

Mission Statement

The South Taranaki District Council will lead with fairness and integrity, and work to inspire a vibrant and caring spirit of community, while remaining an efficient and sensitive provider of services and facilities.

South Taranaki will be a district where...

- Essential services are provided efficiently and at reasonable cost.
- The community is involved in the planning of the district's future. The views and concerns of residents are listened to and respected.
- The rights of Tangata Whenua in terms of the Treaty of Waitangi and the Resource Management Act are fully respected.
- Economic development is welcomed and encouraged whenever it is undertaken with concern for the quality of our environment.
- The natural environment is cherished and cared for. The mountain, coastline, lakes, rivers, air and land are treated as the natural treasures they are.
- All visitors are made welcome.
- Every resident has the opportunity to be involved in sport, recreation, the arts and many cultural activities, and to develop and enhance their mental, spiritual and physical health.
- A strong sense of community and identification with the district is evident.
- We all share a sense of pride in our achievements.
- Our history is well understood, valued and preserved by the community.

Introduction

Welcome to the South Taranaki District Council's Annual Report Summary 2010/11. The purpose of this summary is to provide an overview of the Council's activities over the last financial year (1 July 2010 to 30 June 2011) and to identify any major differences to what the Council set out to do in its 2010/11 Annual Plan (the second year of the 2009-19 Ten Year Plan). The Annual Report Summary shows how well the district's assets are being looked after and how well the Council is performing as an organisation. The information included in this summary has been taken from the audited Annual Report which was adopted by the Council on 26 October 2011. The Annual Report Summary does not provide as complete an understanding as the full Annual Report. For more detailed information covering all of the Council's activities please refer to the full Annual Report. Copies of the full Annual Report are available at the Hawera Administration Office, all LibraryPlus centres or from the Council website www.southtaranaki.com

Where does the Annual Report fit in?

Every council in New Zealand is required to prepare a Ten Year Plan, as well as an Annual Plan and an Annual Report. These three documents form the essential guide to what Council does in any given year. The Ten Year Plan and the Annual Plan set out what the Council plans to do, while the Annual Report states what the Council has actually done. The 2010/11 Annual Report reflects progress made in Year 2 of our 2009-19 Ten Year Plan.

Message from the Mayor and Chief Executive

Despite a challenging global economic environment, the last year has been a very exciting one for South Taranaki.

We launched a new district website www.southtaranaki.com, a one-stop shop for all things South Taranaki. The website attempts to bring Council services, community events, attractions, organisations and information into one location so that it can serve as the district's key promotional tool. In the eight months since it was launched (October 2010), this website has had over 55,000 visits worldwide.

After several years planning, Aotea Utanganui – Museum of South Taranaki opened its doors in Patea at the end of April 2011. Over 900 visitors went through the doors on opening day alone – and there has been many more since.

The PowerCo Aquatic Centre saw a 4.3% increase in visitor numbers. This was due in large part to the new hydroslide, splash park and thermal pool which were added to the complex. But even more exciting is the fact that Swim School numbers rose to 1,321 – 40% more than the previous year. Our new sport, events and recreation facility, TSB Hub, has also exceeded our expectations. Before the complex opened, we estimated that visitor numbers in the first year would be around 120,000 – but were very pleased to find the actual figure was more than 147,000.

South Taranaki hosted some big events this year; a first class pre-season rugby fixture between Taranaki and Waikato, a concert by internationally acclaimed reggae band Kolohe Kai, the Davis Cup Tennis Tie between the Philippines and New Zealand, Fonterra's Annual General Meeting, the Predicament movie premiere and the New Zealand Small Towns Conference – to name but a few.

The Council also won several awards during the year including; a Taranaki Regional Council Environmental Award for enhancing the Kapuni stream habitat as part of our upgrade to the new Kapuni Water Treatment Plant intake, a Ministry for the Environment's Green Ribbon Award (finalist) in the 'Caring for our Water' category and the 'People's Choice' Award for best local government new/redeveloped website. This was topped off, for the second consecutive year, with a finalist placing in the national JRA Best Places to Work Survey.

The Council finished the year with an operating surplus of \$4.145 million which was slightly less than the budgeted surplus of \$4.878 million. Included in this figure were a number of one-off accounting adjustments (loss on disposal of assets and loss on derivatives) as well as some unbudgeted expenditure for the clean-up of the Patea Freezing Works and grants to Aotea Utanganui (South Taranaki Museum) and Hawera Cinema 2.

These items were offset by the strong performance of our Long Term Investment Fund and continued savings from the in-house efficiency review conducted two years ago.

The Council is in a sound financial position, is fully staffed and has a clear direction with a detailed work programme for the next few years.

It is our privilege to present the South Taranaki District Council's 2010/11 Annual Report Summary.



A handwritten signature in black ink that reads "Craig Stevenson".

Craig Stevenson
Chief Executive

A handwritten signature in black ink that reads "Ross Dunlop".

Ross Dunlop
Mayor



Your Council

The South Taranaki District Council is made up of the District Mayor and 12 Councillors. The Mayor is elected at large over the district with the Councillors elected from Wards. There are four Community Boards, Hawera, Egmont Plains, Eltham and Patea and 16 Community Board members. These positions are all subject to election every three years. The Council's purpose is to facilitate democratic local decision-making to promote the social, economic, environmental and cultural well-being of the district now and into the future.

The Council groups its activities and services within the Annual Report under the following headings:

- Democratic Process (support services which help the Council function)
- Cultural Services (libraries, cemeteries, arts and heritage)
- Recreation and Leisure (halls, pools, parks and reserves, toilets, TSB Hub)
- District Economy (tourism, events, i-SITE and economic development)
- Community and Social Development (community development, pensioner housing)
- Environment and Development (animal services; environmental policy; licensing of premises e.g. food and liquor; emergency management; resource consents and building consents)
- Water Supply Services
- Roading and Stormwater Network
- Waste Services (kerbside collection, waste disposal, wastewater)

Council focused on performance

The performance measures within the Annual Report were adopted by the Council as part of the 2009-19 Ten Year Plan. We get performance information from a wide variety of sources: Council systems such as the customer requests management system, the finance system, databases for quality tests; satisfaction surveys; and reports from external organisations (for example the Taranaki Regional Council and District Health Board).

The Council also commissions an independent resident satisfaction survey every year (it was biennial until 2008) to find out what South Taranaki residents think of our district and the Council's services and facilities. A number of the performance measure results summarised in this Summary are based on the results of this satisfaction survey. For a detailed list of all the Council's performance measures please refer to the full Annual Report.

The Year in Review

Democratic Process

South Taranaki Website

The Council launched its new website www.southtaranaki.com in mid October 2010. The website which includes a raft of new features such as online service applications, radio podcasts, google maps, research databases, online catalogues, blogs, multimedia videos, picture galleries and electronic newsletters, won the 'People's Choice' Award for the best redeveloped/new website at the 2011 ALGIM Web Symposium Awards held in Wellington on 2 May 2011. The annual ALGIM (Association of Local Government Information Management) Symposium is the premier event for website and online services in the public sector. At the same time as building a new website the Council also launched its Facebook and You Tube pages.

Performance Measures

Measure	Target	Achieved	Not Achieved
% of the community agree that decisions of Council represent best interests of the Community	Greater than 70%	70%	
% of the community who feel well informed about local affairs	Greater than 75%		66%

Cultural Services

Opening of Aotea Utanganui – Museum of South Taranaki

The opening of Aotea Utanganui – Museum of South Taranaki on 30 April 2011 was the culmination of many years' hard work and dedication by the South Taranaki Museum Trust, the Council and many other volunteers. On opening day, over 900 people came through the doors. In May and June 2011, there were over 2,700 visitors.



New Museum building

Taranaki Children's Book Festival

This was the third year the libraries of South Taranaki, Stratford and New Plymouth ran the Taranaki Children's Book Festival and once again it was an outstanding success. The Finale, which is a family day out, was held this year at TSB Hub in Hawera and over 1,500 children and parents attended the day taking part in workshops and reading and getting autographs from the authors.



Book festival finale at TSB

Arts in the Park

A highly successful Arts in the Park was held at King Edward Park in December 2010 with a large number of visitors coming to the Park throughout the day. There was a full day of visual art and performance activities for children, including the Travelling Tuataras from Rotorua, who engaged children of all ages in creative activities.



Activities at Arts in the Park

Performance Measures

Measure	Target	Achieved	Not Achieved
% of artists/operators are satisfied with the level of promotion they receive from the Council	Greater than 85%	90.9% satisfied	
% of customers satisfied with LibraryPlus services, facilities and open hours	83%	87% satisfied	
Number of LibraryPlus customer visitor numbers	Maintained or increased	Achieved. There have been a total of 350,208 people through the doors of South Taranaki LibraryPlus up to 30 June 2011. This is an increase of 11,282 people over last year and is equivalent to 13 visits per capita.	
% of public are satisfied with the standard of cemetery grounds maintenance	82%		75% satisfied 23% did not know 2% not satisfied

Recreation and Leisure

Taranaki Rugby Football

The Council and Southern Rugby Club hosted a Taranaki Rugby Football Union pre-season game against Waikato in July 2010 at TSB Hub. This was the first pre-season game hosted in South Taranaki for a number of years and people of all ages flocked to Hicks Park to watch Taranaki beat Waikato 28 - 17. The estimated crowd on the day was well over 2,000.



Taranaki vs Waikato

Kolohe Kai Reggae Band

TSB Hub proved the perfect indoor concert venue for international act Kolohe Kai who performed there in March 2011. Kolohe Kai is a popular reggae band from Hawaii, and they were supported by two New Zealand bands in the same genre. Over 1,200 people attended the concert.

Powerco Aquatic Centre

Visitor numbers to the PowerCo Aquatic Centre broke all previous records with a further 4.2% increase compared to the previous year when the new attractions at the centre were opened. There was also a massive 40% increase in the number of enrolments in the Swim School operated by the Council with a total of 1,321 enrolments for the year compared to 940 the previous year.



Powerco Aquatic Centre Outdoor Pool and Hydroslide

Eltham and Rawhitiroa Pool Upgrade

The capital upgrades for the Eltham and Rawhitiroa pools were completed this year with excellent feedback on the extra facilities from the customers enjoying a sunny South Taranaki summer.

Daffodil Planting Programme

The annual daffodil planting programme reached a massive target of 35,000 bulbs planted across the district over the last five years. There will be more to come as we contend informally with Carterton for the daffodil capital of New Zealand.

King Edward Park Upgrade

Excellent progress has been made in the upgrade of King Edward Park with the completion of the wedding area where the old curators house used to be. As well as the new wedding area, the old plant nursery has been restored to the stage where all the plants for the Patea and Waverley street plantings were produced by our own staff. It has also been a great holding area for imported plants such as the Opunake Dune plants and roses. This meant a big financial saving and we have grown local plants for local conditions.



King Edward Park Wedding Area

Dune Planting at Opunake Beach

The dune planting at Opunake Beach is now a year old and going well. They are keeping the sand at bay and have stopped the inundation of the shifting sands in the car park.

Toilets at Lake Rotokare

The new toilets at Lake Rotokare have been completed. This is a major addition to the Reserve and will compliment the work of the Trust as more and more people visit this Reserve.

Partnership for Hawera Memorial Theatre

This year also saw the partnership with the Stage Door Theatre Academy at Hawera's Memorial Theatre formed. This is a win-win for the Academy and the Council as we have the services of Russ Standing as the Volunteer Manager for us dealing with the theatrical companies and bringing in more shows in return for the use of the theatre to train local talent. This will also mean that the skills of local people will be brought to the fore to give the theatre a new lease on life. There has been a lot of work at the theatre this year for heating and lighting with more work tagged in the Long Term Plan.



Hawera Memorial Theatre

Performance Measures

Measure	Target	Achieved	Not Achieved
% satisfaction with appearance of Parks	93%		92% satisfied 5% not satisfied 3% unknown
% satisfaction with cleanliness of toilets	69%	70% satisfied 15% not satisfied 15% did not know	
% customer satisfaction with standard of halls	74%		67% satisfied 12% not satisfied 21% did not know
Number of TSB Hub and Powerco Aquatic Centre visitors increases	1% increase	95,041 visitors attended the PowerCo Aquatic Centre, a 4.2% increase. 147,469 visitors attended TSB Hub (baseline figure).	

Measure	Target	Achieved	Not Achieved
% increase in patronage of programmes (Powerco Aquatic Centre)	2% increase	1,321 enrolments saw a 40% increase.	
Attendance numbers at Rural Pools	5% increase		An estimated 41,843 people attended the rural pools which is a decrease of 65 on the previous year.

District Economy

The Davis Cup

The Davis Cup Tie between New Zealand and Pakistan was held in Hawera in July 2010. This was the first international event to be hosted at TSB Hub and attracted visitors from across the country and further afield. Tennis New Zealand was so happy with the venue and the way the district hosted the teams that they are bringing the next tie to be played on home soil back to Hawera in July 2011.



Competitor in Davis Cup

Small Towns Conference

In September 2010, South Taranaki hosted the third annual Small Towns Conference. Town Coordinators, Business Association representatives and Local Government officers from all over New Zealand spent two days in the district, visiting our small towns and hearing a range of speakers talk on issues which small towns frequently have to tackle. Over 80 delegates attended the conference and their feedback at the end of the conference was overwhelmingly positive.

Predicament Premiere

The New Zealand premiere of the film *Predicament* was held at Hawera Cinema 2 in August 2010. The movie, the majority of which was filmed in South Taranaki, was based on the novel by Ronald Hugh Morrieson. The production company was excited to be able to hold the premiere in the author's home town which generated extensive newspaper and television coverage.



Marque at Predicament Premiere

Performance Measures

Measure	Target	Achieved	Not Achieved
% of community satisfied with Council's efforts to attract and expand business opportunities in district	68%		64% satisfied 15% not satisfied 21% did not know
% of tourism operators satisfied with level of assistance they receive from i-SITE	80%	100% satisfied	
Number of events supported through Council's events programme	Minimum of one per ward	Achieved. Events were held in each Ward.	

Community and Social Development

Predicament Movie Display

The Eltham Community were supported to stage a Predicament Movie Display at the Eltham Town Hall. The public exhibition of props and memorabilia from the filming of the Predicament Movie was held to coincide with the Premiere. The exhibition capitalised on the media coverage of the event and added to Eltham's growing profile as a weekend heritage, arts and retail destination.



Display at the Eltham Town Hall

Fundraising Activities

This year the Community Development Team aimed to raise \$200,000 from external sources for community projects the Council was supporting. A total of \$217,949 was raised through grant applications and fundraising activities to support a wide range of initiatives such as the Waverley Pool covers, Eltham bus shelter and Youth Drivers Licensing Programme.

Coastal Youth Core (CYC) Skate Park

The CYC Skate Park in Opunake was opened in March 2011. The project was managed by CYC who also provided volunteer labour, with assistance from the Council who helped with funding applications and administration. The Egmont Plains Community Board also gave substantial funding towards the \$88,000 facility. There is now a partnership agreement between the Council and CYC for the maintenance and future improvement of the park.



Kids at Skate Park in Opunake

Performance Measures

Measure	Target	Achieved	Not Achieved
The diversity of groups and individuals participating in community planning is increased	3 new groups	Achieved. 4 new relationships developed.	
Number of new partnerships or initiatives established which result in contributions to community outcomes	2 new groups	Achieved. 5 new partnerships developed.	
% of pensioner housing tenants satisfied with their accommodation	81%	96% satisfied	
Rents remain affordable with increases not exceeding benefit increases	Maximum 5% increase	Achieved	
Number of additional housing units in the district	2 per year		Not achieved

Environment and Development

Fewer Dog Complaints

This year saw another reduction in the number of complaints about dogs (from roaming, to barking, to attacking). Overall, incidents were down 10% on the previous year, which was down 12% on the 2009/10 year. The most heartening statistics are that dog attacks reduced by 12% and complaints about dogs threatening or rushing reduced by 35%. The reduction in these incidents is mainly due to a continued focus on less responsible dog owners and a zero tolerance to dogs that reoffend.

Significant Natural Areas Fund

Four successful applications were made to the Significant Natural Areas Fund this year. These grants assisted with the protection of one hectare of indigenous forest near Hurleyville, an 82 hectare forest remnant near Kohi, a 55 hectare extension to an existing covenant near Omoana and 420 hectares of forest at Makakaho. These areas have been legally protected and will make an important contribution to maintaining South Taranaki's biodiversity.

Dangerous Earthquake-Prone and Insanitary Buildings Policy

The Council's Dangerous Earthquake-Prone and Insanitary Buildings Policy was reviewed and the previous policy was retained. The review took place after the identification of the buildings that would be affected by the Policy. There are nine buildings that are rated as being at high risk and 96 buildings rated as being at moderate risk in the event of a significant earthquake. The Policy is triggered by the building consent process.

Consents and Licensing Numbers in Review

2010/11 saw fewer applications for consents and licences than in previous years: 705 building consents, 148 resource consents, five new food premises licences, 148 renewed food premises licences and 179 liquor licences were processed.

Performance Measures

Measure	Target	Achieved	Not Achieved
% of liquor licensed premises that are regularly inspected	95%		75%. This measure was not achieved due to the departure of our Environmental Health Officer during the year.
% of survey respondent that are satisfied or very satisfied with environmental health service	85%	86% satisfied	
% noise complaints are responded to within one hour	90%	90%	
% of all building consent applications are processed within 15 working days	95%	99%	
% of customer requests related to dogs roaming, barking, general incidents will be responded to within 1 working day	97%	98%	
Reduced number of dog attacking, rushing and roaming incidents through investigation and initiatives	1% decrease	A 10% reduction was achieved.	

Measure	Target	Achieved	Not Achieved
Non- notified Land Use Consents Application are processed within 10 working days (note: statutory timeframe is 20 working days)	90%		88% processed in 10 working days. 100% processed within 20 working days.
% of survey respondent that are satisfied or very satisfied with the planning service	85%	93% satisfied	

Roading and Stormwater Network

The Roothing activity had a budget of \$13.6 million in 2010/11 and approximately 53% was funded by the government. The work completed this year included:

- 12.2 kilometres of pavement rehabilitation and road widening (\$2.3 million)
- 102 kilometres of reseal (\$2.5 million)
- Bridge 325 (culvert) was replaced due to flood damage (\$375,000)
- Widening of Bridge 114 on Wiremu Road (\$250,000)
- The strengthening of the Tangahoe Valley Road Bridge 239 and Omata Road Bridge 276 to take Class 1 loading (\$55,000); and
- Total cost to repair roads due to flood events (\$1,133,000).

Performance Measures

Measure	Target	Achieved	Not Achieved
% of roads meeting roughness standard remains stable or improves	90%	93%	
Length of narrow road with traffic count greater than 100 per day widened	3km	Achieved 8.7 km of road was widened.	

Water Supply Services

Waimate West Water Supply Upgrade

Upgrades to the Waimate West Water Supply started with new water intakes on the Mangawhero-iti and Otakeho streams valued at \$286,000. New fine screens have been introduced which make sure that debris and sand does not end up at the Water Treatment Plant, but gets left in the river. The Resource Consents have also been renewed to take water from these streams securing the resource for the future.



New fine screens

Pressure Management in Hawera

Pressure management has been achieved in Hawera with the renewal of Ketemarae Road meter station, the refurbishment of the Scott Street booster station and some pipe modifications in the reticulation network. Separating Silver Fern Farm's water supply from Hawera's reticulation network means that the big pressure fluctuations are no longer experienced and we get stable pressure throughout the town. Automatic pressure control keeps pressure lower at night to reduce leakage and flow metering allows better monitoring of consumption in Hawera, Ohawe and Normanby.

Kapuni Water Supply Intake Award

The Council won a Taranaki Regional Council Environmental Award for the enhancement we made to the Kapuni stream habitat as part of the new Kapuni Water Treatment Plant intake project. Planting of native plants along the river, separation of a margin strip of land for access along the river bank and the sensitive design of the intake and fish pass, all contributed to improving the habitat.



Peter Cook (Water Supply Manager) holding the Environmental Award

Green Ribbon Award Finalist

The Council was also a finalist in the Ministry for the Environment's Green Ribbon Awards in the 'Caring for Our Water' category. This was for the innovative work with meters and pressure reducing stations at Inaha and Waimate West water schemes. Although we were not the successful winner, it was excellent recognition for the progress we have made in water management.

Performance Measures

Measure	Target	Achieved	Not Achieved
% of customers satisfied with quality of drinking water	65%		61% satisfied 16% not satisfied 23% did not know
% of outages with duration less than 10 hours	90%	98%	
Average water consumption per household per year	Decreasing	Achieved. 2010/11 average 368m3 2009/10 average 397m3	

Waste Services

Performance Measures

Measure	Target	Achieved	Not Achieved
% of customers satisfied with solid waste collection	90%		74% satisfied 7% not satisfied 19% did not know
% of total waste diverted from the landfill	>30%		27.99% diverted

Financial Overview

The following pages provide an overview of the Council and Consolidated financial performance for the year to 30 June 2011.

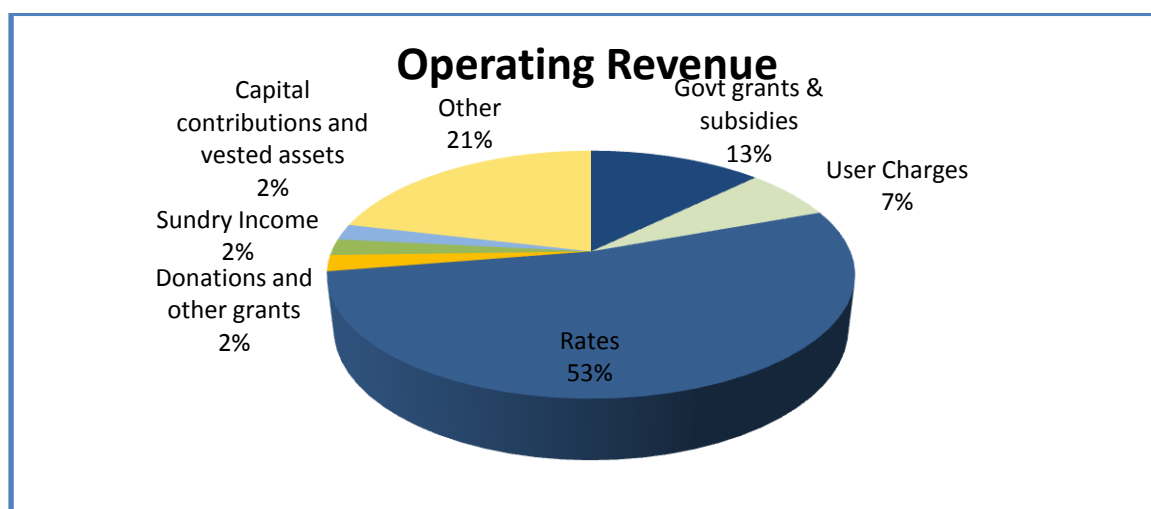
	Council	Consolidated
Net surplus/(deficit)	4,145,000	4,145,000
Total assets	\$ 870 million	\$ 870 million
Total liabilities	\$ 91 million	\$ 91 million
Total equity	\$ 779 million	\$ 779 million

Statement of Financial Performance

The Council has delivered an **operating net surplus** of \$4,145,000 for the year compared with a budgeted surplus of \$4,878,000. The main reasons for the variation in expense and income are:

- The overspend relating to Patea Freezing Works as a result of variations to the contract which are due to unforeseen circumstances, principally additional asbestos discovered below the building foundations;
- Savings in personnel costs due to efficiency reviews. Council did not replace some senior positions by re-distributing the work to other employees;
- The lower interest expense due to lower debt requirements and savings as a result of better cost of fund management;
- Depreciation overspend due to increase in depreciation for roading activity;
- Unbudgeted costs for the provision for doubtful debts, loss on disposal of assets and loss on derivatives;
- More than budgeted investment income due to favourable market conditions;
- Less than budgeted Capital Contributions due to delayed capital projects related to water services; and
- Unbudgeted vested assets.

The savings made in interest expenses, personnel costs and increased investment income offset the unbudgeted expenses resulting in a surplus for the year.



Statement of Financial Position

Net assets as at 30 June 2011

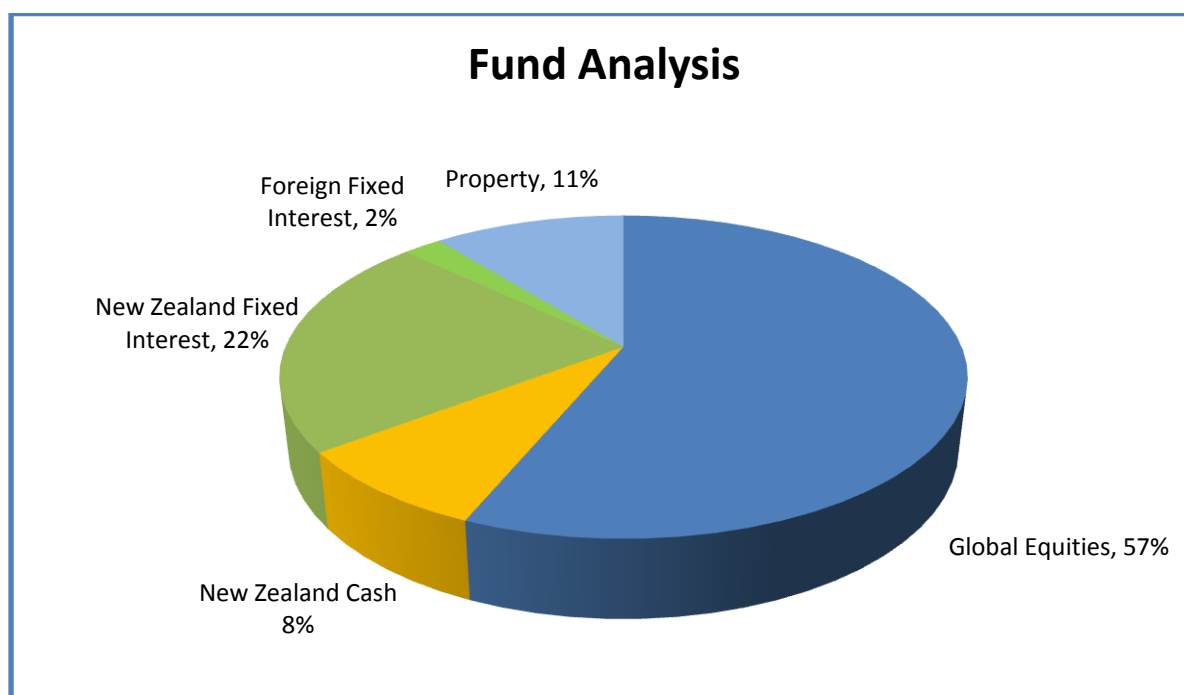
	Council		Consolidation	Council	Consolidation
	Actual	Budget	Actual	Actual	Actual
	2010/11	2010/11	2010/11	2009/10	2009/10
	\$000	\$000	\$000	\$000	\$000
Current assets	84,742	5,754	84,742	74,944	74,944
Non-current assets	785,336	860,707	785,336	719,826	719,826
Total Assets	870,078	866,461	870,078	794,770	794,770
Current liabilities	32,797	7,420	32,797	44,597	44,597
Non-current liabilities	58,395	100,506	58,395	40,149	40,149
Total Liabilities	91,192	107,926	91,192	84,746	84,746
Total Equity/Net Assets	778,886	758,535	778,886	710,024	710,024

Long Term Investment Fund

- The value of the Long Term Investment Fund increased to \$105.6 million (\$96.85 million 2010) as at balance date after allowing for the withdrawal of the rates subsidy.
- The value of the Fund is made up of: external investments with fund managers \$86.14 million (\$78.09 million 2010); loan to Southcare \$1.14 million (\$1.2 million 2010); and internal borrowing \$18.30 million (\$18.76 million 2010).

External Funds

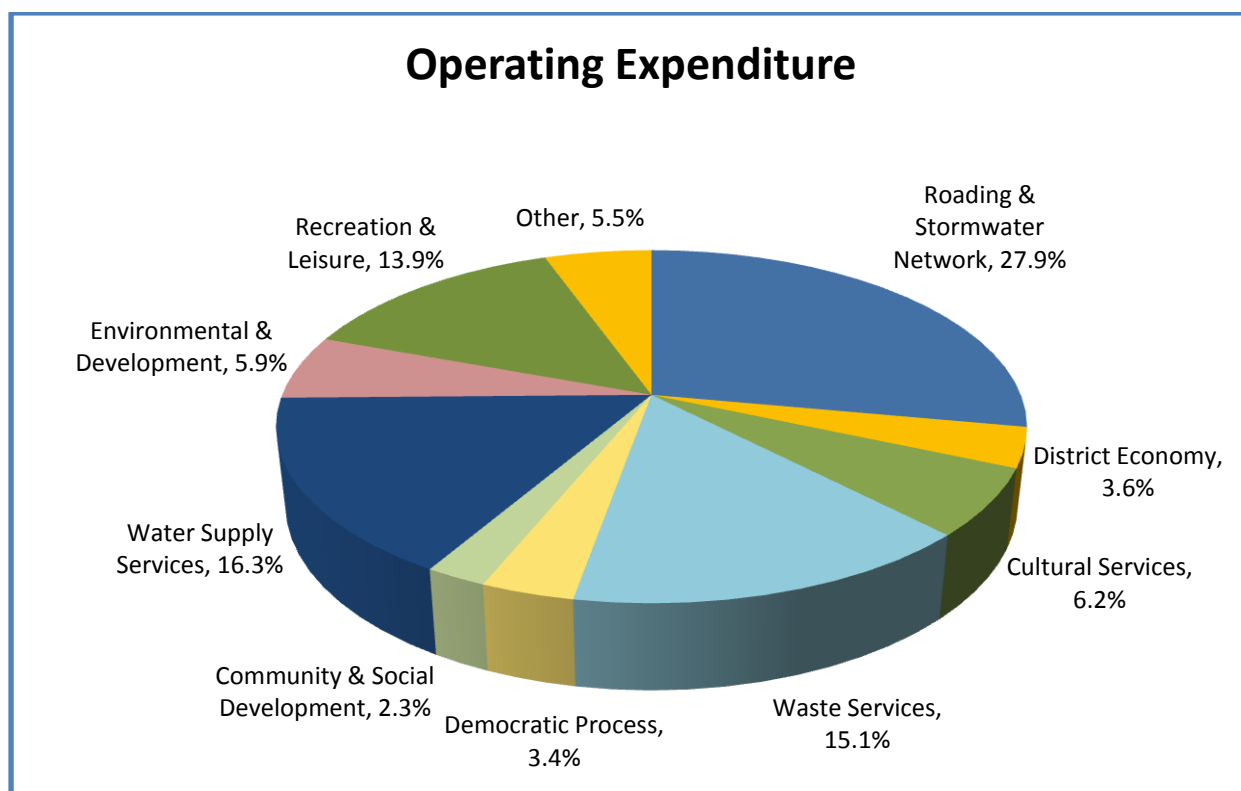
The last year was better than 2009/10 for global markets and investment funds as markets slowly recovered from the global recession. The external funds received a net return of \$11.8 million in 2010/11 year.



Financial Performance and Movements in Equity

	Council		Consolidation		Council	Consolidation
	Actual	Budget	Actual	Actual	Actual	
	2010/11	2010/11	2010/11	2009/10	2009/10	
	\$000	\$000	\$000	\$000	\$000	
Total Income	58,071	56,822	58,071	52,414	52,414	
Total expenses (excluding finance cost)	48,988	45,163	48,988	48,972	48,972	
Finance cost	4,938	6,781	4,938	3,822	3,822	
Total operating surplus/(deficit) before tax	4,145	4,878	4,145	(380)	(380)	
Other comprehensive income						
Increase/(decrease) in revaluation reserves	(58)	0	(58)	5	5	
Gain on asset revaluation	64,775	8,812	64,775	0	0	
Total other comprehensive income	64,717	8,812	64,717	5	5	
Total comprehensive income for the year	68,862	13,690	68,862	(375)	(375)	

The variance between budget and actual in the movements in equity is due to the combination of unbudgeted vesting of assets, revaluation gains, the write-off of some assets that were replaced through the capital projects programme, investment income and the valuation of Council's swap contracts. The swap valuations are calculated as per the current interest rate and projection of interest rate for the remaining period of Council's swaps contracts. Council do not budget for vested assets and swap valuations.



Summary Statement of Changes in Equity

	Council		Consolidation	Council	Consolidation
	Actual 2010/11 \$000	Budget 2010/11 \$000	Actual 2010/11 \$000	Actual 2009/10 \$000	Actual 2009/10 \$000
Equity at the beginning of the year	710,024	744,845	710,024	710,399	710,399
Net surplus/(deficit) for the year	4,145	4,878	4,145	(380)	(380)
Other comprehensive income/(loss)	64,717	8,812	64,717	5	5
Total comprehensive income for the year	68,862	13,690	68,862	(375)	(375)
Equity at the end of the year	778,886	758,535	778,886	710,024	710,024
Comprising:					
Accumulated balances	532,798	537,879	532,798	528,751	528,751
Restricted and statutory reserves	2,424	0	2,424	2,342	2,342
Investment revaluation reserves	0	0	0	42	42
Asset revaluation reserves	243,664	207,972	243,664	178,889	178,889
Equity at the end of the year	778,886	745,851	778,886	710,024	710,024

Summary of Statement of Cashflows

	Council		Consolidation	Council	Consolidation
	Actual 2010/11 \$000	Budget 2010/11 \$000	Actual 2010/11 \$000	Actual 2009/10 \$000	Actual 2009/10 \$000
Net cashflows from operating activities	11,780	14,732	11,780	5,444	5,444
Net cash flows from investing activities	(15,512)	(18,610)	(15,512)	(46,681)	(46,681)
Net cash flows from financing activities	6,601	5,527	6,601	39,894	39,894
Net Increase/(Decrease) in Cash and Cash Equivalents	2,869	1,649	2,869	(1,343)	(1,343)

Audit Opinion

Independent Auditor's Report

To the readers of South Taranaki District Council and group's summary of the annual report for the year ended 30 June 2011

We have audited the summary of the annual report (the summary) as set out on pages 4 to 15 and page 18, which was derived from the audited statements in the annual report of the South Taranaki District Council (the District Council) and group for the year ended 30 June 2011 on which we expressed an unmodified audit opinion in our report dated 26th October 2011.

The summary comprises:

- the summary statement of financial position as at 30 June 2011, and summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of the District Council and group's non-financial performance information and summaries of other information contained in its annual report.

Opinion

In our opinion, the information reported in the summary complies with FRS-43: Summary Financial Statements and represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

Basis of opinion

The audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand).

The summary and the audited statements from which they were derived, do not reflect the affects of events that occurred subsequent to our report dated 26th October 2011 on the audited statements.

The summary does not contain all the disclosures required for audited statements under generally accepted accounting practice in New Zealand. Reading the summary, therefore, is not a substitute for reading the audited statements in the annual report of the District Council and group.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary in accordance with FRS-43: Summary Financial Statements. We are responsible for expressing an opinion on the summary, based on the procedures required by the Auditor-General's auditing standards and the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interest in, the District Council or any of its subsidiaries.



Clint Ramoo,
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand
4th November 2011

WEL-2011-11-04 11:04:00 AM

How We Prepared These Statements

These financial statements have been prepared in compliance with “Financial Reporting Standard No. 43 - Summary Financial Statements” issued by the Financial Reporting Standards Board of the New Zealand Institute of Chartered Accountants (May 2007).

This summary financial report has been taken from the South Taranaki District Council 2010/11 Annual Report dated 26 October 2011. The Annual Report received an unmodified audit opinion dated 26 October 2011. This summary report has been audited and an unmodified opinion dated 26 October 2011 has been received. Financial statements are presented in New Zealand dollars. The summary Annual Report was authorised by the Chief Executive Officer of the South Taranaki District Council on 26 October 2011.

The South Taranaki District Council is the ultimate parent of the group comprising the Council and its 100% owned non-trading subsidiary Novus Contracting Ltd. Details relating to transactions between individual councillors and Council are fully disclosed in Note 17 of the main financial statements. Apart from the normal customer relationships involving such items as the payments of rates, water charges etc, there were no significant transactions between senior management, councillors and the Council during the year. The main purpose of the South Taranaki District Council is to provide goods and/or services to the ratepayers and communities of the South Taranaki district. Accordingly the Council has designated itself and the group as Public Benefit Entities for the purposes of the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). The full set of financial statements included in the Annual Report has been prepared in accordance with New Zealand Generally Accepted Accounting Practices (NZ GAAP). The full set complies with New Zealand IFRS, and other applicable Financial Reporting Standards as appropriate for Public Benefit Entities.

These summary financial statements are in accordance with the recognition and measurement requirements of New Zealand IFRS but, in accordance with FRS-43, do not, nor are required to; comply with the presentation and disclosure requirements of NZ IFRS. The South Taranaki District Council has a number of contingent liabilities and capital commitments as at balance date. These are detailed in Notes 19 and 20 of the financial statements. The estimated contingent liability is \$180,790 (2009/10 \$136,205), future operating lease payments for office equipment \$206,000 (2009/10 \$232,000) and commitments relating to capital expenditure projects \$767,000 (2009/10 \$2,347,000).