Financial Information –
What's it all going to cost? … and who will pay?

Index

FOREWORD 209
FORECAST STATEMENT OF COMPREHENSIVE INCOME 211
RECONCILIATION OF FORECAST STATEMENT OF COMPREHENSIVE INCOME TO FORECAST COST OF SERVICE STATEMENTS 212
FORECAST STATEMENT OF MOVEMENT IN EQUITY 213
FORECAST STATEMENT OF FINANCIAL POSITION 214
FORECAST STATEMENT OF CASH FLOWS 216
STATEMENT OF ACCOUNTING POLICIES 217
CAPITAL WORKS PROGRAMME – THE NEXT TEN YEARS 228
FUTURE BORROWING AND DEBT SERVICING PROGRAMME 232
FUTURE GROWTH FORECASTS AND ASSUMPTIONS 234
FUNDING IMPACT STATEMENT 237
RATES FOR 2009/2010 249
EFFECT OF PROPOSED RATES OVER THE TEN YEAR PERIOD 251
SCHEDULE OF FEES AND CHARGES 2009/2010 258

Foreword

This section, Part 4 of the Kaikoura District Council Long Term Council Community Plan, Financial Information, summarises the expected costs and revenues, assets and liabilities, which Council will incur over the next ten years.

The period of significant growth, particularly within the township itself, has come to an end; current forecasts are that there will be few additional subdivisions or developments for up to two years, with a slow but steady recovery from 2011 onwards.

A number of forecasts about future growth and forecasts of demand on infrastructure and services have been made in the preparation of the forecast financial statements. These forecasting assumptions are stated in this section on page 234. Should any of these forecasts prove to be incorrect, this may significantly affect the actual financial results in any given year. Council will review the forecast financial statements for each coming year as part of the Annual Plan process, and also in 2012, 2015 and 2018 for the ten year period as part of the Long Term Council Community Plan process.

Also included in this section is a Funding Impact Statement, which shows how Council's Revenue and Financing Policy impacts upon the ratepayers within the district, the users of Council services, the level of funding required from reserves, and any new borrowings.

A new rating system comes into effect on 1 July 2009, and the details of this are shown in the Funding Impact Statement within this section, and in the Revenue and Financing Policy contained in Part 5.

Forecast Asset Revaluations

Council is required, under the NZ International Financial Reporting Standards (NZ IFRS), to include in its forecast financial statements a provision for revaluation of its fixed assets.

These asset values have been adjusted by the BERL forecasts of price level change adjustors, as detailed in the Forecasting Assumptions, per the table below.

	Asset Book Value $	Composite Inflation Rate	Estimated Revaluation Amount $
June 2010	123,061,152	8.4%	10.296,853
June 2011	132,991,343	-	-
June 2012	135,026,912	-	-
June 2013	137,865,247	8.8%	12,125,423
June 2014	154,509,978	-	-
June 2015	161,930,812	-	-
June 2016	163,908,409	9.3%	15,229,104
June 2017	178,472,119	-	-
June 2018	177,182,797	-	-
June 2019	176,387,315	9.9%	17,470,585

Vested Assets

Likewise, and in order to comply with NZ IFRS, Council has attempted to give values in advance to assets that may or may not be vested in Council in the future. These vested assets are infrastructure such as roading, and sewer and water reticulation, which developers are required to provide within their subdivision. Once the subdivision is complete, these assets are vested in Council, and become part of Council's overall infrastructure.

These vested assets have been estimated using values supplied to us in 2009 dollars. Therefore these values have also been adjusted using the BERL forecasts of price level change adjustors, as detailed in the Forecasting Assumptions, per the table below.

	Roading Assets $	Composite Inflation Rate	Water Assets $	Composite Inflation Rate
June 2010	-	-	-	-
June 2011	-	-	-	-
June 2012	1,317,637	14.5%	1,993,622	18.4%
June 2013	-	-	-	-
June 2014	-	-	-	-
June 2015	1,049,727	22.9%	1,638,208	30.0%
June 2016	-	-	-	-
June 2017	-	-	-	-
June 2018	-	-	-	-
June 2019	-	-	-	-

The timing of the vesting of assets is based on discussions held with developers on subdivisions known to Council.

These estimated values for assets on revaluation, and for vested assets, are provided for the purposes of meeting financial reporting standards only.

Stating changes in asset values in advance, in our view, serves no purpose other than potentially over-stating revenues and creating unnecessary fear and doubt as to the long-term level of depreciation, maintenance and operating expenses, and the impact on rates. In reality vested assets are directly in relation to providing new infrastructure to the new titles being created in a subdivision; it is those new properties that absorb any increased rates requirement from the operating costs of these new assets. There should be no rating impact on individual rateable properties already in existence. Extreme caution in using the asset revaluation and vested asset values is strongly recommended.

Forestry Revaluations

Under NZ IFRS, forestry asset revaluations must be stated as a profit/loss within the statement of comprehensive income. Council has not provided for revaluation of forestry assets, taking the view that any increase in the value of growing timber is offset by logging activity. As there is no cash impact, it is considered reasonable to assume no change in value. Logging activity is stated as revenue in these financial statements.

Net Effect on Financial Management

The forecast financial statements contained within this Long Term Council Community Plan 2009-2019 are Council's best estimate of what costs may by incurred, using the information available at the time. Actual results are very likely to differ, and we recommend caution in using these financial statements for any purpose other than as a Long Term Council Community Plan.

Forecast Statement of Comprehensive Income

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Revenue										
Rates Revenue	4,327,601	4,546,746	4,633,008	4,700,364	4,752,571	5,095,446	5,302,910	5,427,133	5,438,353	5,561,931
Water Meter Charges	136,500	143,325	150,491	158,016	165,917	174,212	182,923	192,069	201,673	211,756
User Fees & Charges	1,184,218	1,191,339	1,227,168	1,252,175	1,295,567	1,349,403	1,372,354	1,424,802	1,424,568	1,454,385
Grants & Subsidies	957,551	495,745	1,330,670	508,357	1,620,398	2,628,697	541,243	550,474	563,562	572,010
Development Contributions	9,000	9,000	1,164,880	1,180,640	1,196,863	1,215,153	1,234,492	1,252,912	1,271,831	1,291,127
Interest Income	124,162	132,083	131,475	150,142	138,129	120,849	145,332	175,778	186,836	214,168
Other Revenue	524,524	563,363	425,025	492,250	533,222	509,015	531,590	511,233	533,861	513,417
Vested Assets	0	0	3,311,259	0	0	2,687,935	0	0	0	0
Total Revenue	**7,263,557**	**7,081,602**	**12,373,976**	**8,441,944**	**9,702,667**	**13,780,709**	**9,310,844**	**9,534,400**	**9,620,684**	**9,818,796**
Expenses										
Personnel	1,639,231	1,687,193	1,722,466	1,773,016	1,824,677	1,866,012	1,914,550	1,973,580	2,036,312	2,099,046
Depreciation & Amortisation	1,529,136	1,529,713	1,632,955	1,716,868	1,840,871	2,049,544	2,206,490	2,318,592	2,352,455	2,377,323
Financing Expenses	458,398	451,974	458,114	443,196	527,945	907,747	896,126	930,280	846,905	815,385
Other Expenses	3,231,828	3,330,205	3,263,368	3,397,601	3,586,092	3,812,655	4,100,321	4,198,497	4,288,101	4,384,743
Total Expenses	**6,858,593**	**6,999,085**	**7,076,903**	**7,330,681**	**7,779,584**	**8,635,958**	**9,117,488**	**9,420,948**	**9,523,773**	**9,676,497**
Net Surplus / (Deficit)	**404,964**	**82,517**	**5,297,073**	**1,111,263**	**1,923,083**	**5,144,751**	**193,356**	**113,452**	**96,910**	**142,298**
Other Comprehensive Income										
Gains on asset revaluation	10,296,853	0	0	12,125,423	0	0	15,229,104	0	0	17,470,585
Financial assets at fair value through equity	0	0	0	0	0	0	0	0	0	0
Total Other Comprehensive Income	**10,296,853**	**0**	**0**	**12,125,423**	**0**	**0**	**15,229,104**	**0**	**0**	**17,470,585**
Total Comprehensive Income	**10,701,817**	**82,517**	**5,297,073**	**13,236,686**	**1,923,083**	**5,144,751**	**15,422,460**	**113,452**	**96,910**	**17,612,883**

Reconciliation of Forecast Statement of Comprehensive Income to Forecast Cost of Service Statements

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Revenue										
Roading	**1,396,065**	1,133,922	1,263,826	1,288,880	1,310,205	1,348,922	1,370,422	1,399,943	1,403,021	1,427,450
Water Services	**742,054**	803,856	883,281	924,247	942,192	1,037,971	1,103,060	1,212,242	1,234,087	1,254,920
Sewerage & Stormwater	**742,350**	631,897	1,456,440	817,623	830,967	855,657	853,582	876,818	887,584	903,812
Refuse & Recycling	**90,500**	90,500	110,183	110,655	112,890	115,275	117,718	120,219	122,887	125,622
Community Facilities	**391,324**	388,927	1,435,043	1,195,330	2,309,028	3,350,066	1,264,853	1,275,591	1,287,985	1,297,194
Commercial Activities	**935,288**	979,188	837,263	908,956	955,480	927,140	957,147	892,105	908,224	897,392
Leadership & Governance	**121,278**	145,617	125,515	127,462	151,406	131,455	133,557	160,715	137,988	140,322
Regulation & Control	**403,388**	417,248	427,815	439,867	452,220	465,022	478,775	493,148	508,492	524,838
Safety & Wellbeing	**134,947**	136,823	137,752	140,963	143,566	144,599	148,493	150,845	155,158	157,996
District Development	**328,865**	321,370	331,952	348,510	356,037	364,474	373,444	380,901	385,693	396,309
General Rates	**1,853,335**	1,900,170	1,922,171	1,989,309	2,000,547	2,231,344	2,364,459	2,396,095	2,402,730	2,478,770
Interest Income	**124,162**	132,083	131,475	150,142	138,129	120,849	145,332	175,778	186,836	214,168
Vested Assets	**0**	0	3,311,259	0	0	2,687,935	0	0	0	0
Total Revenue	**7,263,557**	**7,081,602**	**12,373,976**	**8,441,944**	**9,702,667**	**13,780,709**	**9,310,844**	**9,534,400**	**9,620,684**	**9,818,796**
Expenses										
Roading	**1,338,495**	1,397,141	1,425,675	1,447,756	1,508,208	1,535,068	1,551,167	1,617,572	1,633,397	1,651,536
Water Services	**865,896**	889,947	920,310	963,470	983,162	1,081,196	1,150,398	1,272,226	1,291,473	1,307,473
Sewerage & Stormwater	**620,817**	685,158	752,601	775,203	789,835	791,226	799,984	820,487	827,088	834,418
Refuse & Recycling	**358,367**	358,318	382,989	384,537	396,751	408,906	423,594	436,374	451,116	468,064
Community Facilities	**1,008,655**	980,350	1,044,073	1,089,241	1,310,123	2,041,181	2,319,830	2,352,219	2,347,637	2,381,679
Commercial Activities	**628,021**	639,735	484,873	549,594	595,535	566,231	590,185	562,848	578,404	558,007
Leadership & Governance	**577,907**	602,255	588,204	614,801	654,706	637,351	665,624	703,603	690,504	723,533
Regulation & Control	**675,439**	693,271	708,598	729,803	749,214	767,164	787,664	810,156	834,115	859,629
Safety & Wellbeing	**270,592**	273,540	277,770	286,814	292,581	297,388	307,201	313,219	324,381	332,579
District Development	**514,404**	479,369	491,811	489,461	499,471	510,247	521,839	532,243	545,658	559,579
Total Expenses	**6,858,593**	**6,999,085**	**7,076,903**	**7,330,681**	**7,779,584**	**8,635,958**	**9,117,488**	**9,420,948**	**9,523,773**	**9,676,497**
Net Surplus / (Deficit)	**404,964**	**82,517**	**5,297,073**	**1,111,263**	**1,923,083**	**5,144,751**	**193,356**	**113,452**	**96,910**	**142,298**

Forecast Statement of Movement in Equity

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Equity Opening Balance	121,604,750	132,306,567	132,389,084	137,686,157	150,922,843	152,845,926	157,990,677	173,413,137	173,526,589	173,623,500
Comprehensive Income	10,701,817	82,517	5,297,073	13,236,686	1,923,083	5,144,751	15,422,460	113,452	96,910	17,612,883
Equity Closing Balance	132,306,567	132,389,084	137,686,157	150,922,843	152,845,926	157,990,677	173,413,137	173,526,589	173,623,500	191,236,383

Forecast Statement of Financial Position

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Current Assets										
Cash and Cash Equivalents	2,751,154	3,137,315	2,661,745	4,343,818	2,558,906	2,081,421	3,067,947	4,185,407	5,006,757	5,346,365
Trade & Other Receivables	880,199	856,790	1,509,349	1,022,277	1,179,190	1,684,092	1,129,995	1,153,803	1,163,077	1,184,132
Prepayments	71,111	71,111	71,111	71,111	71,111	71,111	71,111	71,111	71,111	71,111
Other Financial Assets	296,688	332,149	305,532	280,325	306,533	399,446	470,473	488,736	377,252	381,356
GST Refundable	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Total Current Assets	**4,013,553**	**4,411,765**	**4,562,138**	**5,731,931**	**4,130,140**	**4,250,470**	**4,753,926**	**5,913,458**	**6,632,597**	**6,997,365**
Non Current Assets										
Other Financial Assets	550,992	616,848	567,417	520,603	569,276	741,829	873,736	907,653	700,612	708,233
Forestry Assets	2,583,334	2,583,334	2,583,334	2,583,334	2,583,334	2,583,334	2,583,334	2,583,334	2,583,334	2,583,334
Investment Property	3,841,000	3,841,000	3,841,000	3,841,000	3,841,000	3,841,000	3,841,000	3,841,000	3,841,000	3,841,000
Property, Plant & Equipment	130,774,671	130,408,009	135,754,837	147,407,335	151,926,644	162,035,413	176,554,179	175,888,785	174,599,463	191,274,566
Total Non Current Assets	**137,749,997**	**137,449,191**	**142,746,588**	**154,352,272**	**158,920,254**	**169,201,576**	**183,852,249**	**183,220,773**	**181,724,408**	**198,407,133**
Current Liabilities										
Trade & Other Payables	2,800,541	2,818,583	2,814,692	2,837,473	2,867,081	2,900,110	2,941,560	2,960,941	2,979,722	2,999,371
Borrowings - Current	840,999	2,286,358	2,368,173	1,662,500	1,591,089	2,537,118	2,609,193	6,801,648	3,166,779	2,029,360
Total Current Liabilities	**3,641,540**	**5,104,942**	**5,182,865**	**4,499,973**	**4,458,170**	**5,437,228**	**5,550,753**	**9,762,589**	**6,146,502**	**5,028,732**
Non Current Liabilities										
Borrowings	5,166,531	3,718,019	3,790,792	4,012,475	5,097,386	9,375,229	8,993,373	5,196,140	7,938,092	8,490,471
Other Term Debt	648,912	648,912	648,912	648,912	648,912	648,912	648,912	648,912	648,912	648,912
Total Non Current Liabilities	**5,815,443**	**4,366,931**	**4,439,704**	**4,661,387**	**5,746,298**	**10,024,141**	**9,642,285**	**5,845,052**	**8,587,004**	**9,139,383**
Net Assets	**132,306,567**	**132,389,084**	**137,686,157**	**150,922,843**	**152,845,926**	**157,990,677**	**173,413,137**	**173,526,589**	**173,623,500**	**191,236,383**

Forecast Statement of Financial Position (Cont'd)

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Net Assets	**132,306,567**	**132,389,084**	**137,686,157**	**150,922,843**	**152,845,926**	**157,990,677**	**173,413,137**	**173,526,589**	**173,623,500**	**191,236,383**
Equity										
Ratepayers Equity	74,676,056	74,676,056	74,676,056	74,676,056	74,676,056	74,676,056	74,676,056	74,676,056	74,676,056	74,676,056
Special Funds & Reserves	2,845,795	2,874,793	2,968,698	4,035,070	2,044,635	1,769,429	2,109,647	2,761,345	3,430,003	3,614,717
Asset Revaluation Reserve	49,550,812	49,550,812	49,550,812	61,676,235	61,676,235	61,676,235	76,905,338	76,905,338	76,905,338	94,375,923
Accumulated Funds	5,233,904	5,287,422	10,490,590	10,535,482	14,449,000	19,868,957	19,722,095	19,183,850	18,612,102	18,569,687
Total Equity	**132,306,567**	**132,389,084**	**137,686,157**	**150,922,843**	**152,845,926**	**157,990,677**	**173,413,137**	**173,526,589**	**173,623,500**	**191,236,383**

Forecast Statement of Cash Flows

Check 0.00	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Operating Activities										
Cash was provided from:										
Rates	**4,327,601**	4,546,746	4,633,008	4,700,364	4,752,571	5,095,446	5,302,910	5,427,133	5,438,353	5,561,931
Interest Income	**124,162**	132,083	131,475	150,142	138,129	120,849	145,332	175,778	186,836	214,168
Other	**2,853,976**	2,426,182	3,645,674	4,078,510	4,655,054	5,371,577	4,416,700	3,907,681	3,986,220	4,021,641
Cash was applied to:										
Interest Expense	**458,398**	451,974	458,114	443,196	527,945	907,747	896,126	930,280	846,905	815,385
Operating Expenses	**4,871,542**	4,999,356	4,989,726	5,147,836	5,381,161	5,645,638	5,973,422	6,152,695	6,305,632	6,464,140
Net Cash Flow from Operating	**1,975,799**	1,653,681	2,962,318	3,337,985	3,636,649	4,034,486	2,995,394	2,427,617	2,458,873	2,518,215
Investing Activities										
Cash was provided from:										
Sinking Funds Received	**186,993**	303,769	483,066	484,764	373,551	717,557	470,211	590,416	898,227	586,053
Sale of Assets	**0**	0	0	0	0	0	0	0	0	0
Cash was applied to:										
Sinking Funds Paid	**407,535**	405,087	407,017	412,742	448,432	983,023	673,145	642,596	579,702	597,778
Purchase of Assets	**2,591,731**	1,163,050	3,668,524	1,243,944	6,360,179	9,470,378	1,496,152	1,653,198	1,063,133	1,581,842
Net Cash Flow from Investing	**(2,812,273)**	(1,264,368)	(3,592,476)	(1,171,922)	(6,435,061)	(9,735,844)	(1,699,086)	(1,705,379)	(744,607)	(1,593,567)
Financing Activities										
Cash was provided from:										
Drawdown of Borrowings	**1,709,529**	837,846	2,440,947	1,884,182	2,675,999	6,814,962	2,227,337	3,004,415	5,908,732	2,581,739
Repayment of Borrowings	**(847,522)**	(840,999)	(2,286,358)	(2,368,173)	(1,662,500)	(1,591,089)	(2,537,118)	(2,609,193)	(6,801,648)	(3,166,779)
Net Cashflow from Financing	**862,007**	(3,153)	154,588	(483,991)	1,013,500	5,223,873	(309,781)	395,222	(892,916)	(585,040)
Total Net Cash Flows	**25,533**	386,160	(475,569)	1,682,073	(1,784,912)	(477,485)	986,526	1,117,460	821,349	339,608
Opening Cash Balance	**2,725,622**	2,751,154	3,137,315	2,661,745	4,343,818	2,558,906	2,081,421	3,067,947	4,185,407	5,006,757
Closing Cash Balance	**2,751,154**	**3,137,315**	**2,661,745**	**4,343,818**	**2,558,906**	**2,081,421**	**3,067,947**	**4,185,407**	**5,006,757**	**5,346,365**

Statement of Accounting Policies

Reporting Entity

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 District Council group (KDC) consists of Kaikoura District Council and its subsidiary, the Kaikoura Enhancement Trust, a charitable Trust 100% owned by Council. That Trust in turn owns 100% of Innovative Waste Kaikoura Ltd. Group prospective financial statements have not been presented, as they would not differ significantly from the parent financial statements presented for Council.

The Council has an 11.5% interest in the Marlborough Regional Forestry joint venture.

The primary objective of KDC is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, KDC has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

Basis of Preparation

The financial statements of KDC have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). They comply with NZ IFRS, including FRS 42 Prospective Financial Statements, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructure assets, investment property and financial instruments.

Following public consultation on the Draft LTCCP, the forecast financial statements have been updated to reflect requested changes, before the final forecast financial statements were adopted by Council on 30 June 2009.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of KDC is New Zealand dollars.

Standards, amendments and interpretations issued that have not been adopted

NZ IAS 23, Borrowing Costs, introduces the compulsory capitalisation of borrowing costs for qualifying assets for accounting periods beginning on or after 1 January 2009.

This change could potentially create significant additional work and cost for councils and other public benefit entities that have significant assets which can take significant periods to construct, particularly where those assets are revalued.

The Accounting Standards Review Board has recognised the challenges involved and decided to indefinitely defer the adoption of NZ IAS 23, Borrowing Costs, for public benefit entities. That is, public benefit entities can continue to apply the "old" version of NZ IAS 23 rather than the revised one. This means that public benefit entities may but are not required to capitalise borrowing costs for qualifying assets for accounting periods beginning on or after 1 January 2009.

KDC has opted not to adopt the "new" NZ IAS 23, and therefore will not capitalise borrowing costs.

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations KDC recognises in its financial statements its share of the assets that it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture.

Of KDC's interest in the Marlborough Regional Forestry joint venture, 13.37% is held in trust on behalf of Environment Canterbury. This is recognised as a non-current liability in the financial statements.

Revenue

Revenue is measured at the fair value of consideration received.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

KDC receives government grants from NZ Transport Agency, which subsidises part of KDC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in KDC are recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

Development contributions

The revenue recognition point for development and financial contributions is at the later of the point when KDC is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation.

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Note that KDC has opted not to adopt the "new" NZ IAS 23, which gives council the option to capitalise borrowing costs.

Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where KDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the KDC's decision.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Loans, including loans to community organisations made by KDC at nil, or below market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the statement of comprehensive income as a grant.

A provision for impairment of receivables is established when there is objective evidence that KDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial Assets

KDC classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets at fair value through equity. 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.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the statement of comprehensive income.

Purchases and sales of investments are recognised on trade-date, the date on which KDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and KDC has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. KDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for

similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- Financial assets at fair value through profit or loss

  This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

  After initial recognition they are measured at their fair values. Gains or losses on remeasurement are recognised in the statement of comprehensive income.

  Currently, KDC does not hold any financial assets in this category.

- Loans and receivables

  These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

  After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of comprehensive income. Loans and receivables are classified as “prepayments and receivables” in the statement of financial position.

- Held to maturity investments

  Held to maturity investments are assets with fixed or determinable payments and fixed maturities that KDC has the positive intention and ability to hold to maturity.

  After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of comprehensive income.

  Investments in this category include: local authority and government stock, sinking funds and bank term deposits.

- Financial assets at fair value through equity

  Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above.

  This category encompasses:

  Investments that KDC intends to hold long-term but which may be realised before maturity; and shareholdings that KDC holds for strategic purposes. KDC’s investment in its subsidiary is not included in this category as it is held at cost (as allowed by NZ IAS 27 Consolidated and Separate Financial Statements) whereas this category is to be measured at fair value.

  After initial recognition these investments are measured at their fair value.

  Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the statement of comprehensive income. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in the statement of

comprehensive income even though the asset has not been derecognised.

On derecognisation the cumulative gain or loss previously recognised in equity is recognised in the statement of comprehensive income.

Currently Council does not have any assets in this category.

Impairment of Financial Assets

At each balance sheet date KDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the statement of comprehensive income.

Non-Current Assets Held for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of comprehensive income.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

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

Property, Plant and Equipment

Property, plant and equipment consists of:

- Operational assets

  These include land, buildings, harbour assets, library books, plant and equipment, and motor vehicles.

- Restricted assets

  Restricted assets are parks and reserves owned by KDC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

- Infrastructure assets

  Infrastructure assets are the fixed utility systems owned by KDC. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to KDC and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive income. When revalued

assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to KDC and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The estimated useful economic lives of major classes of assets have been estimated as follows:

Infrastructural Assets	**Years**	**Rate (Rounded)**
Roading		
Land and Road Formation		Not Depreciated
Base Course	50	2%
Bridges	67	1.5%
Sealed Top Layer	12	8.3%
Kerb and Channels	100	1%
Drainage	75	1.3%
Traffic Facilities	8	12.5%
Seawalls	45	2.2%
Footpaths – Structure		Not Depreciated
Footpaths – Surface	12	8.3%
Street Lighting	12	8.3%
Sewerage		
Land		Not Depreciated
Buildings	50	2%
Equipment and Pump Stations	50	2%
Rising Mains/Gravity Reticulation	25 – 77	From 1.3% to 4.0%
Water		
Rural Water Supplies	50	2%
Land		Not Depreciated
Buildings and Equipment	50	2%
Intake Gallery	77	1.3%
Chlorine Treatment Facility	20	5%
Groundwater Bores and Pumps	20 – 60	From 1.7% to 5.0 %
Pressure Mains	50 – 77	From 1.3% TO 2.0%
Valves and Fittings	15 – 50	From 2.0% to 6.7%
Stormwater		
Manholes, Outlets, Pipes	44 – 72	From 1.4% to 2.3%
Drums	8	12.5%
Operational Assets		
Landfill Post Closure	40	2.5%
Buildings – Structure	50	2%
Buildings – Services	30	3.33%
Buildings – Internal Fit out	5	20%
Harbour Seawall	50	2%
Computer Equipment	5	20%
Plant, Vehicles and Machinery	5	20%
Land		Not Depreciated
Library books	12	8.33%
Library non-books	5	20%
Restricted Assets		
Parks and Reserves Buildings	50	2%
Parks and Reserves Land		Not Depreciated

In relation to infrastructural assets, depreciation has been calculated at a component level based on the estimated remaining useful lives as assessed by Council's engineers and independent registered valuers. A summary of these lives is detailed above. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Revaluation

Those asset classes that are revalued are valued on a three yearly cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Operational land and buildings

Fair value is determined from market-based evidence by an independent valuer. The most recent valuation was performed by Sarah Rowse, (ANZIV, SPINZ) of Quotable Value New Zealand, and the valuation is effective as at 30 June 2007, and included all assets not valued as at 30 June 2006. Several key properties; the Council office, Memorial Hall, pensioner flats and the swimming pool, were valued to component level by Sarah Rowse, (ANZIV, SPINZ) of Quotable Values as at 30 June 2006. Carrying values for those specific assets are shown less accumulated depreciation and plus any subsequent additions at cost.

Restricted land and buildings

Fair value is determined from market-based evidence by an independent valuer. The most recent valuation was performed by Sarah Rowse, (ANZIV, SPINZ) of Quotable Value New Zealand, and the valuation is effective as at 30 June 2007. Additions are recorded at cost.

Infrastructure

This includes roads, bridges & footpaths, water systems, sewerage systems and stormwater systems

Fair value is determined on a depreciated replacement cost basis by an independent valuer. At balance date KDC assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. The most recent roading valuation was performed by Murray Fletcher, Chartered Engineer, of Connell Wagner Ltd, and the valuation is effective as at 30 June 2007. The most recent water, sewerage and stormwater valuations were performed by Martin Dasler, Chartered Engineer, of Connell Wagner Ltd, and the valuation is effective as at 30 June 2007. All infrastructure asset classes carried at valuation were valued. Additions are recorded at cost.

Deemed Cost

Land under roads

Land under roads, was valued based on fair value of adjacent land determined by Connell Wagner Ltd effective 30 June 2001. Under NZ IFRS, KDC has elected to use the fair value of land under roads as at 30 June 2001 as deemed cost. Land under roads is no longer revalued.

Library collections

Library Books were valued at 30 June 2007 using actual cost per book, by the Kaikoura District Librarian.

Accounting for revaluations

KDC accounts for revaluations of property, plant and equipment on a class of asset basis.

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 statement of comprehensive income. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of comprehensive income will be recognised first in the statement of comprehensive income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Forestry Assets

Forestry assets owned via the Marlborough Regional Forestry joint venture, and also Council's own forestry assets, are independently revalued annually at fair value less estimated point of sale costs. These valuations are performed by Merrill & Ring Ltd. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the statement of comprehensive income.

The costs to maintain the forestry assets are included in the statement of comprehensive income.

Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at cost, including transaction costs.

After initial recognition, KDC measures all investment property at fair value as determined annually by an independent valuer, Quotable Values. Gains and losses arising from a change in the fair value of investment property are recognised in the statement of comprehensive income.

Impairment of Non-Financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events and changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash flows and where the entity would, if deprived of the asset, replace it's remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of comprehensive income.

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of comprehensive income.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of

comprehensive income, a reversal of the impairment loss is also recognised in the statement of comprehensive income.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the statement of comprehensive income.

Employee Benefits

Short-term benefits

Employee benefits that KDC expects to be settled within twelve months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

KDC recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that KDC anticipates it will be used by staff to cover those future absences.

KDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term benefits

Superannuation schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the statement of comprehensive income as incurred.

KDC belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/(deficit) will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Provisions

KDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Equity

Equity is the community's interest in KDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Public equity – accumulated funds
- Special funds and reserves
- Asset revaluation reserves

Special and Council Created 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 KDC.

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

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

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost Allocation

KDC has derived the cost of service for each significant activity of the Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a significant activity.

Direct costs are charged directly to significant activities. Indirect costs are allocated to Council activities on a percentage of use basis.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, KDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

<u>Infrastructural assets</u>

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised

by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

- Estimating any obsolescence or surplus capacity of an asset;

- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then KDC could be over or under-estimating the annual depreciation charge recognised as an expense in the statement of comprehensive income. To minimise this risk, KDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of KDC's asset management planning activities, which gives KDC further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

Critical Judgements in Applying KDC's Accounting Policies

Management has exercised the following critical judgements in applying KDC's accounting policies for the periods ended 30 June in the Plan:

Classification of property

KDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of KDC's social housing policy. These properties are accounted for as property, plant and equipment.

Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments, with original maturities of three months or less, in which Council invests as part of its day-to-day cash management.

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

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

Financing activities comprise the change in equity and debt structure of the Council.

Cost of Service Statements

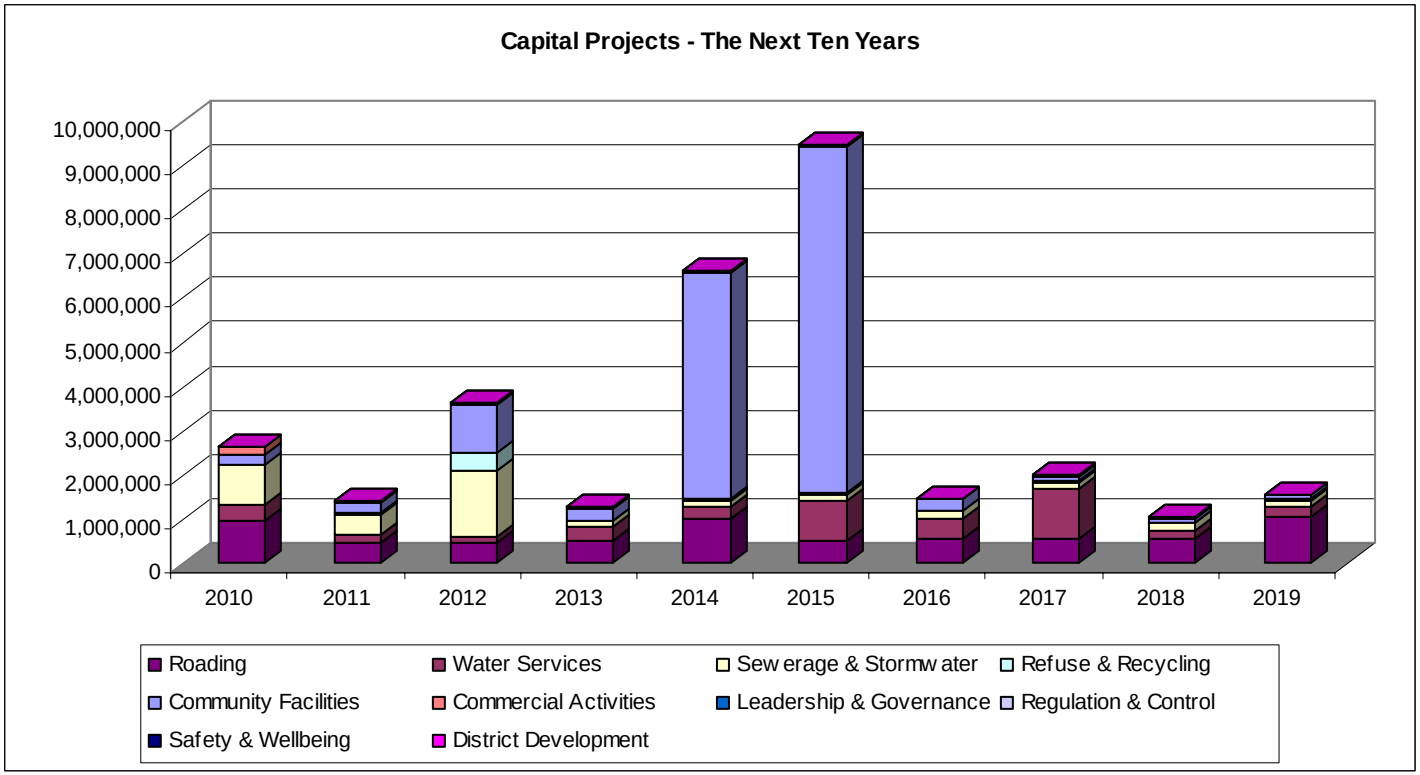
The cost of service statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

Changes in Accounting Policy

NZ IAS 1 *Presentation of Financial Statements* was revised in 2007 and has been applied in preparation of this plan. This revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income.

Other than application of this revised standard, there have been no significant changes in accounting policies. The accounting policies have been applied on a basis consistent with those used in the 2007/08 Annual Report.

Capital Works Programme – The Next Ten Years



The following pages state in more detail those planned capital works within the ten year period. Note that these projects are subject to funding, and may not necessarily be undertaken in the year planned.

Capital Works Programme – The Next Ten Years

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Roading										
Ludstone Rd Intersection	**100,000**	0	0	0	0	0	0	0	0	0
Sealed Pavement Renewals	**129,250**	132,611	136,324	139,595	142,946	146,376	149,889	153,637	157,324	160,785
Unsealed Pavement Renewals	**34,740**	59,410	61,073	62,539	64,040	65,577	67,151	68,830	70,482	72,032
Kerb & Channel Renewal	**29,570**	58,349	59,983	61,422	62,896	64,406	65,952	67,601	69,223	70,746
Pavement Rehabilitation	**50,464**	63,653	65,435	67,006	68,614	70,261	71,947	73,746	75,515	77,177
Associated Improvements	**8,272**	8,487	8,725	8,934	9,149	9,368	9,593	9,833	10,069	10,290
Minor Improvements	**72,380**	74,262	76,341	78,173	80,050	81,971	83,938	86,037	88,101	90,040
Seal Extensions	**0**	0	0	0	500,000	0	0	0	0	500,000
Traffic Services	**20,680**	21,218	21,812	22,335	22,871	23,420	23,982	24,582	25,172	25,726
	445,356	417,989	429,693	440,005	950,566	461,379	472,452	484,264	495,886	1,006,795
Footpaths										
New Footpaths	**511,000**	153,900	158,209	102,400	104,858	11,264	11,534	11,823	12,106	12,373
Renewals	**22,239**	26,305	27,106	34,775	39,502	39,252	38,101	42,840	41,797	40,199
	533,239	180,205	185,315	137,175	144,360	50,516	49,635	54,663	53,903	52,572
Streetlights										
New Streetlights	**19,610**	20,120	20,683	21,179	21,688	22,208	22,741	23,310	23,869	24,394
Undergrounding of power cables	**0**	0	0	0	0	0	0	0	0	0
Renewals	**0**	0	0	0	0	0	0	0	0	0
	19,610	20,120	20,683	21,179	21,688	22,208	22,741	23,310	23,869	24,394
Kaikoura Urban Water										
New Main Line	**0**	0	0	0	0	622,635	0	0	0	0
New Storage Reservoirs	**255,000**	0	0	0	0	0	0	856,260	0	0
Water Meter Installation	**0**	0	0	118,450	118,565	118,795	118,910	118,795	0	0
Renewals	**94,964**	85,457	117,802	143,166	146,070	149,579	180,435	163,098	181,064	183,244
	349,964	85,457	117,802	261,616	264,635	891,009	299,345	1,138,153	181,064	183,244

Capital Works Programme – The Next Ten Years

	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19
Rural Water										
Ocean Ridge	**0**	0	0	0	0	0	0	0	0	0
East Coast	**0**	39,000	0	0	0	0	0	0	0	0
Kincaid	**16,977**	16,784	17,177	17,429	16,748	16,850	11,509	11,682	11,753	11,019
Kincaid Upgrades	**0**	56,160	0	48,361	0	0	186,900	0	0	0
Fernleigh	**0**	0	0	0	0	0	0	0	0	0
Oaro	**0**	0	0	0	0	0	0	0	0	0
Peketa	**0**	0	0	0	0	0	0	0	0	0
	16,977	111,944	17,177	65,790	16,748	16,850	198,409	11,682	11,753	11,019
Sewerage										
Oxidation Pond Aerator Lagoon	**325,000**	0	0	0	0	0	0	0	0	0
New Mainline	**0**	0	1,143,000	0	0	0	0	0	0	0
Renewals	**340,000**	432,000	334,800	114,600	117,400	120,900	125,011	129,136	133,527	138,200
	665,000	432,000	1,477,800	114,600	117,400	120,900	125,011	129,136	133,527	138,200
Stormwater										
Capital Works	**224,000**	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Renewals	**12,000**	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
	236,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Refuse & Recycling										
Collection Point Reconfigured	**0**	0	228,600	0	0	0	0	0	0	0
Cell Capping & Landfill Development	**15,000**	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Aftercare	**7,500**	7,500	142,875	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	22,500	22,500	386,475	22,500	22,500	22,500	22,500	22,500	22,500	22,500

Capital Works Programme – The Next Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Community Facilities										
Playground Equipment	**13,663**	14,040	14,508	14,898	15,262	15,717	16,198	16,614	17,017	17,407
Public Toilet Upgrade	**42,040**	0	0	0	0	0	0	0	0	0
Coastal Strategy Development	**33,758**	21,254	19,820	86,408	67,669	172,923	209,250	40,000	41,000	42,025
Airport hangers	**150,000**	0	0	0	0	0	0	0	0	0
Land Development	**0**	0	0	0	645,700	0	0	0	0	0
Museum	**0**	0	920,700	0	0	0	0	0	0	0
Foyer, Art Gallery & Circ Space	**0**	0	0	0	1,320,750	0	0	0	0	0
Swimming Pool & Areas	**0**	0	0	0	2,935,000	3,022,500	0	0	0	0
Gymnasium & Areas	**0**	0	0	0	0	1,269,450	0	0	0	0
Multipurpose Sports Hall	**0**	0	0	0	0	3,324,750	0	0	0	0
	239,461	35,294	955,028	101,306	4,984,381	7,805,340	225,448	56,614	58,017	59,432
Other "Facilities"										
Library Books	**25,990**	26,874	27,519	28,180	28,828	29,519	30,228	30,953	31,727	32,520
Planting/Pruning/Thinning	**4,136**	4,277	4,379	4,484	4,588	4,698	4,810	4,926	5,049	5,175
	30,126	31,151	31,898	32,664	33,415	34,217	35,038	35,879	36,776	37,696
Leadership & Governance										
Office Furniture & Equipment	**9,823**	10,157	10,401	10,650	10,895	11,157	11,425	11,699	11,991	12,291
Computer Equipment	**2,192**	2,267	2,321	2,377	2,431	2,490	2,549	2,611	2,676	2,743
New Vehicles/Plant	**21,482**	23,743	16,931	17,081	16,406	14,812	14,598	14,384	14,170	13,956
new Fire Tanker										
	33,497	**36,167**	**29,653**	**30,108**	**29,733**	**28,459**	**28,572**	**28,693**	**28,837**	**28,990**
Development Control										
Capital Works/Purchases	**0**	0	0	0	0	0	0	0	0	0
Sustainable Development										
Capital Works/Purchases	**0**	0	0	0	0	0	0	0	0	0
	2,591,731	**1,389,826**	**3,668,524**	**1,243,944**	**6,602,425**	**9,470,378**	**1,496,152**	**2,001,894**	**1,063,133**	**1,581,842**

Future Borrowing and Debt Servicing Programme

New Borrowing in 2009/2010

The new borrowings programme for the coming financial year totals $1,049,000. This is analysed as follows:

Loan Name	Purpose	Amount
Sewer # 11 Loan	Replacement of pipe infrastructure identified by CCTV project	$200,000
Water # 5 Loan	New storage reservoir for Kaikoura Urban water supply	$255,000
Airport # 2 Loan	Development of aircraft hangars at Kaikoura Airport	$150,000
Walkway # 1 Loan	Develop a walkway from Churchill St to South Bay	$220,000
Stormwater # 4 Loan	Upgrade stormwater capacity to meet up to a one-in-fifty year event	$224,000
		$1,049,000

Further New Borrowings within Three Years

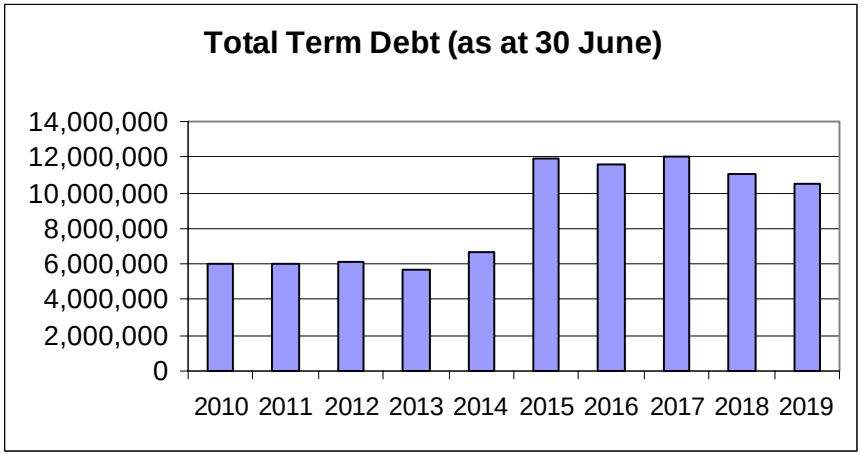
	Purpose	Amount
2010/2011		
Sewer # 12 Loan	Replacement of pipe infrastructure identified by CCTV project	$300,000
		$300,000
2011/2012		
Sewer # 13 Loan	New mainline from Hawthorne Rd to Mill Rd to the oxidation ponds	$165,000
Sewer # 14 Loan	Replacement of pipe infrastructure identified by CCTV project	$160,000
Refuse Transfer Station Loan	Reconfiguration of the landfill site to a transfer station	$312,654
		$637,654

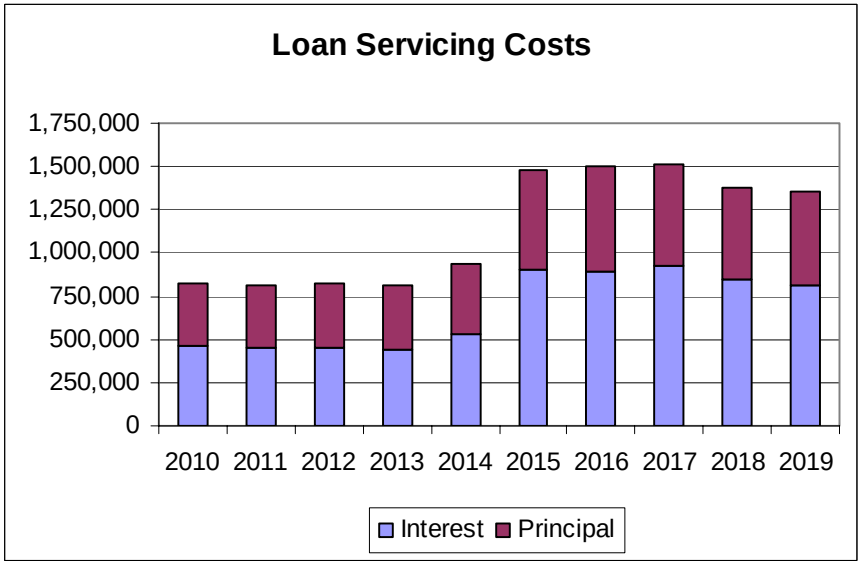
Summary of Forecast Borrowing Needs:

	2009/2010	2010/2011	2011/2012
Opening Balance of Debt	5,145,523	6,007,530	6,004,377
Movements through the financial year:			
Loans maturing	(847,522)	(840,999)	(2,286,358)
Amount to be refinanced	660,529	537,846	1,803,292
New borrowings	1,049,000	300,000	637,654
Net movement through the financial year:	862,007	(3,153)	154,588
Closing balance of debt	6,007,530	6,004,377	6,158,965

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.

Total debt levels, and the annual loan servicing costs over the ten year period of this plan, are described in the following graphs.





Future Growth Forecasts and Assumptions

Financial Forecasting Assumptions

The financial information included in this Community Plan is a forecast based on assumptions that Council can reasonably expect to occur, along with the actions it reasonably expects to take, as at the date the forecast was prepared. We recommend caution is used if this prospective financial information is used for any purpose other than as a Long Term Council Community Plan prepared under the Local Government Act 2002.

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 prior to 30 June 2010 are forecast to be 6.5%.
- Interest rates for new loans raised on or after 1 July 2010 are forecast to be 7.6%.
- 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%

Marlborough Regional Forestry Revenues

- Council receives a capital distribution from the Marlborough Regional Forestry Joint Venture, this is assumed to be $130,000 in 2010, and $150,000 per annum thereafter.

Harbour Activity

The harbour activity attracts taxation. Council has tax losses at 30 June 2008 of $223,775, with a tax effect of $67,133 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

- NZ Transport Agency subsidies are assumed to be 47% for the first three years (until June 2012), and then stay constant at 46% for the remaining ten year period.
- SPARC, George Low, and Creative Communities funding are assumed to continue at current levels
- Civil Defence subsidies are assumed have ceased by 2009/2010.
- Family Violence and Strengthening Family subsidies are assumed to be ongoing and to fully fund these services.
- It has been assumed that grant funding from the Ministry of Tourism will be received to enable the development of a new main line from Hawthorne Rd to Mill Rd and on to the oxidation pond. This funding has been confirmed by the Ministry.
- It has been assumed that Council will access funds from alternative sources such as Community Trust, etc, to assist in the development of a new indoor swimming pool, gymnasium, sports and leisure facilities. Should these funds not be available, Council may need to defer the project or reduce its scope.

District Valuation

District valuations for rating purposes are scheduled to be undertaken in September 2009, and every three years thereafter. No attempt has been made to predict the increase in rating values that may occur as a result of these valuations. The district valuation has no affect on Council's prospective financial statements, but can have a significant affect on individual rateable properties, as most of the Council's rates are applied to the value of property.

Inflation

The financial information is based on the following adjustments for inflation. Council has used the BERL forecasts of price level changes to adjust future year's costs, relative to the type of expenditure.

Year to	Road	Property	Water	Staff	Other
Jun 2011	2.6	2.8	2.3	2.4	3.4
Jun 2012	2.8	3.3	3.2	2.4	2.4
Jun 2013	2.4	2.6	3.0	2.7	2.4
Jun 2014	2.4	2.5	3.1	2.6	2.3
Jun 2015	2.4	3.0	3.3	2.6	2.4
Jun 2016	2.4	3.1	3.4	2.6	2.4
Jun 2017	2.5	2.5	3.3	3.1	2.4
Jun 2018	2.4	2.4	3.4	3.2	2.5
Jun 2019	2.2	2.3	3.5	3.1	2.5

Note that Council has not applied the BERL inflation index where it relates to energy consumption, as Council has in place a Communities for Climate Protection Plan aimed at reducing energy consumption.

Useful Life of Significant Assets

The useful lives of significant assets are disclosed in the Statement of Accounting Policies, and are used as the basis for the calculation of depreciation.

Kate Valley Landfill

The landfill could potentially reach full capacity by 2012. It is assumed that, once full, Council we be able to use the Kate Valley landfill facility in North Canterbury.

Emissions Trading Scheme

There is some degree of uncertainty over the Emissions Trading Scheme and its impact, and Council has not attempted to estimate the costs that may arise from the Scheme. Nevertheless it is clear that there will be some from of charge for emissions and this will have an effect on the cost of activities in the future.

Uncertainty and risk of forecasting assumptions

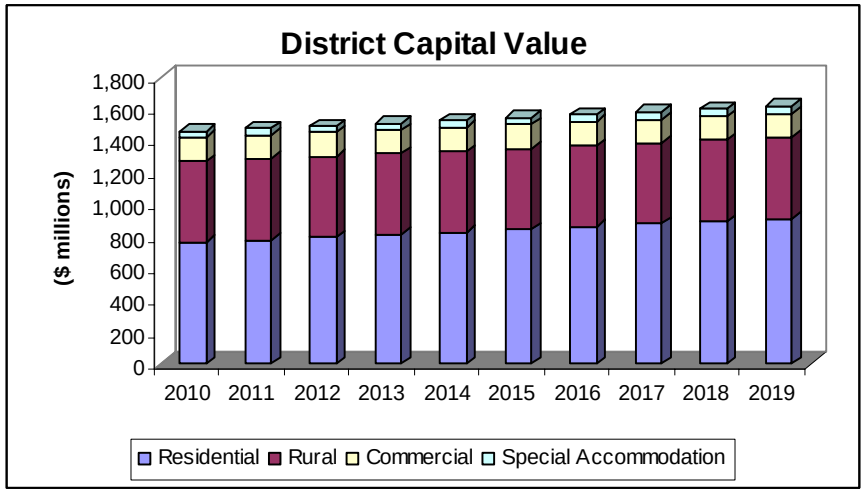
The actual results are likely to vary from the information disclosed, and such variations may be material. Particularly, the impact of growth has the greatest effect on Council's financial projections. Growth higher than predicted will place pressure on Council to provide adequate infrastructure, and growth lower than predicted may mean there is insufficient funds to complete some of the major works planned within these forecasts.

Currently the final costs for the indoor swimming pool and sports facilities are not known with real certainty, and Council has yet to confirm alternative funding sources. Due to the timing of the project, which has now been assumed to commence in 2014, there is an opportunity to obtain more accurate costs before the next LTCCP review in 2012.
All other assumptions are considered low risk or low materiality.

District Growth

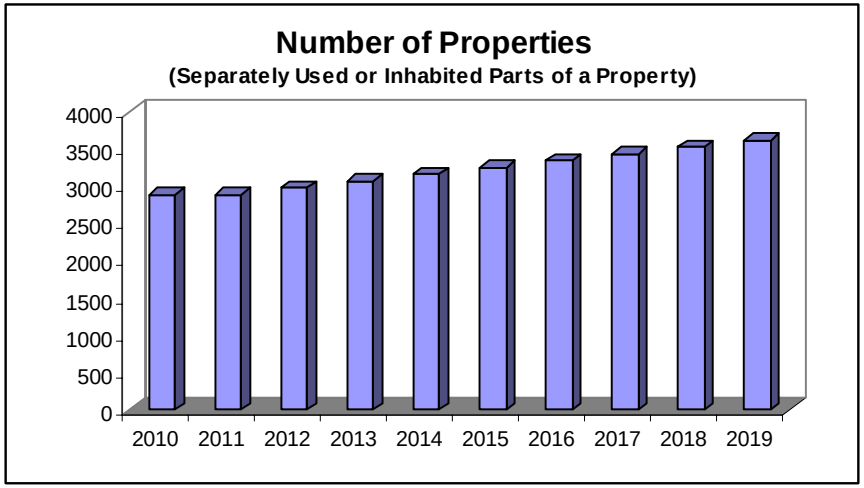
Although the rates requirement is expected to increase over the ten-year period, it is anticipated that growth in the district will mean that the affect of any increases will not significantly affect the annual rates on any individual property.

The following graph highlights the anticipated growth in capital value of the district (excluding district revaluations).



Specific growth assumptions are:

- The capital value base for residential and special accommodation properties will be flat for 2009/10, and then increase by 2% per annum
- The capital value base for rural properties will be flat for 2009/10, and then increase by 1% per annum
- The capital value base for commercial properties will be flat for 2009/2010, and then increase by 1% per annum
- After 2011, 90 new rateable properties will be added to the rates database per annum, including Ocean Ridge and Seaview.
- There will be 35 new sewerage connections and 25 new water connections per annum in the years after 2011.
- A plan change providing for a new business park will have been completed by June 2011, with the park developed and titles available by 2013.



These assumptions are made based on subdivision consents currently known to Council, and following discussions held with various property developers.

It is important to note that, should this anticipated growth not occur to the same degree as our assumptions suggest, this may affect the need for, and timing of, certain projects.

Funding Impact Statement

	Jun-2010	Jun-2011	Jun-2012	Jun-2013	Jun-2014	Jun-2015	Jun-2016	Jun-2017	Jun-2018	Jun-2019
Rates Revenue										
General Rates	937,220	938,352	970,565	985,837	960,333	1,176,568	1,265,701	1,263,874	1,245,484	1,274,479
Uniform Annual General Charge	916,115	961,818	951,606	1,003,472	1,040,214	1,054,775	1,098,759	1,132,222	1,157,246	1,204,291
Roading Rate	471,873	512,355	524,465	543,088	554,292	566,146	573,521	586,927	573,458	584,254
Footpaths & Streetlights Rate	174,676	168,983	169,587	171,823	168,695	181,991	182,223	183,519	185,484	185,429
Urban Recycling Charge	32,000	32,000	32,000	32,000	32,736	33,522	34,326	35,150	36,029	36,929
Rural Recycling Charge	20,000	20,000	20,000	20,000	20,460	20,951	21,454	21,969	22,518	23,081
Public Rubbish Bin Charge	25,000	25,000	25,000	25,000	25,575	26,189	26,817	27,461	28,147	28,851
Registered Premises Charge	16,338	15,468	14,963	16,608	16,728	16,632	18,335	18,393	20,232	20,414
Commercial Rate	275,130	262,912	264,626	269,109	276,139	276,664	285,337	266,395	268,841	277,585
Stock Control Rate	11,610	11,871	12,092	12,414	12,747	13,000	13,344	13,653	13,983	14,382
Rural Fire Control Rate	57,382	58,892	59,571	60,888	63,170	63,970	65,909	67,953	70,160	72,596
Town Centre Rate	124,389	121,016	107,596	109,604	110,990	92,323	92,671	94,166	93,219	92,957
District Planning Rate	67,268	110,888	117,466	129,645	132,845	136,833	141,158	143,563	142,972	148,064
Harbour Rate	40,272	42,352	39,479	38,643	40,386	35,608	38,510	13,551	9,643	11,761
Water Loan Charge	146,189	134,261	111,735	110,041	113,120	186,938	185,880	291,768	273,873	270,283
Water Annual Charge	309,101	334,193	361,600	390,610	397,963	405,536	440,577	428,775	451,327	459,639
Ocean Ridge Water Charge	21,113	21,735	22,365	23,051	23,772	24,511	25,328	26,162	27,051	28,008
Sewer Loan Rate	51,927	84,351	113,458	111,038	111,144	111,542	90,902	89,641	87,496	86,524
Sewer Annual Charge	405,855	423,948	483,640	410,172	420,017	439,994	451,873	463,619	476,128	489,861
Stormwater Rate	103,992	105,009	104,628	108,157	106,217	104,691	105,175	111,694	105,461	101,886
East Coast Water Charge	37,275	76,462	38,673	38,902	39,143	39,387	39,660	39,931	40,221	40,537
Kincaid Water Charge	51,427	52,410	53,945	55,447	56,075	57,528	73,874	75,574	77,271	77,599
Oaro Water Charge	13,385	14,242	15,501	16,141	16,221	16,307	17,459	16,784	17,427	17,522
Oaro Loan Charge	5,322	5,322	5,322	5,322	0	0	0	0	0	0
Peketa Water Charge	4,073	4,234	4,455	4,680	4,920	5,171	5,447	5,720	6,012	6,327
Suburban Water Charge	8,670	8,670	8,670	8,670	8,670	8,670	8,670	8,670	8,670	8,670
Water Meter Sales	136,500	143,325	150,491	158,016	165,917	174,212	182,923	192,069	201,673	211,756
Rates Penalties	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Rates Remissions	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
	4,464,101	4,690,071	4,783,499	4,858,380	4,918,488	5,269,658	5,485,833	5,619,202	5,640,026	5,773,688

Funding Impact Statement (Cont'd)

	Jun-2010	Jun-2011	Jun-2012	Jun-2013	Jun-2014	Jun-2015	Jun-2016	Jun-2017	Jun-2018	Jun-2019
Rates Revenue (per previous page)	4,464,101	4,690,071	4,783,499	4,858,380	4,918,488	5,269,658	5,485,833	5,619,202	5,640,026	5,773,688
Other Revenue										
User Fees & Charges	1,184,218	1,191,339	1,227,168	1,252,175	1,295,567	1,349,403	1,372,354	1,424,802	1,424,568	1,454,385
Grants & Subsidies	957,551	495,745	1,330,670	508,357	1,620,398	2,628,697	541,243	550,474	563,562	572,010
Interest Revenue	124,162	132,083	131,475	150,142	138,129	120,849	145,332	175,778	186,836	214,168
Development Contributions	9,000	9,000	1,164,880	1,180,640	1,196,863	1,215,153	1,234,492	1,252,912	1,271,831	1,291,127
Other Revenue	524,524	563,363	425,025	492,250	533,222	509,015	531,590	511,233	533,861	513,417
Reserves	98,308	(28,999)	(93,905)	(1,066,372)	1,990,435	275,206	(340,218)	(651,698)	(668,658)	(184,714)
Borrowings	1,049,000	300,000	637,654	0	1,400,000	5,741,430	186,900	975,055	0	0
Sale of Assets	0	0	0	0	0	0	0	0	0	0
	3,946,763	2,662,532	4,822,967	2,517,193	8,174,614	11,839,752	3,671,693	4,238,555	3,312,000	3,860,394
TOTAL FUNDING	8,410,864	7,352,603	9,606,467	7,375,573	13,093,102	17,109,411	9,157,526	9,857,757	8,952,025	9,634,082

Note that the Borrowing amounts within the Funding Impact Statement are new loans raised. 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

The Rating System has been extensively reviewed in 2008/2009, in conjunction with a full review of the Revenue and Funding Policy, which determines how each Council activity is funded, and by whom.

Council has removed the differential on the general rate, and instead has applied a number of targeted rates and charges, so as to enable a far more transparent and equitable system.

The rating system and mechanisms illustrated in the following pages are assumed to apply for each of the ten years within this Long Term Council Community Plan. Notwithstanding this, Council may review and publicly consult on its rating mechanisms within the ten year period.

General Rate

The general rate is a rate set for all rateable properties within the district, and is based on the property's capital value. Under the new rating system, there is no longer a differential applied to different categories of property. All property, regardless of whether it is principally for commercial, residential or rural use, will pay the same cents in the dollar on the property's capital value.

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.

A "separately used or inhabited part of a rating unit" is defined as:

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.

For clarification, this means that each flat within a block of flats, or each shop within a block of shops, for example, would be rated a uniform annual general charge. The same would apply to a farm with more than one dwelling, (i.e. worker accommodation), or a residential property with a separate fully self-contained unit available for visitor accommodation.

Targeted Rates

Targeted rates enable Council to identify specific properties that it considers receive the greatest benefit from, or create the greatest need for, the Council's various activities.

Targeted rates can be applied on a number of categories of rateable property, including (for example);

- the use to which the land is put,
- the provision of a service to the land,
- the availability of a service to the land,
- the location of the land

Targeted rates may be either a rate based on a property's value, or a set dollar amount per annum. Unless otherwise specified throughout the following pages, where a targeted ***rate*** is applied, it can be assumed this is a rate based on a property's capital value; and where a targeted ***charge*** is applied, this refers to a set dollar amount per annum.

Council has chosen to apply most of its targeted charges to separately used or inhabited parts of a rating unit, to remain consistent with the principles of the uniform annual general charge. In some instances, however, such as the registered premises charge, or sewerage charges, these are applied subject to certain other factors.

Details of the new rating system are as per the following pages.

General Rates

General Rates and the Uniform Annual General Charge apply to all land.

General Rate: ***to fund the general operations of Council, including general management, community services, environmental planning, the net costs of statutory planning, building control, dog control, community facilities, general parks and reserves, and a portion of public toilets and traffic control.***

Category	Calculation	Amount (incl GST)
All rateable properties within the district	$0.00072059 per dollar of rateable capital value	$1,054,373

Uniform Annual General Charge: ***to fund the general operations of Council, including waste management and recycling, governance, library services, sports fields, playgrounds, cemetery, walkways, public halls, general environmental health and civil defence.***

Category	Calculation	Amount (incl GST)
All rateable properties within the district	$356.19 per separately used or inhabited part of a rating unit	$1,030,630

Targeted Rates

The roading rate and the district planning rate (as follows), are applied to all properties within the district. They are separate targeted rates for the purposes of transparency and accountability, rather than for the purpose of targeting certain categories of land.

Roading Rate: ***to fund the net costs of upgrading and maintenance of the district bridges and roading network***

Category	Calculation	Amount (incl GST)
All rateable properties within the district	$0.00036280 per dollar of rateable capital value	$530,857

District Planning Rate: ***to fund the costs of District Planning for the Kaikoura district.***

Category	Calculation	Amount (incl GST)
All rateable properties within the district	$0.00005172 per dollar of rateable capital value	$75,676

The following pages are targeted rates (and charges) applied to specific rateable properties based on certain categories of land and calculated as stated.

Kaikoura Water Loan Charge: ***to fund the loan servicing costs of the Kaikoura water supply.***

Category	Calculation	Amount (incl GST)
All rateable properties situated within 100 metres of the Kaikoura water supply.	$87.20 per separately used or inhabited part of a rating unit	$164,462

Kaikoura Water Annual Charge: ***to fund the costs of the supply, treatment, upgrading and maintenance of the Kaikoura water supply.***

Category	Calculation	Amount (incl GST)
Full Charge: All rateable properties connected to the Kaikoura water supply.	$199.77 per separately used or inhabited part of a rating unit	$322,629
Half Charge: All rateable properties situated within 100 metres of any part of the Kaikoura water supply, but not connected to the supply.	$99.88 per separately used or inhabited part of a rating unit	$27,867
	Total	$350,496

Ocean Ridge Water Annual Charge: ***to fund the costs of the supply, treatment, and maintenance of the Ocean Ridge water supply.***

Category	Calculation	Amount (incl GST)
Full Charge: All rateable properties connected to the Ocean Ridge water supply.	$265.39 per separately used or inhabited part of a rating unit	$5,042
Half Charge: All rateable properties situated within 100 metres of any part of the Ocean Ridge water supply, but not connected to the supply.	$132.69 per separately used or inhabited part of a rating unit	$18,710
	Total	$23,752

Rural Water Charges ***to fund the supply, treatment, upgrading, and maintenance of the following water supply areas.***

Category	Calculation	Amount (incl GST)
East Coast Rural Water Charge: all rateable properties within the East Coast rural water area.	$301.68 per water unit	$41,934
Kincaid Rural Water Charge: all rateable properties within the Kincaid rural water area.	$100.27 per water unit	$57,856
Oaro Rural Water Charge: all rateable properties within the Oaro rural water area.	$199.77 per water unit	$13,385
Peketa Rural Water Charge: all rateable properties within the Peketa rural water area.	$254.55 per water unit	$4,582
Suburban Water Charge: all rateable properties within the Suburban water area.	$139.84 per water unit	$8,670

Oaro Water Loan Charge: ***to fund the loan servicing costs of the Oaro water supply.***

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.	$127.39 per water unit	$5,987

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

Note that, for the Kaikoura water supply, certain properties are considered "extraordinary consumers", such as commercial premises or properties with a swimming pool, for example. These properties are metered and water meter charges apply. See page 235 for details of these charges.

Stormwater Rate: ***to fund the costs of stormwater disposal, loan servicing, upgrading and maintenance of the Kaikoura Stormwater scheme.***

Category	Calculation	Amount (incl GST)
All rateable properties within the Kaikoura urban area.	$0.00016164 per dollar of rateable capital value	$116,991

Sewerage Loan Rate: ***to fund the loan servicing costs of the Kaikoura Sewerage scheme.***

Category	Calculation	Amount (incl GST)
All rateable properties within the Kaikoura urban area.	$0.00007894 per dollar of rateable capital value	$58,418

Sewerage Charge: ***to fund the costs of sewage disposal, treatment, upgrading and maintenance of the Kaikoura sewerage scheme.***

Category	Calculation	Amount (incl GST)
Full Charge: All rateable properties within the Kaikoura urban area not being either commercial or self contained and serviced.	$254.59 per water closet and urinal within the rating unit, or $127.30 per water closet and urinal within the rating unit where there are more than one water closets or urinals[1].	$328,422
Half Charge: All rateable properties situated within 100 metres of any part of the Kaikoura sewerage system, but not connected to the system	$127.30 per separately used or inhabited part of a rating unit	$19,860

[1] A rating unit used primarily as a residence for one household will not be treated as having more than one water closet or urinal.

***Sewerage Charge:* continued**

Category	Calculation	Amount (incl GST)
Self Contained and Serviced: 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.	$254.59 per water closet and urinal within the rating unit, or $110.00 per water closet and urinal within the rating unit where there are more than one water closets or urinals.	$44,550

***Sewerage Charge:* continued.**

Category	Calculation	Amount (incl GST)
Commercial: All rateable properties within the Kaikoura urban area used principally for commercial and/or industrial purposes; or used as a 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.	$254.59 per water closet and urinal within the rating unit, or $205.00 per water closet and urinal within the rating unit where there are more than one water closet or urinal.	$63,755

The next two charges pertain to whether or not a property has access to the weekly kerbside collection service. More properties may be charged the kerbside recycling charge if the service is extended over a wider area.

Kerbside Recycling Charge: ***to fund the costs of the weekly kerbside recycling collection service.***

Category	Calculation	Amount (incl GST)
All rateable properties that have access to the kerbside recycling collection service (including Oaro)	$21.33 per separately used or inhabited part of a rating unit	$36,000

Rural Recycling Charge: ***to fund the costs of providing a rural weekly recycling collection service at various locations around the district.***

Category	Calculation	Amount (incl GST)
All rateable properties other than those that have access to the kerbside recycling collection service	$18.66 per separately used or inhabited part of a rating unit	$22,500

Commercial Rates and Charges

Commercial businesses use, and contribute to the need for, certain services that a residential household or rural property does not. In removing the 300% differential that had applied to commercial properties, a new commercial rate ensures that these properties continue to contribute to the costs of activities and services that they benefit from.

Commercial Rate: ***to fund the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of traffic control, harbour facilities and public toilets.***

Category	Calculation	Amount (incl GST)
All rateable properties in the district • 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 principally for visitor 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"[2]; or • Used as licensed premises under the Sale of Liquor Act 1989.	$0.00189152 per dollar of rateable capital value	$309,521

[2] As defined in the Kaikoura District Plan

<u>Accommodation Sector Charge:</u> to fund the net costs of tourism and economic development, the annual grant paid to the visitor centre, and a portion of traffic control, harbour facilities and public toilets.

Category	Calculation	Amount (incl GST)
All rateable properties in the district used for providing accommodation for commercial reward, (but not meeting the criteria of a commercial property), and for the avoidance of doubt, including any property providing short-term accommodation such as Bed & Breakfasts, and baches rented out as holiday homes, but not including long-term rental accommodation.	$337.50 per separately used or inhabited part of a rating unit	$23,963

<u>Public Rubbish Bin Charge:</u> to fund the costs of providing a public rubbish bin collection service at various locations around the district.

Category	Calculation	Amount (incl GST)
All rateable properties defined as commercial (see Commercial Rate)	$142.77 per separately used or inhabited part of a rating unit	$28,125

<u>Registered Premises Charge:</u> to fund the net costs of liquor licensing, food and health safety inspections, and environmental health.

Category	Calculation	Amount (incl GST)
All rateable properties undertaking a licensed activity, such as premises where alcohol is sold or consumed, food premises, or hairdressers.	$274.33 per license	$18,380

Please also refer to the sewerage charges on p230 as they pertain to certain commercial properties, and also to the water meter charges on p235 as they pertain to commercial properties that are metered.

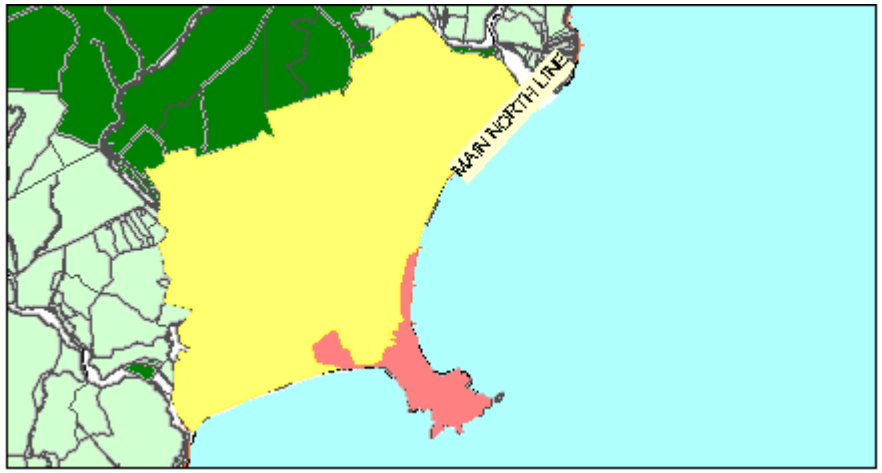
New Rating Areas

Throughout these pages there is reference to properties within defined areas. With the new rating system, Council has introduced new rating areas (semi-rural and rural), and redefined the urban area.

Urban Area For rating purposes, the urban area includes properties currently situated within Kaikoura township stormwater management area and incorporating properties in the Seaview and Ocean Ridge subdivision areas and the Kaikoura Peninsula.

Semi-Rural Area This area encompasses all properties within a 10 kilometre radius of the town centre including Peketa and Hapuku villages, Inland Road up to but not including Kowleigh, and the Kaikoura Flats, but excluding all property within the urban area.

Rural Area This is all property outside the urban and semi-rural areas.



The above map indicates the boundaries of the new rating areas, which apply only for the purposes of the footpath & streetlight rate, the town centre rate, the harbour rate, and the stock control and rural fire rates.

The pink area, (or mid-grey for those of you in black & white), is the current urban area for rating purposes. As development continues, this area may be extended to incorporate new areas as considered appropriate to meet the intent of these rates – i.e. in areas where footpaths, streetlights and/or stormwater is developed.

The yellow (or palest) area is the semi-rural area for rating purposes. It is an area defined for its proximity to urban services, and has no relationship to the size or value of individual properties within, or outside of, this area.

The pale green area represents the rural area, and is effectively all rateable land outside the urban and semi-rural areas. The dark green areas are conservation land areas which are non-rateable.

It is the intention of these new rating areas that differentials be applied to acknowledge that it is the properties within the urban area that benefit most from certain urban-type services, properties on the outskirts of the township benefit to a lesser extent, and properties further away from the town benefit least of all.

Therefore, for each of the following three targeted rates (harbour rate, town centre rate, and footpath & streetlighting rate) a differential has been applied thus:

Urban	1:1
Semi-rural	0.5:1
Rural	0.25:1

This essentially means that, for certain activities, urban properties pay twice as much per dollar of capital value than semi-rural properties do, and four times as much per dollar of capital value than rural properties do.

Harbour Rate: ***to fund 50% of the net costs of operating the harbour facilities, including South Bay and the North and Old Wharves, including loan servicing costs.***

Category	Calculation	Amount (incl GST)
All rateable properties within the urban area.	$0.00004490 per dollar of rateable capital value	$32,498
All rateable properties within the semi-rural area.	$0.00002245 per dollar of rateable capital value	$9,022
All rateable properties within the rural area.	$0.00001122 per dollar of rateable capital value	$3,786
	Total	$45,306

Town Centre Rate: ***to fund the net costs of town centre maintenance, including cleaning and servicing the West End toilets, and the loan servicing costs of the West End upgrading loans.***

Category	Calculation	Amount (incl GST)
All rateable properties within the urban area.	$0.00013867 per dollar of rateable capital value	$100,368
All rateable properties within the semi-rural area.	$0.00006934 per dollar of rateable capital value	$27,867
All rateable properties within the rural area.	$0.00003467 per dollar of rateable capital value	$11,703
	Total	$139,938

Footpath & Streetlight Rate: ***to fund the net costs of maintaining, upgrading and operating footpaths and streetlights, including electricity and loan servicing costs.***

Category	Calculation	Amount (incl GST)
All rateable properties within the urban area.	$0.00019474 per dollar of rateable capital value	$140,950
All rateable properties within the semi-rural area.	$0.00009737 per dollar of rateable capital value	$39,132
All rateable properties within the rural area.	$0.00004868 per dollar of rateable capital value	$16,431
	Total	$196,510

Two other targeted rates also rely upon the new definitions of rating areas to determine which properties the rate applies to. They are the stock control rate and the rural fire rate.

Stock Control Rate: ***to fund the net costs of stock control.***

Category	Calculation	Amount (incl GST)
All rateable properties outside the urban area (i.e. including both semi-rural and rural properties).	$0.00001766 per dollar of rateable capital value	$13,061

Rural Fire Control Rate: ***to fund the net costs of rural fire control.***		
Category	**Calculation**	**Amount (incl GST)**
All rateable properties outside the urban area (i.e. including both semi-rural and rural properties).	$0.00008731 per dollar of rateable capital value	$64,555

The previous pages identify each rate proposed for the 2009/2010 financial year. Note that all amounts are GST inclusive, whereas those amounts within the Funding Impact Statement exclude GST.

The rating mechanisms applied in 2009/2010 are assumed to apply to all ten years disclosed in this long term council community plan. Notwithstanding this, Council may review and publicly consult on its rating mechanisms within that period.

Other Rates & Charges

Water Meter Charges

Water Meter consumers are those considered extraordinary consumers, and the charges are in addition to the water rates on the previous pages.

For water usage which exceeds 365m^3 per annum, a charge of $1.00 including GST per cubic meter applies. All properties with a meter will incur a twice-annual meter reading charge of $16.50 per reading. This charge will not apply if a meter reading is supplied by the consumer for the half-yearly reading (the final reading at 30 June must be undertaken by the Council or its contractors).

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 20 July and 20 January (up to 20% pa in total).

However, a penalty on the first instalment will be waived if the total years rates are paid on or before 20 December (the last day for payment of instalment 2).

Last dates for payment are:

- Instalment 1: 20 September
- Instalment 2: 20 December
- Instalment 3: 20 March
- Instalment 4: 20 June

Environment Canterbury

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

This policy does not refer to those rates.

Rates for 2009/2010

	2009/2010 $	2008/2009 $
General Rate	0.00072059	N/A
General Rate – Residential & Other	N/A	0.00116030
General Rate – Rural	N/A	0.00116030
General Rate – Special Accomm.	N/A	0.00139236
General Rate – Commercial	N/A	0.00348091
Uniform Annual General Charge	356.19	416.94
Kaikoura Water Loan Charge	87.20	100.37
Kaikoura Water Annual Charge	199.77	185.02
Kaikoura Water Half Annual Charge	99.88	92.51
Sewerage Loan Rate	0.00007894	0.00005465
Sewerage Charge (1 Pan)	254.59	256.44
Sewerage Half Charge	127.30	128.22
Sewerage Charge*	127.30	128.22
Sewerage Commercial Charge*	205.00	200.00
Sewerage Self Contained Charge*	110.00	108.00
* = 2 or more pans		
Stormwater Rate	0.00016164	0.00016587
Roading Rate	0.00036280	N/A

	2009/2010 $	2008/2009 $
Ocean Ridge Water Annual Charge	265.39	N/A
Ocean Ridge Water Half Charge	132.69	N/A
Footpath & Streetlight Rate		
Urban	0.00019474	N/A
Semi-rural	0.00009737	N/A
Rural	0.00004868	N/A
Kerbside Recycling Charge	21.33	N/A
Rural Recycling Charge	18.66	N/A
Public Rubbish Bin Charge	142.77	N/A
Stock Control Rate	0.00001766	N/A
Rural Fire Control Rate	0.00008731	N/A
Commercial Rate	0.00189152	N/A
Town Centre Rate		
Urban	0.00013867	N/A
Semi-rural	0.00006934	N/A
Rural	0.00003467	N/A
Registered Premises Charge	274.33	N/A
Accommodation Sector Charge	337.50	N/A

Rates for 2009/2010

	2009/2010 $	2008/2009 $
District Planning Rate	0.00005172	0.00007757
Harbour Rate	N/A	0.00006601
Harbour Rate		
Urban	0.00004490	N/A
Semi-rural	0.00002245	N/A
Rural	0.00001122	N/A
East Coast Water Charge	301.68	252.34
Kincaid Water Charge	100.27	105.44
Fernleigh Water Charge	N/A	N/A
Oaro Water Loan Charge	127.39	160.33
Oaro Water Charge	199.77	185.02
Peketa Water Charge	254.55	254.06
Suburban Water Charge	139.84	129.51
Water Meter Charge (per m^3)	1.00	0.60
Water Meter Reading Charge	33.00	33.00

All rates are shown GST inclusive.

There has been a significant change to the rating system that first comes into effect on 1 July 2009. The following pages indicate the impact of the new rating system on individual benchmark properties.

The projected rates set out on these pages are based on the estimated financial forecasts for revenues and expenditures, including the timing of certain capital projects, plus the assumptions on page 232. If these variables prove to be different to those estimated and assumed, and in particular if the timing of projects and costs of activities are different, then the level of rates will be different from those projected on these pages.

Effect of Proposed Rates over the Ten Year Period

Residential	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Whitby Place	1.99%	3.22%	2.66%	-2.89%	-0.37%	5.61%	1.83%	-7.55%	-0.55%	0.67%
CV $295,000	1,436.51	1,482.82	1,522.25	1,478.28	1,472.88	1,555.48	1,583.95	1,464.34	1,456.31	1,466.02
	28.05	46.32	39.43	-43.97	-5.41	82.60	28.47	-119.61	-8.02	9.71
Bayview Street	1.99%	3.22%	2.66%	-2.89%	-0.53%	5.78%	1.83%	-7.55%	-0.55%	0.67%
CV $295,000	1,436.51	1,482.82	1,522.25	1,478.28	1,470.43	1,555.48	1,583.95	1,464.34	1,456.31	1,466.02
	28.05	46.32	39.43	-43.97	-7.86	85.05	28.47	-119.61	-8.02	9.71
Esplanade	5.07%	3.58%	2.40%	-2.05%	-0.89%	5.88%	1.55%	-6.11%	-1.37%	0.40%
CV $580,000	1,936.40	2,005.69	2,053.76	2,011.61	1,993.74	2,110.91	2,143.60	2,012.61	1,984.97	1,992.91
	93.46	69.29	48.07	-42.15	-17.87	117.17	32.69	-130.99	-27.64	7.94
Beach Road	3.27%	3.37%	2.55%	-2.54%	-0.59%	5.72%	1.71%	-6.94%	-0.90%	0.55%
CV $395,000	1,611.91	1,666.28	1,708.75	1,665.42	1,655.64	1,750.37	1,780.32	1,656.71	1,641.81	1,650.89
	51.00	54.38	42.46	-43.33	-9.78	94.73	29.95	-123.60	-14.91	9.08
South Bay	4.99%	3.57%	2.40%	-2.07%	-0.87%	5.87%	1.56%	-6.15%	-1.35%	0.41%
CV $570,000	1,918.86	1,987.34	2,035.11	1,992.90	1,975.47	2,091.43	2,123.97	1,993.38	1,966.42	1,974.42
	91.18	68.48	47.77	-42.22	-17.43	115.96	32.54	-130.59	-26.95	8.00
Oaro	2.45%	3.41%	0.80%	2.25%	-0.29%	3.55%	3.53%	-1.22%	-0.28%	0.97%
CV $270,000	937.64	969.64	977.43	999.39	996.51	1,031.86	1,068.25	1,055.23	1,052.28	1,062.49
	22.40	31.99	7.80	21.96	-2.88	35.35	36.39	-13.02	-2.95	10.20
Ocean Ridge (Bare Land)	35.21%	3.33%	0.85%	-2.18%	-0.81%	2.54%	0.83%	-0.69%	-1.52%	0.54%
CV $240,000	1,058.46	1,093.70	1,103.01	1,079.00	1,070.28	1,097.51	1,106.58	1,098.99	1,082.34	1,088.19
	275.66	35.23	9.32	-24.02	-8.72	27.24	9.07	-7.59	-16.65	5.85

Effect of Proposed Rates over the Ten Year Period

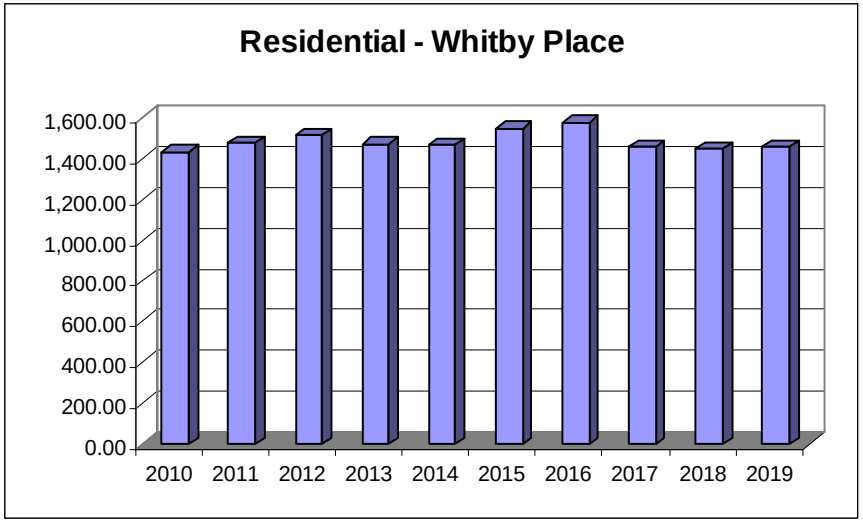
Commercial	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Large Motel - Beach Road	2.86%	-3.54%	-0.44%	-0.62%	-0.87%	1.57%	0.66%	-2.95%	-1.10%	-0.05%
CV $1,450,000	10,872.01	10,486.88	10,441.24	10,376.48	10,286.58	10,448.41	10,517.31	10,207.46	10,095.50	10,090.95
	302.07	-385.13	-45.64	-64.76	-89.91	161.84	68.89	-309.84	-111.96	-4.56
Small Motel - Beach Road	5.53%	-2.47%	-1.04%	0.23%	-0.97%	1.54%	0.97%	-2.17%	-1.17%	-0.15%
CV $720,000	4,916.35	4,794.93	4,745.22	4,755.93	4,709.94	4,782.34	4,828.51	4,723.79	4,668.60	4,661.45
	257.60	-121.42	-49.71	10.71	-45.99	72.40	46.17	-104.72	-55.19	-7.15
Licensed Restaurant – West End	1.57%	-3.28%	-0.20%	-0.29%	-1.19%	1.71%	0.42%	-2.41%	-1.83%	-0.35%
CV $1,475,000	9,118.71	8,819.41	8,801.99	8,776.50	8,672.40	8,820.33	8,857.76	8,644.50	8,486.56	8,457.23
	140.98	-299.30	-17.42	-25.49	-104.10	147.93	37.43	-213.26	-157.93	-29.33
Retail Shop – Beach Road	-0.91%	-1.18%	-1.09%	-0.48%	-1.32%	1.98%	0.44%	-6.98%	-2.18%	-0.21%
CV $760,000	3,987.84	3,940.61	3,897.66	3,878.91	3,827.79	3,903.66	3,920.86	3,647.16	3,567.82	3,560.30
	-36.70	-47.23	-42.95	-18.74	-51.12	75.87	17.20	-273.69	-79.34	-7.53
Bed & Breakfast – Scarborough	6.34%	3.31%	2.20%	-1.86%	-0.85%	5.44%	1.42%	-5.60%	-1.31%	0.36%
CV $1,200,000	4,280.45	4,422.26	4,519.62	4,435.57	4,398.09	4,637.28	4,703.25	4,439.68	4,381.65	4,397.27
	255.16	141.81	97.36	-84.05	-37.48	239.20	65.97	-263.58	-58.03	15.63

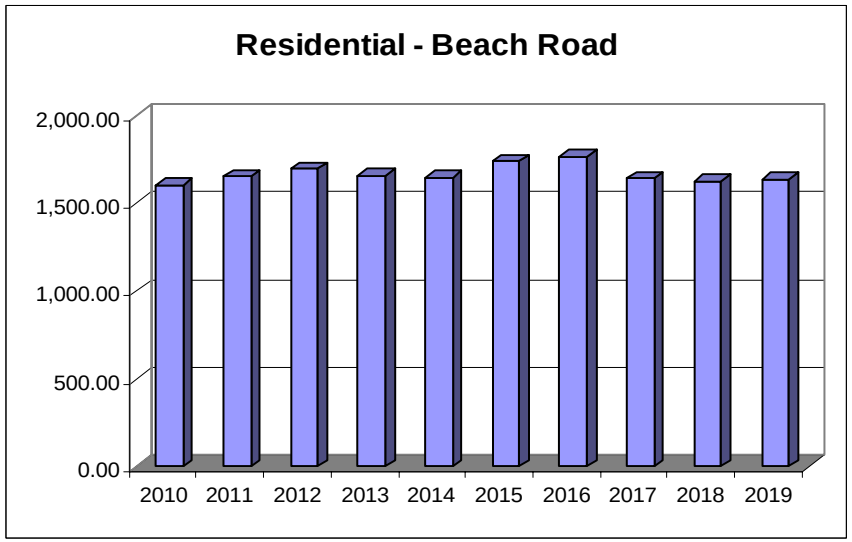
Effect of Proposed Rates over the Ten Year Period

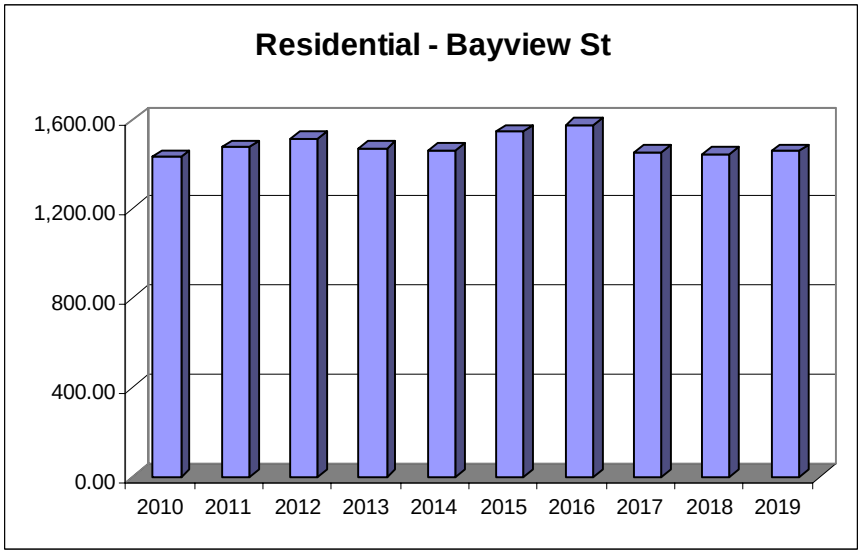
Rural Farms	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Kekerengu - Farm	8.11%	44.87%	-28.19%	0.95%	-0.74%	5.92%	2.27%	-0.34%	-1.30%	0.79%
CV $4,000,000	9,635.40	13,959.16	10,024.42	10,119.90	10,044.83	10,639.66	10,880.85	10,843.60	10,702.88	10,787.80
	722.49	4,323.76	-3,934.74	95.48	-75.07	594.84	241.18	-37.24	-140.72	84.92
Schoolhouse Rd - Farm	1.91%	2.30%	0.91%	1.53%	-0.74%	5.71%	12.53%	0.02%	-0.66%	0.31%
$2,000,000	5,339.00	5,461.61	5,511.16	5,595.70	5,554.48	5,871.52	6,607.17	6,608.51	6,565.19	6,585.67
	100.06	122.61	49.54	84.55	-41.23	317.04	735.65	1.34	-43.33	20.48
Inland Road - Farm	1.35%	3.50%	0.67%	1.21%	-1.65%	9.53%	3.26%	-0.97%	-2.56%	0.80%
CV $7,250,000	10,426.00	10,790.73	10,862.80	10,993.72	10,812.14	11,843.00	12,229.07	12,110.01	11,799.52	11,894.23
	138.94	364.72	72.07	130.92	-181.57	1,030.86	386.07	-119.07	-310.48	94.71

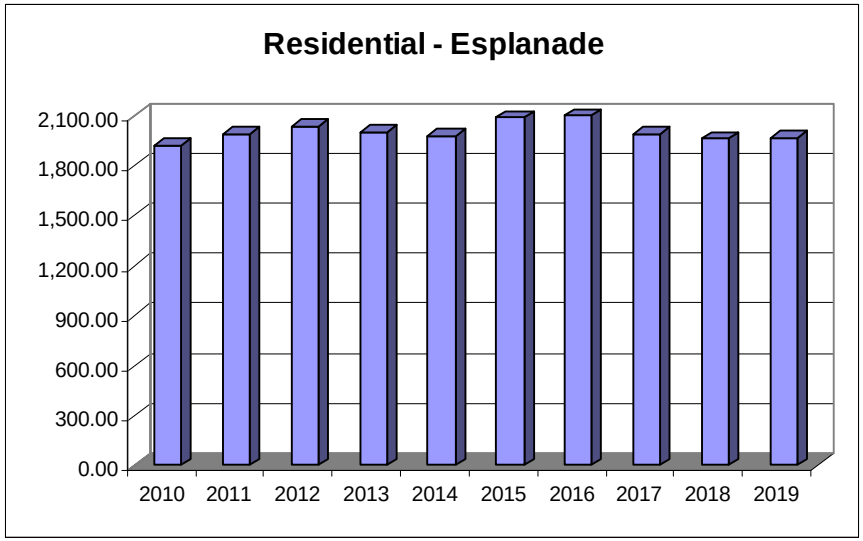
Note the rates on the Kekerengu Farm show large rate increases in the 2010/2011 year, this is due to provision for upgrading of the East Coast Rural Water Supply reservoirs. The rate increase assumes that the consumers will opt for a one-off lump sum contribution of around $300.00 per water unit to fund this upgrade; however the consumers may opt to fund the upgrade by some other means (i.e. loan). The benchmark property used in this exercise has a large number of East Coast water units.

Effect of Proposed Rates (Cont'd)

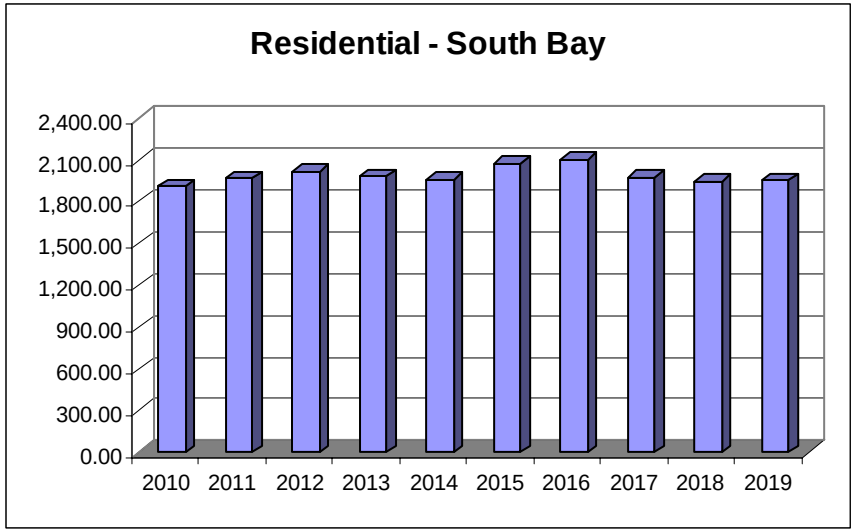


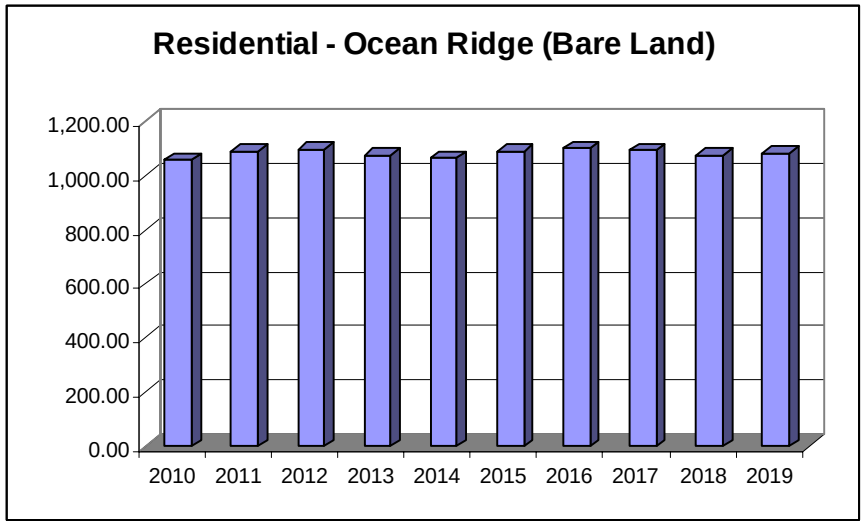


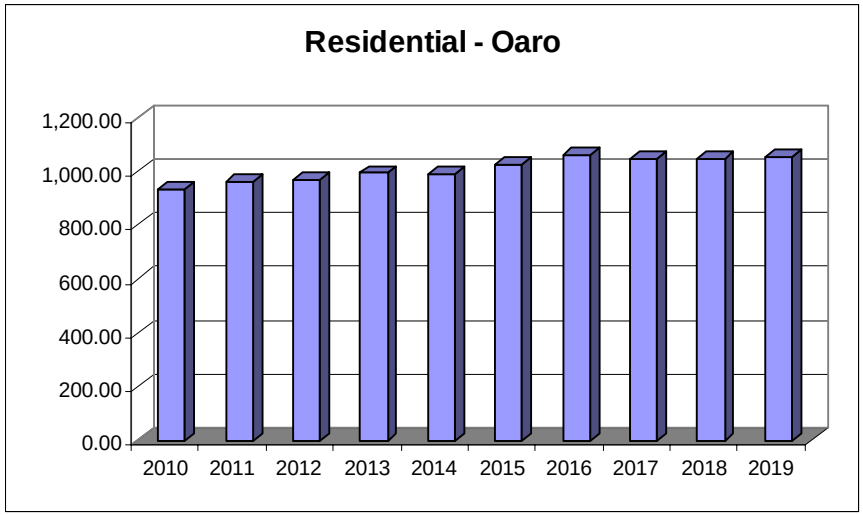


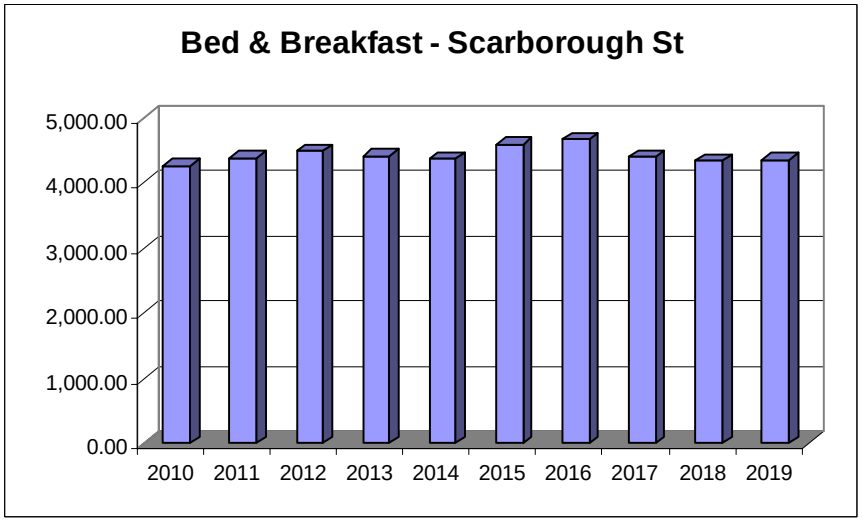


Effect of Proposed Rates (Cont'd)

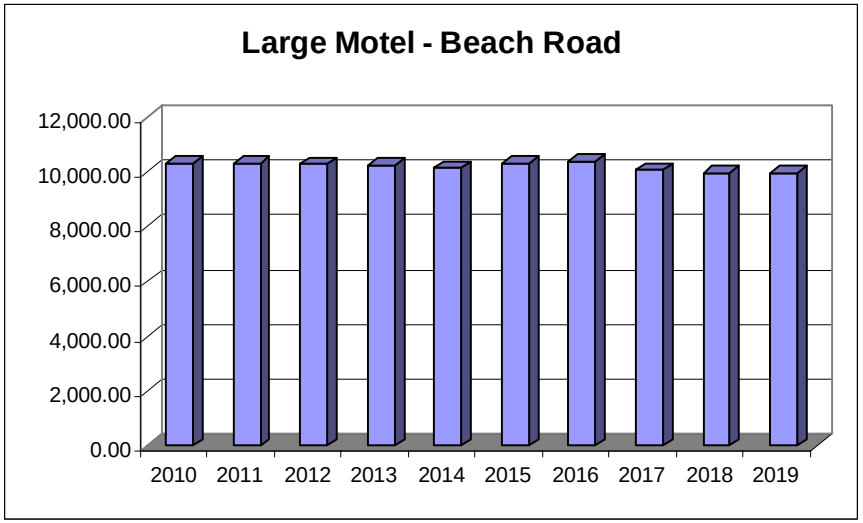


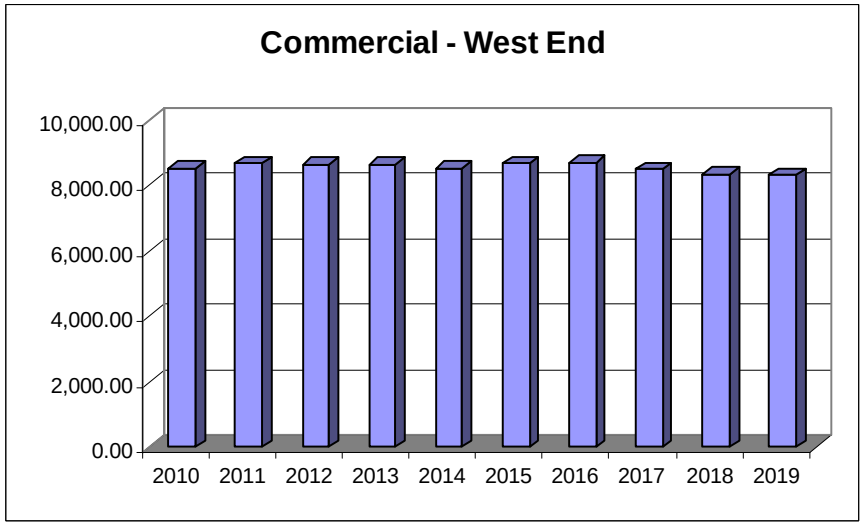


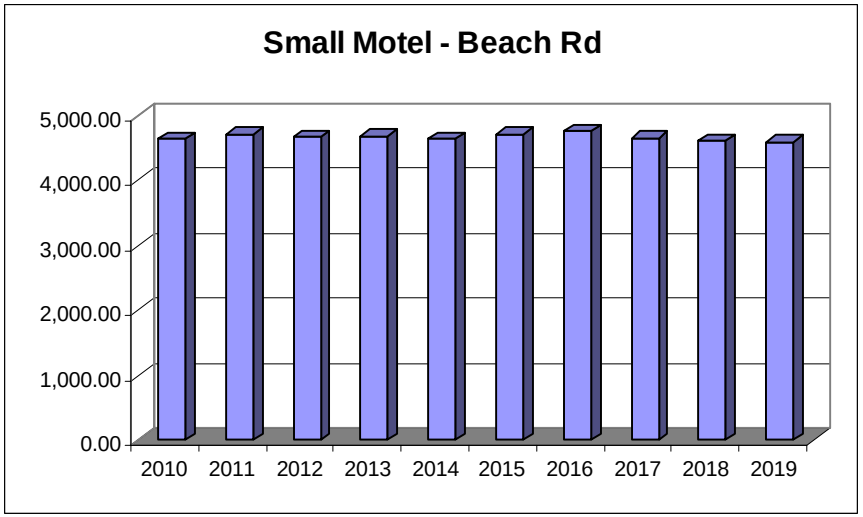


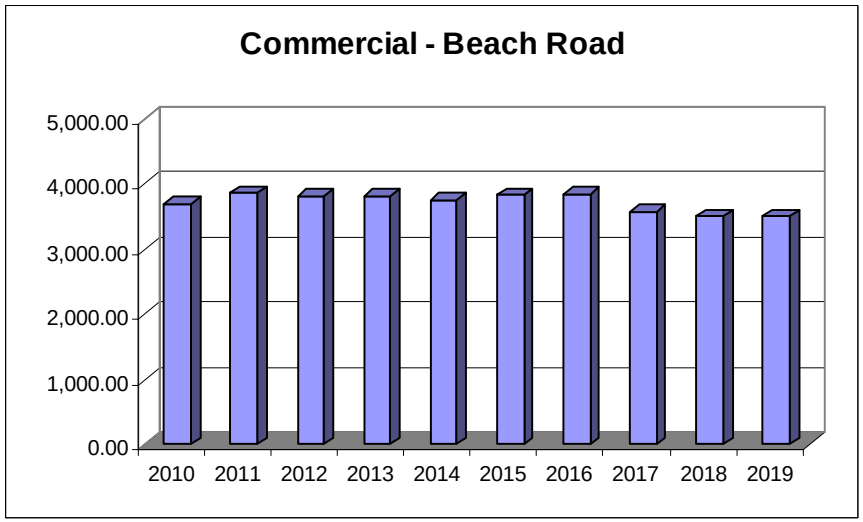


Effect of Proposed Rates (Cont'd)

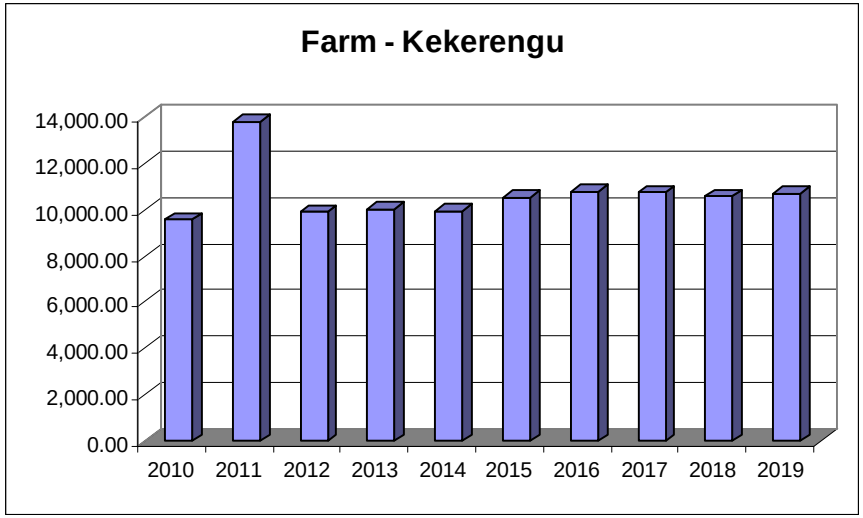


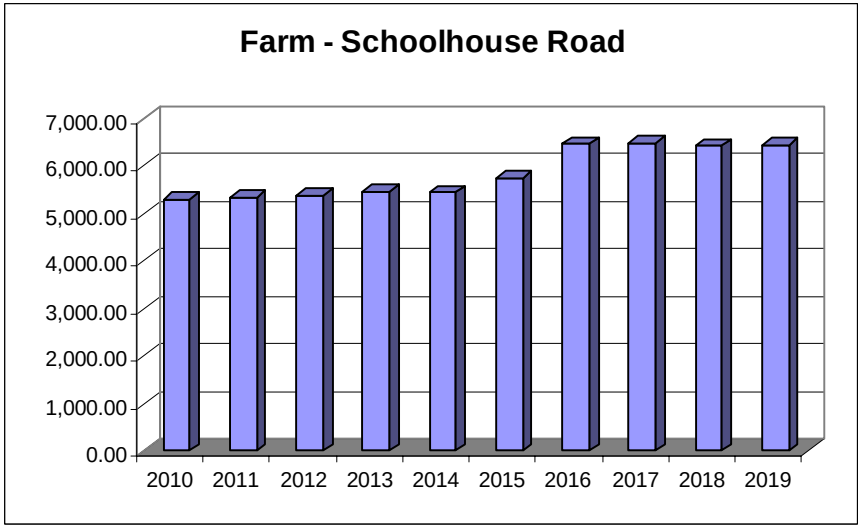


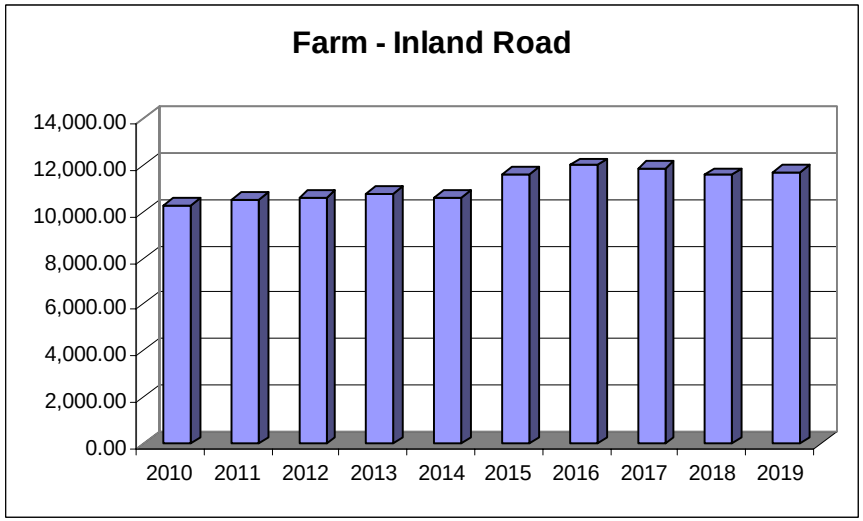




Effect of Proposed Rates (Cont'd)







Schedule of Fees and Charges 2009/2010

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	$3,300.00
Commercial/Industrial under $500,000	$2,110.00
Commercial/Industrial Medium	$1,510.00
Commercial/Industrial small with PIM	$935.00
Commercial/Industrial small without PIM	$600.00
Commercial Accommodation > 9 or backpacker	$3,285.00
Commercial Accommodation < 9 or backpacker	$2,757.00
Residential Dwelling > 250m^2	$2,470.00
Residential Dwelling < 250m^2	$2,110.00
Two flats on one PIM	$2,910.00
Building Alterations (not dwelling) – large	$1,870.00
Building Alterations (not dwelling) – medium	$1,415.00

	All Prices Include GST
Building Alterations – small with PIM 5 inspections	$1,055.00
Building Alterations – small no PIM 5 inspections	$960.00
Building Alterations – small with PIM 4 inspections	$935.00
Building Alterations – small no PIM 4 inspections	$840.00
Building Alterations – small with PIM 3 inspections	$815.00
Building Alterations – small no PIM 3 inspections	$720.00
Building Alterations – small with PIM 2 inspections	$695.00
Building Alterations – small no PIM 2 inspections	$600.00
Dwelling Alterations – large	$1,750.00
Dwelling Alterations – medium	$1,415.00
Dwelling Alterations – small with PIM 5 inspections	$1,055.00
Dwelling Alterations – small no PIM 5 inspections	$960.00
Dwelling Alterations – small with PIM 4 inspections	$935.00
Dwelling Alterations – small no PIM 4 inspections	$840.00
Dwelling Alterations – small with PIM 3 inspections	$815.00
Dwelling Alterations – small no PIM 3 inspections	$720.00
Dwelling Alterations – small with PIM 2 inspections	$695.00
Dwelling Alterations – small no PIM 2 inspections	$600.00

Building Control (Continued)

	All Prices Include GST
Dwelling Relocation (foundation & services)	$1,270.00
Garage/Farm Building (2 inspect/with PIM)	$575.00
Garage with plumbing	$935.00
Garage Relocation (foundations & stormwater)	$455.00
Garage existing PIM	$480.00
Two Garages/Farm Building (with 1 PIM)	$815.00
Garage with extra inspection	$695.00
Sleepout (no plumbing)	$815.00
Sleepout (with plumbing)	$935.00
Demolition/Removal Residential or Commercial	$575.00
Septic Tank and Drainage	$395.00
Minor Work (Plumbing)	$120.00
Minor Work – 1 inspection	$240.00
Minor Work – 2 inspections	$360.00
Solid Fuel Heaters – Freestanding	$121.50
Solid Fuel Heaters – Inbuilt	$202.50
Masts & Miscellaneous – Specific Design	$455.00
Masts & Miscellaneous – no PIM	$600.00
Small Signs	$120.00
Marquee (over 30m2)	$60.00
Marquee (over 30m2) – more than one	$90.00

	All Prices Include GST
Rectification Work	$120.00
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	$1,920.00
Large Dwelling – Existing PIM	$2,280.00
Large Alterations – Existing PIM	$1,680.00
Medium Alterations – Existing PIM	$1,320.00
Vehicle Crossing Administration Fee	$225.00
Compliance Schedule/Amendments	$120.00 + costs
Notice to Fix	$120.00 + costs
Section 37 (RMA Matters)	$120.00 per hour
Section 52 (Lapse of Building Consent)	$120.00 + 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: - 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 Non-Notified Subdivision Applications – 2 lots or less	$650.00
Additional Lot Deposit 3-11 lots	Base fee plus $350.00 per lot
Additional Lot Deposit 11+ lots	$3,800.00
Notified Subdivision Applications (subdivisions of 9 lots or more pay base deposit plus additional deposit per lot)	$2,812.50
Subdivision Consent (Post Decision) – this is invoiced on completion of the consent. These fees are charged on an hourly rate based on time spent. 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: - Title plan checking and certification (s223) - Consent notice preparation & issue - Refundable bond preparation - Checking & Issuing conditions certificate (s224) - Registering bond preparation & releases Engineering time per hour: - Engineering Plan checking and approval - Roads, access ways and services	Planning Officers $85.00 Senior Planner $110.00 Asset Manager $135.00 Engineering Support $85.00 Monitoring Officer $85.00 Environment 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 Environment Officer $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 District Plan (Full Copy)	$150.00
Kaikoura District Plan (Maps Only)	$20.00
Kaikoura District Plan (CD)	$50.00
Coastal Management Strategy	$75.00

Dog Control Fees

	All Prices Include GST
Standard Fee	$45.00 per dog
Responsible Dog Owner Status	$29.00 per dog
Neutered or Spayed Dogs	$32.00 per dog
Menacing/Dangerous Dogs	$65.00 per dog
Working Dogs (three or more)[3]	$89.00
Working Dogs (less than three)	$29.00 per dog
Guide Dogs	-
Late Fee Registration	
Each dog	$15.00
Three dogs or more (Working Dogs only)	$36.00
Impoundment Fees	
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, Puketa, Hapuku, Rakautara, Clarence and Kekerengu)	$37.50

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

[3] Working Dogs are as defined in the Dog Control Act 1996

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
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

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

Pensioner Units

	All Prices Include GST
Single Bedroom	$75.00 per week
Double Bedroom	$100.00 per week
New Units	$140.00 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.