



Annual Report 2006/2007

# SUMMARY



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This is a summary of the Kaikoura District Council's full Annual Report 2006/2007. The full report can be viewed at:

Kaikoura District Council  
34 Esplanade  
Kaikoura

Kaikoura District Library  
96 West End  
Kaikoura

Online at [www.kaikoura.govt.nz](http://www.kaikoura.govt.nz)

Or phone (03) 319-5026  
to request a copy



## Mayor's Report

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Reporting to communities at large can often be a long, complicated and confusing process. Requirements and obligations regarding Councils' reporting to their respective communities are regulated, whereas guidelines on *how* to do this can be offered – but the particulars remain the decision of that specific Council.

This Council has over the year of this report, had the enjoyment of a record number of submissions, collective and individual inputs & responses and community collaboration regarding this plan – involving a myriad of innovative and appropriate consultation methods.

Our public responses have confirmed the desire for the Kaikoura community as a whole, to be a part of its governance and decision-making processes – something envied, I know, by other districts and authorities. For this I thank you, for you have made this last Annual Plan (2007/2008) one of relevance and meaningfulness to us all.

Kaikoura's continued positive drive for environmental & infrastructural sustainability and our personal and community well-being is becoming cemented, as we strive to accommodate our own desires and hopes as well as those of Central Government.

We are mapping toward those ends, and with a continuation of the quality & quantity of our community's contributions to our local affairs, I know we are driving in the right direction.

Kevin Heays  
Mayor

## A message from the CEO

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The full 2006/07 Annual Report is the first prepared under the new New Zealand International Financial Reporting Standards.

The introduction of these standards has made it almost impossible to compare the 2005/06 report with the 2006/07 report. A substantial amount of time, effort and cost has gone into developing this report in terms of these new standards for no or little perceived benefit to the community and the general public. It is merely another compliance cost foisted on Local Government in order to meet international requirements as opposed to New Zealand requirements. This change has resulted in an additional fourteen pages of accounting policies, and an additional five pages of notes to the financial accounts explaining what different items actually mean.

Apart from the above, it has been another successful year financially for the Kaikoura District Council. The Statement of Financial Performance shows a surplus after tax for the year of \$10.5 million, which on the face of it sounds tremendous, however over \$6.8 million of that amount was from new infrastructural assets being added to Council's balance sheet. A further \$0.5 million is due to the rise in value of Council's investment properties. These gains now have to be shown through the Statement of Financial Performance. Council also received approximately \$1.65 million more in development contributions for this financial year than it had budgeted, as well as approximately \$150,000 additional through forest sales than anticipated.

The Council's financial position has been strengthened markedly in that total equity has increased from \$79.48million to \$124.2million. A large part of the increase relates to the revaluation of fixed assets. While a substantial amount of capital works have been undertaken during the year, this has not been at the expense of major increased levels of borrowing.

Over the 2006/2007 year, Council's Building Control Department has spent countless hours on preparing for the new accreditation regime as established under the 2004 Building Act. This process and the new requirements as a result of implementing this process has resulted in a large degree of frustration, stress and upset from both staff and from customers. This level of frustration is likely to remain for some time as those involved in the building industry come to grips with their new requirements under the Act. Over time this frustration should reduce and the aim of the new regime, again, through the Act, is to minimise nationally the chances of shoddy buildings being built throughout the country. All local authorities were required to be accredited by November 2007 however that date has now been pushed out to June 2008 and it is hoped that Kaikoura District Council will become accredited early in the 2008 year.

On a more positive front, Council was again benchmarked against Green Globe criteria and again was successful in achieving the benchmark status and obtaining certification. This year all of the indicators measured against resulted in Kaikoura District Council being above global best practice level. During the year we achieved milestone 4 status in the Communities for Climate Protection (CCP) Programme and the challenge for Council now is to implement that milestone to actively reduce our environmental footprint.

Council's website, [www.kaikoura.govt.nz](http://www.kaikoura.govt.nz), is continuing to prove popular and is receiving on average over 12,000 hits per month.

It is with some pride that Council received a Creative New Zealand Award for the work undertaken in conjunction with the Runanga and the Department of Conservation for the southern gateway project to the peninsula walkway. This was a great effort in cooperation and collaboration by three organisations, wedded to looking after our environment. Work in the South Bay domain is ongoing and will be continually upgraded over the next couple of years.

## A message from the CEO

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It was also pleasing to see Environment Canterbury recognised for the flood protections works undertaken in the West End and again, the floodwalls in conjunction with the amphitheatre area received awards from the Institute of Professional Engineers.

Ongoing sewerage upgrading work continued throughout 2006/2007 with the main line from the new Ludstone Road pump station being developed north along Rorrison's Road and then east to connect to the Hawthorne Road pump station. This line will take all of the sewerage from the Ocean Ridge development, Seaview subdivision and eventually from South Bay. The desludging of the oxidation ponds was completed and again, upgrading work is continuing in the ponds area to cater for a growing population. Council's new water bore was commissioned in September 2006 and now provides the township with a new secure water source. This source has been confirmed as secure by the Ministry of Health but the supply on the whole has not yet been re-graded by the Ministry. Ongoing upgrades included the installation of a booster pump to ensure that the peninsula did not run out of water in the summer as has happened in the past. The installation of a ring main from Fords Reservoir to South Bay to now feed South Bay residents from that reservoir rather than the peninsula reservoir. Kaikoura is now in the fortunate position where a substantial amount of work has been undertaken on its sewerage and water infrastructure and it does not face the same pressures or concerns as many other communities larger than Kaikoura has around the country. Council will continue to upgrade the systems as funding becomes available.

The titles for properties on the initial stages of the Ocean Ridge and Seaview subdivisions were issued during the 2006/07 year and this has substantially increased Council's rating base and provided the community with a diverse range of options for residential amenity. Both those developments are worthwhile assets to Kaikoura and a credit to the developers.

The Proposed District Plan is finally nearing completion with all appeals being signed off by the Environment Court and all that remains is for the plan to be formatted, printed and finally adopted. Council can then commence the task of initiating changes to the plan as a result of going through the plan process; initiating a change to establish an industrial area, and then commencing a review of the plan. I would like to thank all those community members involved in the District Plan Committee who have spent countless hours and days on developing a plan that this community can be proud of.

Council's Significant Natural Areas (SNA) programme has been ongoing and it's great to note the positive response obtained from landowners in looking at trying to protect pockets of their properties that have significant biodiversity issues on them. Council will continue to work with those landowners to ensure those pockets of biodiversity are enhanced.

Again this year we had groups of volunteers from the UK and North America who came to Kaikoura and worked closely with Council staff, Runanga, Department of Conservation and Environment Canterbury in progressing projects that will only benefit this community.

I hope you take the time to read this document as it provides a positive reflection on your community. The outlook for the district is positive and there are a number of exciting projects and developments coming through. Council will continue to improve its standard and quality of service and infrastructure to ensure Kaikoura remains a destination where people will want to live, work and visit.

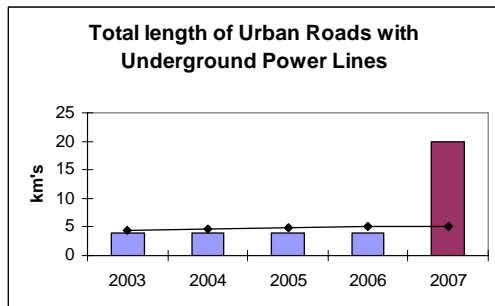
Stuart Grant  
Chief Executive Officer

# Highlights

Council measures our community's progress towards achieving our community outcomes, which were developed with the Long Term Council Community Plan 2006-2016, in terms of each of the individual activity objective and targets rather than any overall measurement. For further information on community outcomes and their link to Council activities, please refer to the full Annual Report.

## Roading

- A new concrete footpath has been completed on South Bay Parade.



## Water

- The Kaikoura Township is now being supplied with exceptional quality water from the new ground water source; and the Ministry of Health has confirmed the new supply is secure.
- Kincaid Rural Water consumers now have access to additional water units, and improved treatment facilities from the Waimangarara intake gallery.

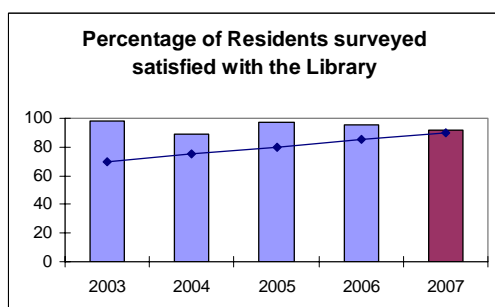
## Building Control

*“Additional building administration staff have been employed, to assist with the new accreditation requirements”*

## Parks & Reserves

*“The South Bay Gateway walkway has been completed, and has won a Creative Places Award”*

## Library

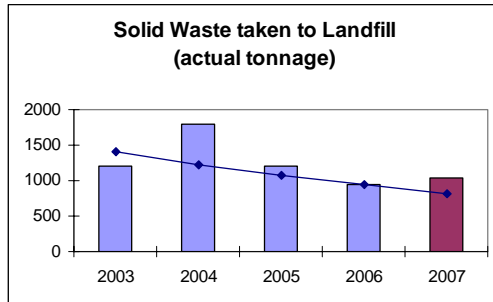


## Sewerage

- The capacity of the sewerage system has been restored by installing screens and desludging the ponds.
- A new sewer trunk main has been installed from Churchill Street to a new pump station on Ludstone Road, and a further main has been installed from Ludstone Road to Hawthorne Road.

## Highlights

### Refuse & Recycling



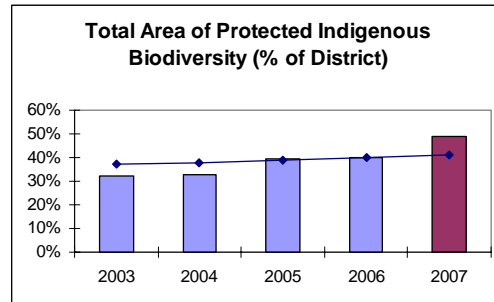
### Climate Change Protection

“Council is again leading the way in the Climate Change Protection Programme, and is now implementing the plans developed in 2006”

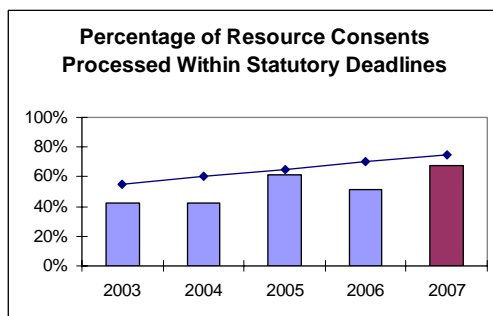
### Community Leadership

“The West End footbridge linking the amphitheatre to the foreshore has been completed, and plans have been finalised regarding the next stage of upgrading”

### Biodiversity



### Resource Consent Processing



### Green Globe Certified!

“Certification has again been achieved and maintained in 2007. Council has exceeded many of the global best practice benchmarks set by the Green Globe community standard!!”

### Proposed District Plan

The Proposed District Plan is almost fully operative! The last outstanding appeal was resolved in June 2007. The Plan is technically operative but has not been officially signed off by Council.

## Highlights

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### *Financial Highlights*

- The full Annual Report is Council's first Annual Report to be compliant with NZ International Financial Reporting Standards – resulting in several format changes and new accounting policies.
- Total Equity has increased by almost \$45 million to reach over \$124 million.
- Our Total Surplus was \$10.5 million - \$6.8 million of this related to vested assets.
- During the year we received almost \$2.8 million in development contributions; which gives us the confidence to progress our capital projects.
- Logging revenues netted almost \$150,000
- Special Reserves and Funds increased by some \$1.5 million, as development contributions are set aside for future capital projects.
- Asset revaluations increased our asset values by over \$34 million.
- Total assets are over \$130 million
- During the year the Kaikoura Enhancement Trust acquired the remaining 51% shares to attain 100% ownership of Innovative Waste Kaikoura Limited – these two entities form the Council group consolidation. The acquisition was at no cost, resulting in a \$50,785 gain being recognised in the group's statement of financial performance.

## Level of Achievement

Financial Performance	Groups of Activities	Service Measures Achieved
<input checked="" type="checkbox"/>	Roading	☺
<input checked="" type="checkbox"/>	Water Services	☹
<input checked="" type="checkbox"/>	Sewerage & Stormwater	☺
<input checked="" type="checkbox"/>	Refuse & Recycling (1)	☹
<input checked="" type="checkbox"/>	Community Facilities	☹
<input checked="" type="checkbox"/>	Commercial Activities (2)	☹
<input checked="" type="checkbox"/>	Leadership & Governance	☹
<input checked="" type="checkbox"/>	Regulation & Control	☹
<input checked="" type="checkbox"/>	Safety & Wellbeing	☹
<input checked="" type="checkbox"/>	District Development	☺

### Financial Performance

- achieved planned operating surplus/(deficit)  
 did not achieve planned operating surplus/(deficit)

### Service Measures Achieved

☺ 75% to 100% achieved      ☹ 50% to 75% achieved      ☹ below 50% achieved

- (1) Targets for Refuse & Recycling have been set extremely high as Council aims for zero-waste, such as the amount of solid waste sent to landfill reducing by 12.5% per annum, and while the tonnage of waste being landfilled continues to decrease, the actual performance target has not been reached.
- (2) As part of the targeted performance of the Commercial Activities, Council had planned to develop airport hangars, replace the North Wharf, establish boat parking protection works, and sell two of its properties. Council has since decided that private operators should develop the airport hangars, the North Wharf tenders have been advertised, the boat park protection work is on hold pending agreement from the community, and the sale of the two buildings was not required, therefore none of these projects were completed in 2006/2007.

## Summary Financial Statements

### *Summary Statement of Financial Performance & Movements in Equity for the year ended 30 June 2007*

	2007 Budget \$	2007 Parent \$	2006 Parent \$	2007 Group* \$	2006 Group* \$
Operating Revenue	8,100,326	16,339,710	6,605,769	16,956,182	6,609,878
Interest Expense	348,818	306,011	287,781	325,674	287,781
Other Operating Expenditure	5,020,281	5,448,470	5,297,161	6,113,104	5,307,491
Surplus/(Deficit) before forestry adjustments	2,731,227	10,585,229	1,020,827	10,517,404	1,014,606
ECan share of MRF	-	(13,668)	55,123	(13,668)	55,123
Revaluation Gain/(Loss)	-	(46,202)	-	(46,202)	-
Tax Expense	-	-	-	-	-
Total Surplus/(Deficit)	2,731,227	10,525,359	1,075,950	10,457,534	1,069,729
Revaluation of assets	-	34,290,999	1,443,378	34,290,999	1,443,378
Net recognised revenues and expenses	2,731,227	44,816,358	2,519,328	44,748,533	2,513,107
Equity at the beginning of the year	77,082,987	79,482,617	76,963,289	79,553,691	77,040,584
Equity at the end of the year	79,814,213	124,298,975	79,482,617	124,302,224	79,553,691

Overall Council's Surplus is a substantial \$7.79 million ahead of budget, \$6.8 million of which is due to the vesting of assets into Council ownership. A further \$0.5 million is due to the gains in value of investment properties.

### *Summary Statement of Financial Position as at 30 June 2007*

	2007 Budget \$	2007 Parent \$	2006 Parent \$	2007 Group* \$	2006 Group* \$
Current Assets	2,157,683	4,049,322	2,350,296	4,103,968	2,372,577
Non Current Assets	83,232,799	126,253,171	83,565,872	126,570,751	83,614,665
Current Liabilities	2,164,051	2,653,649	2,736,725	2,827,681	2,736,725
Non Current Liabilities	3,814,847	3,349,869	3,696,826	3,544,814	3,696,826
Equity	79,814,213	124,298,975	79,482,617	124,302,224	79,553,691

Total Equity exceeds budget by \$44.5m, almost entirely due to significant asset revaluations undertaken as at 30 June 2007 (after the budget forecasts were prepared).

\* Group figures include Kaikoura Enhancement Trust and its 100% share of Innovative Waste Kaikoura Ltd (2006: 49%)

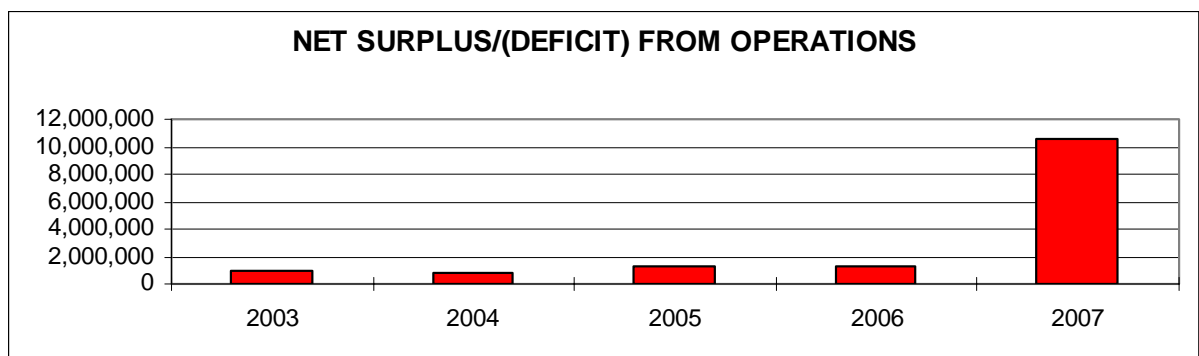
## Summary Financial Statements

### Summary Statement of Cash Flows for the year ended 30 June 2007

	2007 Budget \$	2007 Parent \$	2006 Parent \$	2007 Group* \$	2006 Group* \$
<b>Operating Activities</b>					
Receipts from Rates Revenue	3,479,431	3,491,850	3,314,973	3,491,850	3,314,973
Interest Received	63,304	164,911	97,112	165,183	97,221
Receipts from Other Revenue	4,326,011	5,634,700	3,421,329	6,204,364	3,425,329
Payments to Suppliers and Employees	(3,860,078)	(4,526,763)	(4,078,855)	(5,136,654)	(4,078,904)
Interest Paid	(348,818)	(305,193)	(286,690)	(324,856)	(286,690)
Goods & Services Tax (Net)	-	99,358	(41,372)	100,841	(41,372)
Net cash flow from operating activities	3,659,850	4,558,863	2,426,497	4,500,728	2,430,557
Net cash flow from investing activities	(4,441,173)	(3,109,295)	(2,569,229)	(3,108,163)	(2,569,229)
Net cash flow from financing activities	613,006	(232,130)	346,175	(262,318)	346,175
Net increase/(decrease) in Cash and Cash Equivalents	(168,317)	1,217,438	203,443	1,130,247	207,503
Cash & Cash Equivalents at the beginning of the year	1,142,919	847,147	643,704	869,428	661,925
Cash & Cash Equivalents at the end of the year	974,602	2,064,585	847,147	1,999,675	869,428

Positive cash flows from operations has again enabled Council to make significant investment in fixed assets, and this year to also reduce term borrowings, reflecting the sustained growth of both Council and the district as a whole.

### Five Year Financial Performance



The 2003-2005 figures are not comparable with 2006 and 2007 as the latter have been prepared in accordance with NZ IFRS.

## Notes to the Financial Statements

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### *1. Accounting Policies*

The Council has prepared the summary financial report in order to provide users with a snapshot overview of Council performance. The specific disclosures included in the summary financial report have been extracted from the full audited Annual Report 2006/2007, adopted by Council on 31 October 2007. That Annual Report received an unqualified opinion from Audit New Zealand. This summary financial report was authorised for issue by the Mayor on 31 October 2007.

Users of this summary financial report should note that information contained therein can not be expected to provide as complete an understanding as the full financial report. The full financial report is available from the Council on request, or online on Council's website [www.kaikoura.govt.nz](http://www.kaikoura.govt.nz) (under Council documents).

All figures shown in this summary are shown in New Zealand dollars and all values are rounded to the nearest dollar.

This summary report complies with NZ IFRS 43, Summary Financial Statements.

The summary financial statements are in respect of Council's first NZ IFRS compliant full financial statements. The full financial statements have been prepared in accordance with NZ GAAP and they comply with NZ IFRS, as appropriate for public benefit entities.

Disclosures in relation to the effect on the transition to NZ IFRS can be found in pages 42-47 of the full Annual Report 2006/2007.

### *2. Transition to NZ International Financial Reporting Standards*

Council's adoption date for NZ IFRS is 1 July 2006, and Council has made several adjustments to its opening balances as at 1 July 2005 and 1 July 2006, the major adjustments being;

- Several reclassifications of assets and liabilities within the balance sheet
- Recognition of the change in the fair value of investment properties and forestry assets in the statement of financial performance rather than the revaluation reserve
- Adoption of the deemed cost exemption for all property, plant and equipment
- Restating reserves to reflect the situation that would have applied had NZ IFRS been in place as at 1 July 2005.

Notes to the financial statements have been expanded in accordance with NZ IFRS.

## Notes to the Financial Statements

### Reconciliation of Equity

The following table illustrates the changes in equity resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2005 and 30 June 2006 for the Parent and for the Group.

#### Parent

	NZ GAAP 2005 \$	TRANSITION TO NZIFRS 2005 \$	NZIFRS 2005 \$	NZ GAAP 2006 \$	TRANSITION TO NZIFRS 2006 \$	NZIFRS 2006 \$
Current Assets	2,477,603	-	2,477,603	2,350,296	-	2,350,296
Non Current Assets	79,738,278	1,109,994	80,848,272	82,745,629	820,243	83,565,872
Current Liabilities	2,666,679	-	2,666,679	2,736,725	-	2,736,725
Total Non Current Liabilities	3,584,912	110,995	3,695,907	3,599,548	97,278	3,696,826
<i>EQUITY</i>						
Ratepayers Equity	15,711,351	60,350,511	76,061,862	17,012,515	60,089,340	77,101,855
Reserves & Special Funds	901,427	-	901,427	937,384	-	937,384
Asset Revaluation Reserve	59,351,512	(59,351,512)	-	60,809,753	(59,366,375)	1,443,378
Total Equity	75,964,290	998,999	76,963,289	78,759,652	722,965	79,482,617

#### Group

	NZ GAAP 2005 \$	TRANSITION TO NZIFRS 2005 \$	NZIFRS 2005 \$	NZ GAAP 2006 \$	TRANSITION TO NZIFRS 2006 \$	NZIFRS 2006 \$
Current Assets	2,495,824	-	2,495,824	2,372,577	-	2,372,577
Non Current Assets	79,797,352	1,109,994	80,907,346	82,794,422	820,243	83,614,665
Current Liabilities	2,666,679	-	2,666,679	2,736,725	-	2,736,725
Total Non Current Liabilities	3,584,912	110,995	3,695,907	3,599,548	97,278	3,696,826
<i>EQUITY</i>						
Ratepayers Equity	15,788,646	60,350,511	76,139,157	17,083,589	60,089,340	77,172,929
Reserves & Special Funds	901,427	-	901,427	937,384	-	937,384
Asset Revaluation Reserve	59,351,512	(59,351,512)	-	60,809,753	(59,366,375)	1,443,378
Total Equity	76,041,585	998,999	77,040,584	78,830,726	722,965	79,553,691

## Notes to the Financial Statements

### Reconciliation of Surplus

The following table shows the changes in total surplus resulting from the transition from previous NZ GAAP to NZ IFRS as at 30 June 2006 for the Parent and the Group.

	PARENT			GROUP		
	NZ GAAP 2006 \$	TRANSITION TO NZIFRS 2006 \$	NZIFRS 2006 \$	NZ GAAP 2006 \$	TRANSITION TO NZIFRS 2006 \$	NZIFRS 2006 \$
Operating Revenue	6,605,769	-	6,605,769	6,609,878	-	6,609,878
Interest Expense	287,781	-	287,781	287,781	-	287,781
Total Operating Costs	4,935,018	362,143	5,297,161	4,945,348	362,143	5,307,491
Surplus/(Deficit) before forestry adjustments	1,382,970	(362,143)	1,020,797	1,376,749	(362,143)	1,014,606
ECan Share of MRF	(45,849)	100,972	55,123	(45,849)	100,972	55,123
Total Surplus/(Deficit)	1,337,121	(261,171)	1,075,950	1,330,900	(261,171)	1,069,729

## Notes to the Financial Statements

### 3. Other disclosures

#### Commitments and Contingencies

	2007 Parent \$	2006 Parent \$	2007 Group \$	2006 Group \$
Non-cancellable operating leases as leasee	65,010	36,140	65,010	36,140
Capital commitments	-	477,035	-	477,035
Loan guarantee to Kaikoura Airport Services Ltd	160,000	160,000	160,000	160,000
Loan guarantee to Innovative Waste Kaikoura Ltd	372,500	372,500	372,500	372,500
Non-cancellable operating leases as lessor	151,939	173,156	149,139	170,076

#### Capital Expenditure

	NOTE	2007 Budget \$	2007 Parent & Group \$	2006 Parent & Group \$
Roading	1	595,904	327,069	501,693
Water Services	2	592,000	684,859	911,408
Sewerage & Stormwater	3	1,331,814	1,053,303	537,618
Refuse & Recycling		7,500	-	-
Community Facilities	4	984,840	256,568	479,251
Commercial Activities	5	748,000	122,492	153,833
Leadership & Governance		28,596	36,523	22,659
Regulation & Control		-	-	-
Safety & Wellbeing		-	7,399	27,257
District Development		-	-	-

- (1) The Middle Creek bridge replacement has been deferred until 2007/2008 in order to obtain funding assistance from Land Transport NZ.
- (2) The Kaikoura township residents now benefit from a new ground water source with exceptional water quality; the Ministry of Health has confirmed the source is secure.
- (3) Significant sewerage upgrades have commenced; this year included restoring the capacity of the oxidation ponds and main lines from Churchill St to a new pump station on Ludstone Rd and on to Hawthorne Rd.
- (4) Construction of four new pensioner flats had been planned, however there have been delays while designs were agreed with Housing Corporation NZ, and this is expected to be completed in 2007/2008.
- (5) Several projects, such as replacement of the North Wharf and establishment of boat parking protection, have been delayed and may be completed in 2007/2008.

## Notes to the Financial Statements

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### Effects on the Community

Every decision Council makes, and every activity or service Council provides, has an impact on the social, economic, environmental and cultural wellbeing of the community.

For example the provision of potable water on demand is essential for many industries within the district to function; it is vital not only for agriculture, horticulture and fisheries, but also for tourism and retail activity. At the same time clean, pure, potable water is fundamental to the health and safety of all residents and visitors.

Council continues to lead the way on the road to zero waste and environmental sustainability, and has received national and international recognition for its success.

## Audit Report

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### **TO THE READERS OF KAIKOURA DISTRICT COUNCIL AND GROUP'S SUMMARY ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2007**

We have audited the summary annual report.

#### **Unqualified Opinion**

In our opinion:

- σ the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- σ the information reported in the summary financial statements complies with FRS-43: Summary Financial Statements and is consistent with the full financial statements from which it is derived.

We expressed an unqualified audit opinion, in our report dated 31 October 2007 on:

- σ the full financial statements; and
- σ the Council and group's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

#### **Basis of Opinion**

Our audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. Other than in our capacity as auditor, we have no relationship with or interests in Kaikoura District Council or any of its subsidiaries.

#### **Responsibilities of the Council and the Auditor**

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on that report. These responsibilities arise from the Local Government Act 2002.



Greg Bell, Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
30 November 2007

**Matters relating to the electronic presentation of the summary annual report**

This audit report relates to the summary annual report of Kaikoura District Council for the year ended 30 June 2007 included on Kaikoura District Council's web site. The Council is responsible for the maintenance and integrity of the Kaikoura District Council's web site. We have not been engaged to report on the integrity of the Kaikoura District Council's web site. We accept no responsibility for any changes that may have occurred to the summary annual report since it was initially presented on the web site.

The audit report refers only to the summary annual report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the summary annual report. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited summary annual report and related audit report dated 30 November 2007 to confirm the information included in the audited summary annual report presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.