

Kāpiti update

A monthly information
newsletter from your local
Council

ANNUAL REPORT SUMMARY 2011–12

This is a snapshot of activities and finances for Year Three of the 2009 Long Term Council Community Plan.

INTRODUCTION BY JENNY ROWAN, MAYOR, KĀPITI COAST DISTRICT

I am pleased to present this Summary Annual Report on behalf of my fellow Councillors – 2011/12 has been another very busy year.

Construction of the Coastlands Aquatic Centre started in February and will be completed by March 2013. This is a long-awaited and exciting development for Kāpiti.

In April the New Zealand Transport Agency lodged an application with the Environmental Protection Authority to construct the MacKays to Peka Peka Expressway. The Government has appointed a Board of Inquiry to consider the application and this will provide an opportunity for effected parties to present their respective cases.

Council continued to work on a long-term sustainable solution for the District's water supply. We decided to expand the Waikanae borefield, so in times of drought we can use ground water to "recharge" the Waikanae River, allowing us to take more water from the river for treatment and supply.

We also decided to include water meters in the mix because our research showed they would lead to an estimated 25% reduction in peak domestic demand which in turn would allow us to defer \$36 million worth of water supply infrastructure costs by at least 20 years.

We know a number of residents still believe a dam is the solution to the problem. However,

the cost of a dam cannot be staged so its full cost (considerably more than the river recharge scheme) would fall directly on current ratepayers.

Economic development is critical if we are to reduce the rating burden on residents and provide local jobs, especially for our young people. During the year Council released a new strategy for supporting economic development with the goal of more quality local jobs, increased business activity as well as laying the foundations for the transformation of our economy over the first half of the 21st century.

Work on upgrading and earthquake strengthening the Civic Administration Building is well advanced and once completed early in 2013 it will under-pin the Paraparaumu Town Centre as the civic heart of the District.

Nearly all our town centres saw investment during the year. This included a major upgrade of the Marine Gardens at Raumati Beach, more parking space purchased, an upgrading of the Kāpiti and Rimu Roads intersection, improvements to the Ngaio and Parata Street intersection at Waikanae and a major upgrade of the pump station on Te Moana Road.

The main street upgrade in Ōtaki ran into a number of difficulties and was subsequently delayed causing considerable angst to the local community but now looks great.



Council continued to put considerable effort into youth projects, working with older people, increased involvement with the Disability Reference Group, cycleway, walkway and other community groups on a range of projects: all making a major contribution to community wellbeing.

A handwritten signature in black ink that reads "Jenny R".

Jenny Rowan, QSO, JP
Mayor

Kāpiti Coast District



A MESSAGE FROM PAT DOUGHERTY, CHIEF EXECUTIVE

In the 12 months to June 30, 2012, Council invested \$34.64 million on capital works. The major items included \$5.9 million on the Coastlands Aquatic Centre, \$2.9 million on the Civic Administration Building, and \$5 million on roads. The latter included \$1.4 million on re-sealing, \$1.23 million on the Kāpiti Road/ Rimu Road intersection, and \$345,000 on footpaths.

In December Council purchased the 35 hectare "Howarth Block" for future development as playing fields and open space for \$2.775 million. This is a magnificent piece of land that runs along the south bank of the Waikanae River with access off Lancelot Grove.

Council also purchased a block of land at the Raumatī Beach shopping precinct for car park use, and a property in Ngahina Street, bringing the total strategic land purchases for the year to \$3.8 million.

Negotiations for the purchase of land for a future dam site behind Nikau Valley were also successfully concluded during the year with full settlement being made in the 2012/13 financial year.

Council supported moves to set up a Clean Technology Trust to provide a range of services to help selected clean technology ventures to become commercially self-sufficient. This involved approving a \$1.5 million loan which the Trust will be able to draw down to cover set up, development costs and specific projects as they progress.

A significant amount of investment was made on stormwater and wastewater upgrades. This included \$2.4 million on building a new stormwater pump station at the Raumatī Town Centre (total project cost is \$3.4 million), and \$1.1 million on stage 1 of the Te Moana Road Wastewater Pump Station upgrade

and Emergency Storage installation. The Paraparaumu inflow and infiltration reduction and wastewater pipe renewals contract was completed in May 2012 with the majority of the work carried out within Hinemoa Street and surrounding streets in Paraparaumu East.

Work on the Waikanae River re-charge water supply project continued with a major study by NIWA on the impact of ground water on the river's ecology, and a number of test bores being sunk around Greenhill Road and Greendale Drive to identify sites for future supply bores.

Given the impact of the economic recession on the levels of activity during the year, Council ended the year in a satisfactory financial position, mainly due to savings in loan servicing costs.

There was a rates surplus of \$691,000 as at June 30, 2012, which was reported to the Corporate Business Committee on August 16, 2012. This surplus has been partly used (\$206,000) to offset the 2012/13 rates increase and the balance was used to offset the additional costs for the District Plan and Expressway work. These additional costs were a result of delays in the externally driven NZTA Expressway programme, and impacts on staff time allocated to the District Plan Review.

The operating surplus before one-off items was \$3.67 million. Included in the operating surplus are revenue items such as development contributions of \$3.468 million which are capital contributions from developers that must be used to fund capital expenditure.

The one-off items included an unrealised loss on valuation of interest rate swaps of \$5.936 million and a loss on asset disposal of \$0.975 million. When these one-off (non-cash) items are deducted from the operating surplus, it results in a net operating deficit of \$3.24 million.



The unrealised loss on the revaluation of Council's interest rate swaps of \$5.936 million will never be realised and only reflects the change in the market valuation of Council's interest rate swaps between June 30, 2011 and June 30, 2012.

Careful management of interest rate swaps has saved Council up to \$700,000 over the past 12 months in loan servicing costs. Interest rate swaps will continue to provide an opportunity to make significant savings in debt servicing costs over the longer term.

The other non-cash contributor to the operating deficit is a loss on asset disposal associated with the Civic Administration Building upgrade amounting to \$934,000. This loss in historic value needed to be recognised as an accounting transaction as part of the June 30, 2012 Annual Report. Following the upgrade, the building will be revalued to reflect its increased value.

Pat Dougherty

Chief Executive



WHO WE ARE AND WHAT WE DO

This summary is a snapshot of the Council's activities and finances for 2011/12. The information it contains has been extracted from our 2011/12 Annual Report, dated 4 October 2012 which contains detailed information about our finances and service performance.

Council comprises a Mayor and 10 elected Councillors. Half represent a ward and half are districtwide.

Council meetings are held six weekly. Several Standing Committees report to Council on particular areas, including:

- Environmental and Community Development;
- Corporate Business;
- Regulatory Management.

Four Community Boards – Ōtaki, Paraparaumu/Raumati, Waikanae and Paekākāriki – represent local community interests.

Council provides a wide range of services and infrastructure, as well as making decisions that help shape the District's future.

Council staff provide advice, implement Council decisions and look after the District's day to day operations.

Work is divided into 16 categories. All are linked to one or more Community Outcomes – the aspirations people consider important for the District's wellbeing.

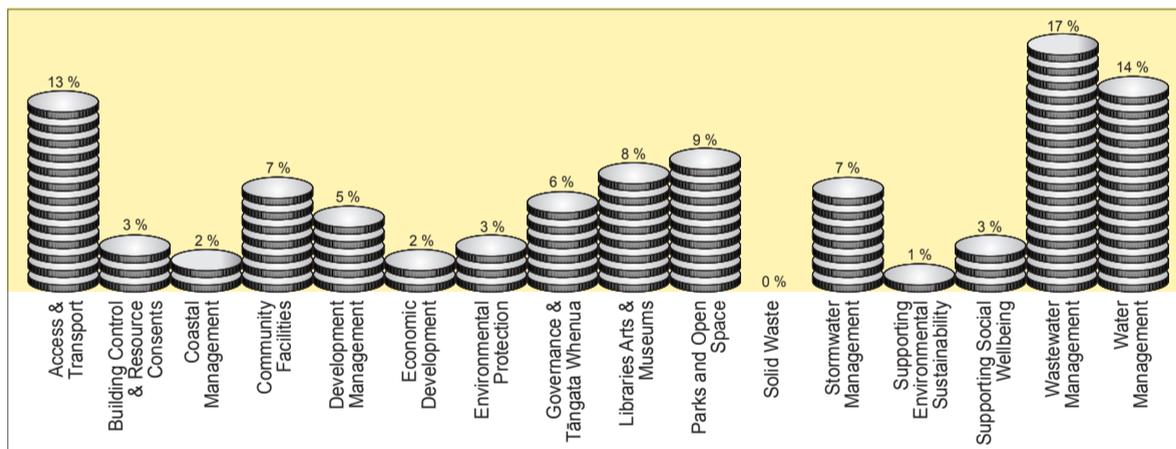
Full information on Community Outcomes can be found at www.kapiticoast.govt.nz

SPENDING AT A GLANCE

WHERE YOUR RATES DOLLARS WERE SPENT

URBAN RATEPAYERS

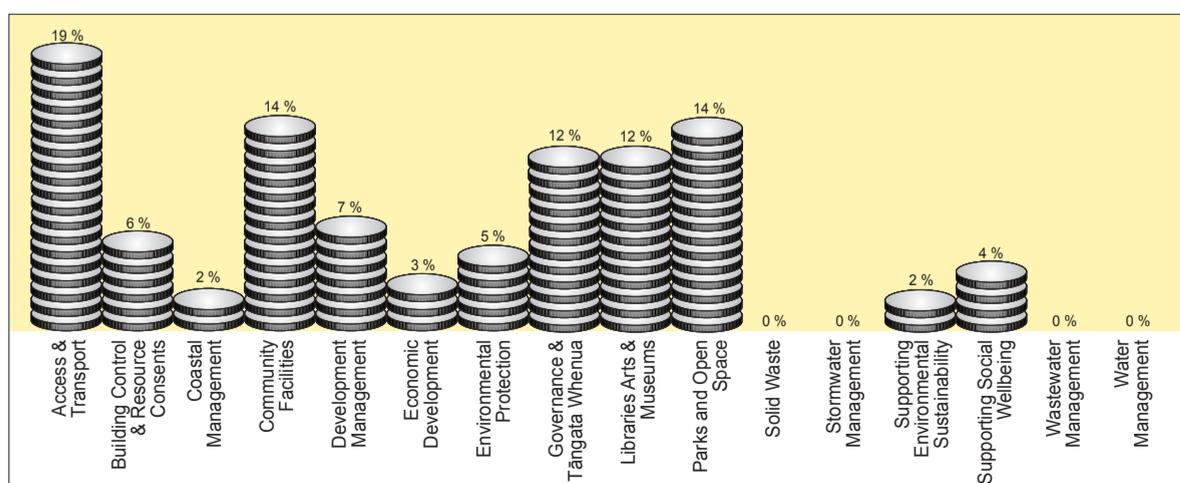
THE PROPORTION OF YOUR RATES SPENT ON EACH ACTIVITY – URBAN AREA



RURAL RATEPAYERS

The rural ratepayers do not fund water, wastewater or stormwater unless the properties are within those service areas so their rates are spent as follows:

THE PROPORTION OF YOUR RATES SPENT ON EACH ACTIVITY – RURAL AREA



KEY ACHIEVEMENTS

Access and Transport

This is one of Council's most important activities, linking to all seven Community Outcomes and a key factor in people being able to participate fully in their community.

The proposed Expressway dominated transport discussions. Council was involved in the New Zealand Transport Agency's submissions process, while its ground-breaking membership of the Expressway Alliance aimed to mitigate negative effects on the District.

On-going improvements to the local network included finishing the Kāpiti/ Rimu Road intersection upgrade, repair of erosion damage and renewal of the existing weir structure on the Rangiora Stream at the Akatarawa Road Bridge, completing the footbridge at Atkinson Avenue, Ōtaki, and 1.9kms of improvements and extensions to the District's cycleways/walkways.

Joint safety initiatives included children's car seat checks with Plunket, a High Risk Driver Programme for college students and advertising promotions for: dangers of fatigue, drink driving, safe motorcycling, Give Way Rule changes, winter driving, and safe cycling.



Building Control and Resource Consents

The recession's building downturn has had major impact on Council's demand for building services and income derived from this. Indicators are new dwelling demand is unlikely to increase before 2013.

The funding policy split was reviewed in the Long Term Plan process. Approved changes were a shift from private 90% - public 10% to private 55% - public 45% for Building Control, and private 50% - public 50% to private 70% - public 30% for Resource Consents.

Building Control met its statutory processing requirements, processing 795 of 853 Building Consents within 20 days and all 582 Land Information Memorandum requests within 10 days.

A key focus is on maintaining a high quality, efficient and healthy building stock. During the year 5,495 building site inspections were completed and 790 Code of Compliance Certificates issued.

Another key focus is helping manage the effects of activities on the environment, by ensuring District Plan rules are followed.

During the year 192 Resource Consent decisions were issued.

Coastal Management

The Coast is synonymous with Kāpiti and its management is a focus area for the District Plan Review.

The Coastal Hazard Assessment process, a requirement of the National Coastal Policy Statement, continued during 2011/12. The coastal hazard assessments for the rivers, streams and inlets, continued. The assessment of the open coast hazards continued along with work assessing impacts on development controls which would be considered as part of the District Plan Review.

The Coastal Strategy 2006 continued to guide work, including improved access and signage. Protection work included completing the first stage of the Paekākāriki Rock Revetment and, with community groups, planting 8,000 spinifex and pingau plants along the foreshore dunes.

Community Facilities

The proposed Aquatic Centre is an example of how community facilities support social and cultural wellbeing, while their design affects the area's character.

Council approval was granted for the construction of the Coastlands Aquatic Centre and the Civic Administration Building upgrade. Both projects are well underway and progress to date for both projects is on schedule and on budget.

A natural burial section was developed at Ōtaki Cemetery, while Council's commitment to older people was illustrated by the 99% occupancy of its housing stock for the elderly.

Development Management

This activity is about addressing growth management pressures in a way that reflects community vision.

The District Plan Review continued with 15 Elected Member workshops. Each workshop was advertised and open to the public. The topics included District Plan structure and objectives, open space, natural hazards and the natural

environment, rural and residential issues, employment areas, infrastructure, hazardous facilities / contaminated land, landscape assessment, native urban trees, and coastal hazard planning. Expressway issues are also being considered in the Review process.

The Peka Peka Local Outcomes Statement was approved, and the Te Horo Local Outcomes Statement process is underway.

The design and construction issues for the Ōtaki Main Street upgrade were resolved and the Town Centre project was completed.



Economic Development

Work with Ōtaki's Clean Technology Centre, a joint initiative with Grow Wellington, continued.

The Council undertook a review of its economic development activities which resulted in a new strategic direction and a new structure for delivering economic development activities, which is designed around implementing the Strategy for Supporting Economic Development on the Kāpiti Coast.

Environmental Protection

This largely regulatory activity helps protect public health and safety. It includes noise and animal control, liquor licensing, inspections of food premises and swimming pools, and emergency management.

The Council continued with its involvement in a shared service review of how emergency





management and rural fire services are delivered throughout the Wellington Region.

The Council joined with all the other Councils in the Wellington region to form a semi-autonomous civil defence and emergency management group. All the Councils' emergency management staff and resources are now pooled together. This is expected to improve effectiveness and efficiencies from increased scale and co-ordination.

Governance and Tāngata Whenua

Working parties with tāngata whenua representation were set up for the District Plan, Water Supply, and Economic Development.

Waitangi Day commemorations went well at Campbell Park in Paekākāriki, Marae support grants were allocated and the 2012/13 Maramataka was launched.

In accordance with the Local Government Act 2002 the Council reviewed its Long Term Plan. The consultation resulted in 2,423 submissions being received including at least 1,563 on water meters.

Council encouraged people to take up the central government rates rebate scheme, 2,539 applications were processed; total value of rebates was \$1.385 million.

Libraries, Arts and Museums

Libraries play a big part in fostering an informed community. Over 17,000 items were added to the collections. Community appreciation was evident by a 3% increase in library visitors equating to over 53,000 visitors a month. There were approximately 730,000 issues from the libraries collections for the year.

In the Long Term Plan process Council committed to the scope of the joint Mahara Gallery/ Waikanae Library upgrade project and will contribute one third of the project costs sought by the Trustees, after funding has been confirmed by the Trustees for the remaining two thirds of the upgrade costs. Work on the joint gallery/library project will be deferred until 2015/16 to give the Trust time to raise the remaining two thirds of the funds estimated for the Gallery upgrade.

Parks and Open Space

Parks and open spaces play a big part in the natural feel and character of the District, while key parks and coastal reserves support biodiversity.

Important to this is the work of 23 community 'friends' groups involved in restoration projects and, over the last financial year, planting more than 22,000 native plants.

The Paekakariki Hill Lookout upgrade was completed. Public toilets were completed at Te Āti Awa Park, Pharazyn Reserve and Haruatai Park. A playground and shade structure were installed at Aotaki Street Skate Park, play equipment was refurbished and replaced at Matthews Park, and the junior play structure was replaced at Waikanae Park. The Maclean Park development was completed and Marine Gardens upgrade is underway. Council made a significant contribution to the Kapiti Community Recreational Turf Trust to complete the new changing room and social facilities at the Mazengarb Reserve Turf.

Council acquired a 35 hectare site that runs along the south bank of the Waikanae River known as the Howarth Block.

Solid Waste

This activity contributes mainly to Community Outcome 4, which wants use to be made of local resources and for people to be able to act sustainably on a daily basis.

Waste levy projects included community mulchers, worm farms, and composting vessels for schools, businesses and groups of residents. The levy was also used for waste education, an innovation grant for the development of a new building material made from recycled glass and plastic and subsidising the drop off of TV's and computer monitors.

During the year there was increased use of the



recycling drop-off and shop at the Otaihanga Resource Recovery Centre and weekly kerbside recycling continued in urban areas.

Council reassessed its role in the greenwaste process and concluded that its involvement between the commercial operator and the residents dropping off greenwaste provided no additional benefit and created additional costs. Therefore a local service provider will undertake the full service from July 2012.

Council decided that after 1 July 2012, paper rubbish bags will no longer be sold, but will still be collected until supplies end. The savings will allow Council to keep bag prices within the price range that can be expected on a user pays funding basis.

Solid Waste services are fully funded via user charges.

Stormwater Management

Removing stormwater run-off and its safe disposal is important to health and safety, and the protection of ecosystems and the environment.

Strategically it is important given climate change is likely to lead to more flooding and pressure on our stormwater systems.



The Raumati Beach Town Centre stormwater project was completed, and the stormwater project in Ocean Road, Paekākāriki is underway.

Council has included updated LIDAR (Light Detection and Ranging) survey information to assist in the development of flood hazard maps for the District. This mapping work is now completed ready for inclusion in the District Plan Review.

Supporting Environmental Sustainability

Council provides advice, education and practical assistance to support community action on environmental sustainability.

This work depends on collaboration with the community. The second Greenest Street competition was won by Alexander Road North, Raumati. Three streets participated and the average reduction in environmental footprint across all participants was 12%.

The Sustainable Home and Garden Show attracted around 6,000 visitors including visitors from out of the District. The Eco Designer provided over 450 home visits or advice on improving energy efficiency.

Biodiversity work continued, seeds from more than 100 native plant species have been collected and the millionth native seed was collected during March 2012.

The Council was highly commended in the 2012 EECA Awards for its energy saving work including the Council energy policy; woodfired boiler; solar panels on pensioner housing, Ōtaki pool and library; and light bulb giveaway.

Annual Heritage Grants allocations totalling around \$28,000 enabled conservation projects to proceed.



Supporting Social Wellbeing

The 2011/12 work programme continued to focus on responsiveness to community groups and community issues.

Council won the Youth in Local Government Supreme Award in conjunction with Youth Council, April 2012.

The Council and the Youth Council released the Youth2U Action Plan. Activities included: Youth2U Live - a range of events across the District by and for young people including Youth2U Dollars (\$7,350 granted to five groups and 27 individuals); ThinkBIG community projects promoting youth leadership (\$23,000 granted to 12 projects); and the production of community murals across the District by young people. The Action Plan was assisted by a \$60,000 grant from the Ministry of Youth Development and support from Community Boards.

Successful implementation of the Alcohol Action Plan included research into youth access to alcohol and other drugs in Ōtaki; and into alcohol in public places in Paraparaumu and Ōtaki.

There was a stronger focus on disability issues with the commencement of the disability responsiveness project – a joint project with the Disability Information and Equipment Centre. Council continued to work with the Disability Reference Group to make sure Council projects and services address issues of access, equity and inclusion for people with disabilities in the District.

Council continued to work with the Kāpiti Coast Older Persons' Council on issues for older people.

Grants totalling \$25,000 were made to 37 community groups through the Community Grants Scheme.

Wastewater Management

The provision of reliable wastewater collection, including maintaining 380kms of wastewater reticulation and 142 pump stations, contributes greatly to public health.

Stage 1 of the Rauparaha Wastewater Pump Station Major Upgrade and Emergency Storage installation was completed. Pump station upgrades and renewals were also completed in Paraparaumu, Waikanae and Ōtaki.

During the year 99% of blockages, breaks and overflows were responded to within an hour, and repairs effected within four hours.

Water Management

Considerable work was undertaken on developing the additional water supply capacity for Waikanae, Paraparaumu and Raumati. Detailed investigations were completed for the Waikanae River Recharge with Groundwater water supply solution. This included investigation bores, Waikanae River investigations and a Cultural Impact Assessment. The Maungakotukutuku Dam land purchase was also completed.

The Council reaffirmed a standard of reducing peak water demand per capita to 400 litres per person per day (lppd). This standard is being used to design the increased water supply capacity for Waikanae, Paraparaumu and Raumati.

The Council continued to promote water conservation initiatives. This work was supported by the Green Plumber and Green Gardener services.

The Water Meter Project achieved critical milestones. This included a decision to proceed with installation and adoption of the charging formula.

Leak Detection surveys were completed in Ōtaki, Paekākāriki, Waikanae and Paraparaumu. A high proportion of private leaks were identified. There were no major Council leaks and minor Council leaks have been repaired.

SUMMARY OF THE STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2012

The Council ended the year with an operating surplus, before one-off items, of \$3.670 million.

Included in the operating surplus are revenue items such as development contributions of \$3.468 million which are capital contributions from developers that must be used to fund capital expenditure.

The one-off items included an unrealised loss on valuation of interest rate swaps of \$5.936 million and a loss on asset disposal of \$0.975 million. When these one-off (non-cash) items are deducted from the operating surplus, it results in a net operating deficit of \$3.240 million.

The unrealised loss on the revaluation of Council's interest rate swaps of \$5.936 million will never be realised and only reflects the change in the market valuation of Council's interest rate swaps between 30 June 2011 and 30 June 2012.

Council takes out interest rate swaps for the long term to protect Council's exposure to changes in interest rates on its debt for a period up to 10 years. As the market interest rates increase (as they are predicted to do as the economy moves out of recession), then the market valuation of Council's interest rate swaps will increase in value and unrealised gains will be reported in future financial statements.

A 1% increase in market interest rates equates to a \$5.325 million unrealised gain in the market value of Council's swaps. With market interest rates at historically low levels (3% to 4% below long term averages), there is potential for these levels of unrealised gains in the future.

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
42,504	Total Rates	45,621	45,179
9,496	Other Revenue	12,323	12,017
2,379	NZTA Operating Funding	3,370	2,739
736	NZTA Expressway Project	612	-
3	NZTA Capital Funding	-	-
55,118	TOTAL OPERATING REVENUE	61,926	59,935
36,029	Expenditure	39,314	38,817
736	NZTA Expressway Project	612	-
265	Loss on Disposal	975	-
4,473	Finance Costs	5,187	6,738
1,252	Gain/(Loss) on Revaluation of Financial Instruments	5,936	-
12,036	Depreciation/Amortisation	13,142	12,805
54,791	TOTAL OPERATING EXPENDITURE	65,166	58,360
327	NET SURPLUS /(DEFICIT)	(3,240)	1,575
	Other Comprehensive Income		
59,146	Property, Plant and Equipment - Increase/(Decrease) in Revaluation Reserves	-	-
59,473	TOTAL COMPREHENSIVE INCOME	(3,240)	1,575

SUMMARY OF CHANGES IN EQUITY

For the Year Ended 30 June 2012

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
678,293	Equity as at 1 July	737,766	726,249
59,473	Total Comprehensive Income	(3,240)	1,575
737,766	Equity as at 30 June	734,526	727,824
Equity is represented by:			
576,366	Retained Earnings	573,267	580,733
159,338	Revaluation Reserves	159,338	143,491
2,062	Reserves and Special Funds	1,921	3,600

SUMMARY OF FINANCIAL POSITION

As at 30 June 2012

Total Public Equity reduced by the reported deficit of \$3.240 million in Comprehensive Income to \$734.526 million from \$737.766 million as at 30 June 2011.

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
5,584	Current Assets	8,369	15,462
824,023	Non-Current Assets	845,014	846,632
829,607	TOTAL ASSETS	853,383	862,094
56,999	Current Liabilities	89,431	25,693
34,842	Non-Current Liabilities	29,426	108,577
91,841	TOTAL LIABILITIES	118,857	134,270
737,766	TOTAL PUBLIC EQUITY	734,526	727,824
829,607	TOTAL LIABILITIES AND PUBLIC EQUITY	853,383	862,094

SUMMARY OF CASH FLOWS

For the Year Ended 30 June 2012

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
16,909	Net Cash Flows From Operating Activities	13,841	14,825
(22,041)	Net Cash Flows From Investing Activities	(33,368)	(45,582)
(6,028)	Net Cash Flows From Financing Activities	21,876	28,928
(11,160)	NET CASH INFLOW / (OUTFLOW) FOR YEAR	2,349	(1,829)

Notes:

- This summary has been prepared in accordance with FRS-43: Summary Financial Statements.
- Part 6 section 98(4b) of the Local Government Act 2002 requires Council to make publicly available a summary of information contained in the Annual Report.
- The specific disclosures included in the summary financial report have been extracted from the full Annual Report for the year ended 30 June 2012, adopted on 4 October 2012 which received an unqualified audit opinion.
- The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. Both the full financial report and the summary report have received unqualified audit opinions. Copies of both documents may be obtained free of charge from the Council's offices or viewed online at www.kapiticoast.govt.nz.
- The Council is a public benefit entity and has complied with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as applicable for public benefit entities. These standards represent generally accepted accounting practice in New Zealand. They prescribe the way we must recognise and disclose all financial transactions in our financial accounts. A statement of compliance can be found in the full financial report on page 17. Kāpiti Coast District Council ("Council") is a Territorial Authority governed by the Local Government Act 2002.
- The summary of the Kāpiti Coast District Council 2011/12 Annual Report was authorised by the Chief Executive on 25 October 2012.
- The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).



MORE INFORMATION

This is a summary of the 2011/12 Annual Report, dated 4 October 2012, which contains detailed information about Council's finances and service performance.

The full Annual Report can be obtained from:

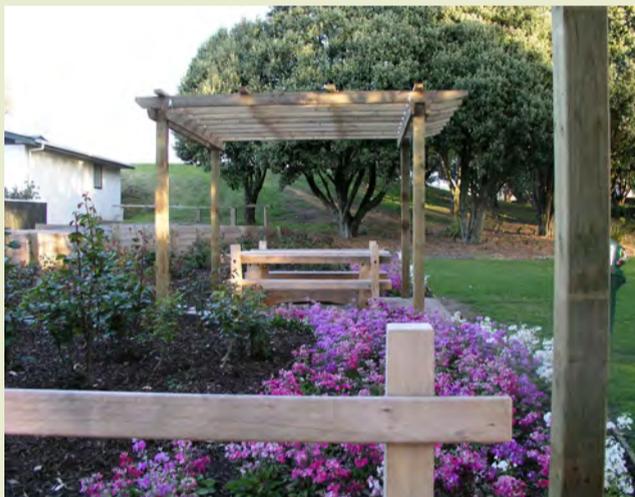
Kāpiti Coast District Council
Private Bag 60601
Paraparaumu 5254

Tel: (04) 296 4700

Toll Free: 0800 486 486

Fax: (04) 296 4830

email: kapiti.council@kapiticoast.govt.nz



Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**TO THE READERS OF
KAPITI COAST DISTRICT COUNCIL'S
SUMMARY OF THE ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

We have audited the summary of the annual report (the summary) as set out on pages 4 to 7, which was derived from the audited statements in the annual report of Kapiti Coast District Council (the "District Council") for the year ended 30 June 2012 on which we expressed an unmodified audit opinion in our report dated 4 October 2012.

The summary comprises:

- the summary statement of financial position as at 30 June 2012, and summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of the District Council's non-financial performance information and summaries of other information contained in its annual report.

Opinion

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

Basis of opinion

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

The summary and the audited statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 4 October 2012 on the audited statements.

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

Responsibilities of the Council and the Auditor

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

Other than the audit and the audit of long-term plan, we have no relationship with, or interest in, the District Council.



G J Taylor,
Ernst & Young,
On behalf of the Auditor-General
Wellington, New Zealand

Matters relating to the electronic presentation of the summary audited financial statements, non-financial performance information and the other requirements

This audit report relates to the summary financial statements, non-financial performance information and the other requirements of Kapiti Coast District Council for the year ended 30 June 2012 included on the Kapiti Coast District Council's website. The Council is responsible for the maintenance and integrity of the Kapiti Coast District Council's website. We have not been engaged to report on the integrity of the Kapiti Coast District Council's website. We accept no responsibility for any changes that may have occurred to the summary financial statements, non-financial performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the summary financial statements, non-financial performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the summary financial statements, non-financial performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited summary financial statements, non-financial performance information and the other requirements as well as the related audit report dated 4 October 2012 to confirm the information included in the audited summary financial statements, non-financial performance information and the other requirements presented on this website.

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