

Forecast Statement of Financial Performance

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008		LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
	\$	\$	\$		\$	\$	\$
Roading	513,356	470,436	500,070				
Water Services	818,862	847,755	841,109	Surplus before Depreciation, Interest & Tax	4,164,190	2,903,826	3,283,839
Sewerage & Stormwater	1,670,636	706,614	864,204	Depreciation	1,147,449	1,234,861	1,506,716
Refuse & Recycling	22,870	22,548	22,548	Surplus Before Interest & Tax	3,016,741	1,668,965	1,777,123
Community Facilities	1,347,052	1,073,201	1,203,821	Interest Expense	348,818	445,862	369,561
Commercial Activities	544,584	517,763	930,886	Less Interest Income	63,304	90,515	82,784
Leadership & Governance	74,400	84,690	112,060	Net Interest Expense	285,514	355,346	286,778
Regulation & Control	393,189	417,522	472,470	Surplus Before Tax	2,731,227	1,313,619	1,490,345
Safety & Wellbeing	63,901	64,868	68,633	Tax	0	0	0
District Development	181,811	184,715	242,825	Surplus After Taxation	2,731,227	1,313,619	1,490,345
General Rates	2,406,362	2,691,733	2,670,493				
Total Revenue	8,037,022	7,081,846	7,929,118				
Roading	410,123	419,954	443,971				
Water Services	389,678	451,626	426,657				
Sewerage & Stormwater	245,808	278,247	263,425				
Refuse & Recycling	315,320	419,068	359,586				
Community Facilities	668,444	714,749	698,286				
Commercial Activities	198,423	148,820	499,033				
Leadership & Governance	412,223	456,020	485,959				
Regulation & Control	568,586	617,293	676,400				
Safety & Wellbeing	229,643	233,686	239,196				
District Development	434,583	438,554	552,767				
Total Expenses	3,872,832	4,178,020	4,645,279				
Surplus before Depreciation, Interest & Tax	4,164,190	2,903,826	3,283,839				

Forecast Statement of Movement in Equity

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
	\$	\$	\$
Equity Opening Balance	77,082,987	79,814,213	114,904,126
Net Surplus/(Deficit)	2,731,227	1,313,619	1,490,345
Revaluations	0	0	0
	2,731,227	1,313,619	1,490,345
Equity Closing Balance	79,814,213	81,127,832	116,394,471

Infrastructural valuations have been completed during 2006/2007, which have significantly increased opening equity balances in the Annual Plan. These had not been incorporated in the LTCCP forecast financial statements.

Forecast Statement of Financial Position

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008		LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
	\$	\$	\$		\$	\$	\$
Assets				<i>Non-current Liabilities</i>			
<i>Current Assets</i>				Term Loans	3,165,935	5,446,126	2,528,472
Cash Float	310	310	310	Other Non-Current Liabilities	648,912	648,912	648,912
Cash Deposits	974,292	2,131,925	2,072,107	Total Non-current Liabilities	3,814,847	6,095,038	3,177,384
Accounts Receivable	880,770	776,093	868,944	Total Liabilities	5,978,897	8,109,080	5,793,677
Inventories	0	0	0	Net Assets	79,814,213	81,127,832	116,394,471
Prepayments	71,111	71,111	71,111	Equity			
Current Portion of Sinking Fund	216,800	254,914	216,920	Ratepayers Equity	15,711,351	15,711,351	15,711,351
GST Refundable	14,400	14,400	14,400	Reserves	60,664,333	61,589,934	96,861,605
Total Current Assets	2,157,683	3,248,753	3,243,792	Accumulated Funds	3,438,529	3,826,547	3,821,514
<i>Non-current assets</i>				Total Equity	79,814,213	81,127,832	116,394,471
Fixed Assets	83,232,799	85,514,748	118,541,504				
Investments	402,629	473,411	402,851				
Total Non-current assets	83,635,428	85,988,159	118,944,355				
Total Assets	85,793,111	89,236,912	122,188,147				
Liabilities							
<i>Current Liabilities</i>							
Bank Overdraft	0	0	0				
Payables and Accruals	477,472	515,098	572,706				
Term Loans - current	1,686,578	1,498,943	2,043,587				
Total Current Liabilities	2,164,051	2,014,041	2,616,293				

Forecast Statement of Cash Flows

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
	\$	\$	\$
Operating Cash Flows			
Receipts from Rates	3,479,431	3,868,865	3,882,894
Payments to Suppliers	(3,860,078)	(4,140,394)	(4,550,072)
Interest Received	63,304	90,515	82,784
Interest Paid	(348,818)	(445,862)	(369,561)
Other Operating	4,326,011	3,317,658	4,060,639
Net Cash Inflow from Operating	3,659,850	2,690,783	3,106,683
Investment Cash Flows			
Purchase of fixed assets	(4,337,226)	(3,516,810)	(1,862,639)
Purchase of investments	(316,941)	(467,499)	(356,300)
Proceeds from sale of fixed assets	0	0	0
Proceeds from sale of investments	212,994	358,618	386,137
Other Investment	0	0	0
Net Cash Flow from Investing	(4,441,173)	(3,625,691)	(1,832,801)
Financing Cash Flows			
Drawdown of Borrowings	2,093,006	3,779,121	1,348,441
Repayment of Borrowings	(1,480,000)	(1,686,578)	(1,431,578)
Net Cash Flow from Financing	613,006	2,092,542	(83,137)
Net Increase in Cash Held	(168,317)	1,157,634	1,190,744

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
	\$	\$	\$
Net Increase in Cash Held	(168,317)	1,157,634	1,190,744
Opening Cash Balance	1,142,919	974,602	881,673
Closing Cash Balance	974,602	2,132,235	2,072,417
Composition of Cash			
Cash Float	310	310	310
Cash Deposits	974,292	2,131,925	2,072,107
Less: Bank overdraft	0	0	0
	974,602	2,132,235	2,072,417

Statement of Accounting Policies

This is the Statement of Accounting Policies Council will use in reporting its financial results. They have been applied in the preparation of the Annual Plan other than in respect of

- Revaluation of Assets
- Revenue from Vested Assets
- The Revaluation of Councils share in the Marlborough Regional Forest Joint Venture

Reporting Entity and Statutory Base

The financial forecasts reflect the operations of the Kaikoura District Council. The Kaikoura District Council is a territorial local authority governed by the Local Government Act 2002.

The Kaikoura Enhancement Trust is a charitable trust owned by Council. This Trust in turn owns Innovative Waste Kaikoura Ltd. The Kaikoura Enhancement Trust has been identified as a Council Controlled Organisation under the definitions in the Local Government Act 2002.

Group prospective financial statements have not been presented, as they would not differ significantly from the parent financial statements presented for Council.

Statement of Compliance and basis of preparation

This forecast information has been prepared and complies with Section 111 of the Local Government Act 2002, the Financial Reporting Act 1993, Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and the pronouncements of the New Zealand Institute of Chartered Accountants.

The Kaikoura District Council is a Public Benefit Entity whose primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return. All available reporting exemptions allowed under the framework for Public Benefit Entities have been adopted. The financial statements are presented in New Zealand Dollars (NZD).

Basis of Financial Statement Preparation and Measurement Base

In respect of Kaikoura District Council the measurement base adopted is that of historical cost basis modified by the revaluation of certain assets, stated as opening balances at 1 July 2006.

The preparation of financial statements in conformity with NZ IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below will be applied consistently to all periods presented in the financial estimates and in preparing an opening IFRS balance sheet at 1 July 2006 for the purposes of the transition to IFRS.

Statement of Prospective Financial Information

The financial information contained in this document is a forecast for the purposes of FRS 42. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecast was prepared. The purpose for which it has been prepared is to enable the public to participate in the decision making process as to the services to be provided by Council to the community.

Specific Accounting Policies

The following particular accounting policies have a material effect on the measurement of results and Balance Sheet.

(a) Accounts Receivable

Accounts receivable are stated at the estimated net realisable value after providing for doubtful and uncollectible debts.

(b) Inventories

Inventories of materials are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The weighted average stock method is used. Work in progress is valued at the lower of cost and net realisable value.

(c) Investments

All investments, including those in subsidiaries and associated companies, are stated at the lower of cost and net realisable value. Any decreases are recognised in the Income Statement. Sinking Funds are valued at cost.

The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Community loans are held-to-maturity assets and are stated at fair value.

Other financial instruments held by the Kaikoura District Council are classified as being available-for-sale and are stated at lower of cost and net realisable value, with any resultant gain or loss being recognised directly in equity, except for impairment losses and, in the case of monetary items such as debt securities. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement. Where these investments are interest bearing, interest calculated using the effective interest method is recognised in the income statement.

Investment Property

Investment property is held for long-term rental yields and capital appreciation and is not occupied by the Council or held to meet services delivery objectives.

Properties leased to third parties under operating leases will generally be classified as investment property unless:

- The property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation
- The occupants provide services that are integral to the operation of the owner's business and/or these services could

not be provided efficiently and effectively by the lessee in another location.

- The property is being held for future delivery of services
- The lessor uses services of the owner and those services are integral to the reasons for their occupancy of the property.

Investment property is carried at fair value, representing open-market value determined annually by external valuers. Changes in fair values are recorded in the income statement as part of other income.

(d) Property, Plant and Equipment and Other Non Current Assets

The following assets are shown at fair value, based on periodic, but at least triennial, valuations by qualified external independent valuers, less subsequent depreciation:

- Land
- Buildings
- Infrastructural Assets. These include the assets of relating to Roads, Water reticulation, Sewerage systems, Drainage systems, Waste systems and Recreational facilities.
- Library and art collections.

Valuations are undertaken to ensure that no individual item of property, plant and equipment within a class is included at a valuation that is materially different from its fair value.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the

asset revaluation reserve, this balance is expensed in the Income Statement.

All other property, plant and equipment are stated at historical cost less depreciation.

Historical cost includes expenditure that is directly attributable to the acquisition of the Items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Costs associated with developing or maintaining computer software (including the annualised license) programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Kaikoura District Council, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognized as assets are amortised over their estimated useful lives.

Additions:

Additions between valuations are recorded at cost.

Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined then all capitalised costs are written off in the current period.

(e) Depreciation***Depreciation of Assets:***

Land is not depreciated. Depreciation is provided on a straight-line basis on all tangible assets at rates calculated to allocate the assets cost over their estimated useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings	30 to 100 years
Furniture and equipment	5 to 22 years
Motor vehicles	5 years
Library collections	5 to 12 years
Parks and Reserves	5 to 50 years
Finance Leases	3 to 5 years

Depreciation of Infrastructure Assets:

Infrastructure assets are fully depreciated on a straight-line basis with the exception of land and road formation. The total useful lives are as follows:

Roading	1 to 100 years
Bridges	1 to 100 years
Water infrastructure	5 to 80 years
Sewer infrastructure	2 to 100 years
Stormwater	8 to 80 years

The depreciation rates used are applied at a component level and are depreciated on the remaining useful life of each component.

(e) Non-current assets (Intended for sale)

Non-current assets (intended for sale) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (intended for sale) is recognised at the date of de-recognition.

Non-current assets (including those that are part of an intended for sale) are not depreciated or amortised while they are classified as intended for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as intended for sale and the assets of a disposal group classified as intended for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(f) Capital work in progress (assets under construction)

Capital works in progress are not depreciated. The total cost of a project is transferred to the relevant asset class on completion and then depreciated.

(g) Impairment

The carrying amounts of the Kaikoura District Council's asset other than inventories are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

If the estimated recoverable amount of the asset is less than the carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the Income Statement.

(i) Provisions

A provision is recognised in the balance sheet when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(j) Taxation

Provision is made for taxation after taking advantage of all allowable deductions under current tax legislation. The Council uses the liability method of accounting for deferred taxation and applies this on a comprehensive basis.

Future tax benefits attributable to tax losses and timing differences are only recognised when there is probable realisation.

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not

provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(k) Income and Expenditure Recognition

Revenue

Rates are recognised as revenue when struck.

Grants and subsidies are recognised as revenue when eligibility is established (reasonable assurance that the grant or subsidy will be received and the Kaikoura District Council will comply with all the conditions) and is recognised at their fair value. Transfund roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the sale of goods and services is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer or the obligation to pay arises or in the case of Licence fees, upon renewal of the licence.

Revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods also continuing management involvement with the goods.

Revenue from developers contributions are recognised when it is acknowledged that the liability of payment exists to the council based on the issue of the compliance certificate and when conditions of the servicing agreements have been met.

Vested Assets are recognised when the significant risks and rewards of ownership have been transferred to the Council and when the obligation to accept the transfer of the assets to the Council has been determined.

Expenses

Expenditure is recognised when the service has been provided or the goods received or when it has been established that rewards of ownership have been transferred from the seller/provider to the Council and when it is certain the obligation to pay arises.

Leases

The Council enters into operating leases of certain property, plant and equipment.

Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognized as assets and liabilities on the balance sheet at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognised as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Net financing costs

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

(l) Joint Venture

The Kaikoura District Council has an 11.38% share in Marlborough Regional Forestry joint venture. The Council's interest in the joint venture is accounted for using the proportionate method of consolidation. Of Council's interest, 13.37% is held in trust on behalf of Environment Canterbury. This has been recognised as a liability in the financial statements.

(m) Net Cost of Service

The net cost of service of an activity is calculated by deducting related revenue from the expenditure. Related revenue includes general and separate rates, and fees and charges.

(n) Goods and Services Tax

These financial statements have been prepared exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

(o) Allocated Overheads

The costs of providing support services for the Council are accumulated and then allocated to each significant activity using appropriate allocation bases which reflect usage and/or capacity for each significant activity.

(p) Financial Instruments

The Council undertakes financial instrument arrangements as part of their normal operations. These financial instruments include cash and bank balances, investments, receivables, payables and borrowings. All financial instruments are recognised in the Balance Sheet and all revenues and expenses in relation to financial instruments are recognised in the Income Statement. Except for loans, which are recorded at cost, and those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

(q) Third party transfer payment agencies

The Kaikoura District Council collects monies for many organisations. Where collections are processed through the Kaikoura District Council's books, any monies held are shown as liabilities in the accounts payment in the balance sheet. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

(r) Employee entitlements

Provision is made in respect of the Kaikoura District Council's liability for annual leave, sick leave and long service leave. The entitlements are measured at nominal values on the actual entitlement basis at current rates of pay.

Wages and salaries and annual leave entitlements that are expected to be settled within twelve months of the reporting date are calculated on an actual entitlement basis at current rates of pay. Liabilities for

accumulating short-term compensated absences (e.g., annual and sick leave) are measured as the amount of unused entitlement accumulated at the balance sheet date that the entity anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

(s) Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day to day cash management.

Operating activities include cash received from all income sources of the Council and record the cash payments made for the supply of goods and services. Agency transactions (for example, the collection of Regional Council rates) are recognised as receipts and payments in the Statement of Cash Flows, given that they flow through the Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financial activities comprise of activities that change the equity and debt capital structure of the Council.

The Statement of Cash Flows includes an 11.38% proportionate share of the Marlborough Regional Forestry for operating, investing, and finance activities.

(t) Cost of Service Statements

The Cost of Service Statements report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

(u) Sinking Funds

Whenever loans are raised, funds are set aside each year to meet future repayments of loan principal. An independent body of Sinking Fund Commissioners, appointed by the Council, administers these funds, described as Sinking Funds. The funds are included in the Statement of Financial Position and any associated interest income is included in the Statement of Financial Performance.

(v) Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses.

The components of equity are:

- Ratepayers Equity
- Special Reserves
- Special Funds
- Asset Revaluation Reserves

Reserves

Special Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or third party. Transfers from these reserves can be made only for certain specified purposes or when certain specified conditions are met.

Council created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Changes to Accounting Policies

There have been no significant changes to these accounting policies, and these have been applied on a basis consistent with that of last year.

Capital Works Programme

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
<u>Roading</u>			
Bridges	200,000	0	0
Pavement Renewals	150,000	153,900	150,000
Kerb & Channels	30,000	30,780	0
Reseals	110,000	112,860	117,000
Seal Extensions	72,085	73,959	75,000
Minor Safety	0	0	20,000
	562,085	371,499	362,000
<u>Footpaths</u>			
New Footpaths	10,000	10,260	10,000
Renewals	0	0	0
	10,000	10,260	10,000
<u>Streetlights</u>			
New Streetlights	22,391	22,973	22,973
Renewals	0	0	0
	22,391	22,973	22,973
<u>Kaikoura Urban Water</u>			
Ground Water Bore	15,000	0	0
New Reticulation	59,000	0	0
New Main Line	0	276,130	0
Upgrade Alternate Bore	26,000	0	0
New Storage Reservoirs	225,000	0	0
Renewals	77,000	64,688	61,913
	402,000	340,818	61,913

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
<u>Rural Water</u>			
East Coast	0	0	0
Kincaid	160,000	11,763	11,763
Fernleigh	30,000	0	0
Oaro	0	0	1,000
Peketa	0	0	20,000
	190,000	11,763	32,763
<u>Sewerage</u>			
Install Aerator and Partitions	150,000	0	0
Install 2 nd Aerator ¹	0	0	325,200
New Mainline	1,172,000	0	0
	1,322,000	0	325,200
<u>Stormwater</u>			
Capital Works	5,000	5,000	33,000
Renewals	4,814	4,735	3,587
	9,814	9,735	36,587
<u>Refuse & Recycling</u>			
Aftercare	7,500	7,500	7,500
	7,500	7,500	7,500

¹ Note that the installation of a second aerator in the Sewerage activity has been brought forward from 2008/2009.

Capital Works Programme (Continued)

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
<u>Community Facilities</u>			
Cemetery Extension	0	10,000	10,000
Playground Equipment	13,000	13,377	13,000
Mangamaunu Public Toilets	10,000	41,160	41,160
Town Centre Upgrade	0	300,000	200,000
Pensioner Flats	800,000	0	0
Combined Community Facility	0	2,058,000	300,000
Coastal Strategy Development	138,840	205,841	As below
Walkway Seal Colony to Wharf		-	59,000
South Bay Recreation Reserve		-	50,000
Walkway South Bay/Churchill		-	10,000
Volunteer Projects (Materials)		-	8,000
Esplanade Beautification		-	150,000
Walkway Ocean Ridge to Caves		-	50,000
Library Books	23,000	23,713	23,713
	984,840	2,652,091	914,873
<u>Commercial Activities</u>			
Airfield development	0	51,450	51,450
Airfield hangers	150,000	0	0
Planting/Pruning/Thinning	8,000	8,248	8,248
South Bay Boat Parking	190,000	0	0
New Jetty	150,000	0	0
New Wharf	300,000	0	0
	798,000	59,698	59,698

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
<u>Leadership & Governance</u>			
Office Furniture & Equipment	9,500	9,795	9,795
Computer Equipment	3,000	3,093	2,000
New Vehicles/Plant	16,096	17,585	17,585
	28,596	30,473	29,380
<u>Regulation & Control</u>			
Capital Works/Purchases	0	0	0
<u>Safety & Wellbeing</u>			
Capital Works/Purchases	0	0	0
<u>District Development</u>			
Capital Works/Purchases	0	0	0
	4,337,226	3,516,810	1,862,887

Note that some capital works provided for in the LTCCP 2006/2007 financial year were not completed in that year, and have been carried over to 2007/2008. These are highlighted in green in these pages, and more detail given in the Council Activity pages in this Annual Plan.

Future Borrowing and Debt Servicing Programme

New Borrowing in 2007/2008

The new borrowings programme for the coming financial year totals \$333,000. This is analysed as follows:

Loan Name	Purpose	Amount
Stormwater # 3 Loan	Development of a Master Plan	\$33,000
West End # 3 Loan	Beautification of the Town Centre	\$200,000
Airport # 2 Loan	Development of land to provide for aircraft hangars	\$50,000
District Plan # 3 Loan	Review of District Plan and Council initiated Plan Changes	\$50,000
		\$333,000

Summary of Forecast Borrowing Needs:

	LTCCP 2006/2007 \$	LTCCP 2007/2008 \$	Annual Plan 2007/2008 \$
Opening Balance of Debt	4,239,507	4,852,513	4,655,196
<i>Movements through the financial year:</i>			
Loans maturing	(1,480,000)	(1,686,578)	(1,431,578)
Amount to be refinanced	1,158,006	1,329,121	1,015,441
New borrowings	935,000	2,450,000	333,000
Net movement through the financial year:	613,006	2,092,543	(83,137)
Closing balance of debt	4,852,513	6,945,056	4,572,059

The projected debt levels, and the costs of servicing debt, are within the limits prescribed in Council's Liability Management Policy for the three year period.

Funding Impact Statement

This statement shows how Council's Revenue & Funding Policy impacts upon the ratepayers within the district, the users of Council services, the level of reserve balances held, and any new borrowings. The lawful mechanisms available to Council have been determined appropriate for certain activities per Council's Revenue & Financing Policy. The total funding requirement from each source is identified below, and is exclusive of Goods and Services Tax.

	LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008		LTCCP 2006/2007	LTCCP 2007/2008	Annual Plan 2007/2008
Rates Revenue				Other Revenue			
General Rates	1,506,103	1,651,956	1,682,081	User Fees & Charges	1,014,875	1,064,094	1,200,435
Uniform Annual General Charge	900,259	1,039,777	988,412	Grants & Subsidies	2,303,716	817,344	989,830
District Planning Rate	76,691	79,595	94,765	Interest & Other	199,304	227,595	628,234
Harbour Rate	111,621	103,418	108,664	Development Contributions	958,900	1,035,953	1,170,509
Water Loan Charge	96,823	127,297	146,644	Reserves	(114,370)	(948,149)	(1,025,303)
Water Annual Charge	237,600	263,030	254,254	Borrowings	935,000	2,450,000	333,000
Sewer Loan Rate	58,587	53,146	32,565	Sale of Assets	0	0	0
Sewer Pan Charge	308,995	357,943	384,451		<u>5,297,425</u>	<u>4,646,837</u>	<u>3,296,705</u>
Stormwater Rate	79,374	80,966	82,029				
East Coast Water Charge	29,458	29,815	29,809	TOTAL FUNDING	<u>8,920,956</u>	<u>8,674,212</u>	<u>7,319,599</u>
Kincaid Water Charge	41,879	48,986	49,831				
Fernleigh Water Charge	3,102	3,102	0				
Oaro Water Charge	11,525	12,281	11,740				
Oaro Loan Charge	7,098	7,098	6,950				
Peketa Water Charge	4,090	4,230	4,077				
Suburban Water Charge	6,225	6,225	6,623				
Water Meter Sales	144,100	158,510	140,000				
Rates Penalties	20,000	20,000	20,000				
Rates Remissions	(20,000)	(20,000)	(20,000)				
	<u>3,623,531</u>	<u>4,027,375</u>	<u>4,022,894</u>				

Note that the Borrowing amounts within the Funding Impact Statement are new loans raised, per the Future Borrowing and Debt Servicing Programme. These amounts differ from those shown in the Statement of Cash Flows due to that statement providing for the refinancing of existing term debt.

The Rating System

Council applies a number of rates over rateable properties within the district.

General Rate

A General Rate is a rate set for all rateable land within the district. In Kaikoura, this is set at different rates in the dollar of capital value of the land for different categories of rateable land.

Those categories of rateable land (and the differentials applied to them) are defined as:

Category	Description	Differential
Residential	All rateable properties in the district of Kaikoura not otherwise classified.	100% of general rate.
Rural	All rateable properties in the district of Kaikoura, the area of which is more than 5 hectares, but not including properties – Classified as commercial; or Used principally for sporting purposes.	120% of general rate

General Rates categories continued.

Category	Description	Differential
Commercial	All rateable properties in the district of Kaikoura used principally or exclusively for commercial and/or industrial purposes, (not being farmland as defined in section 2 of the Rating Powers Act 1988); or Used for providing accommodation for commercial reward for not less than five persons, and for the avoidance of doubt, including any motel, hotel, motor lodge, hostel, camping ground or “boarding house” (as defined in the Kaikoura District Council Transitional District Plan); or Used as licensed premises under the Sale of Liquor Act 1989.	300% of general rate.
Special Accommodation	All rateable properties in the district of Kaikoura used for providing accommodation for commercial reward for less than five persons, and for the avoidance of doubt, including any property providing short-term accommodation such as Bed & Breakfasts, but not including long-term rental accommodation.	120% of general rate

Uniform Annual General Charge

This shall be a fixed amount per separately used or inhabited part of a rating unit, for all rateable land within the district.

Note that “separately used or inhabited part of a rating unit” is a new term under the new Local Government (Rating) Act 2002. Where rates are calculated on each separately used or inhabited part of a rating unit, the following definition will apply:

Any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayers household, having a right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement.

This gives Council the ability to separately rate multiple dwellings on a single certificate of title, such as each flat within a block of flats, each shop within a block of shops, or a self-contained unit in a residential back yard. The rating of these separate parts was not lawfully available to Council under the previous legislation, and so resulted in single households paying the same amount in uniform annual charges as would a number of households located on the same title property.

Targeted Rates

The scope of the targeted rate potentially expands the discretion available to local authorities (under the former separate rate powers) to focus on the recovery of the targeted rate from particular properties.

Council has chosen to apply all targeted rates that are set on a uniform basis to separately used or inhabited parts of a rating unit, to remain consistent with the principles of the uniform annual general charge.

Sewerage charges are also applied (per water closet or urinal) for each separately used or inhabited part of a rating unit.

<i>General Rate: to fund the general operations of Council, including general management, community services, environmental planning, statutory planning, building control, stock control, fire control, property, general parks and reserves, roading, public toilets and traffic control.</i>		
Category	Calculation	Amount (incl GST)
Residential & Other Properties	\$0.00104674 per dollar of rateable capital value	\$744,390
Rural over 5 hectares	\$0.00125609 per dollar of rateable capital value	\$647,122
Commercial	\$0.00314023 per dollar of rateable capital value	\$460,961
Special Accommodation	\$0.00125609 per dollar of rateable capital value	\$39,868
	Total	\$1,892,341
<i>Uniform Annual General Charge: to fund the general operations of Council, including waste management, governance, library services, parks and reserves, environmental health and civil defence.</i>		
Category	Calculation	Amount (incl GST)
All rateable properties within the district	\$422.40 per separately used or inhabited part of a rating unit	\$1,111,963

<i>Water Loan Charge: to fund the loan servicing costs of the Kaikoura water supply.</i>		
Category	Calculation	Amount (incl GST)
All rateable properties situated within 100 metres of the Kaikoura water supply.	\$93.10 per separately used or inhabited part of a rating unit	\$164,975
<i>Water Annual Charge: to fund the costs of the supply, treatment, upgrading and maintenance of the Kaikoura water supply.</i>		
Category	Calculation	Amount (incl GST)
Full Charge: All rateable properties connected to the Kaikoura water supply.	\$175.22 per separately used or inhabited part of a rating unit	\$267,040
Half Charge: All rateable properties situated within 100 metres of any part of the Kaikoura water supply, but not connected to the supply.	\$87.61 per separately used or inhabited part of a rating unit	\$21,290
	Total	\$288,330

<i>Stormwater Rate: to fund the costs of stormwater disposal, loan servicing, upgrading and maintenance of the Kaikoura Stormwater scheme.</i>		
Category	Calculation	Amount (incl GST)
All rateable properties within the Kaikoura urban area.	\$0.00013459 per dollar of rateable capital value	\$92,283
<i>Sewerage Loan Rate: to fund the loan servicing costs of the Kaikoura Sewerage scheme.</i>		
Category	Calculation	Amount (incl GST)
All rateable properties within the Kaikoura urban area.	\$0.00005234 per dollar of rateable capital value	\$36,635
<i>Sewerage Charge: to fund the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikoura sewerage scheme.</i>		
Category	Calculation	Amount (incl GST)
Residential: All rateable properties within the Kaikoura urban area not being either commercial or self contained and serviced.	\$254.29 per water closet and urinal within the separately used part of a rating unit, or \$127.14 per water closet and urinal within the unit where there are more than one water closets or urinals ² .	\$333,117

² A separately used or inhabited part of a rating unit used primarily as a residence for one household will not be treated as having more than one water closet or urinal.

<i><u>Sewerage Charge: continued from previous page.</u></i>		
Category	Calculation	Amount (incl GST)
<u>Self Contained and Serviced:</u> All rateable properties within the Kaikoura urban area used principally for short term accommodation, but limited to those properties with motel-type units, including motels, motor lodges, motor inns, motel apartments, serviced apartments and serviced holiday cottages, each of which contain a private or ensuite bathroom, with bedding, linen and cooking facilities provided, and which are serviced daily.	\$254.29 per water closet and urinal within the separately used or inhabited part of a rating unit, or \$105.00 per water closet and urinal within the unit where there are more than one water closets or urinals.	\$36,015

<i><u>Sewerage Charge: continued from previous page.</u></i>		
Category	Calculation	Amount (incl GST)
<u>Commercial:</u> All rateable properties within the Kaikoura urban area used principally for commercial and/or industrial purposes; or used as licensed premises under the Sale of Liquor Act 1989; or used for providing short term accommodation for commercial reward, but not including rateable properties defined as Self Contained and Serviced.	\$254.29 per water closet and urinal within the separately used or inhabited part of a rating unit, or \$195.00 per water closet and urinal within the unit where there is more than one water closet or urinal.	\$63,375
<i><u>Harbour Rate: to fund the operation of harbour facilities, including South Bay and the New and Old Wharves.</u></i>		
Category	Calculation	Amount (incl GST)
All rateable properties within the district	\$0.00008702 per dollar of rateable capital value	\$122,248

<i>District Planning Rate: to fund the costs of District Planning for the Kaikoura district.</i>		
Category	Calculation	Amount (incl GST)
All rateable properties within the district	\$0.00007589 per dollar of rateable capital value	\$106,610
<i>Rural Water Charges to fund the supply, treatment, upgrading, and maintenance of the following water supply areas.</i>		
Category	Calculation	Amount (incl GST)
East Coast Rural Water Charge: all rateable properties within the East Coast rural water area.	\$241.26 per water unit	\$33,535
Kincaid Rural Water Charge: all rateable properties within the Kincaid rural water area.	\$112.57 per water unit	\$56,059
Oaro Rural Water Charge: all rateable properties within the Oaro rural water area.	\$175.22 per water unit	\$11,740
Peketa Rural Water Charge: all rateable properties within the Peketa rural water area.	\$254.80 per water unit	\$4,586
Suburban Water Charge: all rateable properties within the Suburban water area.	\$122.66 per water unit	\$6,624

<i>Oaro Water Loan Charge: to fund the loan servicing costs of the Oaro water supply.</i>		
Category	Calculation	Amount (incl GST)
All rateable properties within the Oaro rural water area, other than those properties in respect of which a lump sum contribution has been paid.	\$162.90 per water unit	\$7,819

A “water unit” refers to a certain water connection, (generally rural water connections), that restricts the quantity of water that is supplied to a property to 1,000 litres per day.

The previous pages identify each rate for the 2007/2008 financial year. Note that all amounts are GST inclusive, whereas those amounts within the Funding Impact Statement exclude GST.

All rates have been applied in a manner consistent to last year, with the exception of the Fernleigh Rural Water Charge, which is no longer applied (last year \$14.18 per water unit for all properties within the Fernleigh rural water area).

Other Rates & Charges

Water Meter Charges

A charge of 60 cents per cubic metre of water as read by meter, invoiced either annually, bi-annually or quarterly. Water Meter consumers are those considered extraordinary consumers, and the charges are in addition to the water rates on the previous pages.

Rates Penalties

A 10% penalty will be added to any portion of the instalment remaining unpaid after the relevant last date for payment.

An additional 10% penalty will be added to all previous year's rates unpaid as at 8 August and 8 February (up to 20% pa in total).

However, the penalty on Instalment 1 will be waived if the total years rates are paid on or before 15 December (last day for payment of Instalment 2).

Last dates for payment are:

- Instalment 1: 15 September
- Instalment 2: 15 December
- Instalment 3: 15 March
- Instalment 4: 15 June

Environment Canterbury

The Council acts as agent for the collection of rates for Environment Canterbury, which makes its own rates.

This Annual Plan does not refer to those rates.

Rates for 2007/2008

	2007/2008 \$	2006/2007 \$
General Rate – Residential & Other	0.00104674	0.00169029
General Rate – Rural	0.00125609	0.00202835
General Rate – Special Accommodation	0.00125609	0.00202835
General Rate – Commercial	0.00314023	0.00507087
Uniform Annual General Charge	422.40	418.94
Water Loan Uniform Annual Charge	93.10	65.98
Water Annual Charge	175.22	172.02
Water Half Annual Charge	87.61	86.01
Sewerage Loan Rate	0.00005234	0.00017167
Sewerage Charge (1 Pan)	254.29	216.20
Sewerage Charge*	127.14	108.10
Sewerage Commercial Charge*	195.00	170.00
Sewerage Self Contained Charge* * = 2 or more pans	105.00	90.00
Stormwater Rate	0.00013459	0.00024027
Harbour Rate	0.00008702	0.00016607
District Planning Rate	0.00007589	0.00011410
East Coast Rural Water Charge	241.26	238.42
Kincaid Rural Water Charge	112.57	108.31
Fernleigh Rural Water Charge	-	14.18
Oaro Rural Water Loan Charge	162.90	162.97
Oaro Rural Water Charge	175.22	172.02
Peketa Rural Water Charge	254.80	255.65
Suburban Water Charge	122.66	124.50

The effect of these rates on individual benchmark properties is shown on the following pages.

Effect of Valuations and Rates on Benchmark Properties

	Capital Value Sept 2003 \$	Capital Value Sept 2006 \$	Increase in Capital Value %	Rates 2006/2007 \$	Rates 2007/2008 \$	Increase (Decrease) in Rates \$	Increase (Decrease) in Rates %
Residential - Whitby Place	200,000	295,000	47.50%	1,349.62	1,357.00	7.38	0.55%
Large Motel - Beach Road	1,050,000	1,450,000	38.10%	9,488.07	8,961.32	(526.75)	(5.55%)
Small Motel - Beach Road	520,000	720,000	38.46%	4,643.69	4,358.57	(285.12)	(6.14%)
Rural - Inland Road Farm	3,500,000	7,250,000	107.14%	9,201.30	11,132.52	1,931.22	20.99%
Commercial - West End	820,000	1,475,000	79.88%	7,572.58	8,373.57	800.98	10.58%
Residential - Scarborough St	750,000	1,200,000	60.00%	3,504.45	3,469.74	(34.70)	(0.99%)
Rural - Kekerengu Farm	2,070,000	3,550,000	71.50%	8,297.04	8,596.18	299.14	3.61%
Rural - Dairy Farm on Flats	1,275,000	2,000,000	56.86%	5,636.81	5,624.34	(12.47)	(0.22%)
Commercial - Beach Rd	500,000	760,000	52.00%	3,878.43	3,733.17	(145.26)	(3.75%)
Residential - Bayview Street	165,000	295,000	78.79%	1,266.24	1,357.00	90.76	7.17%
Residential - Esplanade	350,000	580,000	65.71%	1,706.98	1,755.03	48.05	2.81%
Residential - Beach Road	240,000	395,000	64.58%	1,444.92	1,496.66	51.74	3.58%

This analysis highlights the affect of the District Valuation conducted by Quotable Values in September 2006 on those properties that Council uses as benchmarks each financial year. The Valuation has generally resulted in properties with increases in capital values of greater than 60% having rates increases. Properties most likely to be affected are large rural properties (perhaps due to the high valued sales of these properties recently), and lower value residential properties (which appear to have caught up with the average residential values). In some instances, these results may be distorted by improvements to the benchmarked property during the year.

Schedule of Fees and Charges 2007/2008

Building Control

All building control fees are shown as deposits, and are also subject to the BRANZ levy, Dept of Building & Housing Levy, and the new Building Compliance Levy, payable on application for consent. Prices include processing, set inspections, and Code Compliance Certificate unless otherwise stated. Extra inspections will be charged out at \$100.00 per inspection, and any extra costs will also be invoiced to the client.

	All Prices Include GST
Commercial/Industrial over \$500,000	\$2,750.00
Commercial/Industrial under \$500,000	\$1,790.00
Commercial/Industrial Medium	\$1,290.00
Commercial/Industrial small with PIM	\$795.00
Commercial/Industrial small without PIM	\$500.00
Commercial Accommodation > 9 or backpacker	\$2,785.00
Commercial Accommodation < 9 or backpacker	\$2,337.00
Residential Dwelling > 250m ²	\$2,090.00
Residential Dwelling < 250m ²	\$1,790.00
Two flats on one PIM	\$2,590.00
Building Alterations (not dwelling) – large	\$1,590.00
Building Alterations (not dwelling) – medium	\$1,195.00

	All Prices Include GST
Building Alterations – small with PIM 5 inspections	\$895.00
Building Alterations – small no PIM 5 inspections	\$800.00
Building Alterations – small with PIM 4 inspections	\$795.00
Building Alterations – small no PIM 4 inspections	\$700.00
Building Alterations – small with PIM 3 inspections	\$695.00
Building Alterations – small no PIM 3 inspections	\$495.00
Building Alterations – small with PIM 2 inspections	\$595.00
Building Alterations – small no PIM 2 inspections	\$500.00
Dwelling Alterations – large	\$1,490.00
Dwelling Alterations – medium	\$1,195.00
Dwelling Alterations – small with PIM 5 inspections	\$895.00
Dwelling Alterations – small no PIM 5 inspections	\$800.00
Dwelling Alterations – small with PIM 4 inspections	\$795.00
Dwelling Alterations – small no PIM 4 inspections	\$700.00
Dwelling Alterations – small with PIM 3 inspections	\$695.00
Dwelling Alterations – small no PIM 3 inspections	\$600.00
Dwelling Alterations – small with PIM 2 inspections	\$595.00
Dwelling Alterations – small no PIM 2 inspections	\$500.00

Building Control (Continued)

	All Prices Include GST
Dwelling Relocation (foundation & services)	\$1,090.00
Garage/Farm Building (2 inspect/with PIM)	\$495.00
Garage with plumbing	\$795.00
Garage Relocation (foundations & stormwater)	\$395.00
Garage existing PIM	\$400.00
Two Garages/Farm Building (with 1 PIM)	\$695.00
Garage with extra inspection	\$595.00
Sleepout (no plumbing)	\$695.00
Sleepout (with plumbing)	\$795.00
Demolition/Removal Residential or Commercial	\$495.00
Septic Tank and Drainage	\$345.00
Minor Work (Plumbing)	\$100.00
Minor Work – 1 inspection	\$200.00
Minor Work – 2 inspections	\$300.00
Solid Fuel Heaters – Freestanding	\$101.25
Solid Fuel Heaters – Inbuilt	\$168.75
Masts & Miscellaneous – Specific Design	\$395.00
Masts & Miscellaneous – no PIM	\$500.00
Small Signs	\$100.00
Marquee (over 30m ²)	\$49.50
Marquee (over 30m ²) – more than one	\$80.00

	All Prices Include GST
Rectification Work	\$100.00
PIM only – Commercial over \$500,000	\$285.00
PIM only – Commercial accommodation >9	\$285.00
PIM only – Commercial accommodation <9	\$237.00
PIM only – Commercial/Residential/Relocation	\$190.00
PIM only – Medium/Small Garage	\$95.00
Dwelling – Existing PIM	\$1,600.00
Large Dwelling – Existing PIM	\$1,900.00
Large Alterations – Existing PIM	\$1,400.00
Medium Alterations – Existing PIM	\$1,100.00
Vehicle Crossing Administration Fee	\$225.00
Compliance Schedule/Amendments	\$100.00 + costs
Notice to Fix	\$100.00 + costs
Section 37 (RMA Matters)	\$100.00 per hour
Section 52 (Lapse of Building Consent)	\$100.00 + costs
Section 99 (Certificate of Acceptance)	\$500.00 + costs

Levies

BRANZ Fee	\$1.00 per \$1,000 of value of building work over \$20,000
DB&H Fee	\$1.97 per \$1,000 of value of building work over \$20,000
Building Compliance Levy	0.4% of value of building work up to \$20,000, or 0.13% of value of building work \$20,000 and over

Resource Management

Fees are based on actual processing time, and are the *minimum* payable. “Additional actual costs” includes photocopying and postage, additional processing time above the base fee, and consultant’s charges, legal advice, etc. Fees are payable on application for consent.

	All Prices Include GST and are subject to additional actual costs
Sign Consents	
Signs Permit Fee	\$126.00
Land Use Consents	
Category 1 – Land use deposit Resource consent delegated to council officers including minor (less than 20% breach of bulk and location standards) of the District Plan for the following rules: <ul style="list-style-type: none"> - Internal Boundary or Road Setback - Recession plane - Site Coverage - Height - Density Controlled Flood hazard	\$350.00
Category 2 – Other Non-Notified Land Use Consent Applications including visitor accommodation for up to 4 persons	\$650.00
Category 3 – Non-Notified Land Use Consent Applications for Visitor accommodation for more than 4 persons	\$1,000.00
Limited Notification	\$1,000.00
Notified Land Use Consent Applications	\$2,812.50

	All Prices Include GST and are subject to additional actual costs
Subdivision Consents	
Base Deposit for all Subdivision Applications – 2 lots or less	\$650.00
Additional Lot Deposit 2-11 lots	Base fee plus \$350.00 per lot
Additional Lot Deposit 11+ lots	\$3,800.00
Subdivision Consent - Post Decision (up to and including s224 stage) Post decision fees – this is invoiced on completion of the consent. These fees are charged on an hourly rate based on planner’s time and engineering time. These fees and charges relate to the processing and administration of subdivision consent post decision up to the S224 stage and include the following: Planner’s time per hour: <ul style="list-style-type: none"> - Title plan checking and certification s223 - Consent notice preparation & issue - Refundable bond preparation & issue - Checking & Issuing conditions certificate s224 - Registering bond preparation & releases Engineering time per hour: <ul style="list-style-type: none"> - Engineering Plan checking and approval - Roads, access ways and services 	<ul style="list-style-type: none"> Planning Officers \$85.00 Senior Planner \$110.00 Asset Manager \$135.00 Engineering Support \$85.00 Monitoring Officer \$85.00 Administration \$45.00 Building Officer \$100.00

Resource Management (Continued)

	All Prices Include GST and are subject to additional actual costs
Hearings/Committee Meetings – non-notified applications	\$70.00 for first ½ hour or part thereof \$140.00 per hour after first ½ hour, plus officer's attendance \$85-\$135 per hour per officer, plus Commissioner (if required) at actual cost
Hearings/Committee Meetings – notified applications	Actual cost of committee + facility cost + officer attendance plus Commissioner (if required) at actual cost
Application for Variation of Consent Conditions including change of consent notices Base Fee	\$225.00
Application for Extension of Lapsed Consents Base Fee	\$170.00
Application for Existing Use Rights	\$350.00
Certificate of Compliance (s139 RMA)	\$350.00

	All Prices Include GST and are subject to additional actual costs
Processing Fees & Administration	
Processing Fees (hourly rate)	Planning Officers \$85.00 Senior Planners \$110.00 Administration Staff \$45.00 Asset Managers \$135.00 Engineering Support \$85.00
Consultancy/Legal Advice	At actual cost
Creation/Variation or Waiver of Esplanade Strips and Reserves	\$250.00
Monitoring and Enforcement	
Compliance monitoring	\$85.00 per hour, plus 56.25c per km outside residential or business zone boundaries
Plan Changes & Designations	
Plan Change	\$3,500.00
Requirement for Designations or Heritage Orders	\$1,700.00
Alteration of Designation	\$550.00
Extension Prior to Lapsing of Designations	\$220.00
Assessment of Outline Plan	\$330.00
Removal of Designation	\$330.00

	All Prices Include GST and are subject to additional actual costs
Miscellaneous Charges	
Consultation of more than 15 minutes regarding interpretation of Transitional District Plan or Proposed District Plan	Per hour or part thereof based on staff position (see Processing Fees hourly rates)
Cancellation of Building Line Restriction	\$330.00
Cancellation of Easements	\$275.00
Certified Resolution	\$275.00
Right of Way Approval	\$275.00
Completion Certificate	\$170.00
Withdrawal of Caveat	\$110.00
Certificate Under s226 of the RMA	\$330.00
Reports and Plans	
Kaikoura Transitional District Plan	\$65.00
Kaikoura Proposed District Plan (including maps)	\$75.00
Kaikoura Proposed District Plan (maps only)	\$20.00
Coastal Management Strategy	\$75.00

Dog Control Fees

	All Prices Include GST
Base Registration Fee	\$38.00
Responsible Dog Owner Registration Fee	\$29.00
Neutered or Spayed Dogs	\$29.00
Three or more Dogs	\$89.00
New Owners of Unclaimed Dogs	\$29.00
Guide Dogs	-
<u>Late Fee Registration</u>	
Each Dog	\$15.00
Three dogs or more	\$36.00
<u>Impoundment Fees</u>	
First Offence	\$45.00
Second Offence	\$90.00
Third Offence	\$135.00
Daily Impoundment Fee	\$7.50
Licence Fee for keeping more than two dogs in a residential area (Kaikoura Township, Oaro, Goose Bay, Peketa, Hapuku, Rakautara, Clarence and Kekerengu)	\$37.50

Part refunds may be given following death of a dog (proof required).

Liquor Licensing Fees

	All Prices Include GST
On Licence Application Fee	\$776.00
BYO Application Fee	\$132.00
Off Licence Application Fee	\$776.00
Club Licence Application Fee	\$776.00
Temporary Authority Application Fee	\$132.00
Special Licence Application Fee	\$63.00
Managers Certificate	\$132.00

Landfill Charges

	All Prices Include GST
Black Bag	\$3.00 per bag
Large Black Bag	\$5.00 per bag
Electronics, whiteware, gas bottles, tyres,	\$3.00 per item
General Refuse	\$225.00 per tonne ³
Green waste and Wood Waste	\$40.00 per tonne
Clean Fill	\$70.00 per tonne
Car Disposal	\$50.00 per car
Truck Spills and Out of District Refuse	\$600.00 per tonne

³ Phased in over 12 months, commencing at \$150.00 per tonne on 1 July and increasing by \$12.50 every 2 months.

Memorial Hall Daily Hire Fees

	All Prices Include GST
Hall with Alcohol	\$240.00
Hall without Alcohol	\$120.00
Supper Room with Alcohol	\$120.00
Supper Room without Alcohol	\$60.00 day \$30.00 half day
Meeting Room	\$5.00 per hour (\$10.00 minimum*)
Itinerant Trader	\$200.00
Chair Hire	50c per Chair, plus \$50.00 bond
Trestle Hire	\$5.00 per Trestle, plus \$50.00 bond
Hall and Supper Room Hire Bond (no alcohol)	\$100.00
Hall and Supper Room Hire Bond (Alcohol)	\$200.00

Hall hires are subject to an additional charge for metered use of heater.

LIM Fees

	All Prices Include GST
LIM	\$168.00
LIM – Fast Track	\$255.00

Environmental Health Fees

	All Prices Include GST
Food Premises Registration	\$180.00
Camping Grounds Registration	\$180.00
Playground Inspection	\$120.00
Hairdressers Registration	\$120.00
Offensive Trade Licence	\$120.00
Transfer Fees	\$35.00
Itinerant Traders	\$112.50
Hawkers Licence	\$22.50
Mobile Shop (Non Food)	\$112.50
Mobile Shop (Food)	\$180.00
Amusement Device	\$11.25
Each additional Amusement Device	\$2.25

Fire Permits and Fire Attendance

	All Prices Include GST
Fire Permits	\$10.00
Investigation and Suppression of Fire	At Cost plus \$50.00 per hour attendance

Airport Landing Fees

	All Prices Include GST (per Landing)
Up to 800kg gross take off weight	\$7.00
800-1500kg	\$10.00
1500-2000kg	\$14.00
2000-3000kg	\$20.00
3000-4000kg	\$30.00
4000-5000kg	\$40.00

Engineering Fees

	All Prices Include GST
Hourly Charge Out Fees Asset Manager Engineering Technical Support Officer	\$135.00 per hour \$85.00 per hour
Road Crossing Fee Applies to laying of services under a road or footpath	\$300.00 Plus \$100 per inspection should reinstatement fail to comply with stated conditions

Cemetery Charges

	All Prices Include GST
<u>Ashes Plot:</u>	
Plot Fee	175.00
Plinth Base	\$112.50
Preparation of Plot	\$90.00
Standard Rose	\$45.00
Maintenance Fee	<u>\$50.00</u>
	<u>\$472.50</u>
<u>Lawn Cemetery:</u>	
Lawn Plot	\$393.75
Digging	\$700.00
Extra Depth (1 st Burial)	\$800.00
Children under 15	60% of Adult
RSA Plots	-

Pensioner Units

	All Prices Include GST
Single Bedroom	\$60.00 per week
Double Bedroom	\$85.00 per week

Marriage Licence Fees

	All Prices Include GST
Notice of Marriage by Celebrant	\$120.00
Notice of Marriage by Registrar	\$170.00

Administration Fees

	All Prices Include GST
A4 Photocopying	20c
A4 Photocopying Double Sided	25c
A3 Photocopying	35c
Debtors Booking Fees	\$15.00
Property File Lookups (if not your own property)	\$10.00

While it is Council's intention to disclose all of its current fees and charges in this schedule, it is conceivable that some charges have been missed out. Council reserves the right to vary and introduce charges at its discretion.

Financial Forecasting Assumptions

The financial information included in this Annual Plan is based on assumptions that Council can reasonably expect to occur, as at the date the Plan was prepared. The main assumptions underlying the forecast information, based on predictions from both internal and external sources, are as follows.

Interest Rates

- Interest rates for new loans raised, or existing debt refinanced, is forecast to be 8.2%. For existing loans, current interest rates are used up to the point of maturity.
- Interest rates on sinking funds is forecast to be 4.25%
- Interest revenue on term deposits is forecast to be 3.0%

While these interest rates may appear to be very low in the current economic climate, this averages out timing issues as borrowing and investing requirements may fluctuate throughout the year.

Marlborough Regional Forestry Revenues

- Council receives a capital distribution from the Marlborough Regional Forestry Joint Venture (MRF); this is assumed to be \$120,000 in 2007/2008.
- Council has, for the first time in this Annual Plan, provided for its share of the MRF activities within these budgets. This activity has no affect on Council's own cash flows, nor does it affect rates.

Harbour Activity

The Harbour activity attracts taxation. Council has tax losses at 30 June 2006 of \$217,357, with a tax effect of \$76,830 available to carry forward and offset against future profits. It is assumed that the activity will be managed on a balanced budget basis; therefore no surpluses will be generated to create a tax liability.

Grants and Subsidies

- Transfund subsidies are assumed to be 47%.
- SPARC, George Low, and Creative Communities funding are assumed to continue at current levels
- Civil Defence subsidies are assumed to be \$2,000 per year
- Land Transport Safety funding is assumed to be around 52%.
- Strengthening Families and Family Violence funding is expected to continue at current levels.
- It has been assumed that further funding from the Ministry of Tourism subsidy for sewerage upgrades will be received during the year.

Asset Values

- No provision has been made for vested assets
- The useful life of fixed assets is as per the Statement of Accounting Policies
- Depreciation of non-critical community assets (e.g. public halls, playground equipment) is not funded