



Mackenzie District Council

Annual Report Summary

2008-2009

Statement from the Mayor and CEO

This report tracks progress Council has made in achieving its long-term goals and also reports the financial results for the year ended 30 June 2009.

The year was marked by several challenges including the difficulty of planning in a very different economic climate from twelve months previously. Progress was made in several areas with further development at the Pukaki Airport, roading improvements and renewal work in water and sewerage. Much time was taken with the proposed controls over subdivision in the Mackenzie Basin which prompted many submissions.

Financial Overview

Financially, the Council's operating expenditure for the year was \$6.843 million (net of depreciation and loss on sale of \$2.696 million) compared with a budget of \$6.696 million.

Operating revenue was \$10.032 million (net of vested asset income of \$325,000 and Forestry & Investment revaluation of \$492,000) compared with the budget of \$10.192 million.

Real estate sales were down on budget due to the cancellation of a contract in the Lake Tekapo area and the slowing of sales in the Pukaki Airport subdivision.

Contributions from all sources amounted to \$1.07 million compared to a budget of \$0.85 million.

Performance Measures

Of the 72 performance measures in the plan, 50 were fully achieved, three were substantially achieved and eight were achieved in part. Nine were not achieved and two were not measured.

Capital Works

Net of vested assets of \$325,000, a total of \$3,250,000 was spent on capital works during the year. The net

budget figure was \$3,346,000.

Key items of capital works were as follows:

Pukaki Airport Development	1,276,000
Unsealed Road Metalling	346,000
Reseals	259,000
Camp Valley Bridge	169,000
Minor Improvement Works	124,000
Pioneer Drive Improvements, Tekapo	85,000
Fairlie Water Reticulation Renewal	138,000
Twizel Sewerage	99,000
Total	\$2,496,000

Governance

There were no changes in the membership of Council during the year. An extraordinary vacancy was created on the Tekapo Community Board in May when Catherine Young resigned. No by-election was needed and Alan Hayman, the only nominee, took up duties in July 2009.

Council agreed to retain the traditional first past the post voting system for the Council elections to be held in 2010.

A new constitution was approved for the South Canterbury Rural Fire Authority which is a joint venture between forestry interests and the three territorial authorities.

A Mayoral Relief Fund was established during the year and the Council's code of conduct was extended to include community board members.

During the year the community lost one of its well known leaders when Bruce Scott died on 10 February 2009. Bruce was first elected in the Mackenzie County Council in 1980 and was County Chairperson from 1986 to 1989. He was the first Mayor of the Mackenzie District and served in that role until 1992. Following a break from local government service, he returned as Chair of the Tekapo Community Board from 1998 to 2004.

Water, Stormwater & Sewerage Water Supplies

The progressive renewal of ageing pipe work in Fairlie was continued with the completion of a section of work in Regent St, Fairlie.

A tender for renewal of water connections in Pioneer Drive, Lake Tekapo, was accepted in April but the early onset of Winter led to the work being deferred until Spring.

Early in the year, Council confirmed its intention to install a community water supply scheme in Manuka Terrace, Twizel, and investigation work has commenced.

Investigations and costing of the option of shifting the Twizel Water Supply source were also approved to proceed.

A new bylaw for the Downlands Water Supply was approved during the year to harmonise with the other authorities served by the supply.

Sewerage

In August, Council approved the construction of an extension of the Fairlie sewerage system to service the Eversley Reserve area. Work on design and funding has still to be done.

Only a portion of the planned work on upgrading the Twizel disposal area was undertaken. There is pressure to create an alternative means of final treatment due to development nearby.

Stormwater

The anticipated cost of providing flood

Protection from the Fairlie western catchment is beyond the capability of the community, but no decision on this has been made as yet.

Roading

The key improvements to the roading network undertaken during the year were the strengthening of Camp Valley Bridge and a range of minor improvements including:

- Intersection sealing on Rollesby Valley Rd and Mackenzie Pass Rd
- Extended bridge approach sealing on Exe Stream and Waratah Rd
- Realignment of the Monument Rd/Clayton Rd intersection.

Metalling of unsealed roads and reseals were also completed, but the planned seal widening of Clayton, Hamilton and Trentham Roads did not qualify for roading subsidy and was therefore deferred.

Flood damage repairs were completed, including repairs to Coal Stream Bridge on Lilybank Road.

Solid Waste

Council continued to achieve good recovery rates with 79% of the waste received at the recovery parks being diverted away from the Redruth Landfill in Timaru. However, the operating costs of over one million dollars have led Council to review aspects of the operation in an attempt to achieve economies.

In response to a local request, an improved rubbish collection service for Albury was agreed to with effect from the 2009/2010 year.

Planning & Regulatory Services

Council was accredited as a Building Control Authority in July 2008.

Hearings and consideration of Plan Change 13 dealing with controls on subdivision in the Mackenzie Basin was a major task for the resource management team during the year. Proposals to amend zoning in Twizel were deferred until this plan change was completed.

The last of the township planning studies was concluded in April 2009 with a review of planning issues affecting Fairlie.

A new fire tanker was purchased for the rural fire at Burkes Pass with assistance from the National Rural Fire Authority.

Community Services and Recreational Facilities

The Twizel Town Centre upgrade was completed during the year as were the Fairlie retirement villas with sales of the older Mt Cook Rd units also being finalised and Sloane Street flats being marketed for sale.

Council agreed to help finance the construction of a new toilet block to service the Regional Park at Lake Tekapo.

Community Board discussion continued at Lake Tekapo on the most affordable means of building a new community centre and its most appropriate siting.

Negotiations were undertaken with Mackenzie College over a new contract for provision of community library services.

Community input has been important in the development and planning of walkways for Twizel and control of wilding trees. In Fairlie, the planned development of the village green has become a community-led exercise.

A new governance structure for the Twizel Events Centre was approved and agreement in principle reached with the Twizel Area School over cost sharing on the maintenance of the playing field.

Lease agreements were finalised with hut owners at the Outlet and South End settlements at Lake Alexandrina after detailed negotiations.

Commercial Activities

Pukaki Airport development continued with further subdivision of land for aviation related use. The Board then proceeded to connect all of the sections to the Twizel sewerage system. Runway sealing was also undertaken. Council approval was given during the year for additional expenditure above budget.

Declining interest rates affected Council's return on investments but this was partially offset by greater than expected dividends from Alpine Energy.

Net real estate sales were significantly less than budgeted.

The Council, in approving the Statement of Intent for the Forestry Board, agreed to reduce the rental charge on freehold land used for the forestry.

The Council transferred the operation of the Visitor Information Centre at Pukaki to the Mackenzie Tourism and Development Trust from 1 July 2008.

Corporate Services

Both the Annual Report and the Long-term Plan were adopted by Council within the required timeframes. The report and the final version of the Long-Term Plan received unqualified audit opinions.

Staffing

A number of staff changes were made during the year.

Carl McKay replaced John McGartland as Solid Waste Manager and Nick Froude was appointed to a new position of Asset Assistant.

Anastasia Pronina joined the Planning Team and Dean Brady replaced John Watson as the Twizel-based Building Inspector.

In the administration area, we lost the services of Helen Amyes, Mags Gibson and Kate Seal. They were replaced by Heather Kirk and Casey Pridham as Administrative Assistant and Payments Officer respectively.

Stephen Barlow became our new GIS/IT Officer and Julie Hadfield and Catherine Johnson now share the post of Executive Assistant.



John O'Neill

Mayor

28 October 2009



Glen Innes

CEO

Summary Statement of Service Performance for the Year Ended 30 June 2009

Mackenzie District Council aims to contribute to the economic, environmental, social and cultural wellbeing of the community by helping to realise six community outcomes:

- An attractive and highly valued natural environment
- A thriving economy
- A democracy which upholds the rights of the individual
- A fit and healthy community
- Safe, effective and sustainable infrastructure
- A supportive and contributing community.

The following are the key performance measures which have been extracted from the full Statement of Service Performances.

Significant Activity - Governance

Targets/Objectives	Performance Measures (2006-2015)	Result
<ul style="list-style-type: none"> • Council's schedule of meetings runs from late January through to December each year. Meetings are normally held on a Tuesday every six weeks which includes the Finance, Operations and Planning committees. 	<ul style="list-style-type: none"> • At least 22 meetings/hearings held during the year. 	Achieved
	<ul style="list-style-type: none"> • No identified breaches of the Local Government (Official Information and Meetings) Act. 	Achieved
<ul style="list-style-type: none"> • A summary of the long-term council community plan, annual plan and annual report is sent to all ratepayers annually. 	<ul style="list-style-type: none"> • Number of special consultations held during the year and number of submissions made in response. 	Achieved
<ul style="list-style-type: none"> • Community boards meet regularly and provide recommendations on local issues to Council. 	<ul style="list-style-type: none"> • Each Community Board meets eight times during the year. 	Achieved
	<ul style="list-style-type: none"> • Recommendations including budget submissions are forwarded to Council for approval 	Achieved

Significant Activity - Water

Targets/Objectives	Performance Measures (2006-2016)	Result
Quality <ul style="list-style-type: none"> • Weekly monitoring of disinfected schemes shows no presence of E.coli (faecal bacteria) in the supplies. • Monthly monitoring (weekly in Twizel) for presence of E coli (faecal bacteria). Boil water notices issued if either three consecutive samples show the presence of E.coli (faecal bacteria) or any one sample has a concentration of >10cfu/100ml. • Three urban water supplies upgraded to meet drinking water standards. 	<ul style="list-style-type: none"> • 100% compliance • Scheduled monitoring completed • Boil water notices issued when hazard identified. • Scheduled works completed as noted on Capital Schedule. 	Substantially Achieved
Availability <ul style="list-style-type: none"> • No disruption exceeds eight hours. • Normal duration of 90% of disruptions is less than six hours. 	<ul style="list-style-type: none"> • 100% compliance • 100% compliance 	Achieved
Environmental <ul style="list-style-type: none"> • All resource consents conditions are complied with. 	<ul style="list-style-type: none"> • 100% compliance 	Achieved in Part

Significant Activity - Sewerage

Targets/Objectives	Performance Measures (2006-2016)	Result
<ul style="list-style-type: none"> • All resource consent conditions are met. 	<ul style="list-style-type: none"> • 100% compliance 	Substantially Achieved
<ul style="list-style-type: none"> • No sewage overflows from pump stations. 	<ul style="list-style-type: none"> • 100% compliance 	Achieved
<ul style="list-style-type: none"> • Annual blockages are less than six per 10 km of sewer. 	<ul style="list-style-type: none"> • Target met 	Achieved

Significant Activity - Stormwater

Targets/Objectives	Performance Measures (2006-2016)	Result
<ul style="list-style-type: none"> • Specified flood event protection is maintained. 	<ul style="list-style-type: none"> • No complaints about damage caused by flooding. 	Achieved
<ul style="list-style-type: none"> • Completion of works within budget. 	<ul style="list-style-type: none"> • Works completed by December 2009. 	Achieved in Part
<ul style="list-style-type: none"> • All resource consents conditions are complied with. 	<ul style="list-style-type: none"> • 100% Compliance. 	Achieved

Summary Statement of Service Performance for the Year Ended 30 June 2009 cont...

Significant Activity - Roading

Targets/Objectives	Performance Measures (2006-2016)	Result
Sealed Road Smoothness <ul style="list-style-type: none"> The average roughness of urban roads shall not exceed an average of 100 NAASRA counts and no more than 15% shall exceed 150 NAASRA counts. The average roughness of rural roads shall not exceed an average of 80 NAASRA counts and no more than 15% shall exceed 110 NAASRA counts. 	<ul style="list-style-type: none"> NAASRA counts meet targets. NAASRA counts meet targets. 	<p>Achieved</p> <p>Achieved</p>
Unsealed Road Standard <ul style="list-style-type: none"> All contract specifications are met. 	<ul style="list-style-type: none"> For audited sections of the unsealed roading network, contract specifications are fully met or identified defects are remedied within agreed time-frames. 	Achieved
Customer Satisfaction <ul style="list-style-type: none"> At least 80% of respondents to a three yearly community survey have an opinion that town roads in general, rural sealed roads and rural unsealed road are "satisfactory" or "very satisfactory". At least 70% of respondents to a three yearly community survey have an opinion that urban footpaths are "satisfactory" or "very satisfactory" 	<ul style="list-style-type: none"> Measure based on three yearly community survey. Measure based on three yearly community survey. 	<p>Not Measured</p> <p>Not Measured</p>
Safety Improvements <ul style="list-style-type: none"> Not less than two safety projects shall be implemented each year. 	<ul style="list-style-type: none"> At least two safety projects completed annually. 	Achieved
Road Improvement Projects <ul style="list-style-type: none"> All approved road improvement projects qualifying for Land Transport New Zealand financial assistance are undertaken. 	<ul style="list-style-type: none"> 100% of approved projects completed annually. 	Achieved in Part

Significant Activity – Solid Waste

Targets/Objectives	Performance Measures (2006-2016)	Result
<ul style="list-style-type: none"> 70% of all solid waste received at the three resource recovery parks is diverted from landfill. 	<ul style="list-style-type: none"> 70% diverted, with an expectation of 80% by 2009. 	Achieved
<ul style="list-style-type: none"> To pick up all compliant bags of waste put out for collection at the kerb-side. 	<ul style="list-style-type: none"> 99.5% compliance. 	Achieved
<ul style="list-style-type: none"> All resource consents conditions are complied with. 	<ul style="list-style-type: none"> 100% compliance. 	Achieved in Part

Significant Activity – Building Control

Targets/Objectives	Performance Measures (2006-2016)	Result
<ul style="list-style-type: none"> To process building consents and property information memoranda within the statutory timeframe of 20 days 	<ul style="list-style-type: none"> To process 95% of building consents and property information memoranda within the statutory timeframe for the year ended 30 June 2008. 	Achieved in Part
<ul style="list-style-type: none"> Council is accredited as a building control authority 	<ul style="list-style-type: none"> Accreditation to be received by November 2007 	Not Achieved

Significant Activity – Resource Management

Targets/Objectives	Performance Measures (2006-2016)	Result
<ul style="list-style-type: none"> Review of rural subdivision and development rules completed. Continue township planning exercises. Make Improvements to the District Plan 	<ul style="list-style-type: none"> Review of rules completed by 30 June 2008. Subsequent plan changes released for submission by 30 June 2009. Undertake a town development study for Fairlie during the 2006/2007 year. Relevant plan changes completed by 30 June 2008. To prioritise and complete plan changes identified as necessary by Council. 	<p>Achieved</p> <p>Not Achieved</p> <p>Achieved</p>
<ul style="list-style-type: none"> To process resource consents within the statutory timeframe of 20 working days. To process land information memoranda within statutory timeframes of 10 working days 	<ul style="list-style-type: none"> 90% compliance till 30 June 2008, 95% compliance thereafter. 100% compliance. 	<p>Not Achieved</p> <p>Not Achieved</p>

Summary Statement of Service Performance for the Year Ended 30 June 2009 cont...

Significant Activity - Regulatory

Targets/Objectives	Performance Measures (2006-2016)	Result
Animal Control <ul style="list-style-type: none"> All dogs are registered and national dog database is continually kept up to date. Respond to all complaints of wandering dogs and stock within 12 hours. 	<ul style="list-style-type: none"> 100% of dogs are registered by year end. All registered dogs on the national database. Target met. 	<p>Achieved</p> <p>Achieved</p> <p>Achieved</p>
Civil Defence <ul style="list-style-type: none"> To carry out two civil defence training sessions per year with staff and volunteers on familiarisation with Council Civil Defence arrangements. 	<ul style="list-style-type: none"> Target met. 	<p>Not Achieved</p>
Rural Fire <ul style="list-style-type: none"> To promote and carry out fire control measures in the Mackenzie District in accordance with the combined rural fire authority "Rural Fire Plan". 	<ul style="list-style-type: none"> Plan requirements complied with. All volunteer rural fire teams are registered with the NRFA and meet the industry standards. 	<p>Achieved</p> <p>Achieved</p>
Health & Liquor Licensing <ul style="list-style-type: none"> To ensure all premises selling liquor are licensed and all registered food premises are licensed. 	<ul style="list-style-type: none"> No premises lack the appropriate licence. 	<p>Achieved</p>

Significant Activity – Commercial Activities

Targets/Objectives	Performance Measures (2006-2016)	Result
Investments <ul style="list-style-type: none"> Council's cash investment portfolio independently reviewed each quarter. Council will review the annual report and statement of intent for its investments in Alpine Energy Limited on an annual basis. 	<ul style="list-style-type: none"> Investments outperform benchmark portfolio. Reviews undertaken. 	<p>Not Achieved</p> <p>Achieved</p>
Mackenzie Forestry Board <ul style="list-style-type: none"> Council will approve the statement of intent for the Mackenzie Forestry Board. To ensure that all new planting should achieve the minimum internal rate of return. 	<ul style="list-style-type: none"> Approval of the statement of intent is made prior 30 June in each year. 100% of all new planting should be demonstrated by project analysis to be able to achieve a minimum internal rate of return of 7% pre-tax. 	<p>Achieved</p> <p>Achieved</p>
Real Estate <ul style="list-style-type: none"> Council will progress the disposal of the areas of land identified for sale. Council will progress the land rationalisation process to identify further areas of land deemed surplus to its requirements. 	<ul style="list-style-type: none"> Market analysis is undertaken on a regular basis for the land identified for disposal as scheduled in the significance policy. A full land rationalisation process will be completed by September 2007. 	<p>Not Achieved</p> <p>Not Achieved</p>
Rental Properties <ul style="list-style-type: none"> Council will ensure that the terms of each commercial lease agreement are adhered to. 	<ul style="list-style-type: none"> All lease agreements are reviewed on a regular basis. 	<p>Achieved</p>
Pukaki Airport Board <ul style="list-style-type: none"> The board achieves the goals set in its Statement of Intent. 	<ul style="list-style-type: none"> The board will report to Council on regular basis on its activities and progress towards meeting its goals. 	<p>Achieved</p>

Significant Activity – Community Services

Targets/Objectives	Performance Measures (2006-2016)	Result
Pensioner Housing <ul style="list-style-type: none"> Pensioner housing occupancy is maintained at 95% Target rentals set to achieve 80% of market rental. Units are maintained in line with the building maintenance plan. 	<ul style="list-style-type: none"> Actual occupancy on an annual basis. Target is effective for all units leased after June 2005. All other rentals adjusted as per Council policy (increases no more than five dollars per week for existing tenants until target rental is achieved). Programmed maintenance is completed 	<p>Achieved</p> <p>Achieved</p> <p>Achieved</p>
Medical Centres <ul style="list-style-type: none"> Buildings are maintained in line with the building maintenance plan. 	<ul style="list-style-type: none"> Programmed maintenance is completed. 	<p>Achieved</p>
Public Toilets <ul style="list-style-type: none"> Toilets maintained in line with contract specifications. 	<ul style="list-style-type: none"> As determined by at least four random audits performed on each set of public toilets per annum and by recording and assessing all customer complaints. 	<p>Achieved</p>
Cemeteries <ul style="list-style-type: none"> User charges cover the majority of costs associated with cemeteries. Cemeteries maintained in line with contract specification. 	<ul style="list-style-type: none"> User charges recover 75% of operational cost. As determined by quarterly audits performed by staff. 	<p>Achieved</p> <p>Achieved</p>
Grants <ul style="list-style-type: none"> All contractual requirements are met That all funds are allocated in line with rules from the granting organisations (SPARC and Creative New Zealand) 	<ul style="list-style-type: none"> As determined by six monthly report. No complaints from SPARC or Creative New Zealand received with regards to the allocation of the funds. 	<p>Achieved</p> <p>Achieved</p>

Significant Activity – Recreational Facilities

Targets/Objectives	Performance Measures (2006-2016)	Result
Swimming Pools <ul style="list-style-type: none"> Pools available for use during programmed opening times. Pool water quality meets applicable standards. Facility use is maximised. 	<ul style="list-style-type: none"> The pools are available for use during the specified times. Pool water quality meets New Zealand Standard (NZS 5826: 2000). Increase usage outside public hours by an average of two hours per week of opening. 	<p>Achieved in part</p> <p>Achieved</p> <p>Achieved</p>
Halls and Community Centres <ul style="list-style-type: none"> Community centres and halls are kept clean and always available for use. Fees and charges are reviewed annually, to ensure they move in line with operational costs. Buildings are maintained in line with the building maintenance plan. 	<ul style="list-style-type: none"> Community centres and halls are kept clean and available for use 365 days per year. List of updated fees and charges published in Long Term Council Community Plan or Annual Plan. Programmed maintenance is completed. 	<p>Achieved</p> <p>Achieved</p> <p>Not Achieved</p>
Parks, Reserves and Amenity Areas <ul style="list-style-type: none"> Walkways adequately maintained. All play areas replaced or upgraded will be compliant with appropriate safety standards. As determined by regular audits of work. 	<ul style="list-style-type: none"> Walkways maintained in line with the National Standard for Walkways. All play areas replaced or upgraded comply with New Zealand Standard 5828:2004. Specifications complied with. 	<p>Achieved</p> <p>Achieved</p> <p>Achieved in Part</p>
Libraries <ul style="list-style-type: none"> Maintain ratio between borrowers and the District's rateable properties. Hours maintained 	<ul style="list-style-type: none"> Currently 45,573 issues made per year for 3600 rateable properties, therefore the ratio is 12.66 issues per ratepayer per annum. Target met. 	<p>Achieved in Part</p> <p>Achieved</p>

Significant Activity – Corporate Services

Targets/Objectives	Performance Measures (2006-2016)	Result
<ul style="list-style-type: none"> All plans and reports completed in accordance with the Local Government Act 2002. 	<ul style="list-style-type: none"> Completion of Annual Reports by 31 October each year. Adoption of long-term council community plans by 30 June every three years. Adoption of Annual Plans by 30 June in the years when a long term council community plan is not required. 	<p>Achieved</p> <p>Achieved</p>

Summary Financial Statements for the Year Ended 30 June 2009

	COUNCIL			GROUP
	Actual 2008	Budget 2009	Actual 2009	Actual 2009
	\$000's	\$000's	\$000's	\$000's
SUMMARY OF STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009				
Total operating revenue	13,464	12,214	10,849	11,049
Total operating expenditure	9,189	8,684	9,539	9,731
Operating surplus/(deficit)	4,275	3,530	1,310	1,318
SUMMARY STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009				
Equity at the beginning of the year	139,516	115,053	169,459	169,405
Increase/(decrease) in Revaluation Reserves	25,791	-	12	12
Equity in Mackenzie Holdings Ltd	(181)	-	-	-
Transfer to Mackenzie Tourism & Development Trust	-	-	(70)	-
Bequest—Enid Hutt Beautifying Fund	19	-	-	-
Revaluation on water assets sold	39	-	-	-
Net surplus/(deficit)	4,275	3,530	1,310	1,318
Net Comprehensive Income	29,943	3,530	1,252	1,330
Equity at the end of the year	169,459	118,583	170,711	170,735
SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2009				
Total current assets	16,868	1,617	14,834	14,898
Total non-current assets	155,155	117,836	157,718	157,722
Total assets	172,023	119,453	172,552	172,620
Total current liabilities	1,987	812	1,264	1,308
Total non-current liabilities	577	58	577	577
Equity	169,459	118,583	170,711	170,735
Total liabilities and equity	172,023	119,453	172,552	172,620
SUMMARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2009				
Net cash inflow/(outflow) from operating	6,328	3,496	2,914	2,907
Net cash inflow/(outflow) from investing	(4,281)	(3,539)	(4,040)	(3,976)
Net cash inflow/(outflow) from financing	516	(3)	-	-
Net increase/(decrease) in cash held	2,563	(46)	(1,126)	(1,069)
Opening cash balance	805	276	3,368	3,368
Closing cash balance	3,368	230	2,242	2,299

Notes to the Financial Statements for the Year Ended 30 June 2009

NOTES

- Part 6 s 98(b) of the Local Government Act 2002 requires Council to make publicly available a summary of information contained in its Annual Report.
- All figures reported in the summary are presented in New Zealand dollars.
- The specific disclosures included in the summary financial report have been extracted from the full financial report adopted on 28 October 2009. This summary has been prepared in accordance with FRS 43: Summary Financial Statements.
- The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The report dated 28 October 2009 has received an unqualified audit report. A copy of the financial report may be obtained from the Council's offices or on the Council's website (www.mackenzie.govt.nz).
- This summary financial report has been examined by the auditor for consistency with the full financial report. An unqualified auditor's report is included with this summary.
- The Council has complied with New Zealand equivalents to the International Financial Reporting Standards as applicable for public benefit entities.
- The information included in the Summary Financial Report has been extracted from the audited full financial report and authorised for issue by the Manager—Finance and Administration on 28 October 2009.

AUDIT REPORT

**TO THE READERS OF MACKENZIE DISTRICT COUNCIL AND GROUP'S
SUMMARY ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

We have audited the summary annual report.

Unqualified Opinion

In our opinion:

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

We expressed an unqualified audit opinion, in our report dated 28 October 2009, on:

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

Basis of Opinion

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

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on those summary financial statements, performance information and the other requirements. These responsibilities arise from the Local Government Act 2002.



Ian Lothian, Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
28 October 2009