

ANNUAL REPORT SUMMARY 2018/19

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**Everything we do at WDC
is linked to our vision.**

**“ CREATING A BETTER FUTURE
WITH VIBRANT COMMUNITIES
AND THRIVING BUSINESS. ”**

Our aim is to make the District an attractive place that people will want to come and visit, work and live in. The intention is to enhance the livability of our District, facilitate our communities to be vibrant and thriving and to do this in a financially prudent and sustainable manner. WDC has set areas of focus to drive this vision and guide our efforts.

These are:

- **facilitate economic development,**
- **encourage and support community connectivity and development, and**
- **good stewardship and development of assets.**

We have made excellent progress in our focus areas in the 2018/19 year.



Key highlights are included in the following pages with further detail of our achievements in the activity areas included in the 'Our Activities' section of the full Annual Report available at www.waitomo.govt.nz/publications

MESSAGE FROM MAYOR AND CHIEF EXECUTIVE

We are pleased to present the Summary Annual Report for the year ended 30 June 2019. This Report details Council's overall performance as well as the performance across the 10 activity areas for the 2018/19 financial year.

The Elected Council continues to apply our guiding principles of prudent financial management, 'fit for purpose' asset infrastructure and the efficient delivery of services.

Our vision is to 'Create a better future with vibrant communities and thriving business.' We are on a journey of enhancing the liveability of our district. In partnership with our key stakeholders like the Maniapoto Maori Trust Board, Legendary Te Kuiti, Project Piopio Trust, and Tere Waitomo Community Trust, we plan to shape Waitomo into a place that is safe, welcoming, encourages business development and supports well-connected communities. Our public spaces will be designed to create safe and prosperous communities where people want to live, work and do business.

We enjoyed a high level of engagement from our District community in our annual resident survey, with a total of 504 residents taking part this year. The survey is one of the ways we measure delivery and report against the Levels of Service and Key Performance Indicators for our Groups of Activities, which are set by the Long Term Plan 2018-2028. This year we achieved 11 of our 12 resident satisfaction performance targets and we are very pleased with that outcome. 86 percent of residents are satisfied with Council's efficiency - doing things well with the resources and funding available, and 91 percent of residents are satisfied that Elected Councillors are approachable and have the best interests of the District at heart.

Our efforts to deliver a consistently high level of public service and customer service are reflected through the positive results of our resident survey.

Our top financial results for the 2018/19 Financial Year are:

- **Debt has reduced to \$40.26 million**, compared with the \$47.5 million forecast for the 2018/19 financial year in the Long Term Plan 2018-28.
- The Council's net surplus after tax is **\$4.9 million** compared to a budgeted surplus of \$3.2 million.
- Total operating expenditure was **\$1.4 million** less than budgeted.
- **We invested \$10.1 million** in Capital Projects to renew or develop our public assets.

Our highlights for the past year include:

- Completion and adoption of the Town Concept Plans for Te Kuiti, Piopio, Waitomo Caves Village, Maniaiti/ Benneydale and Mokau.
- Completion of the Te Kuiti Water Treatment Plant upgrade.
- Provision of a new water reservoir at Piopio.
- Upgrade of the Ultra Violet disinfection system for the Maniaiti/ Benneydale Water Treatment Plant.
- Continuation of the Footpaths improvement programme.
- Created a new playground and seating area in Maniaiti/ Benneydale.

- Extension of the stormwater network on Te Kumi Road.
- Pavement rehabilitation of Ramaroa and Taharoa Roads.

Inframax Construction Limited (ICL) continues to improve its operational performance and financial position with another positive result for the company. ICL has reported a **net profit after tax of \$1.2 million** for the year ended 30 June 2019. The equity of the company has increased substantially to **\$10.27 million** at 30 June 2019. The progress made by ICL reflects a lot of hard work by the Board, its Management and the Staff and of course the ongoing support

of the Council as shareholder to provide benefits and create value to the wider district. We would like to take this opportunity to congratulate the Board, Management and Staff on this stellar performance.

The 2018/19 financial year has been a successful year. We have maintained our focus on prudent and sustainable financial management practices while making progress towards a vibrant and thriving future for the benefit of our communities.



BRIAN HANNA
MAYOR

A handwritten signature in black ink that reads "B. Hanna".



CHRIS RYAN
CHIEF EXECUTIVE

A handwritten signature in black ink that reads "Chris Ryan".

PURPOSE OF THE ANNUAL REPORT

Every three years Council adopts a renewed Long Term Plan. In June 2018 the Council adopted its 2018-2028 Long Term Plan. This is the first Annual Report relating to this Long Term Plan, and focuses on how Council has delivered on its plan for the financial year to 30 June 2019, as it relates to the 2018-28 Long Term Plan commitments.

For every activity, this report details what Council did compared to what was planned and what it cost. This reporting format benefits the community through:

- ensuring consistent decisions and actions are undertaken across Council business
- promoting transparency to the Community through showing what has and hasn't been achieved
- driving efficiency in the way we work; and
- enables Council to meet legal requirements.

On 28 May 2019 Council adopted the Exceptions Annual Plan for 2019/20. While this does not impact on our reporting for the 2019/20 year or change any of our performance targets or levels of service, it is an important document for understanding our programme for this year. You can check it out on our website www.waitomo.govt.nz/publications

SNAPSHOT OF OUR SERVICES

Across the Waitomo District we:

MAINTAINED OF SEALED ROADS **461** kms

MAINTAINED OF UNSEALED ROADS **553** kms

ACHIEVED **85%** **RESIDENT SATISFACTION** WITH PUBLIC FOOTPATHS

Facilities that we provide...

18 PUBLIC TOILETS	10  PLAYGROUNDS
	7 CEMETERIES

In 2018/19 we...

Recycled 1,782
TONNES OF PLASTIC, GLASS, PAPER AND TIN

REGISTERED 3,401 DOGS + **RE-HOMED 57** DOGS

Promoting our District:

146,245
COMMERCIAL GUEST NIGHTS
IN THE DISTRICT

18,698 VISITORS TO THE
AQUATIC CENTRE

Thousands attend
GREAT NZ MUSTER 

Supporting our communities:

WE DISTRIBUTED **\$250,000** **IN GRANTS**
THROUGH THE COMMUNITY DEVELOPMENT FUND

...and we engage with our community:

91% OF RESIDENTS ARE SATISFIED WITH
THE EASE OF ACCESSING COUNCIL INFORMATION

This year we received:
20,749 **CUSTOMER SERVICE CALLS**

ACTIVITY HIGHLIGHTS

Council's areas of focus, as contained in the LTP 2018-28 are Community Connectivity and Development, Economic Development and Good Asset Stewardship and Management.

Council's intention is to enhance the livability of our District, facilitate our communities to be vibrant and thriving and to do this in a financially prudent and sustainable manner. Some key work streams carried out in 2018/19 in support of these focus areas are outlined below.

ECONOMIC DEVELOPMENT

Streamlined resource consenting

Waitomo District Council worked with eight other councils to develop a more customer-friendly resource consenting process. The initiative was driven by Waikato Local Authority Shared Services Ltd (WLASS). The result is a stream-lined and consistent consenting application process and is a first step in aligning planning between councils. The councils involved are Thames-Coromandel, Hauraki, Waipa, Waitomo, Rotorua Lakes, Matamata-Piako, South Waikato, Waikato District Council and Hamilton City Council.

District Plan Review

The District Plan Review is progressing well with drafting underway using the new National Planning Standards format. As part of this project, a number of major work streams are ongoing including identification of significant natural areas, identification of cultural and heritage sites, assessment of natural hazards and ongoing consultation with mana whenua. A major milestone this year was the completion and adoption of the Town Concept Plans for Te Kuiti, Piopio, Waitomo Caves Village, Maniaiti/ Benneydale and Mokau.

Te Kuiti Motorhome Facility

Waitomo District Council secured Government funding of \$200,000 for a new KiwiCamp ablution and cooking facility. The facility will provide a better experience for visitors to the Waitomo District, and will cater for the growing demands that tourist activity has on our infrastructure services and the local environment.

COMMUNITY CONNECTIVITY AND DEVELOPMENT

Community Grants

We distributed around \$250,000 in grants throughout the year through the Community Development Fund. The Grants supported a range of activities, some of which were:

- Maniapoto Marae Sports Games.
- Services and resources at the Te Kuiti Community House Trust.
- Display of artefacts, documents and photos by Te Kuiti Museum and Gallery.
- Safe, accessible and educational use of community pool.
- First Aid certification for Piopio Playcentre.

Waitomo District Safe Communities

This year was the first year the Waitomo District Safe Communities Programme 'Vibrant Safe Waitomo' was delivered in partnership with key stakeholders.

Vibrant Safe Waitomo aims to improve the quality of life of the Waitomo community and visitors to the district through its actions.

The Vibrant Safe Waitomo Regional Coalition was formed in September 2018, comprising representation from a cross section of community organisations. The purpose of the Coalition is to enable a cross disciplinary approach to delivering increased positive safety outcomes for those that live and work in our communities. The Coalition will achieve this through ongoing leadership and governance of Vibrant Safe Waitomo to ensure a coordinated approach is taken in the delivery of services and contracts within our communities. Following in depth research and formative evaluations priority areas for our communities have been identified. The Regional Coalition will provide input and develop effective strategies and programmes to continue the journey of creating prosperous, safe communities.

The application for accreditation as a Safe Community was lodged with Safe Communities Foundation New Zealand in June 2019.

GOOD ASSET STEWARDSHIP AND DEVELOPMENT

Maniaiti/Benneydale's 'Bigbelly' Bin

Waitomo District Council installed a new type of refuse bin and a recycling station in Maniaiti/Benneydale, in an effort to keep the village litter-

free and recover more recyclable material. The 'Bigbelly Bin' has the ability to compact its contents using solar energy and can hold up to six times more rubbish than a standard New Zealand rubbish bin. The aim of Bigbelly Bin is to:

- provide a solution to overflowing rubbish bins
- reduce the potential for scattered litter
- reduce complaints about overflowing rubbish bins

Te Kuiti's New Pedestrian Footbridge

NZ Transport Agency (NZTA) funding was confirmed for the Council's \$1.35 million project to replace the aging pedestrian footbridge across the railway in Te Kuiti.

WDC undertook an engineering investigation in 2017 which confirmed that the footbridge had reached the end of its useful life and required extensive safety and renewal work.

NZTA will fund 73% of total cost of the project. This means a brand new, purpose-built footbridge can be constructed for less than what WDC was originally planning to spend on just maintenance of the existing structure.

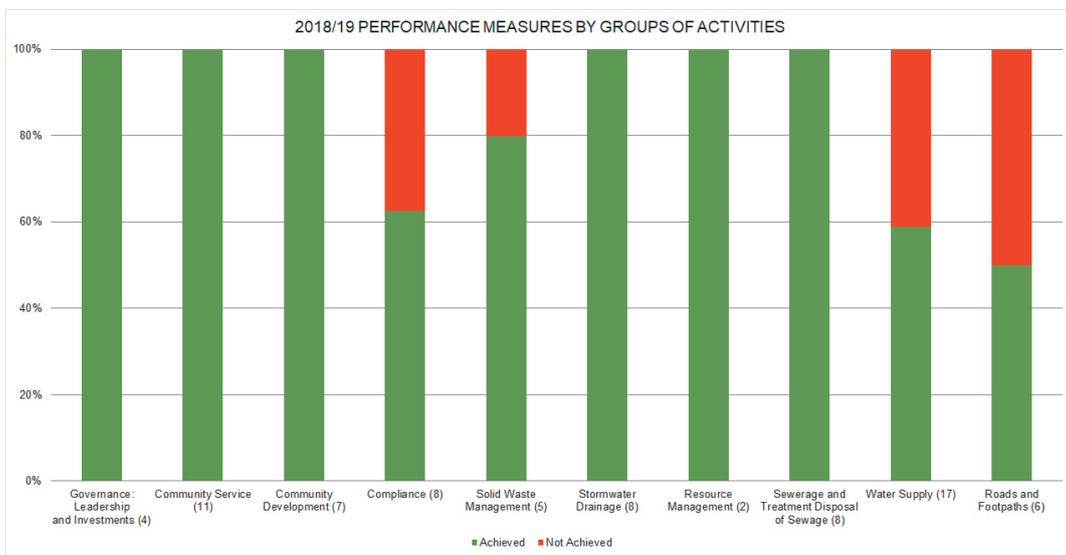
Te Kuiti Water Treatment Plant upgrade

The upgrade of Te Kuiti's Water Treatment Plant was completed this year. The conclusion of this four-year project is a significant achievement for WDC. The project included making improvements to the water intake and treatment processes to optimise plant effectiveness and to ensure we meet legislative compliance and to meet the health and well-being outcomes of our residents now and into the future.

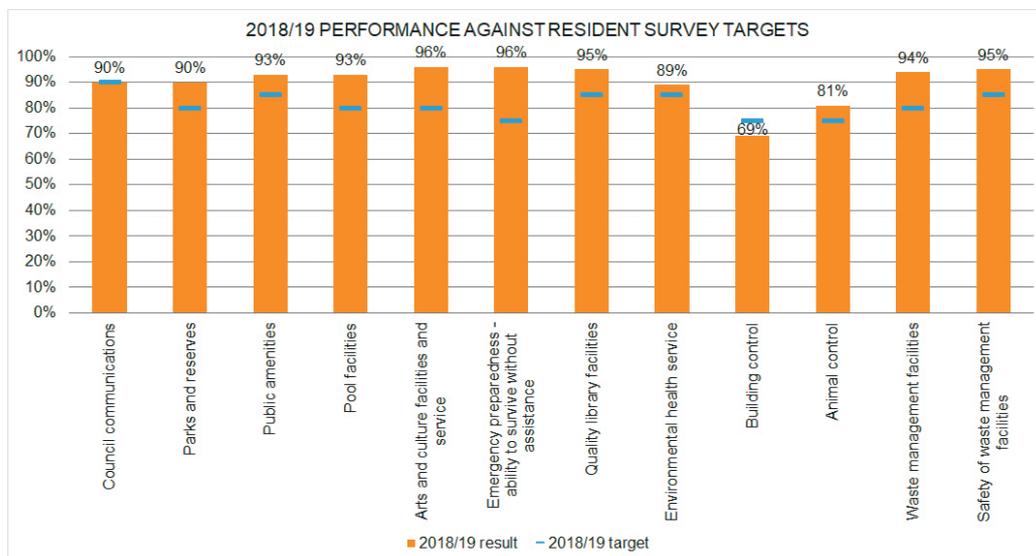
PERFORMANCE SUMMARY

We have a range of performance targets that allow the measurement of how well the service delivery and performance has been focused on our priorities.

Twelve of our performance measures are calculated through our Resident Survey. The remainder of our performance measures are calculated through other methods such as our service request system (which records all enquiries and complaints), user surveys, water quality readings, and inspection records. **This year we achieved 62 of our 76 measures (82%).** The Groups of Activities which **achieved 100%** of their targets were Governance, Community Service, Community Development, Stormwater Drainage, Resource Management, and Sewerage and the Treatment and Disposal of Sewage.



Our **Resident Survey (RS)** aims to gauge community views on a wide range of our services and activities and identify priorities for improvement in our service delivery. The survey was distributed district-wide and made available online during May-June 2019. This year 504 Waitomo district residents took part (2018:191). **For the 2018/19 year, we have achieved 11 out of 12 resident satisfaction performance targets.**



SUMMARY

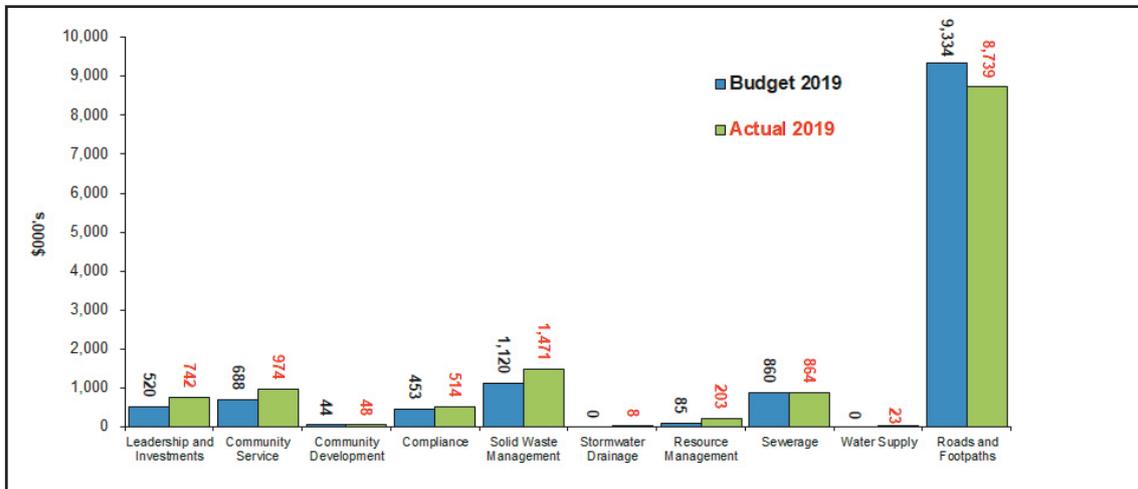
FINANCIAL STATEMENTS

The following pages present in summary, the financial results for the 2018/19 year.

The statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. The full financial statements contained within the 2018/19 Annual Report can be viewed and downloaded from our website www.waitomo.govt.nz/publications

SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR YEAR ENDED 30 JUNE 2019	COUNCIL			GROUP	
	2019 BUDGET \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's
Rates revenue	19,725	19,517	18,973	19,509	18,960
Metered water rates	750	854	754	854	754
Subsidies and grants	9,266	8,766	7,627	8,766	7,627
Interest revenue	35	26	62	31	25
Fees, charges and income from construction	3,186	3,839	3,889	34,070	30,900
Other revenue including gains/(losses)	198	489	371	489	371
Total Revenue and Gains/(Losses)	33,160	33,491	31,676	63,719	58,637
Employee benefit expenses	5,499	5,663	5,128	15,769	13,528
Depreciation and amortisation expense	5,905	5,930	5,813	6,899	6,635
Finance costs	2,597	1,707	1,762	1,967	2,041
Other expenses	15,919	15,267	14,759	33,167	29,801
Total Expenses	29,920	28,567	27,462	57,802	52,005
Surplus/(Deficit) Before Tax	3,240	4,924	4,214	5,917	6,632
Income tax expense/(revenue)	0	0	0	487	750
Surplus/(Deficit)	3,240	4,924	4,214	5,430	5,882
Other Comprehensive Revenue and Expense					
Revaluation of property, plant and equipment and quarry assets	0	0	5,803	83	6,349
Gains/(losses) from cash flow hedges	0	(727)	(53)	(727)	(53)
Revaluation of available for sale assets	0	(365)	7,300	0	0
Income tax relating to components of other comprehensive revenue and expense	0	0	0	(23)	(82)
Total Other Comprehensive Revenue and Expense	0	(1,092)	13,050	(667)	6,214
Total Comprehensive Revenue and Expense	3,240	3,832	17,264	4,763	12,096

The graph below shows how budgeted revenue (excluding rates revenue) compared to the revenue actually received, for each significant activity.



Operating Revenue was \$0.3 million more than budget.

Operating revenue includes total rates revenue and operating revenue from each activity.

Rates revenue was \$0.2 million less than budget resulting from excluding rates revenue on Council owned properties in calculating the actuals (this revenue is included in budgets).

The main reasons for the difference between the budgeted and actual revenue received were:

- Leadership revenue was more due to additional penalty revenue, additional quarry royalty revenue being received, and depreciation recovered on the sale of motor vehicles.
- Community Service revenue was more due to grant revenue being received for the development of the Te Kuiti Holiday Park and dump station and the provision of temporary toilets at Mokau.
- Compliance revenue was more for fees and charges related to building control services.
- Resource Management revenue was more due to an increase in revenue for planning consultants to process complex consents, which is recovered from resource consent applicants and a funding contribution from Waikato Regional Council towards some costs associated with the district plan review.
- There was also an increase in revenue in the Solid Waste activity from landfill users.
- Roads subsidy revenue was less as the capital expenditure programme was not fully spent.

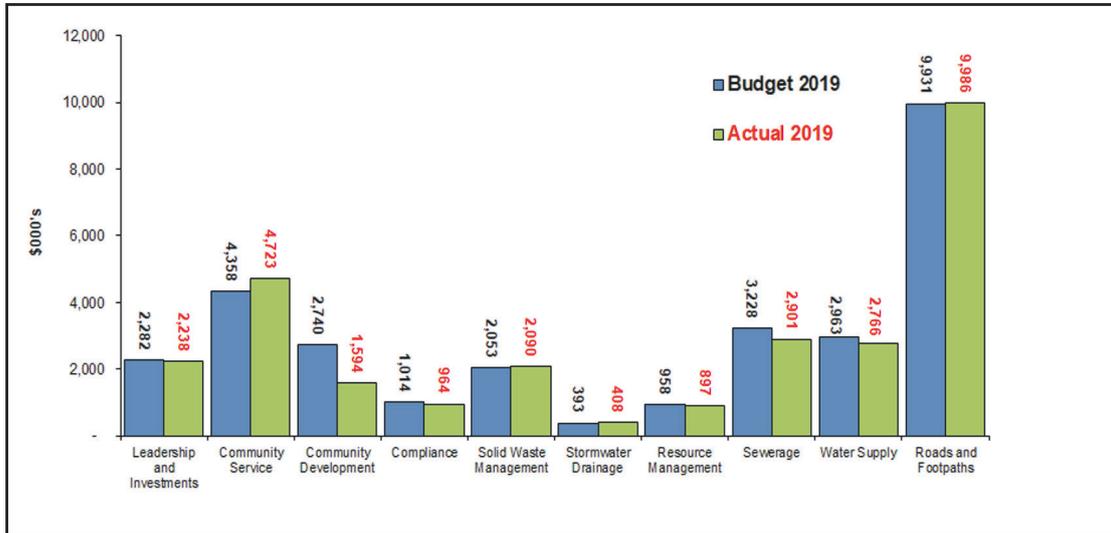
WDC REPORTED A NET SURPLUS AFTER TAX OF \$4.9 MILLION COMPARED TO A BUDGETED SURPLUS OF \$3.2 MILLION.

This result is mainly attributable to expenditure being less than budgeted.

The financial statements at 30 June 2019 comprise the Waitomo District Council (Council) and its wholly owned subsidiary Inframax Construction Limited incorporated in New Zealand (Group). Waitomo District Council has designated itself as a public benefit entity for the purposes of financial reporting. The full financial statements included in the full Annual Report have been prepared in accordance with NZ GAAP and they comply with Tier 1 Public Benefit Entity (PBE) Standards. The summary annual report has been prepared in accordance with Public Benefit Entities Financial Reporting Standard No.43 Summary Financial Statements (PBE FRS 43). The presentation currency of the financial statements is New Zealand dollars and values are rounded to the nearest thousand dollars. The summary financial statements have been extracted from the corresponding full Annual Report which was authorised for issue on 08 October 2019 by the Mayor and Chief Executive. An unmodified audit report was issued and signed as part of the Annual Report on 08 October 2019. Deloitte have audited this Summary Report and have issued an unmodified opinion on 16 October 2019.

WAITOMO DISTRICT COUNCIL

The graph below shows how our budgeted expenditure compared to what we actually spent, for each significant activity. The main reasons for the difference between budgeted and actual operating expenditure are provided on page 12.



SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019	COUNCIL			GROUP	
	2019 BUDGET \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's
Current Assets	6,711	7,112	7,595	12,208	13,741
Non Current Assets	353,383	358,606	355,932	359,325	354,620
Total Assets	360,094	365,718	363,527	371,533	368,361
Current Liabilities	20,818	15,492	27,557	20,203	33,096
Non Current Liabilities	34,533	32,306	21,882	35,681	24,379
Total Liabilities	55,351	47,798	49,439	55,884	57,475
Net Assets	304,743	317,920	314,088	315,649	310,886

SUMMARY COMPONENTS OF EQUITY FOR YEAR ENDED 30 JUNE 2019	COUNCIL			GROUP	
	2019 BUDGET \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's
Accumulated Funds	215,202	214,394	210,859	219,727	215,686
Total Other Reserves	15,006	26,326	25,225	14,891	13,425
Revaluation Reserves	74,535	77,200	78,004	81,031	81,775
Total Equity	304,743	317,920	314,088	315,649	310,886

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2019	COUNCIL		GROUP	
	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's
Total Equity				
Balance at 1 July	314,088	296,223	310,886	298,130
Prior Period Adjustments *	0	601	0	660
Adjusted Balance at 1 July	314,088	296,824	310,886	298,790
Total Comprehensive Revenue and Expense for the year	3,832	17,264	4,763	12,096
Balance at 30 June	317,920	314,088	315,649	310,886

The main reasons for the difference between budgeted and actual operating expenditure were:

- Community Service costs were more than budget due to the loss on disposal of assets including Mangaokewa Reserve assets that were transferred to the Department of Conservation. This was partly offset by rates paid on council owned properties being excluded. The budget figure includes rates on council owned properties.
- Community Development costs were less than budget as the grant for the proposed North King Country Stadium was not paid and district development and district promotion costs were not fully spent.
- Sewerage costs were less than budget due to reduced operations and maintenance costs for all schemes.
- Water Supply costs were less than budget due to reduced depreciation expense and rates on council properties being excluded. The budget figure included rates on council owned properties. This was partly offset by increased operational and maintenance costs for Te Kuiti and loss on disposal of assets recognised for all four schemes.
- Finance costs were less than budget due to a reduced public debt level than what was budgeted for, and interest rates were less than anticipated at the time the budget was prepared. This reduced expenditure for Leadership, Community Service, Solid Waste, Sewerage, Water Supply and Roads activities.

OPERATING EXPENDITURE WAS \$1.4 MILLION LESS THAN BUDGET.

WE INVESTED \$10.1 MILLION IN CAPITAL PROJECTS.



* During the 2018/19 year, the Council discovered that \$623,000 of assets that were not included in the 30 June 2018 asset valuation for the Property, plant and equipment amounting to \$583,000 and Assets held for sale asset amounting to \$40,000 respectively. A prior year adjustment, as at 1 July 2017 has increased the opening revaluation reserve by \$623,000 and adjusted through the carrying value of these asset classes. A decrease of \$22,000 has been made to opening accumulated funds to recognise the depreciation expense on these discovered assets and also adjusted through a decrease in property, plant and equipment.

During the 2018/19 year, the Council discovered that \$172,000 of assets were included in the 30 June 2018 asset valuation for the Property, plant and equipment, when it should not have been. A prior year adjustment, of \$172,000 was made to adjust the carrying value of these assets, also reducing the revaluation of property, plant and equipment in 2017/18 Statement of Comprehensive Revenue and Expense.

As a result of a change in accounting policy for revenue for rendering of services and construction contracts, an alternative method has been utilised to calculate revenue for rendering of services and construction contracts. A prior period adjustment has increased opening accumulated funds by \$59,000 and adjusted through an increase to Revenue from Exchange transactions for the Group.

WAITOMO DISTRICT COUNCIL

SUMMARY COMPONENTS OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2019	COUNCIL			GROUP	
	2019 BUDGET \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's	2019 ACTUAL \$000's	2018 (Restated) ACTUAL \$000's
Net Cash Inflow from Operating Activities	9,178	10,969	12,505	14,028	14,651
Net Cash Outflow from Investing Activities	(9,876)	(9,437)	(9,091)	(12,481)	(10,560)
Net Cash Inflow/(outflow) from Financing Activities	773	(1,475)	(1,764)	(1,107)	(1,088)
Net Increase/(decrease) in cash, cash equivalents and bank overdrafts	75	57	1,650	440	3,003
Cash, cash equivalents and bank overdraft at the beginning of the year	223	1,762	112	(1,714)	(1,289)
Cash, cash equivalents and bank overdraft at the end of the year	298	1,819	1,762	2,154	(1,714)

The summary components of cash flows are presented on a net of Goods and Services Tax (GST) basis, whereby GST relating to operating and investing activities has been eliminated. This change in accounting policy has been applied for the 2018 comparative period.

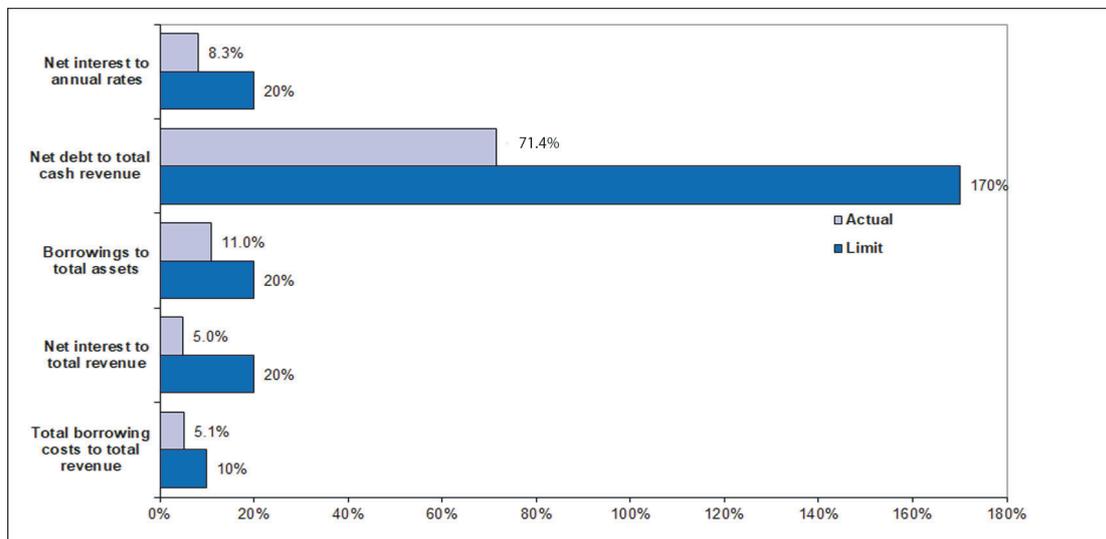
PUBLIC DEBT

We borrow money for large projects that will provide services to the community for a long period of time. This ensures that today's ratepayers pay only for the services and assets which they use now and not for benefits that will be received by the community in the future.

ACTUAL DEBT WAS \$40.26 MILLION AT 30 JUNE 2019.



In keeping with the financial prudence and sustainability principle, Council has established certain borrowing parameters to ensure that investment priorities are carefully managed and within the reach of Waitomo community. The reduction in interest costs demonstrate Council's efforts towards liability management and the objective of lowering the cost of funds.



This table illustrates the favourable trends in the levels of debt over the last three financial years:

	2017	2018	2019
Forecast Public Debt (LTP) \$000's	54,628	53,645	47,565
Actual Public Debt \$000's	43,419	41,737	40,261
\$ Trend \$000's (LTP forecast and Actual)	-11,209	-11,908	-7,304
% Trend	-20.5%	-22.2%	-15.4%

OVERALL PERFORMANCE

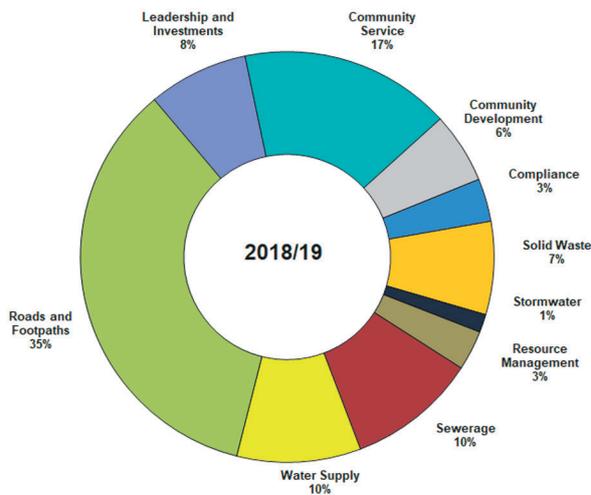
Inframax Construction Ltd (ICL) reported a net profit after tax of \$1.2 million for the year ended 30 June 2019. This is another positive result for the company and is a reflection of the continued and sustained effort of the Board of Directors, Management and staff of ICL.

TOTAL EQUITY FOR THE GROUP WAS \$316 MILLION.

There was a \$4.8 million increase in equity reflecting net asset increases due to:

- The Group’s after tax profit of \$5.4 million.
- Current assets decreased by \$1.5 million mainly due to a decrease in receivables and inventories.
- Current liabilities decreased by \$13.6 million due to a decrease in the current portion of borrowings and payables.
- Non current assets increased by \$4.7 million due mostly to an increase in property, plant and equipment.
- Non current liabilities increased by \$12 million due mainly to an increase in non current borrowings and derivative financial instruments.

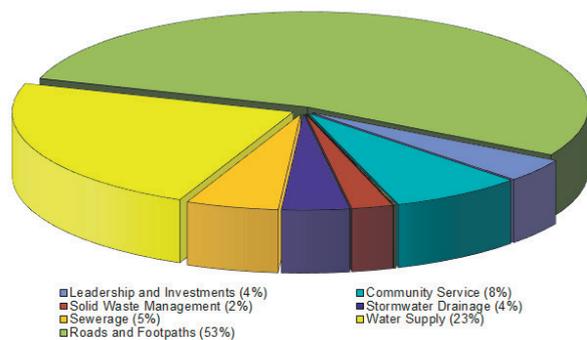
THIS GRAPH SHOWS HOW YOUR RATES WERE SPENT ON OUR 10 GROUPS OF ACTIVITIES



KEY CAPITAL PROJECTS

- Construction of a new playground at Benneydale
- Installation of a basketball area in Eketone Street, Te Kuiti.
- Replacement of lower Library roof and shelving and installation of automatic doors.
- The development of Te Kuiti Holiday Park and dump station.
- The development of Marokopa Holiday Park.
- Les Munro Centre renewals including new roller doors and replacement cladding.
- Stormwater network extension on Te Kumi Road.
- Work continued on obtaining the resource consent for expansion of the Waitomo District Landfill.
- Completed the Te Kuiti Water Treatment Plant Upgrade.
- We carried out an investigation into an alternative water supply investigation (bore) for Te Kuiti.
- Mokau water supply dam repair and renewals were undertaken.
- New reservoir at Piopio was completed.
- Benneydale water Ultra-Violet system upgrade completed.
- Taupiri Street sewer upgrade project was completed.

THIS GRAPH SHOWS CAPITAL EXPENDITURE IN OUR DIFFERENT ACTIVITY AREAS





INDEPENDENT AUDITOR'S REPORT

**TO THE READERS OF WAITOMO DISTRICT COUNCIL AND GROUP'S SUMMARY
OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2019**

The summary of the annual report was derived from the annual report of the Waitomo District Council (the "District Council") and subsidiaries (the "Group") for the year ended 30 June 2019.

The summary of the annual report comprises the following summary statements on pages 8 to 14:

- the summary statement of financial position as at 30 June 2019;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: *Summary Financial Statements*.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2019 in our auditor's report dated 16 October 2019.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements*.



Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have carried out an engagement in the area of a limited independent assurance engagement on certain matters stated in the District Council's Debenture Trust Deed. Other than this engagement, we have no relationship with, or interests in the District Council or its subsidiaries.

A handwritten signature in blue ink that reads "B Dente".

Bruno Dente
Partner
for Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand

16 October 2019



www.waitomo.govt.nz

