

**7. CHANGES TO NZ GAAP (Generally Accepted Accounting Principles)
– COMPLAINT ACCOUNTING POLICIES**

It was **resolved** that the following changes be made to the current NZ GAAP – Compliant Accounting Policies for the Council’s financial accounts quarter ended 30 June 2006:

- (a) A new note be added:
“Shares in subsidiaries and associates”
Shares in Christchurch City Holdings Limited, Christchurch City Facilities Limited and Jade Stadium Limited are revalued with sufficient regularity to ensure that no investments are included at a valuation that is materially different from fair value.
- (b) The note “Changes in accounting policies” be amended to reflect this new policy and the \$ impact to the investments and revaluation reserve.
- (c) Note G “Depreciation” be amended as follows:
Delete “Restricted Assets are not depreciated except for Historic Buildings, Artworks and Heritage Assets that are depreciated on a straight line basis at 1%, 0.1% and 0.1% respectively.”
Add:
“Restricted Assets
- | | |
|-------------------------|---------------|
| Planted areas | 5 to 110 yrs |
| Reserves – sealed areas | 10 to 40 yrs |
| Reserves – structures | 25 to 150 yrs |
| Historic buildings | 100 yrs |
| Art works | 1000 yrs |
| Heritage assets | 1000 yrs” |
- (d) Note I “revenue recognition” be amended by adding: “development contributions are recognised in the income statement in the year in which they are received”.