

**Report to the readers of
Tasman District Council's
proposed amendment to the Long-Term Council Community Plan
for the ten years commencing 1 July 2009
Statement of Proposal
for public consultation**

The Auditor-General is the auditor of Tasman District Council (the District Council). The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand, to audit the proposed amendment to the Long Term Council Community Plan (the Statement of Proposal), on her behalf.

The Tasman District Council (the District Council) adopted its Long Term Council Community Plan (LTCCP) for the ten years commencing 1 July 2009 on 30 June 2009.

We expressed an unqualified opinion on the District Council's LTCCP in our audit report dated 30 June 2009.

We considered that the LTCCP provided a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

The District Council is now proposing to amend the LTCCP to change the treasury management policy to enable participation in the proposed local government funding agency. The Statement of Proposal provides information about the proposed amendment and any consequential amendments to the LTCCP that will be required if it is amended in the manner proposed.

We are required by section 84(4) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the Statement of Proposal complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the Statement of Proposal.

Those reporting requirements differ from the reporting requirements we had for the LTCCP for the ten years commencing 1 July 2009, due to recent changes to the Act.

Opinion

Overall Opinion

In our opinion, the information within the Statement of Proposal on pages 288 to 331, dated 19 March 2011 about the proposed amendment and any consequential amendments to the LTCCP that will be required if it is amended in the manner proposed, is fairly presented and the District Council has complied with the applicable requirements of the Act in preparing the Statement of Proposal.

In forming our overall opinion, we considered the specific matters in section 84(4) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view:

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment; and**
- **the underlying information and assumptions used to prepare the Statement of Proposal provide a reasonable and supportable basis for the preparation of the forecast information.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 4 March 2011. This is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the District Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the information within the Statement of Proposal, about the proposed amendment to the LTCCP and any consequential amendments does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

Our audit procedures included assessing whether:

- the Statement of Proposal provides the community with sufficient and balanced information about the strategic and other key issues, choices and implications it faces to provide an opportunity for participation by the public in decision making processes;
- the presentation of the Statement of Proposal complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the Statement of Proposal comply with the decision-making and consultation requirements of the Act;
- the assumptions set out within the Statement of Proposal are based on best information currently available to the District Council and

provide a reasonable and supportable basis for the preparation of the forecast information;

- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;

We do not guarantee complete accuracy of the information in the Statement of Proposal. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the Statement of Proposal and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council

The District Council is responsible for preparing a Statement of Proposal to amend its LTCCP. The District Council's responsibilities include applying assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The District Council's responsibilities arise from sections 93 and 111 of the Act.

Responsibilities of the Auditor

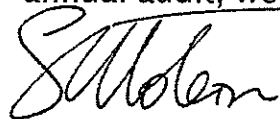
We are responsible for expressing an independent opinion on the Statement of Proposal and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 84(4) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the Statement of Proposal.

Independence

When reporting on the Statement of Proposal we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than this report, and in conducting the audit of the LTCCP and the annual audit, we have no relationship with or interests in the District Council.

A handwritten signature in black ink, appearing to read 'S. Tobin', written in a cursive style.

Scott Tobin
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

tabled