environment Canterbury Grant	0	0	3
Christchurch City Council Grant	1,076	1,050	901
Other Income	0	0	846
Total Revenue	\$4,165	3,640	5,790
Expenditure			
Administration	255	234	848
Site Operations	2,878	2,423	
RMF Service Functions	996	955	4,527
Total Expenses	4,129	3,612	5,375
Net Surplus	\$36	\$28	\$415

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 2003/04	Performance Indicators	Actual	Target
1. Remove exotic plants and invasive weeds from the Bush & re-establish/replant native species.	1. Complete replanting by removal and replacement with native species by	30 June 2004	30 June 2004
2. Apply the special Riccarton Bush boundary protection zone through the City Plan variation.	2. Initiate draft variation work by	Physical boundary adopted in interim until variation is available	30 September 2003
3. Provide predator proof fence around bush boundary.	3. Complete installation by	30 April 2004	31 March 2004

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Costs	326	250	398
Depreciation	58	2	53
Total Expenses	384	252	451
Less Income	162	78	172
Deficit before Levy & Grants	222	174	279
Less Levy and Grants	248	224	224
(Deficit)/Surplus on Operations	\$26	\$50	(\$55)



Riccarton House

Selwyn Plantation Board Limited

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

Statement of objectives and service performance

Objectives for 2003/04	Performance Indicators	Actual	Target
1. Continue the scheduled planting, maintenance and harvesting programme.	1.1 Plant by 31 March 2004, at least	187	150ha
	1.2 Wood harvested by 31 March 2004, at least	205,353	176,000 tonnes
	1.3 To prune and thin, at least	134	185ha
2. Achieve projected financial performance.	2.1 Debt equity ratio, no more than	0%	40%
	2.2 Net profit before tax, at least	\$3,448,251	\$3,033,800
3. Achieve projected dividend payments.	3.1 Annual dividend as a percentage of net profit after tax, at least	65%	60%

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Operating Income	11,636	11,022	11,660
Operating and Other Expenditure	8,188	7,988	8,047
Net Surplus for the Year Before Tax	3,448	3,034	3,613
Provision For Tax	741	1,001	708
Tax Paid Surplus For The Year	\$2,707	\$2,033	\$2,905

 www.spbl.co.nz



Larch logs being sawn to length for sale to Nelson Pine Industries Ltd.

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 construction 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 2003/04	Performance Indicators	Actual	Target
1. To obtain resource consents for the development and operation of a regional landfill at Kate Valley in North Canterbury.	1.1 Acceptable resource consents granted by	Consent application granted with conditions successfully appealed	30 June 2004
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 legislative and regulatory requirements	100%	100%

Statement of financial performance for the year ended 30 June 2004

	Actual 2004 \$000's	Actual 2003 \$000's
Income	0	0
Expenditure	298	248
Net (Deficit) For The Year Before Tax	(298)	(248)
Provision for Taxation	0	0
Tax Paid Surplus/(Deficit) For The Year	(\$298)	(\$248)



Tiromoana Bush is a national treasure in the making. Transwaste is providing the region with a multi-million dollar conservation estate that will offer tremendous recreational, educational and scientific opportunities.

The Capital Endowment Fund

The Council established this fund to provide an ongoing income stream to be used for economic development, and civic and community projects. The objectives and policies set for it are detailed on pages 154, 197 and 207 of the Council's 2004 Financial Plan and Programme.

The Investment Objectives were met. This was achieved by minimising the risk of capital loss by retaining all funds in cash investments due to the volatility of the world's equity markets. This approach was consistent with eight of the ten Investment Objectives.

Capital Endowment Fund – Funding Allocations

	Actual 2004 \$000's	Estimate 2004 \$000's	Actual 2003 \$000's
Total Available Income from Fund	2,815,310	2,577,416	2,524,030
Economic Development 70%	1,970,717	1,804,190	1,766,821
Brought forward from previous year	70,611	0	(20,632)
Available to allocate	2,041,328	1,804,190	1,746,189
Less allocated:			
Central City Project Team	0	0	(100,000)
Central City Project Team Carryforwards	0	0	(45,945)
Unspecified Economic Development Projects	(901,611)	(1,804,190)	(1,354,633)
Domestic Marketing Campaign	0	0	(175,000)
Balance available for Economic Development Projects	1,139,717	0	70,611
Civic and Community 30%	844,593	773,224	757,209
Brought forward from previous year	282,278	0	77,527
Available to allocate	1,126,871	773,224	834,736
Less already allocated			
Unspecified Community Projects*	0	(40,724)	0
Special Character Area Precinct Upgrade	(1,391)	(200,000)	(19,958)
Canterbury Museum Trust Board Building & Development Project	(532,468)	(532,500)	(532,500)
Balance available for Civic and Community Projects	593,012	0	282,278
Total Cash Carried Forward	\$1,732,729	\$0	\$352,889

* Unspecified provision for 2002/03 and 2003/04 is to be accumulated and not specified out until at least 2004/05.

Fund Capital

	Actual 2004 \$000's	Actual 2003 \$000's
Fund Capital at 1 July		
Core Fund	\$75,575,200	\$71,988,000
Fluctuation Reserve	3,500,000	3,500,000
Unallocated Income	352,889	56,895
Total Fund Balance at 1 July	\$79,428,089	\$75,544,895

During the year:

Total Income Received by the Fund	4,368,419	4,448,726
Less Distributed	(1,510,470)	(2,265,536)
Less Transferred to Capital for Inflation Provision	(1,478,109)	(1,887,200)
Balance to Unallocated Income	1,379,840	\$295,990

Allocation from Council's Special Dividends Received	(1,700,000)	1,700,000
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Fund Capital at 30 June is comprised of

Core Fund	\$75,353,309	\$75,575,200
Fluctuation Reserve	3,500,000	3,500,000
Unallocated Income	1,732,729	352,889

Total Fund Balance at 30 June	\$80,586,038	\$79,428,089
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CCC Equal Employment Opportunity Policy

Giving Value – Being Valued

(Reference to the Local Government Amendment Act No. 2 1989 Section 119H)

Management Plan for Equal Employment Opportunities 2003/2004

The Christchurch City Council is committed to having in place practices within the Council which work towards eliminating all forms of discrimination and which are consistent with the Council's Giving Value – Being Valued Culture Statement. This includes barriers to the recruitment, retention, development and promotion of its employees.

Statement of objectives and service performance

Objectives

Continue refocusing the organisation on diversity and its integration with the organisation's vision and goals.

1. Learning and Development

- Conduct Diversity training programme for all new staff to the organisation
- Develop diversity awareness tools for use in teams

2. Improve system for collecting EEO Statistics

3. Encourage a more diverse workforce within the Council

4. Parenting Room

5. Continue to support Referral Advisors.

Performance Indicators

- 1.1 Incorporate Diversity as an element of the Healthy Workplace Strategy.
- 1.2 Profile and celebrate Diversity throughout the organisation on a regular basis.
- 1.3 Conduct 6 workshops by June 2004.
- 1.4 4 diversity tools are available through HR Advocates. 6 teams to pilot use of diversity tools.
- 1.5 Develop web-based database. Review conducted after 6 months of operation.
- 1.6 2 Units pilot different ways of recruiting to encourage diverse groups within the community to apply for Council jobs.
- 1.7 Target the advertising of jobs to a wider community base.
- 1.8 Monitor and evaluate use of the parenting room.
- 1.9 Ensure that 4 meetings per year are held for information sharing, networking and skills development.

Actual Performance

- Completed
- Celebrating Diversity Exhibition held with 28 exhibitors
- 5 conducted
- Tools available and pilot completed
- Developed and review completed
- Incomplete due to internal reorganisation
- The internet has been used to source applicants from a wider international base
- It is used as needed and the feedback from parents and pregnant women has been excellent
- 4 meetings held

Trading Enterprises and other organisations

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

Christchurch City Holdings Limited (100% owned)

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

Christchurch International Airport Limited (75% owned)

Syd Bradley (Chair)	Sue Sheldon
Jim Boulton	Gail Sheriff (Cr)
Denis O'Rourke (Cr)	

Orion Group (87.625% owned)

Linda Constable (Chair)	Craig Boyce
John Dobson	Peter Rae
Don Elder	Sue Wells (Cr)
George Gould	

Lyttelton Port Company Limited (65.328% owned)

Barney Sundstrum (Chair)	Sue McCormack
Alan Grant	Donald Stewart
Bill Luff	Rodger Fisher

Red Bus Limited (100% owned)

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

Selwyn Plantation Board Limited (39.32% owned)

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

City Care Limited (100% owned)

David Spence (Chair)	Tony King
Bob Foster	Derek Crombie
Doug Marsh	Ron Wright (Cr)

Jade Stadium Limited (100% owned)

Bruce Irvine	Barry Corbett (Cr)
Paddy Austin (Cr)	Hanlin Johnstone (Chair)
Vicki Buck	

Christchurch City Facilities Limited (100% owned)

Peter Taylor (Chair)	Dominique Dowding
Graham Condon (Cr)	Simon Mortlock
David Cox (Cr)	Hanlin Johnstone

Jet Engine Facility Limited (100% owned)

Peter Taylor (Chair)	Craig Boyce
Paddy Austin (Cr)	Simon Mortlock

Transwaste Canterbury Limited (37.85% owned)

Denis O'Rourke (Cr) Chair	Ray Harris
Gerald Clemens	Malcolm Hope
Gill Cox	Russell Wickham
Jim Fulton	Bill Woods

Canterbury Development Corporation

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

Canterbury Museum Trust Board

Paddy Austin (Chair) (Cr)	Ian Leggat
Koroheke Brennan	Alan McRobie
Anna Crighton (Cr)	Barbara Stewart (Cr)
Leo Hayward	Lynne Winslow
George Hook	Bill Woods
Lesley Keast (Cr)	

Riccarton Bush Trust Board

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

Recovered Materials Foundation Board

Denis O'Rourke (Cr) (Chair)	Robin Mann
Robbie Brine	Chris Pickrill
Sally Buck (Cr)	Mark Prain*
Philip Falloon	John Stroh
Dixon McIvor	Arthur Williamson*

†Resigned 9/7/04 *Advisory Trustees – not Board Directors

Christchurch City Annual Report 2004

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