



SUMMARY REPORT FOR THE YEAR END 2009

Capital Expenditure

Capital expenditure totalled \$6,236,300 for the year ended 30 June 2009 (\$4,421,600 last year). \$1,649,400 of the amount spent this year was carried over from previous years and \$1,232,800 was authorised additional capital expenditure. For various reasons some projects have not been commenced or have commenced but not completed. Funding for those projects has been carried forward to the 2009/2010 financial year.

Key variations to the budget are:

Roading

Capital expenditure is \$365,000 below budget mainly due to four factors:

1. New seal extension completed \$181,500 less than budget.
2. Resurfacing of sealed roads were completed for an amount of \$107,700 more than budget
3. Unsealed road metalling was completed for an amount of \$68,300 less than budget.
4. Drainage, footpath and other structural components work were completed \$113,000 below budget with bridge renewals work to be completed during the 2009/2010 financial year.

Stormwater

Capital work on stormwater reticulation was completed slightly below budget.

Water Supply and Wastewater

Almost all works on water treatment were deferred due to changes that are expected to come from central government on the water treatment standards.

Property, computers and peripherals

Small savings were achieved on capital projects.

Other

Other renewal/capital items budgeted for are IT software upgrade and various miscellaneous equipment. Funding for these items is through reserves and a grant. The upgrade of software is ongoing and funding is carried over to the next financial year.

Capital expenditure per function area of Council	Actual 2008/09 \$000	Budget 2008/09 \$000	Actual 2007/08 \$000
People	491.1	338.3	221.5
Services & Facilities	4,310.4	6,292.0	4,006.6
Leadership	1,434.7	588.0	175.0
Economic	-	-	18.5
Environmental Management	-	5.5	-
Total Expenditure	6,236.3	7,223.8	4,421.6

Variations to the Annual Plan

Explanation of significant variances between actual and budget

Explanations for major variations from Council's estimated figures in the 2008/2009 Annual Plan are as follows:

Income Statement

The major variances occurred in other revenue, and is due to higher than budget interest rates resulting in an additional interest received of \$317,200; vested assets to the value of \$205,800; development contributions (\$65,600) and a grant from the Taranaki Electricity Trust that are not included in the budget.

Taranaki Electricity Trust (TET)

Taranaki Electricity Trust granted Council \$707,400 to fund the following:

- Victoria Bridge Upgrade \$257,407
- Broadway South Lighting \$150,000
- IT Project \$300,000

Unrealised Gain on Shares

There were no unrealised gains on shares.

Balance Sheet

There was a higher than estimated short term deposits balance at the bank at year end. Creditors and other payables increase, however the total liabilities are less than budget.

Statement in Changes of Equity

The greatest movement within equity is in accumulated funds due to a larger than estimated net surplus.

Audit Report

To the readers of Stratford District Council and group's summary annual financial statements, performance information and the other requirements for the year ended 30 June 2009.

We have audited the summary financial statements, performance information and the other requirements as set out in pages 1 to 4.

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 13 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 Stratford 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.

David Walker, Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand
27 October, 2009

Notes

1. Part 6 Section 98 (4)(b) of the Local Government Act 2002 requires Councils to make publicly available a summary of the information contained in its Annual Report.
2. The specific disclosures included in the summary financial report have been extracted from the full financial report completed on 13 October 2009. This summary has been prepared in accordance with FRS-43: Summary Financial Statements.
3. The full Annual Report has been prepared in accordance with NZ GAAP and complies with NZ IFRS and other applicable financial reporting standards. The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The full financial report dated 13 October 2009 has received an unqualified audit report. A full copy of the financial report may be obtained from Council's office, the Library or the Information Centre.
4. 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.
5. The Council has designated itself a public benefit entity.
6. As at 30 June 2009 the Council has a number of financial and non-financial commitments. These are detailed in Note 23 of the full Financial Report and are relating to service contracts totalling \$3,781,990 to be paid in 2009/2010 (\$3,529,800 previous year).
7. The Council and Group has no contingencies as at 30 June 2009 (2008 - Nil).
8. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.



SUMMARY REPORT FOR THE YEAR END 2009

Introduction

This document is a summary of our Annual Report.

An Annual Report compares Council's performance against the objectives, performance measures and budgets set in the Annual Plan for the year.

It also gives details of the Council's overall financial performance for the year together with its financial position as at 30 June 2009, along with other financial data and information.

The Annual Report is audited by Audit NZ and their opinion is included on the back page.

What follows is a summary of the Annual Report, but you can view the full report by contacting Council - see contact details at the bottom of the page.

Role of Council

The purpose of the Stratford District Council is to enable democratic local decision-making to promote the social, economic, environmental and cultural well-being of the Stratford District in the present and for the future.

Council's role in the promotion of the community well-being and the progress being made towards achieving the community outcomes can range from:

- an advocate for the community;
- a facilitator of the actions of other agencies or groups;
- a funder of activities;
- a provider of activities and services;
- a regulator of activities;
- a monitor of activities.

The Elected Members of the Council have overall responsibility and accountability for the proper direction and control of the Council's own activities in pursuit of community outcomes.

Contact Details

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Highlights from the Chief Executive

On behalf of the Stratford District Council it is my pleasure to present the Council's Annual Report to our community.

The 2008/09 financial year was the last year of the Council's 2006 Long Term Council Community Plan (LTCCP). It was always envisaged as being a "business as usual" year and ultimately that was what was delivered.

It is very pleasing to report that operationally we achieved all that we set out to do and financially we achieved a significantly better result than forecast. The community's desire not to see a dropping of standards or lowering of service levels was paramount in the Council's decision making processes and all people involved are to be congratulated for their efforts and results.

The financial operating result of a \$1.39 million surplus is a very healthy result compared to a budgeted surplus of \$526,000. Savings of \$158,400 on interest costs due to lower interest rates, unbudgeted vested assets income of \$205,800, and \$707,400 from the Taranaki Electricity Trust helped boost the result. Appreciation must be expressed to the Taranaki Electricity Trust for their generous grants for capital projects.

Construction of the Stratford Identity Project has been completed with the lighting of the southern trees and

the makeover of the Victoria Bridge over the Patea River. This project has completed a theme from the southern to northern entrances of the Stratford urban area, along with a consistent branding through smaller communities. The Council is still desirous of seeing some building owners in central Broadway take a little more pride in their buildings' appearance.

The 2008/09 year saw a lot of effort put into the development of the 2009-19 LTCCP. This, along with the review of the District Plan, kept elected members well occupied. A good number of public submissions were received during both consultation processes demonstrating a good continued interest in the future of the Stratford District by its residents.

A continued stable and dedicated workforce, along with good relationships with the Youth Council, Positive Ageing Group, Stratford Business Association, Federated Farmers and many others all help contribute towards the community outcomes identified in the LTCCP.

The 2009/10 year will see continuing challenges for Council with the commencement of a rolling review of the District Plan and further work on the upgrade of the swimming pool complex and water treatment plants.

M R Freeman
CHIEF EXECUTIVE

District Mayor and Councillors as at 30 June 2009

District Mayor – J D Edwards
Deputy Mayor – N C Volzke

Councillor A L Frost
Councillor R M Hignett
Councillor V Milner
Councillor S M Pugh
Councillor J C Rowe
Councillor W J Sandford
Councillor K R Squire
Councillor R K Vickers

