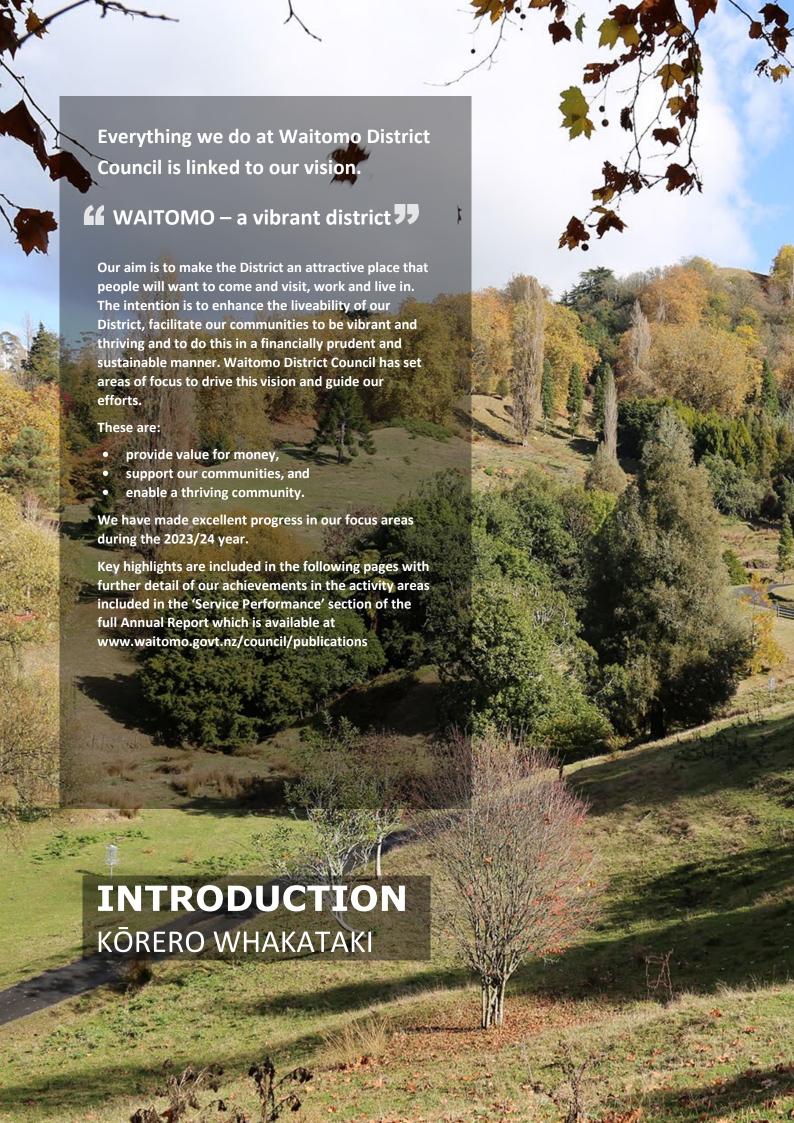


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FROM THE MAYOR AND CHIEF EXECUTIVE

After several disruptive years caused by COVID and several significant storm events, it was good to get back to a more "normal" operating environment for Council during the past year under review.

That said, this 2023/24 year has involved investing millions of dollars to deal with the past, including repairing major damage to our roads from the 2022 and 2023 years. These works attracted significant subsidy from the New Zealand Transport Agency, for which we are grateful.

We have also invested in flood mitigation work, particularly in Te Kūiti, where storm events challenged our stormwater network in low lying areas. More work is planned to strengthen resilience, including that mentioned in our last report with respect to Te Kūiti's drinking water supply.

Council debt has once again hovered around the \$30 million mark, ending the year at \$33 million. At a ratio of net debt to income of 65%, this is well within benchmarks required by our lenders. Debt will rise again as we invest further in water infrastructure, including reservoir capacity, pipe upgrades, and water meters in the next three years, but it will still sit well within the benchmarks against which Councils are measured.

We are conscious of the need to focus on our core business, a message also being sent by Government Ministers. We are conscious of the cost that rates impose on residents. We continue to seek cost savings wherever we can. We are also mindful of the fact that where we can we should have those who place extra costs on our services pay for them.

With this in mind, we approved a new rate on land planted in exotic forestry. This rate takes effect from 1 July 2024. Logging trucks can cause significant damage to our roads. The new rate seeks to recover some of the additional road maintenance cost.

In the year under review we also decided to release more council owned land for housing. The proceeds from the sale of this land are intended to be applied to reduce Council debt. We welcome new house construction in the district.

Our wholly-owned subsidiary company, Inframax Construction Limited, has again performed well, returning an after tax profit of \$683,000. We acknowledge the Board, management and staff of this company for its solid performance this second year in a row.

Elected members and WDC staff work together in the best interests of all residents of the Waitomo District. It is a pleasure for all of us at Council to serve our community, and to govern and manage the operations of Council with prudence and foresight. We are pleased to present this Annual Report for the 2023/24 financial year.



John Robertson **Mayor**



Ben Smit
Chief Executive

YOUR COUNCIL



JOHN ROBERTSON

Mayor John.Robertson@waitomo.govt.nz



ALLAN GODDARD

Deputy Mayor Allan.Goddard@waitomo.govt.nz



JANETTE OSBORNE

Councillor: RuralJanette.Osborne@waitomo.govt.nz



EADY MANAWAITI

Councillor: Urban Eady.Manawaiti@waitomo.govt.nz



JANENE NEW

Councillor: UrbanJanene.New@waitomo.govt.nz



GAVIN TODD

Councillor: RuralGavin.Todd@waitomo.govt.nz

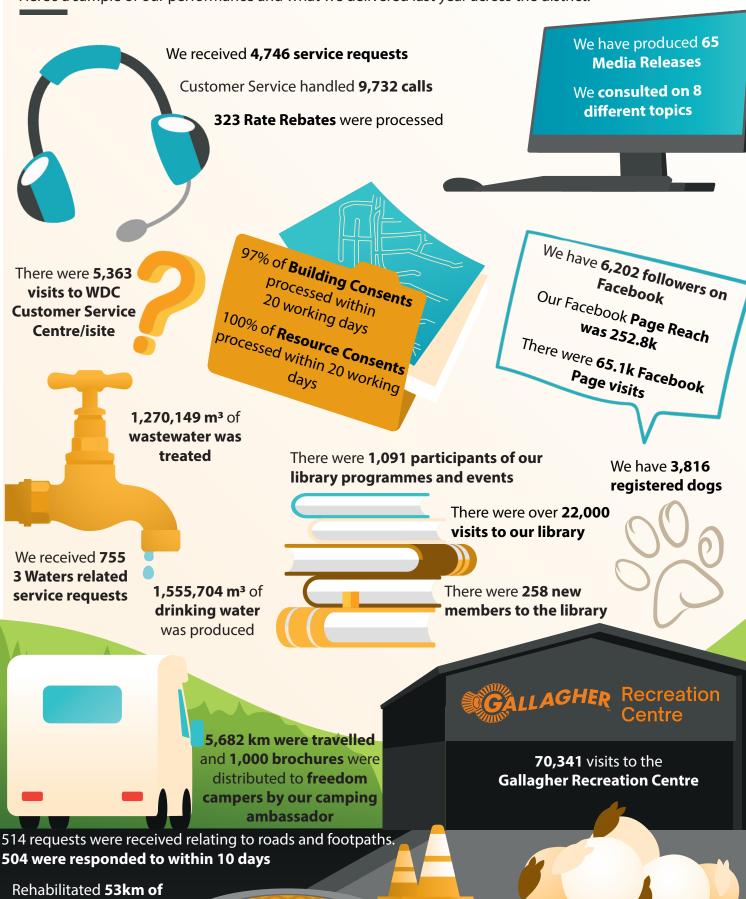


DAN TASKER

Councillor: UrbanDan.Tasker@waitomo.govt.nz

Our Impact on the District

Here's a sample of our performance and what we delivered last year across the district.



705 sheep ran down Rora Street during

The Great New Zealand Muster in Te Kūiti

Resurfacing **37.1km of sealed roads**

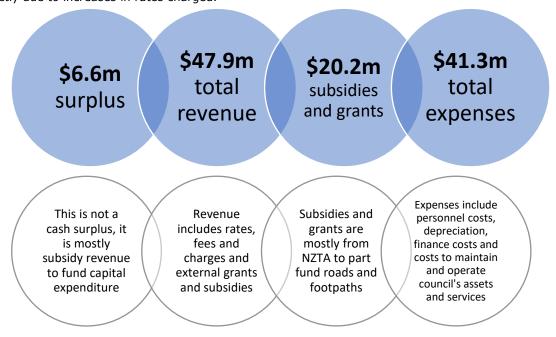
unsealed road and maintenance grading of 989km

OUR FINANCIAL PERFORMANCE

This overview provides a summary of the key highlights of our financial performance for the 12 months ended 30 June 2024.

A snapshot of Council's financial performance for the year

Council's operating surplus for the year was \$6.6 million. The surplus is not a cash surplus but rather the result of accounting requirements. The surplus is mainly due to subsidy and grant revenue received for capital expenditure projects, offset in part by not fully rate funding depreciation expense, and is not directly due to increases in rates charged.



Overall results

Revenue for the year was \$47.9 million against a budget of \$43.5 million. Subsidy revenue was more than forecast due to the timing of road repairs for storm damage. As the procurement phase of the project took longer than anticipated some of the planned works were still in progress at June 2024 and will continue into 2024/25.

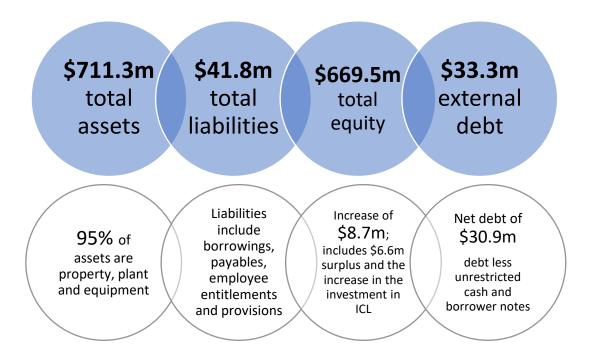
Expenses for the year were \$41.3 million against a budget of \$41.2 million. Additional reactive maintenance costs were also incurred for water supply, wastewater and stormwater in response to flooding events during the year. Cost increases and sampling and compliance also added further costs to water supply.

Staff costs were more than forecast for additional resourcing for shared services for animal control services, freedom camping ambassador and Three Waters Reform. Additional external fees and charges and subsidy revenue was received to fund these expenses. Less staff costs were added to capital projects than forecast resulting in these costs being recognised as operating expenditure.

Other expenditure for maintaining and operating council's assets and services were less than forecast mostly due to less sludge being removed from the wastewater ponds, the timing of the District Plan development costs against budget, lower Mayors Taskforce for Jobs programme costs (and funding) than was forecast and unspent regulatory budgets for legal expenses and earthquake prone buildings.

Financial Position

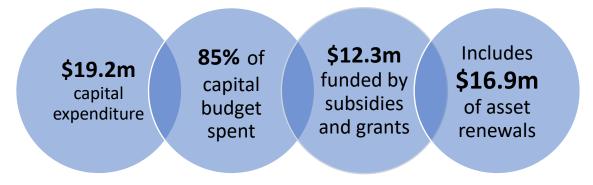
Council's total equity increased to \$669.5m was more than forecast due to revaluations of roads and solid waste assets in June 2023 and the revaluation of investment in Inframax Construction Ltd in 2023 and 2024. The increase in the value of these assets were significantly more than forecast as these valuations were completed after the adoption of the 2023-24 Annual Plan.



Council borrows externally to fund assets and services that will provide benefit well into the future. Council's total borrowings increased to \$33.3m during the year (2023: \$28.3m). The level of borrowings was lower than the annual plan forecast of \$40.3m. We were able to maintain a lower level of debt due to delays in some significant capital projects. The Te Küiti water resilience project has been re-sequenced over a two year period commencing in 2024/25 and the landfill cell development is currently under review.

Capital expenditure projects

This year we invested in \$19.2m of capital improvements and renewal of existing infrastructure and other assets across the district. This included additional expenditure on stormwater improvements and renewals in response to recent flooding events in Te Kūiti and continued repairs to our roading network from storm damage.



CAPITAL EXPENDITURE

The 2023/24 approved capital budget was \$22.5 million, the actual spend for the capital portfolio was \$19.2 million.

Some capital expenditure projects that were not completed during the year will be deferred to the 2024/25 year. Delays occurred due to internal resourcing, severe weather events and reprioritisation of projects.

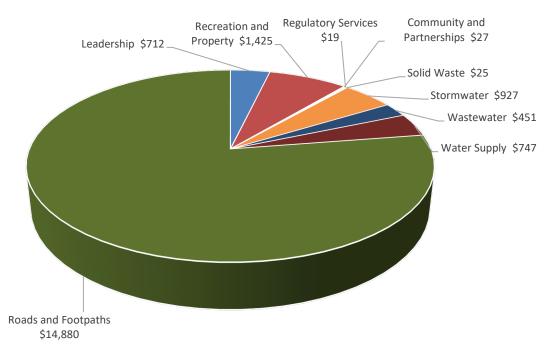
In the 2023/24 we invested \$19.2 million in capital projects.

Some key projects undertaken were:

- Improvement works completed on Te Küiti Stormwater network included installation of concrete wingwalls with grates/screens, and scruffy domes.
- The sewer truck main sewer crossing under SH3 and railway track at Te Kūiti was also completed.
- Renewal of wastewater main was completed at Seddon and Alexandra Streets, Te Kūiti.
- Four pavement rehabilitation sites were delivered, Waimiha Road, Te Anga Road, and two sites on Taharoa Road. Waimiha Road pavement rehabilitation completed, and Seddon and Lawrence Streets commenced.
- The footpath contract was delivered around the district, delivering 2668m of new footpaths.

TOTAL CAPITAL EXPENDITURE BY ACTIVITY 2023/24

\$000's



FINANCIAL REPORTING AND PRUDENCE BENCHMARKS

ANNUAL REPORT DISCLOSURE STATEMENT FOR THE YEAR ENDING 30 JUNE 2024

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement. The regulations can be found on the New Zealand legislation website legislation.govt.nz.

RATES AFFORDABILITY BENCHMARK

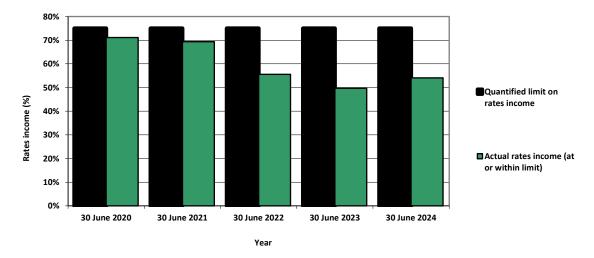
The Council meets the rates affordability benchmark if:

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

RATES (INCOME) AFFORDABILITY

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the financial strategy included in the Council's long-term plan.

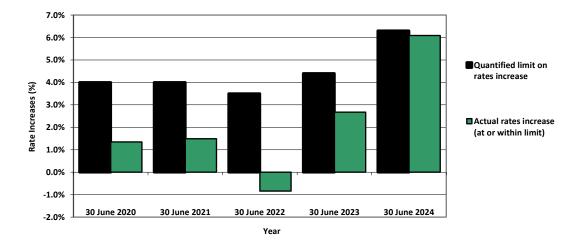
The quantified limit on rates income is that total rates revenue will be limited to 75% of total operating expenditure. Total rates revenue excludes rates penalties. Rates income was 54% of operating expenditure in 2023/24.



RATES (INCREASES) AFFORDABILITY

The following graph compares the Council's actual rates increases with a quantified limit on rates increases in the financial strategy included in the Council's 2021-31 Long Term Plan. The quantified limit for rates increases was 6.3% for the year ended June 2024 (Local Government Cost Index +2%). Actual rates increase from 2022/23 to 2023/24 was 6.1%. The increase in rates revenue requirement was impacted by the high inflation conditions experienced during the 2023/24 year.

For the years June 2020 to June 2021 the rates limit was 4% as set out in the 2018-28 Long Term Plan. The limit for 2023 has been restated to 4.4% in line with the 2023-24 Annual Plan.



DEBT AFFORDABILITY BENCHMARK

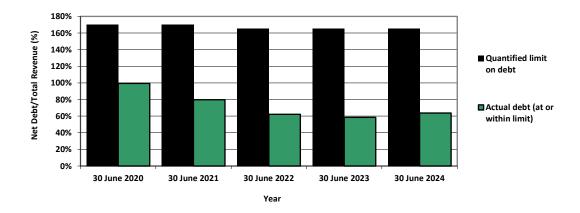
The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. There are two quantified limits described in the long-term plan.

Total interest expense includes interest on borrowings and finance leases.

Total revenue includes rates revenue and penalties, government grants and subsidies for operating and capital expenditure, interest revenue, gains on sale of assets, and other revenue. Total revenue excludes gains or losses from change in value of investment property and available for sale non-current assets, gains on derivatives, gains on forestry and revenue on acquisition of property plant and equipment at nominal value.

Net debt will not exceed 165% of total revenue

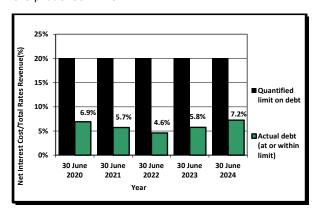
The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's long-term plan. The quantified limit is net debt will not exceed 165% of total revenue. A value of less than 165% indicates compliance with the prudential limit.



DEBT AFFORDABILITY BENCHMARK (CONT.)

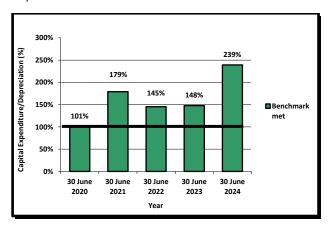
Net interest will not exceed 20% of annual rates

The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's long-term plan. The quantified limit is net interest will not exceed 20% of annual rates. A value of less than 20% indicates compliance with the prudential limit.



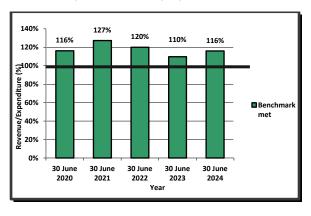
ESSENTIAL SERVICES BENCHMARK

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



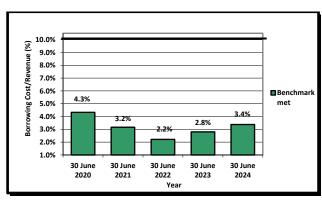
BALANCED BUDGET BENCHMARK

The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses. Revenue expenditure excludes rates received or paid on Council properties.



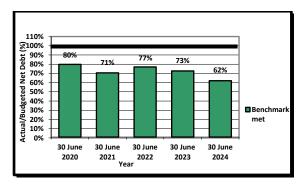
DEBT SERVICING BENCHMARK

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the Council's population will grow more slowly than, the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



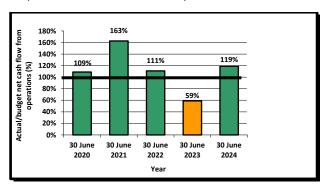
DEBT CONTROL BENCHMARK

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities (excluding employee entitlements and provisions) less financial assets (excluding trade and other receivables). The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



OPERATIONS CONTROL BENCHMARK

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



GROUP PERFORMANCE

The Group consists of the Council and its 100% owned subsidiary, Inframax Construction Ltd.

The Group's overall performance for the year was an after tax surplus of \$6.6 million.

At 30 June 2024 total equity of the Group was \$669.2 million, an increase of \$6.4 million from the prior year. This increase in equity reflects the following net asset increases:

- The Group's after tax surplus of \$6.6 million.
- Current assets increased by \$6.0 million arising from an increase in cash and cash equivalents at balance date, an increase in inventory and receivables.
- Current liabilities increased by \$12.3 million due mainly to the reclassification of Council borrowings from non current liabilities and an increase in payables at year end.
- Non current assets increased by \$6.6 million arising mostly from property, plant and equipment additions.
- Non current liabilities decreased by \$6.0 million due mainly to the reclassification of some Council borrowings to current liabilities.

Inframax Construction Ltd

Inframax Construction Ltd have reported another positive year end result, with revenue increasing by 22% to \$49 million. Both maintenance and construction revenue reflect growth on the prior year. The continued improvement of the company reflects the commitment and hard work of the board, management and staff.

The reported net profit after tax for the company was \$0.68 million for the year ended 30 June 2024.

The equity position of the company increased to \$13.2 million, with an equity ratio of 53%.

Further information on the company's performance results against the targets set out in the Statement of Intent can be found on page 115.

OUR COMMUNITY OUTCOMES

Our Community Outcomes and Priority Areas describe what we aim to achieve for our community and what the community can expect us to work towards.

These outcomes and focus areas shaped the development of the 2021-31 10 Year Plan. All our activities contribute to the overall achievement of our community outcomes and our vision -

Waitomo - a vibrant district



Our outcomes are:



A Prosperous District
We will continue to enable a thriving
and sustainable economy.



A District for People
We welcome all to a district that is
accessible, safe, affordable, and
inclusive. We promote health,
wellbeing, and participation.



A District that cares for its Environment

We plan for the wise use and management of all land and resources, now and for future generations.



A District that works with You

We work with you to collectively focus on the right things at the right time for the greater benefit of the District.

OUR PRIORITY AREAS









Provide value for money

Residents and ratepayers get best value for money because we find efficient and effective ways to deliver fit-for-purpose infrastructure, assets and services that meet legislative requirements.

We have continued with our renewal and maintenance programmes for our core infrastructure. The impact on our infrastructure from severe weather events has shifted some spending into repairs however we have utilised subsidies and loans where possible to reduce the immediate burden on ratepayers.

We have delivered of some of the projects funded by Central Governments 'Better-off' fund. These projects were a mix of community good projects like Rangatahi Pathways through to infrastructure projects such as walkways and carparks. Council also decided to reallocate funds to stormwater improvements for this high priority work.

Support our communities

We will continue to support a safe, vibrant community where people want to live and feel safe.

We have distributed funding for community projects through our Community and Partnerships Fund. The grants provide community assistance for the 'not for profit' sector to meet local needs and create a strong social base within the community.

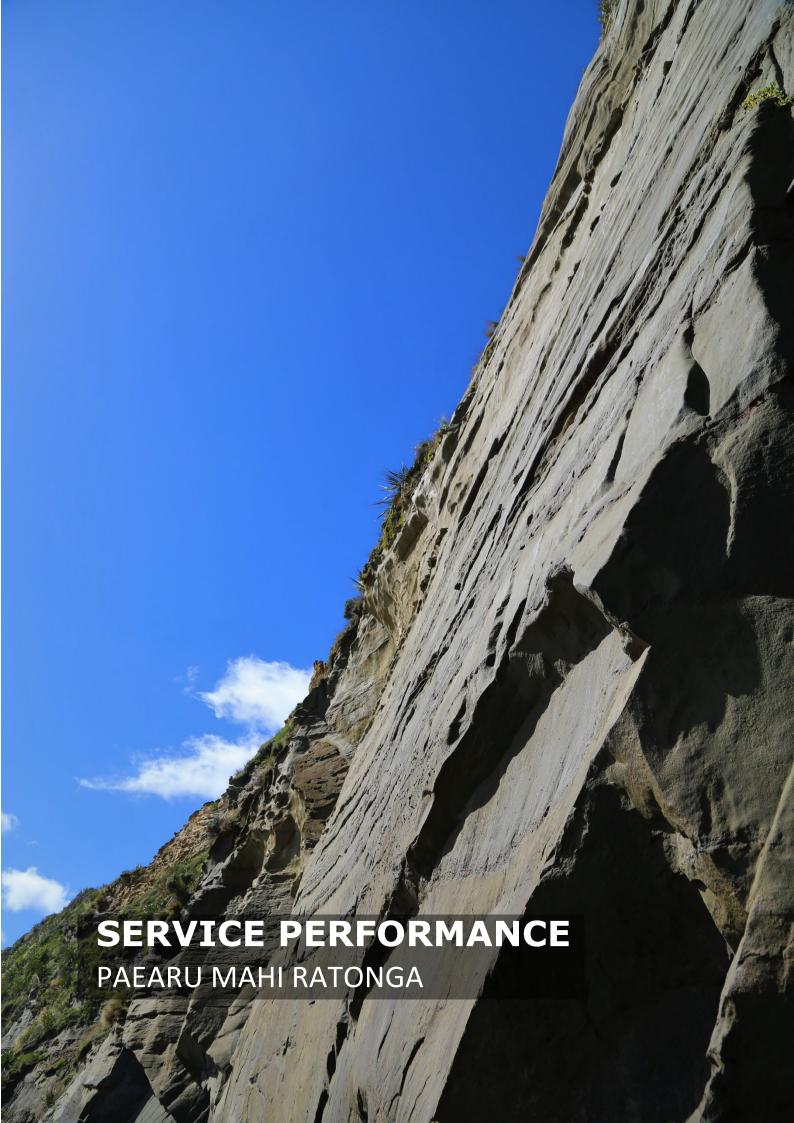
Our collaboration with community partners has continued through the Vibrant Waitomo framework with a refocused strategy. Council has a core group of Connectors who help us deliver the actions and create a connected community where people want to live and enjoy all our District has to offer.

Enable a thriving community

We will continue to enable the growth of our local economy by effectively promoting our District's local businesses and projects.

We support a thriving community by having a fit-for purpose District Plan and Council infrastructure, adequate and appropriate housing for people to live, opportunities for our rangatahi to be employed or have further education and a liveable community environment.

Council has made significant progress on the Proposed District Plan with a wide range of submitters contributing. Council have committed to investing in roading and waters infrastructure to support the development of the District and are continuing to progress the actions in our Housing Strategy.



SUMMARY

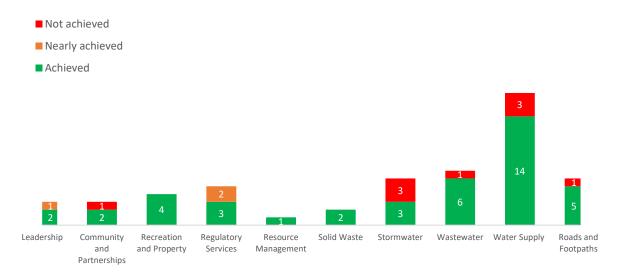
This part of the Annual Report covers the services we provide and how we performed against our service commitments for 2023/24.

Our 2021-31 10 Year Plan divided the business into 10 activity groups that contribute to the delivery of our community outcomes.

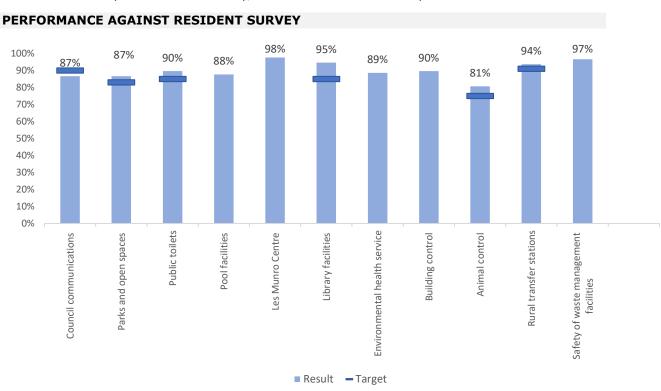
Of the 54 measures that we use to track performance, the summary graph below shows that we have met the target for 42 measures, nearly achieved 3 measures and have not met the targets for 9 measures.

A nearly achieved result is shown when a measure has not been achieved but was close to achieving. This occurs when a result is within 5% of the target, this being within the margin of error for Resident Survey results.

PERFORMANCE RESULTS SUMMARY BY GROUPS OF ACTIVITIES



Our Resident's survey was undertaken in May/June 2024. Below is a summary of these results.



COMMUNITY OUTCOMES

In the following section of the Annual Report we present the identified effects of our activities on our community outcomes. Some of our activities contribute to all community outcomes, while others may only touch on one.







A District for People



A District that cares for its Environment



A District that works with You



LEADERSHIP

WHAT WE DO

This group comprises Representation, Strategy and Engagement, Investments, and Emergency Management. Treasury Management and Organisational Overhead activities and service groups are also included in this group.

- Representation involves enabling, promoting, and supporting local democracy by providing governance advice and democratic services to elected members, the public and staff.
- Strategy and Engagement involves research and analysis to prepare strategies, policies, plans and bylaws. This activity also coordinates and undertakes community engagement and consultation.
- Investments include investment in Waikato Local Authority Shared Services (now trading as Co-Lab), Inframax Construction Ltd (ICL), Council owned quarries and investment in Civic Financial Services Ltd.
- Emergency Management involves the administration of the Civil Defence Emergency Management function of Council to coordinate a response to an emergency, and to manage recovery in the District.

COMMUNITY OUTCOMES







DELIVERING ON OUR 10 YEAR PLAN

We successfully developed and then adopted our Long Term Plan (LTP) for 2024-2034 on 25 June 2024 which outlines the direction for WDC over the next 10 years and how it will be funded. Throughout the process we received valuable community engagement which helped form the final LTP.

We have reviewed and updated some of our policies and bylaws this year including our Public Places and Public Health and Safety bylaws. We also commenced the Representation review including consideration of Māori wards. Council decided a more bespoke model of representation involving iwi and hapu groups regularly as the way forward for our District. We are working to formalise this through the Te Rāngai Whakakaupapa Kōrero Committee.

On 8 October 2023 the Te Kūiti West stormwater network was overwhelmed by a short period of intense and very localised rain. Public and private properties were damaged with flood waters entering some buildings, while others has accessways impacted. Critical sites were identified and Council approved a significant investment in the stormwater network through the 2024-2034 LTP to make improvements and reduce the likelihood of flooding in the future.

Learnings from this and nationally significant emergency events that occurred in 2023 have been collated and integrated into the Waitomo CDEM Operational Response Plan and the Waitomo Recovery Plan. The emphasis on these two plans is a more in-depth look at our potential hazards and risks and how we prepare council and the various local communities to address the consequences of these. Locally there is also an emphasis on gathering relevant "critical intelligence" so that planning during and post emergency event activities are fit for purpose.

Waitomo Council is still an active member of the Western Waikato Emergency Group. Our emergency operating centre (EOC) exercise held in June and critiqued regionally that identified our status as the top end of 'Advancing'.

The Resident survey was completed in June 2024 with very positive results overall in each activity area, across the board there was improvement from previous results and a couple with no change maintaining a high level of satisfaction.



SERVICE PERFORMANCE MEASURES

Key:



Achieved

All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET/RESULT		HOW WE PERFORMED
Provide and promote governance processes that are robust and transparent for our community.	Percentage of Council agendas that are publicly available two working days or more before the meeting.	Target: 100% Result: 100% Previous year Result: Not Achieved		All Council and committee agendas have been made publicly available two or more working days before the meeting.
Effective communication with our community.	Percentage of residents satisfied with the effectiveness and usefulness of Council communications.	Target: 90% Result:87% Previous year Result: Not Achieved	0	The result from the June 2024 Residents Survey was 87% just 3% off the 90% target.
Emergency preparedness through community-based emergency management.	The evaluation of annual exercise as a measure of effectiveness of training.	Target: increasing trend Result: 68% Advancing Previous year Result: Achieved	•	An annual cross-council exercise with was held in June 2024 which was assessed as 68% 'Advancing', this was an improvement on the previous score of 66%.



FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Leadership (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding	2010		
General rates, uniform annual general charges, rates penalties	3,517	3,712	3,814
Targeted rates	0	0	0
Subsidies and grants for operating purposes	20	20	262
Fees and charges	78	80	37
Internal charges and overheads recovered	20,044	20,642	22,368
Local authorities fuel tax, fines, infringement fees and other receipts	9	9	148
Total operating funding (A)	23,668	24,463	26,629
Applications of operating funding *			
Payments to staff and suppliers	10,475	10,759	11,778
Finance costs	54	89	351
Internal charges and overheads applied	12,475	12,922	14,020
Other operating funding applications	0	0	C
Total applications of operating funding (B)	23,004	23,770	26,149
Surplus (deficit) of operating funding (A-B)	664	692	480
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	C
Development and financial contributions	0	0	C
Increase (decrease) in debt	0	0	153
Gross proceeds from sale of assets	0	0	66
Lump sum contributions	41	42	C
Other dedicated capital funding	0	0	(
Total sources of capital funding (C)	41	42	219
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	C
Capital expenditure - to improve the level of service	113	5	C
Capital expenditure - to replace existing assets	662	847	712
Increase (decrease) in reserves	(70)	(117)	(13)
Increase (decrease) in investments	0	0	С
Total applications of capital funding (D)	705	735	699
Surplus (deficit) of capital funding (C-D)	(664)	(693)	(480)
Funding Balance ((A-B)+(C-D))	0		

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

- 1 Rates revenue was more than 10YP forecast. The 2023-24 Annual Plan included an increase in rates to fund the additional forecast operational expenditure. Rates penalties revenue was also more than forecast.
- 2 Subsidy revenue was recognised for Three Waters Reform transition funding which was not included in the 10YP forecast.
- 3 Internal charges and overhead recovered was more than forecast due to increases in operational expenses including audit fees, additional personnel costs and software licencing.
- 4 Interest revenue was more than forecast, with favourable bank rates for cash held in the operating account and contracts retentions funds account.

Applications of operating funding

- Operating expenditure was above forecast due in part to inflation-related cost pressures that were not forecast in the 10YP. Audit fees, software licencing and IT costs, cloud migration costs, personnel costs, elected members remuneration, cleaning contract and insurance contract costs were all more than forecast.
- 6 Higher interest rates on borrowings increased finance costs compared the forecast interest rate assumption of 2.75% in the 10YP.
- Internal charges and overhead applied increased more than forecast as the additional costs were incurred for the Three Waters Reform transition and for developing the LTP 2024-34. The 10YP assumed that the LTP 2024-34 would require a higher level of external support costs however this work was completed internally by staff.

Sources of Capital Funding

- 8 Cloud migration operational expenditure was funded by internal loan and was not forecasted in the 10YP.
- 9 Gains on the sale of fleet vehicles were recognised however were not forecast in the 10YP.

Applications of Capital Funding

- 10 Capital expenditure was below forecast for administration building renovations and information systems renewals projects.
- 11 A lower level of reserve funding was utilised as capital expenditure was less than forecast.

COMMUNITY AND PARTNERSHIPS

WHAT WE DO

This group of activities represents a range of collaborative and partnership approaches and initiatives involving many agencies and organisations. These activities involve a common theme of promoting a better quality of life within the District.

- **Community Development** supports the wellbeing of our communities by enabling local organisations and private providers to deliver a variety of community-based services and activities to meet the needs of our community.
- **District Promotion** is delivered through a partnership between Central Government, Local Government, and the Tourism Industry.
- **Economic Development** involves the facilitation and support of initiatives that will enhance the District's economic sustainability.
- **Te Kūiti i-SITE** Visitor Information Centre provides a free, friendly, and objective information service to visitors and the local community.

COMMUNITY OUTCOMES







A prosperous district



A district that works with

DELIVERING ON OUR 10 YEAR PLAN

The Vibrant Waitomo Action Plan for 2023/24 was actively implemented over the course of the year, yielding several achievements. Among the highlights was the development of a comprehensive concept plan for Centennial Park. Additionally, the year saw the successful establishment of the Community Connectors group, further strengthening community ties and engagement.

Waitomo District Council, through its Community and Partnership Fund Policy, has continued to support organisations and funding partners in delivering projects, activities, and service that benefit our community.

The Great NZ Muster, held in April, was a resounding success, attracting the highest attendance in many years. The Waitomo Christmas Parade was one of the largest in recent years, featuring over 20 floats and the addition of the Christmas Markets, which proved to be a great success. Matariki was celebrated with a Dawn Ceremony at Centennial Park, followed by a community breakfast BBQ.

Throughout the year, successful connections were established with all local high schools, fostering relationships with youth. This initiative helped gather their input on what they want from the council and how they wish to have their voices heard.

In conjunction with the development of the Waitomo Housing Strategy, the Waitomo Housing Taskforce was formed. The Taskforce meets quarterly to discuss updates and potential opportunities for development and housing improvements.

The Kāinga Ora Lawrence Street development has made significant progress this year and conducted a 'Breaking Ground' morning ceremony on 8 July 2024. The next stage will be to progress forward with construction.

The Regional Business Partner Te Waka delivered forums, symposiums and events throughout the year, the Te Kūiti TechStep Event showcasing education pathways in technology was successfully delivered in partnership with WDC.

Hamilton & Waikato Tourism promoted and supported local tourist operators and tourist attractions in the district. Various initiatives were also implemented such as the Waitomo Ambassador Program, Tiaki Promise, the Te Kūiti virtual tour.

Throughout the year, connections and partnerships formed to develop and deliver opportunities for the community.

SERVICE PERFORMANCE MEASURES

Key:

Achieved

All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT	HOW WE PERFORMED		
Contestable grant * funding is disseminated through a robust process.	Percentage of grants funding available is disseminated.	Target: ≥ 80% Result: 81% Previous year Result: Achieved	•	81% of grant funding was disseminated.	
Council supports the delivery of youth related projects by the Youth Council.	Youth Council undertakes two youth related projects per year.	Target: 2 per annum Result: 0 Previous year Result: Not Achieved	•	Decision to not resume the Youth Council this year. WDC staff have engaged with youth to find out the best way they can to have input into Council on what matters to them.	
Involvement in economic development initiatives and promotional opportunities.	≥5 initiatives or promotional opportunities.	Target: ≥5 per annum Result:5 Previous year Result: Achieved	•	District profiled in key publications via Hamilton Waikato Tourism; Matariki 2023; Tiaki in Waitomo; 8 trade famils; Great NZ Muster 2024.	

^{*} Contestable grant funds include WDC's Single-Year Community Assistance Grant, Multi-Year Community Partnership Grant, and the Community Events Fund.



FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Community and Partnerships (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding	2023	2024	
General rates, uniform annual general charges, rates penalties	1,426	1,455	1,338
Targeted rates	317	326	355
Subsidies and grants for operating purposes	0	0	615
Fees and charges	4	4	16
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding (A)	1,747	1,785	2,324
Applications of operating funding *			
Payments to staff and suppliers	965	976	1,276
Finance costs	25	24	0
Internal charges and overheads applied	706	735	820
Other operating funding applications	0	0	0
Total applications of operating funding (B)	1,696	1,735	2,096
Surplus (deficit) of operating funding (A-B)	51	50	228
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	(16)
Development and financial contributions	0	0	0
Increase (decrease) in debt	(50)	(50)	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(50)	(50)	(16)
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	0	0	27
Capital expenditure - to replace existing assets	0	0	0
Increase (decrease) in reserves	1	0	185
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	1	0	212
Surplus (deficit) of capital funding (C-D)	(51)	(50)	(228)
Funding Balance ((A-B)+(C-D))	0	0	0

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

- 1 Rates revenue is less than 10YP forecast due to the use of the operational reserves to part fund some initiatives delayed from the previous year and a lower level of rates remissions expenditure.
- 2 Subsidies and grants revenue was recognised for the Better Off Funding support package, Mayors Taskforce for Jobs Community Recovery programme and Bikes in Schools programme.

Applications of operating funding

- 3 Operational expenditure was above forecast as expenditure was incurred for the Better Off projects and Mayors Taskforce for Jobs Community Recovery Programme. Better Off projects included the Rangatahi programme and the development of the housing strategy.
- 4 Internal charges and allocated costs were also above forecast as overall organisational overhead costs (such as audit fees, software licencing and personnel costs) were more than forecast.

Applications of Capital Funding

5 There was an increase in reserves for the year as the project to develop the imagery for district signs was in progress but not complete, the unspent funding will be carried over to the next financial year. Rates remissions and community assistance grants were also not fully spent for the year.



RECREATION AND PROPERTY

WHAT WE DO

This group comprises of parks and recreation, housing and property, community and public facilities.

- **Parks and Recreation** involves the provision of parks and reserves for recreation, green spaces and landscapes that are restful and enhance the visual amenity of our communities.
- Housing and property involves the provision of housing community facilities such as halls and housing.
- **Recreation and culture** involves the provision of recreation and cultural opportunities to support the health and well-being of the community.
- **Public Facilities** involves the provision of cemeteries, public car parks, public toilets, street furniture and our CCTV system.

COMMUNITY OUTCOMES





A district for people

DELIVERING ON OUR 10 YEAR PLAN

In October 2023, the Te Kūiti Aquatic Centre completed the resurfacing and painting of both pools.



Marokopa Holiday Park has undergone significant upgrades and is now managed by a part time caretaker.

A disability toilet and parents' room have been added to the Te Kūiti main toilet block, providing 24-hour access.

The Te Küiti Library toilets have been renovated to enhance privacy for patrons and staff.

All WDC properties are now secured under the Gallagher Access system, providing greater security for all buildings.



CCTV has been installed in the Customer Service Centre and Railway Building 3.

The Te Kūiti Aerodrome runway and WDC Administration Building car park has been resealed.

A hard-wired streetlight has been installed at the Te Waitere Jetty.

The draft Walking and Cycling Strategy is nearing completion.

SERVICE PERFORMANCE MEASURES

Key:

Achieved

All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET	HOW WE PERFORMED		
We provide parks and open spaces across our district.	Percentage of residents satisfied with parks and open spaces.	Target: ≥ 83% Result: 87% Previous year Result: Not Achieved	•	The result from the June 2024 Resident Survey was 87%.	
We provide pools and community facilities that are compliant with legislative standards.	Current Building Warrant of Fitness* (BWOF) for facilities with compliance schedules.	Target: Achieve Result: Achieved Previous year Result: Achieved	•	All BWOF's have been received and are current.	
We will provide a comprehensive library facility for our community.	Percentage of residents satisfied with the quality of the library facility and service.	Target: ≥ 85% Result: 95% Previous year Result: Achieved	•	The result from the June 2024 Residents Survey was 95%.	
We provide public toilets for our community and visitors to the district.	Percentage of residents satisfied with the quality of public toilets.	Target: ≥ 85% Result: 90% Previous year Result: Achieved	•	The result from the June 2024 Residents Survey was 90%.	

^{*}Two BWOF may apply across the Financial Year due to the timing of inspections, the current BWOF meaning unexpired.



FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Recreation and Property (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	3,123	3,187	3,556
Targeted rates	270	273	310
Subsidies and grants for operating purposes	1	1	475
Fees and charges	535	566	585
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	3	3	1
Total operating funding (A)	3,932	4,030	4,927
Applications of operating funding*			
Payments to staff and suppliers	1,229	1,269	1,944
Finance costs	89	85	149
Internal charges and overheads applied	1,741	1,808	1,933
Other operating funding applications	0	0	0
Total applications of operating funding (B)	3,059	3,162	4,026
Surplus (deficit) of operating funding (A-B)	873	868	901
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	376
Development and financial contributions	0	0	0
Increase (decrease) in debt	(228)	(123)	(171)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(228)	(123)	205
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	112	114	803
Capital expenditure - to replace existing assets	223	276	622
Increase (decrease) in reserves	310	355	(319)
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	645	745	1,106
Surplus (deficit) of capital funding (C-D)	(873)	(868)	(901)
Funding Balance ((A-B)+(C-D))	0	0	0

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

- 1 Rates revenue was above 10YP forecast to fund increased building depreciation as a result of the land and building asset revaluation that was completed in 2022 and the forecast increase in operational costs.
- Subsidy revenue was recognised for the Better Off Funding projects for Piopio parking area, Maniaiti/Benneydale SH30 parking area and Centennial Park Concept Development. This was not included in the 10YP.

Applications of operating funding

3 Operating expenditure was higher due to Better Off project expenditure which was not forecast in the 10YP, silviculture costs, tree maintenance and cleaning contract costs were above forecast.

Sources of Capital Funding

4 Subsidy revenue recognised for Better Off programme for development of walkways in Te Kūiti and Maniaiti/Benneydale Hall parking area. This revenue was not included in the 10YP.

Applications of Capital Funding

- 5 Capital expenditure for Better Off projects including the Maniaiti/Benneydale Hall parking area and walkways was recognised. The gym equipment located at the Gallagher Recreation Centre was recognised as vested assets.
- 6 Renewal expenditure was recognised for the runway renewals, aquatic centre pool resurfacing and painting and Les Munro Centre air conditioning unit replacement.



REGULATORY SERVICES

WHAT WE DO

This group undertakes many activities that contribute to community wellbeing and help to make the Waitomo District a safe and vibrant place to be. These activities are governed and directed by national legislation, regional and local policies, and bylaws.

- Building Services responsible for processing and monitoring building consents and issuing Code of Compliance Certificates pursuant to the Building Act 2004. This activity also covers the monitoring and enforcement of earthquake-prone building requirements, and swimming pools.
- Alcohol licensing responsible for administering the Sale and Supply of Alcohol Act 2012 at a local level by way of the Waitomo District Licensing Committee on behalf of the Alcohol Regulatory and Licensing Authority, which encourages the responsible sale and use of alcohol through licensing, monitoring of premises and enforcement of the Sale and Supply of Alcohol Act 2012.
- Environmental Health provides a range of services to ensure food outlets maintain high food safety standards, and that nuisance complaints, hazardous substances and contaminated sites are all managed in accordance with various legislation and policies.
- Bylaw administration involves managing a range of bylaws to allow Council to manage issues associated with community nuisance, protect public health, and manage Council's assets.
- Animal and Dog control delivers animal control services in the areas of dog registration, complaint response, wandering stock, and general animal control, as required by the Dog Control Act 1996, Impounding Act 1955 and Council's Dog Control Policy and Bylaw. This is achieved through active enforcement of requirements and via the education of dog owners and the general public.

COMMUNITY OUTCOMES







DELIVERING ON OUR 10 YEAR PLAN

Consents are closely monitored to ensure statutory timeframes are adhered to. Building Processes are monitored biannually with an audit undertaken by IANZ (International Accreditation New Zealand). IANZ audit has been completed in June 2024, staff are working on matters arising from the audit to retain accreditation.

The Earthquake Prone Building (EPB) work programme is continuing for all other buildings with priority buildings processing completed. Notices were sent in 2023 regarding all other buildings identified based on the methodology of earthquake prone buildings. These notices provided the owners 12 months to provide either; reason that the methodology applied does not apply to their building or an engineering assessment. Reminder notices for these building have been sent. Engineering assessments are being received, reviewed and appropriate steps taken, which includes applying EPB notices and entering them on to the national

EPB register. Should engineering assessments for earthquake prone buildings not be received nor a valid reason for why the building does not meet the methodology, Council will then be required to continue without these and complete the appropriate steps which is likely to include applying EPB notices and entering them on to the national EPB register.

Pool inspections have been completed throughout the district for the financial year.

WDC was successful in obtaining Tourism Infrastructure Funding for a Camping Ambassador and informational brochures to educate freedom campers on the new regulations from December 2023 through to Easter weekend in April 2024.

SERVICE PERFORMANCE MEASURES

Key:

Achieved

All components of the performance measure have been met.

Not achieved

Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT	HOW WE PERFORMED		
We ensure the public sale and supply of alcohol is undertaken safely and responsibly.	All premises that sell alcohol are licensed.	Target: 100% Compliance Result: 100% Previous year Result: Achieved	<u></u>	100% compliance.	
Building consents are processed in a timely fashion.	Building consents are processed within 20 working days.	Target: 100% Result: 97% Nearly Achieved Previous year Result: Not Achieved	0	Year end 97% compliance. Four consents out of 147 not processed within the 20 day target.	
Council will process, inspect, and certify building work in the Waitomo District.	WDC maintains building control systems and process to meet IANZ Audit requirements.	Target: BCA accreditation maintained Result: BCA accreditation maintained Previous year Result: Achieved	•	Accreditation achieved in June 2022 covering the June 2022 to June 2024 period.	
We provide land information Services (LIMs) efficiently.	LIMs are processed within statutory timeframe.	Target: 100% Result: 99% Nearly Achieved Previous year Result: Not Achieved	0	Year end 99% compliance. One LIM out of 120 not processed within the 10 working days target.	
We provide an effective Animal Control Service.	Percentage of residents satisfied with the provision of the Animal Control Service.	Target: ≥ 75% Result: 81% Previous year Result: Achieved	•	81% of respondents were satisfied with animal control services in the June 2024 Residents Survey.	



FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Regulatory Services (\$000's)	LTP 2021-31 2023	LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	893	966	878
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	17
Fees and charges	447	457	517
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	24	24	23
Total operating funding (A)	1,364	1,447	1,435
Applications of operating funding			
Payments to staff and suppliers	333	370	274
Finance costs	0	0	0
Internal charges and overheads applied	978	1,112	1,300
Other operating funding applications	0	0	0
Total applications of operating funding (B)	1,311	1,482	1,574
Surplus (deficit) of operating funding (A-B)	53	(35)	(139)
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(1)	(1)	(1)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(1)	(1)	(1)
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	0	0	1
Capital expenditure - to replace existing assets	10	10	18
Increase (decrease) in reserves	42	(46)	(159)
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	52	(36)	(140)
Surplus (deficit) of capital funding (C-D)	(53)	35	(139)
Funding Balance ((A-B)+(C-D))	0	0	0

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

- 1 Subsidy revenue was received from central government to fund the freedom camping monitoring costs which was not forecast in the 10YP.
- Additional fees and charges revenue was recognised to fund the shared service with Otorohanga District Council for animal control. Health Act licence fees revenue was also more than forecast. Building services revenue was less than forecast as Waitomo has followed the national trend of a reduction in building consent applications and activity.

Applications of operating funding

- 3 Operating expenditure mainly for legal costs, noise control and earthquake prone building costs were not fully spent.
- 4 Internal charges and overheads applied were above forecast due to additional staff costs incurred for animal control services to resource the shared service with Otorohanga District Council (funded by additional animal control revenue). Overall organisational overhead costs (such as audit fees, software licencing and personnel costs) were more than forecast.

Applications of Capital Funding

5 Reserve funding was utilised to fund building services expenditure due to the reduced fees and charges revenue received.



RESOURCE MANAGEMENT

WHAT WE DO

This group involves the administration and enforcement of the Operative Waitomo District Plan and District Planning.

- District Plan Administration covers the planning functions under the Resource Management Act 1991, including the processing, issuing and monitoring of resource consents, designations and other application types. It also includes monitoring compliance with the Operative Waitomo District Plan.
- District Planning involves setting the direction, form and shape of our urban and rural communities to ensure development is sustainably managed, while protecting our cultural and historic heritage, outstanding landscapes and significant natural features. District Plan reviews and structure planning are included in this activity.

COMMUNITY OUTCOMES









DELIVERING ON OUR 10 YEAR PLAN

The Proposed District Plan was notified on 20 October 2022 with the submission period closing on 23 December 2022, a total of 58 submissions were received.

The summary of submissions was publicly notified on 6 July 2023 with the submission period closing on 28 July 2023, a total of 29 further submissions were received.

Staff completed preparations for the first tranche of hearings on the Proposed District Plan which were being held on 16 and 17 July 2024, with the second and final tranche due to be held in late November 2024. Decisions are likely to be issued in early 2025.

SERVICE PERFORMANCE MEASURES

Key:



All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT	HOW WE PERFORMED
Resource consents are processed in accordance with legislation.	All non-notified resource consents are processed within statutory timeframes.	Target: Achieve Result: Achieved Previous year Result: Achieved	All non-notified resource consents received have been processed within the 20 working days target.

FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Resource Management (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding	2025	2027	
General rates, uniform annual general charges, rates penalties	515	615	418
Targeted rates	0	0	С
Subsidies and grants for operating purposes	0	0	C
Fees and charges	185	189	254
Internal charges and overheads recovered	0	0	(
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	(
Total operating funding (A)	700	804	672
Applications of operating funding*			
Payments to staff and suppliers	340	217	373
Finance costs	55	61	5!
Internal charges and overheads applied	645	376	812
Other operating funding applications	0	0	(
Total applications of operating funding (B)	1,040	654	1,240
Surplus (deficit) of operating funding (A-B)	(340)	150	(568)
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	(
Development and financial contributions	0	0	(
Increase (decrease) in debt	340	(150)	40
Gross proceeds from sale of assets	0	0	(
Lump sum contributions	0	0	(
Other dedicated capital funding	0	0	(
Total sources of capital funding (C)	340	(150)	402
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	(
Capital expenditure - to improve the level of service	0	0	(
Capital expenditure - to replace existing assets	0	0	(
Increase (decrease) in reserves	0	0	(166
Increase (decrease) in investments	0	0	(
Total applications of capital funding (D)	0	0	(166
Surplus (deficit) of capital funding (C-D)	340	(150)	568
Funding Balance ((A-B)+(C-D))	0	0	(

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

- 1 Due to the resequencing of the review of the district plan, there was a decrease in rates revenue required to fund the internal loan repayment and financing costs and there was reduced rates revenue required for administration of the current district plan.
- 2 Resource consent revenue is above forecast, in part due to a significant resource consent application received during the year.

Applications of operating funding

- Operating expenditure for consultant fees were above forecast for district plan administration due to a significant resource consent application received during the year.
- Additional internal charges and allocated costs charged to the district plan development project. The project is inherently complex and the timing of the expenditure is subject to associated workstreams being incurred. Overall organisational overhead costs (such as audit fees, software licencing and personnel costs) were more than forecast.

Applications of Capital Funding

5 Reserve funding was utilised to fund the additional operating costs for the activity.



SOLID WASTE

WHAT WE DO

This group provides for the environmentally safe reduction, diversion, collection and disposal of the district's solid waste.

- Waste minimisation focuses on the reduction and diversion (reuse, recycling and recovery) of solid waste.
- Kerbside recyclables and refuse collection is provided for the residents of Te Kūiti, Piopio, Awakino, Mōkau, Waitomo Village and some surrounding rural roads.
- Waste transfer stations are provided for the communities of Maniaiti/Benneydale, Piopio, Marokopa, Kinohaku and Awakino and a fully consented landfill is located at Te Kūiti.

COMMUNITY OUTCOMES







A district that cares for its

DELIVERING ON OUR 10 YEAR PLAN

A feasibility study on food and green waste kerbside collection is nearing completion and will be presented to the Council in late 2024.

The leachate monitoring system has been successfully installed at Waitomo District Landfill, enabling comprehensive reporting.

The Waste Management and Minimisation Plan 2024 has been completed and adopted by Council on 25 June 2024.

Waste minimisation programs are currently being implemented in schools through the Enviro Schools initiative and the Paper for Trees program. Additionally, contact has been initiated with Para Kore (Zero Waste) to build relationships with Marae that are not yet involved.

SERVICE PERFORMANCE MEASURES

Key:



All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT		HOW WE PERFORMED
We provide safe solid waste facilities within District.	Percentage of users that are satisfied with the rural transfer service stations.	Target: ≥91% Result:94% Previous year Result: Achieved	•	Result of the June 2024 Residents Survey was 94%.
We will provide a reliable kerbside rubbish collection to stop rubbish becoming a health risk*.	There are no more than 10 justifiable complaints per week about uncollected rubbish.	Target: ≤10 per week Result: 1.2 per week Previous year Result: Achieved	•	47 justified complaints received or 1.2 average per week for the year.

^{*} Services offered in Te Kūiti, Waitomo Village, Piopio and Mōkau .

FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Solid Waste (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	31	32	32
Targeted rates	924	898	1,413
Subsidies and grants for operating purposes	0	0	56
Fees and charges	2,011	2,297	1,701
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	36	37	176
Total operating funding (A)	3,002	3,264	3,378
Applications of operating funding*			
Payments to staff and suppliers	2,332	2,563	2,662
Finance costs	110	114	130
Internal charges and overheads applied	518	536	551
Other operating funding applications	0	0	0
Total applications of operating funding (B)	2,960	3,213	3,343
Surplus (deficit) of operating funding (A-B)	42	51	35
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	228	175	(313)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	228	175	(313)
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	0	0	0
Capital expenditure - to replace existing assets	1,174	1,146	25
Increase (decrease) in reserves	(904)	(920)	(303)
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	270	226	(278)
Surplus (deficit) of capital funding (C-D)	(42)	(51)	(35)
Funding Balance ((A-B)+(C-D))	0	0	0

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

- 1 Targeted rates revenue was more than forecast in the 10YP to fund the forecast reduction in fees and charges revenue as a result of reduced waste volumes.
- 2 Grant payment received from Ministry for Environment (MfE) for the feasibility study of the kerbside organic collection not forecasted in the 10YP. This is a shared project between MfE, Otorohanga District Council and WDC.
- Fees and charges were less than forecast due to lower waste volumes being received than forecast in the 10YP. The 10YP assumed significantly more waste volumes from outside the district would be received.
- 4 More waste levy revenue was received from central government as it progressively increases and expands the national waste levy programme for initiatives to reduce waste and encourage resource recovery.

Applications of Operating Funding

The landfill operations contract costs and landfill bin movement charges were more than forecast. Consultants' costs for advice on the landfill options to inform the future operations of the landfill and rural transfer station operational costs and removal of recycling costs were above forecast. These were partly offset by reduced waste minimisation levy expenditure and emission trading scheme costs which were lower due to reduced waste volumes.

Sources of Capital Funding

There was a decrease in debt as the cell development and highwall stabilisation project is on hold, while a review of landfill options is completed.

Applications of Capital Funding

- 7 The cell development and gas flaring equipment project is on hold pending the review of landfill options.
- Operational reserves were utilised to fund the shortfall in fees and charges revenue for the landfill and waste minimisation levy reserves were also utilised to fund eligible expenditure. This was partly offset by a transfer of rate funding to make good the overdrawn carbon credits reserve. Sufficient quantities of carbon credits were purchased in 2022 to cover two years of emission scheme surrender obligations.



STORMWATER

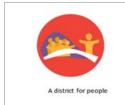
WHAT WE DO

The Stormwater Group provides for the collection, diversion, and disposal of urban surface water runoff following rainfall. Surface water flooding can occur in the absence of an effective stormwater drainage system.

The main activities of this group are:

- Maintenance (Planned and Unplanned).
- Renewals.
- New Works/Augmentation.

COMMUNITY OUTCOMES





DELIVERING ON OUR 10 YEAR PLAN

Consent renewal application has been submitted to Waikato Regional Council to renew all seven stormwater discharge consents which expired on 1 July 2024. A comprehensive stormwater management plan was completed and lodged together with the application as a requirement with Waikato Regional Council.

The Stormwater Catchment plan will be completed in 2024/25 FY after the stormwater modelling is undertaken.

Water blasting (cleaning), CCTV and manual inspections of stormwater assets were carried out following the heavy rainfall and flooding along Duke, Ngatai and George Streets in Te Kūiti. These inspections and CCTV footage were used to select the most critical sites for improvements.

Improvement works completed on Te Kūiti Stormwater network included installation of concrete wingwalls with grates/screens, two scruffy domes at Duke Street, and increasing the sizes of roadside catchpits on a number of roads in Te Kūiti.

We have enhanced our stormwater monitoring with four open channel level sensors installed in critical monitoring sites on Butler and Ngatai Streets, behind George Street and Te Kumi Road properties. These level sensors will provide real time monitoring of stormwater flow through these critical open channels during times of heavy rainfall. High level warnings will alert on-site checks and removal of any blockages during rain events.

We cleaned out critical open channels located on Hill, Ward, Ngatai, and Butler Streets, Te Kumi and Hospital Roads, and behind George Street properties and Te Kūiti Holiday Park.

Installation of new stormwater pipeline along Carrol Street (SH3) from corner of George Street to redirect stormwater from unrepairable pipeline under railway line which has been sealed and blocked off.

Renewal of stormwater main on Edward and Waitete Road was completed.



SERVICE PERFORMANCE MEASURES

Key:



All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT	HOW WE PERFORMED
We maintain and	The number of flooding events* that occur in the district in a financial year.	Target: 0 Result: 1 Previous year Result: Not Achieved	There was one flooding event on 8 October 2023 which resulted in habitable floor flooding.
operate the stormwater network in a way that minimises the likelihood of stormwater entering habitable buildings.	For each flooding event the number of habitable floors** affected in a financial year.	Target: ≤ 1 per 1000 connections (2,724 connections) Result: 6.2 per 1000 connections Previous year Result: Not Achieved	17 habitable floors in Te Kūiti were recorded as flooded during the 8 October flooding event.
We comply with our resource consent conditions and minimise the impact of	Compliance with resource consents for discharge measured by the number of the following (received to the number of infringement notices related to the management of the stormwater system. Target: ≤ 2 Result: 0 Previous year Result: Athioped		
stormwater on the environment	The number of abatement, enforcement or conviction actions related to the management of the stormwater system.	Target: 0 Result: 0 Previous year Result: Achieved	There have been no notices received.
We will respond within a reasonable timeframe to flooding.	The median response^ time to attend a flooding event, (measured from the time that the notification is received to the time that service personnel reach the site).	Target: ≤ 180 minutes (3hrs) Result: 28 minutes Previous year Result: Not Achieved^^	There was one service request received about flooding with a response time of 28 minutes.
The Council provides a reliable stormwater collection service.	The number of complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.	Target: ≤ 4 complaints per 1,000 properties (2,724 connections) Result: 8.08 per 1000 properties Previous year Result: Not Achieved	There were 22 complaints received about the performance of the Council's urban stormwater system, these largely related to the 8 October flooding.

^{*} A flooding event means an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor.

^{**} Habitable floor refers to the floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garages.

[^] The median response times for resolution, in a year, measured from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.

^{^^} Due to inaccurate recording the first response was not recorded, the follow up site visit is the time reported.

FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Stormwater (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding	2020		
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	473	483	510
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	7
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding (A)	473	483	517
Applications of operating funding*			
Payments to staff and suppliers	173	144	265
Finance costs	6	6	14
Internal charges and overheads applied	90	93	96
Other operating funding applications	0	0	0
Total applications of operating funding (B)	269	243	375
Surplus (deficit) of operating funding (A-B)	204	240	142
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(25)	(16)	315
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(25)	(16)	315
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	0	0	341
Capital expenditure - to replace existing assets	129	170	586
Increase (decrease) in reserves	50	54	(470)
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	179	224	457
Surplus (deficit) of capital funding (C-D)	(204)	(240)	(142)
Funding Balance ((A-B)+(C-D))	0	0	0

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Applications of Operating Funding

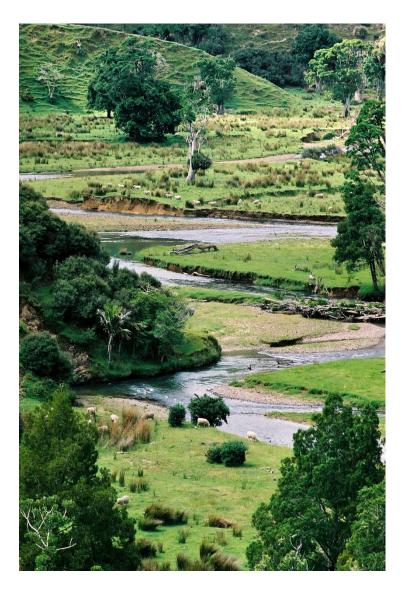
Additional operating expenditure was incurred on reactive maintenance in response to recent flooding events in Te Küiti. This included cleaning, CCTV and manual inspection of stormwater assets following heavy rainfall and flooding along Duke, Ngatai and George Streets in Te Küiti.

Sources of Capital Funding

2 The increase in debt funded the unplanned stormwater improvements in Te Kūiti.

Applications of Capital Funding

- 3 Stormwater improvements were completed on the Te Kūiti network including installation of wingwalls with grates/screens, two scruffy domes at Duke Street and increase the size of roadside catchpits on a number of roads in Te Kūiti. These improvements were not forecast in the 10YP.
- 4 Renewal of stormwater mains on Edward Street and Waitete Road in Te Kūiti were completed which were not forecast in the 10YP.
- 5 Reserve funding was utilised to fund the renewal expenditure which was not forecast in the 10YP.



WASTEWATER

WHAT WE DO

This group provides for the environmentally safe collection, treatment and disposal of the District's wastewater in Te Kūiti, Te Waitere, Maniaiti/Benneydale and Piopio.

There are three key aspects to this activity, namely:

- Maintenance.
- Renewals and replacements.
- Improvements.

COMMUNITY OUTCOMES





A district for people

A district that cares for its

DELIVERING ON OUR 10 YEAR PLAN

Investigation for the inflow and infiltration of stormwater entering wastewater network has been continued over the financial year. Council assets found in need of repair have been addressed to reduce infiltration.

Private property inspections are underway with letters issued to property owners to rectify non-compliant gully traps. Council staff have provided advice and guidance for property owners to remedy their gully traps.

Minor plant and reticulation renewals have been completed during the year throughout the district.

Te Waitere wastewater soakage field improvements were completed.

The sewer truck main sewer crossing under SH3 and railway track at Te Kūiti was also completed.

Renewal of wastewater main was completed at Seddon and Alexandra Streets, ${\sf Te}\ {\sf K\bar{u}iti}.$

Investigation on several sludge dewatering and disposal options for Te Kūiti wastewater treatment plant were undertaken, options are being evaluated on cost, compliance and environmental outcomes.



SERVICE PERFORMANCE MEASURES

Key:



All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

been met. schedule or target.						
MEASURE	TARGET/ RESULT	HOW WE PERFORMED				
The median attendance time for call-outs, from the time that we received notification to the time that our service personnel reach the site.	Target: ≤180 minutes (3hrs) Result: 30 mins Previous year Result: Achieved	This is the median attendance time by our contractors for callouts to service requests.				
The median resolution time of call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been	Target: Piopio ≤540 minutes (9hrs) Result: 9hrs Previous year Result: Achieved	This is the median resolution time by our contractors for completing service requests callouts in Piopio.				
resolved.	Target: Rest of District ≤540 minutes (9hrs) Result: 4hr 29mins Previous year Result: Achieved	This is the median resolution time by our contractors for completing service requests callouts.				
that the Council receives notification	ation to the time that s					
0 abatement notices, infringement notices, enforcement orders or convictions issued.	Target: 0 Result: 0 Previous year Result: Not Achieved	No notices have been received relating to incidents this year.				
The number of complaints about wastewater odour, system faults or blockages and complaints about our response to issues with its wastewater system.	Target: Piopio Total complaints per 1,000 connections ≤35 (Total number of connections 223) Result: 246.6 per 1000 connections Previous year Result: Not Achieved	A total of 55 complaints or 246.6 per 1000 connections received, these largely related to system faults with septic tanks. There are only 223 connections in Piopio.				
	Target: Rest of District complaints per 1,000 connections ≤35 (Total number of connections 1934) Result:16.6 per 1000 connections Previous year Result: Not Achieved	A total of 32 complaints or 16.6 per 1000 connections received, largely related to blockages.				
Number of dry weather overflows in a financial year	Target: Total complaints per 1,000 connections ≤10 (Total number of connections 2,157) Result: 3.7 per 1,000 connections Previous year	A total of 8 complaints related to dry weather overflows or 3.7 per 1000 connections.				
	The median attendance time for call-outs, from the time that we received notification to the time that our service personnel reach the site. The median resolution time of call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved. *The median response times for that the Council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate resolution of the blockage or other than the council receives notificate recei	TARGET/ RESULT The median attendance time for call-outs, from the time that we received notification to the time that our service personnel reach the site. The median resolution time of call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved. *The median response times for resolution, in a year, Result: Achieved *The median response times for resolution, in a year, that the Council receives notification to the time that sesolution of the blockage or other fault. 0 abatement notices, infringement notices, enforcement orders or convictions issued. The number of complaints about our response to issues with its wastewater odour, system faults or blockages and complaints about our response to issues with its wastewater system. Target: Plopio ≤540 minutes (9hrs) Result: Achieved *The median response times for resolution, in a year, that the Council receives notification to the time that sendition to the time that				

FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Wastewater (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding	2023	2024	
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	2,200	2,378	2,378
Subsidies and grants for operating purposes	0	0	0
Fees and charges	850	872	1,083
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding (A)	3,050	3,250	3,461
Applications of operating funding*			
Payments to staff and suppliers	1,560	1,561	2,209
Finance costs	190	185	251
Internal charges and overheads applied	588	620	493
Other operating funding applications	0	0	0
Total applications of operating funding (B)	2,338	2,366	2,953
Surplus (deficit) of operating funding (A-B)	712	884	508
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(347)	(217)	(255)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(347)	(217)	(255)
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	0	0	214
Capital expenditure - to replace existing assets	339	417	237
Increase (decrease) in reserves	26	250	(198)
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	365	667	253
Surplus (deficit) of capital funding (C-D)	(712)	(884)	(508)
Funding Balance ((A-B)+(C-D))	0	0	0

^{*}Note: Water services unit costs have been reclassified to payments to staff and suppliers to better reflect the nature of these costs. Previously, the staff costs were treated as overheads applied. Interest costs have also been reclassified. Previously, these were included in the internal charges and overheads applied. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

1 Additional trade waste revenue was recognised, some of this revenue related to the January to June 2023 period. Additional revenue was also recognised for connection fees in Piopio and Te Kūiti.

Applications of operating funding

- 2 Additional operating expenditure was incurred for electricity, insurance and chemicals reflecting the high level of inflation on the cost of goods and services during the period compared to the 10YP forecasts. More sludge disposal expenditure was incurred during the period compared to forecast. Additional wastewater reticulation maintenance costs were incurred during the year which included expenditure in response to recent flood events in Te Kūiti.
- 3 Higher interest rates on borrowings increased finance costs for wastewater compared the forecast interest rate assumption of 2.75% in the 10YP.

Applications of Capital Funding

- 4 Improvement expenditure was recognised for Te Kūiti wastewater plant and pump station along with improvements for sludge disposal equipment at Te Kūiti oxidation ponds. These projects were not included in year 3 of the 10YP. The Te Waitere wastewater soakage field improvement project which commenced in the prior year was also completed.
- 5 Reserve funding was utilised to fund the sludge disposal costs and unplanned operational expenditure for wastewater resulting in a decrease in reserves. Less rate funding for asset replacement was also recognised compared to the 10YP.



WATER SUPPLY

WHAT WE DO

The Water Supply activity provides for the environmentally safe collection, treatment and reticulation of Council's public water supplies. Water supply schemes are provided by Council at Te Kūiti, Maniaiti/Benneydale, Piopio and Mōkau.

There are three aspects of operations under this group:

- Maintenance.
- · Renewals and replacements.
- Improvements.

COMMUNITY OUTCOMES





A district for people

A district that cares for its environment

DELIVERING ON OUR 10 YEAR PLAN

Following the construction for the major upgrade of Mōkau Water Treatment Plant, work has been completed in bringing the Plant online. It is now able to operate at full capacity and is supplying improved reliable drinking water to the urban areas.

Water Resilience Project for Te Kūiti started with site and network investigations being conducted and early design works. Geotechnical surveying and reports have also been undertaken. The project includes, constructing a 2000m³ reservoir next to the existing Hetet reservoir, constructing a dedicated pumping main from the water treatment plant directly to the new reservoir at Hetet, construct a gravity main from the new reservoir down to existing Hospital Road reservoir.

Delivery of reticulation renewal programme continued for this financial year with renewals completed on Lusk and Butler Streets in Te Kūiti, Moa and Tui Streets in Piopio.

Piopio Water Safety and source Water Risk management plans was reviewed and sent to Taumata Arowai. Completed the Piopio water supply take consent submitted to Waikato Regional Council for renewal required in September 2023.

Leak detection work in Piopio has been progressed with repairs of WDC network and private properties undertaken.

Continuation of replacing old and faulty properties service connection (tobies) with approved backflow prevention devices.



SERVICE PERFORMANCE MEASURES

Key:



All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

500	schedule or target.			
YOU CAN EXPECT	MEASURE	TARGET/ RESULT		HOW WE PERFORMED
We provide water that is				
safe to drink and hygienic to use which meets the drinking water standards.	Water quality complies with the drinking water rules for (a) bacteria	Target: Achieve Compliance Result: Not Achieved Previous year Result: Not Achieved	•	Treatment plants and distribution zones did not meet DWQAR
	Water quality complies with the drinking water rules for (b) protozoa	Target: Achieve Compliance Result: Not Achieved Previous year Result: Not Achieved	•	monitoring and compliance rules due to sampling frequency and non-compliant results.
	financial year in: *Water leakage includes	real losses through lea	ıks in	worked reticulation system in a the network and apparent losses
	through metering inaccu consumption.	ıracies or water theft. T	his d	oes not include unauthorised
We provide an efficient and effective water supply. We will	Te Kūiti	Target: ≤ 20% Result: 11% Previous year Result: Achieved	•	
achieve this by undertaking activities such as water leakage* detection and	Mōkau	Target: ≤ 5% Result:1.98% Previous year Result: Achieved	•	Percentage calculated using Minimal Night Flow which assumes that there is little
maintaining the network of water pipes.	Piopio	Target: ≤5% Result: 1.01% Previous year	•	consumption overnight, therefore remaining flow is attributed to water loss.
	Maniaiti / Benneydale	Result: Achieved Target: ≤ 8% Result: 1.87% Previous year Result: Achieved	•	
We will respond within a reasonable timeframe to issues with the	The median attendance time^ for urgent call-outs, from the time that we received notification to the time that our service personnel reach the site.	Target: ≤ 180 minutes (3hrs) Result: 18 mins Previous year Result: Achieved	•	This is the median attendance time by our contractors for callouts to service requests.
water supply**.	The median resolution time^^ of urgent callouts, from the time that we received notification to the time that our service	Target: ≤ 540 minutes (9 hrs) Result: 49 mins Previous year Result: Not Achieved^^^	•	This is the median resolution time by our contractors for callouts to service requests.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT		HOW WE PERFORMED
	personnel confirm the fault or interruption has been resolved.			
	The median attendance time, in working days, for non-urgent call-outs, from the time that we received notification to the time that our service personnel reach the site.	Target ≤ 660 minutes (11 hrs) Result: 2hrs 30mins Previous year Result: Not Achieved^^^	•	This is the median attendance time by our contractors for callouts to service requests.
	The median resolution time, in working days, of non-urgent call-outs, from the time we received notification to the time that our service personnel confirm the fault or interruption has been resolved.	Target: ≤ 96 hours (4 days) Result: 20hrs 5mins Previous year Result: Achieved	•	This is the median resolution time by our contractors for completing service requests callouts.

^{**} Resolution and attendance based on working days are defined as Monday – Friday, excluding public holidays. If notification is received on the weekend or public holiday the timeframes start from the next working day.

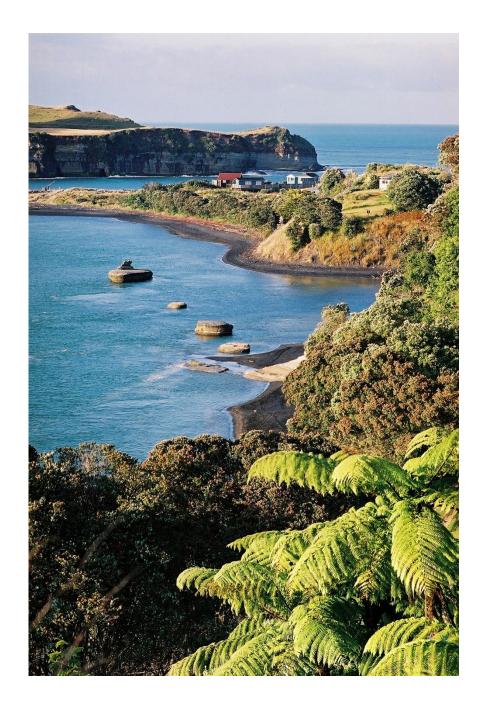
^{^^^}Working to reduce this reporting issue caused by manual reporting processes resulting in inaccurate data. Devices to be introduced to contractors to help address this.

	The total number of corconnections (2640)	mplaints received by Cou	uncil	in a year for: (Total number of
	Drinking water clarity	Target: ≤ 15 per 1000 connections Result: 3.3	<u></u>	9 complaints about clarity or 3.3 per 1000 connections.
		Previous year Result: Achieved		
	Drinking water taste	Target: ≤ 5 per 1000 connections Result: 1.8	<u></u>	5 complaints about taste or 1.8 per 1000 connections.
We provide		Previous year Result: Achieved		•
water that is wholesome and is reliably supplied. The	Drinking water odour	Target: ≤ 5 per 1000 connections Result: 2.2	<u></u>	6 complaints about odour or 2.2 per 1000 connections.
measure indicates		Previous year Result: Achieved		
customers and community satisfaction with the quality of the	Drinking water pressure flow	Target: ≤ 15 per 1000 connections Result: 2.6	<u></u>	7 complaints about pressure flow or 2.6 per 1000 connections.
water.		Previous year Result: Achieved		
	Continuity of supply	Target: ≤15 per 1000 connections Result: 3.3	<u></u>	9 complaints about continuity of supply or 3.3 per 1000 connections
		Previous year Result: Achieved		
	Council's response to any of these issues.	Target: New measure ≤20 per 1000 connections	<u> </u>	0 complaints related to Council's response to any of these issues.
		Result: 0 Previous year Result: Achieved		response to any or these issues.

[^] Measured from the time that the local authority received notification to the time that service personnel confirm resolution of the fault or interruption.

^{^^}Measured from the time that the local authority received notification to the time that service personnel confirm resolution of the fault or interruption.

YOU CAN EXPECT	MEASURE	TARGET/ RESULT		HOW WE PERFORMED
We provide efficient management of demand for water for our community.	The average consumption of drinking water per Waitomo District resident, per day.	Target: ≤ 375 litres per person per day Result: 487 litres /day Previous year Result: Not Achieved	•	Consumption in Te Kūiti and Piopio have reduced in recent months but still greater than target.



FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Water Supply (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	2,847	3,101	3,006
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	34
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding (A)	2,847	3,101	3,040
Applications of operating funding*			
Payments to staff and suppliers	1,397	1,433	1,862
Finance costs	243	250	317
Internal charges and overheads applied	641	677	799
Other operating funding applications	0	0	0
Total applications of operating funding (B)	2,281	2,360	2,978
Surplus (deficit) of operating funding (A-B)	566	741	62
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	375	464	49
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	375	464	49
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	523	536	305
Capital expenditure - to replace existing assets	401	484	442
Increase (decrease) in reserves	17	185	(636)
Increase (decrease) in investments	0	0	0
Total applications of capital funding (D)	941	1,205	112
Surplus (deficit) of capital funding (C-D)	(566)	(741)	(62)
Funding Balance ((A-B)+(C-D))	0	0	0

^{*}Note: Water services unit costs have been reclassified to payments to staff and suppliers to better reflect the nature of these costs. Previously, the staff costs were treated as overheads applied. Interest costs have also been reclassified. Previously, these were included in the internal charges and overheads applied. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total Operating Funding

1 Metered water revenue was below budget for Te Kūiti and Piopio.

Applications of Operating Funding

- 2 Additional operating expenditure was more for electricity and insurance and operations and maintenance costs reflecting the impact of inflation on the cost of goods and services compared to the 10YP forecasts. Sampling and monitoring costs were also more than forecast in the 10YP due to the increased compliance for drinking water. Additional reticulation reactive maintenance costs were recognised for Te Kūiti in response to recent flooding events.
- Higher interest rates on borrowings increased finance costs for water supply compared the forecast interest rate assumption of 2.75% in the 10YP.
- 4 Increased internal charges and overheads were applied to water supply compared to the forecast in the 10YP.

Sources of Capital Funding

5 The increase in debt was lower than forecast in the 10YP due to the alternative raw water source project not proceeding as planned.

Applications of Capital Funding

- The alternative raw water source project which was included in year 3 of the 10YP was removed in the 2022-23 Annual Plan forecast. The Te Kūiti water resilience project was included in the 2023-24 Annual Plan forecast.
- 7 Reserve funding was utilised to fund the unplanned operational expenditure for water supply resulting in a decrease in reserves. Less rate funding for asset replacement was also recognised compared to the 10YP.



ROADS AND FOOTPATHS

WHAT WE DO

The Roads and Footpaths activity provides a safe and reliable transport infrastructure network to facilitate the movement of people and goods, which includes the provision of roads (excluding state highways), footpaths, bridges, traffic services, streetlights, carparks, and traffic safety programmes.

- Road Network: We manage and maintain a network of 459km of sealed roads and 553km of
 unsealed roads. This includes identifying the need for and undertaking maintenance and renewals of
 the road network, footpaths, and ancillary systems such as streetlights, signs, and road markings.
- **Subsidised roading:** New Zealand Transport Agency (NZTA), provides a subsidy for works that meet their criteria via Waikato Regional Council's Land Transport Programme.
- Unsubsidised roading: These activities are carried out to ensure safe and efficient travel within and through the District as necessary for road or pedestrian safety and convenience, but are not subsidised by NZTA.

COMMUNITY OUTCOMES









A district for peop

A district that cares for its environment

A district that works vou

DELIVERING ON OUR 10 YEAR PLAN

Four pavement rehabilitation sites were delivered, Waimiha Road, Te Anga Road, and two sites on Taharoa Road. Two of the sites were carried over from the previous year due to weather delays.

The footpath contract was delivered around the district, delivering 974m of new footpaths and 1,927m were repaired. Te Kūiti, Piopio, Maniaiti/Benneydale, Taharoa, Waitomo Village and Mōkau all received new footpaths.

Cyclone Dovi reinstatement works have been ongoing throughout 2023/24, there have been multiple sites completed, Mangatoa Road involved several retaining structures and road realignments. A vast amount of minor works has also been completed through the existing Road Maintenance Contract. Repairs are expected to continue into 2024/25.

The Winter 2022 storm damage repair works has also had several timber and steel retaining structures completed on Fullerton Road, Mairoa Road and Oparure Road. In addition minor works have been completed through the existing Road Maintenance Contract. Repairs are expected to continue into 2024/25.

The January 2023 storm funding application is being drafted and anticipated to be submitted to NZTA for review in 2024/25.

The annual resurfacing programme was smaller in quantity compared to other years. There was a reduced budget being the end of the 2021-23 LTP funding and the delivery of the Rora Street asphalt site impacted the quantity that could be completed. Overall, there was 4.1% of the sealed network completed which equates to 18.74km.

The programme of work for unsealed maintenance was completed and 18.6% of the unsealed network was remetalled during the 2023/24 season.



SERVICE PERFORMANCE MEASURES

Key:



All components of the performance measure have been met.



Some or all components were not achieved as per schedule or target.



A nearly achieved result occurs when a result is within 5% of the target.

been met. schedule or target.				
YOU CAN EXPECT	MEASURE	TARGET/ RESULT	Н	OW WE PERFORMED
We are working towards a safe network with a vision of a decreasing trend of deaths and serious injuries* on Waitomo District roads within ten years. We aim to achieve this by delivering projects that are focused on maintaining, upgrading, or changing the conditions of the roading environment to keep our community safe.	The change from the previous financial year in the number of fatalities and serious injury* crashes on Waitomo District's local road network.	Target: Maintain or reduce from previous year (1 fatality and 3 serious injury) ≤ 4 Result: 3 Serious Injury crashes YTD: 1 Fatal crashes YTD: 2 Previous year Result: Not Achieved	•	Two fatal crashes and one serious crash on Waitomo roads over the year. This is equal to the previous financial year.
We aim for a smooth road that provides comfort for road users and improves the safety of the roads.	The average smooth travel exposure rating** across the sealed road network.	Target: 90% (of total network) Result: 90% Previous year Result: Achieved	•	Achieved at 90% below 150 NAASRA count.
We will maintain the road network by resealing it as needed. Resurfacing is only undertaken as required depending on the condition of the surface in that financial year.	The percentage of Waitomo District's sealed local road network that is resurfaced each year.	Target: 7% (of total network) Result: 4.10% Previous year Result: Achieved	•	Chip sealing programme was reduced reflecting the increased costs to carry out this work.
We will maintain the overall condition of the unsealed roads to a specified adequate standard.	The percentage of unsealed road metalled each year.	Target: 10% (of total network) Result: 18.6% Previous year Result: Achieved	•	18.6% of the network has received renewals and/or heavy maintenance grading.
We will provide footpaths that are well maintained. The measure is the percentage of footpaths that meet the service level.	The percentage of footpath network that falls within a condition rating of 3.	Target: 90% Result: 97% Previous year Result: Achieved	•	Condition rating of footpaths is undertaken every 3 years, the assessment was completed in June 2022. A majority of the non-compliant footpaths have being treated in this year's footpath renewals programme.
We will investigate and respond to the customer about their request for service relating to road and footpath issues.	The percentage of customer service requests relating to roads and foot paths responded to within 10 working days.	Target: 85% Result: 98% Previous year Result: Achieved	•	Of the 575 service requests received related to roads and footpaths, 566 were responded to within 10 working days.

^{*} This is using NZTA Crash Analysis System definitions: fatal is defined as a death occurring as the result of injuries sustained in a road crash within 30 days of the crash, serious is defined as injury (fracture, concussion, severe cuts or other injury) requiring medical treatment or removal to and retention in hospital.

^{**} Percentage of measured sealed road lane kilometres not exceeding a NAASRA roughness count rating of 150 to be at least 90%. NAASRA is a generally acceptable measure of road roughness. A NAASRA count of less than 150 indicates an acceptable level of ride comfort.

FUNDING IMPACT STATEMENT

Waitomo District Council: Funding impact statement for Roads and Footpaths (\$000's)	Adjusted LTP 2021-31 2023	Adjusted LTP 2021-31 2024	ACTUAL 2023/24
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	4,492	4,517	4,495
Subsidies and grants for operating purposes	5,270	5,454	6,390
Fees and charges	129	132	222
Internal charges and overheads recovered	0	0	C
Local authorities fuel tax, fines, infringement fees and other receipts	103	106	127
Total operating funding (A)	9,994	10,209	11,234
Applications of operating funding*			
Payments to staff and suppliers	6,096	6,288	7,890
Finance costs	300	289	366
Internal charges and overheads applied	1,286	1,347	885
Other operating funding applications	0	0	(
Total applications of operating funding (B)	7,682	7,924	9,141
Surplus (deficit) of operating funding (A-B)	2,312	2,285	2,093
Sources of capital funding			
Subsidies and grants for capital expenditure	4,592	4,115	11,979
Development and financial contributions	0	0	(
Increase (decrease) in debt	(647)	(769)	(447)
Gross proceeds from sale of assets	0	0	(
Lump sum contributions	0	0	(
Other dedicated capital funding	0	0	(
Total sources of capital funding (C)	3,945	3,346	11,532
Applications of capital funding			
Capital expenditure - to meet additional demand	0	0	(
Capital expenditure - to improve the level of service	309	318	596
Capital expenditure - to replace existing assets	5,989	5,350	14,284
Increase (decrease) in reserves	(41)	(37)	(1,255
Increase (decrease) in investments	0	0	(
Total applications of capital funding (D)	6,257	5,631	13,625
Surplus (deficit) of capital funding (C-D)	(2,312)	(2,285)	(2,093)
Funding Balance ((A-B)+(C-D))	0	0	O

^{*}Note: Interest costs have been disclosed in the funding impact statement for each activity to provide more transparency of where these costs attribute to. Previously, these costs were treated as overheads and included in the internal charges and overheads recovered. LTP years 2023 and 2024 have been adjusted for comparative purposes.

WHAT'S BEHIND THE VARIATIONS

VARIANCE FROM YEAR 3 OF THE 2021-31 10YP

Total operating funding

Subsidies and grants for operating purposes was above forecast as additional subsidy was received for emergency reinstatement first response expenditure from severe weather events and for road maintenance expenditures that more than forecast in year 3 of the 10YP.

Applications of operating funding

- 2 Operating expenditure for emergency reinstatement, sealed and unsealed maintenance expenditure and professional fees were above the forecast in year 3 of the 10YP. Expenditure was also incurred for the improvement of truck parking adjacent to SH3 Mōkau which was not forecast in the 10YP.
- 3 Higher interest rates on borrowings increased finance costs for roads and footpaths compared the forecast interest rate assumption of 2.75% in the 10YP.
- 4 Internal charges and overheads applied were less than 10YP forecast due to roading staff vacancies.

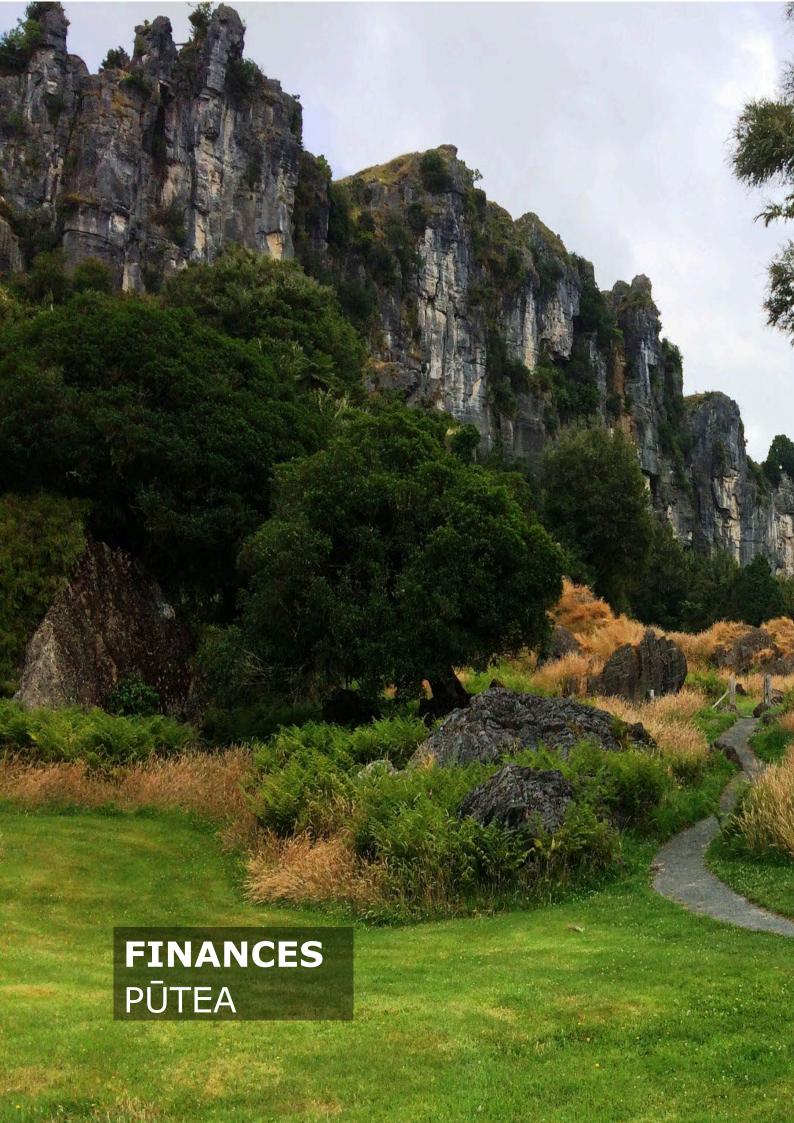
Sources of Capital Funding

- 5 Subsidies and grants for capital expenditure were more than forecast in the 10YP as additional subsidy revenue was received for emergency reinstatement expenditure to repair roads damaged from severe weather events.
- The decrease in debt was less than forecast in the 10YP as loans for footpath improvements and 'road to zero' road improvements were recognised. These projects and the associated loan funding was forecast in year 2 of the 10YP.

Applications of Capital Funding

7 There was a decrease in reserves as reserve funding was utilised to fund the local share of the roads renewals for storm damage. Less rate funding for asset replacement was also recognised compared to the 10YP.





STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2024

These financial statements should be read in conjunction with the notes to the financial statements on pages 66 to 115.

		C	COUNCIL			
(\$000's)	NOTE	2024 BUDGET	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Revenue		BODGET	ACTUAL	ACTUAL	ACTOAL	ACTUAL
Rates revenue	1	21,461	21,534	20,355	21,519	20,342
Metered water rates	2	1,059	968	894	968	894
Subsidies and grants	3	16,177	20,154	16,902	20,194	16,975
Interest revenue		15	148	84	152	85
Fees, charges and income from construction	4	4,514	4,386	7,836	42,774	36,634
Other revenue including gains/(losses)	5	241	728	474	748	501
Total Revenue and Gains/(Losses)		43,467	47,918	46,545	86,355	75,431
Expenses						
Employee benefit expenses	6	6,859	7,248	6,288	21,299	18,619
Depreciation and amortisation expense	7	9,470	9,447	8,975	11,201	10,733
Finance costs	8	1,628	1,633	1,307	1,961	1,664
Other expenses	9	23,193	22,976	25,814	44,361	39,736
Total Expenses		41,150	41,304	42,384	78,822	70,752
Surplus/(Deficit) Before Tax		2,317	6,614	4,161	7,533	4,679
Income tax expense/(revenue)	10	0	0	0	902	387
Surplus/(Deficit)		2,317	6,614	4,161	6,631	4,292
Other Comprehensive Revenue and Expense						
Revaluation of property, plant and equipment and quarry assets	11	9,836	0	180,555	0	181,410
Gains/(losses) from cash flow hedges		0	(220)	390	(220)	390
Revaluation of financial assets at FVTOCRE	11	0	2,281	4,190	0	0
Income tax relating to components of other comprehensive revenue and expense	10	0	0	0	0	0
Total Other Comprehensive Revenue and Expense		9,836	2,061	185,135	(220)	181,800
Total Comprehensive Revenue and Expense		12,153	8,675	189,296	6,411	186,092

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

These financial statements should be read in conjunction with the notes to the financial statements on pages 66 to 115.

		COUNCI	GROUP		
(\$000's)	NOTE	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Total Equity					
Balance at 1 July		660,831	471,535	662,795	476,703
Total Comprehensive Revenue and Expense for the year		8,675	189,296	6,411	186,092
Balance at 30 June		669,506	660,831	669,206	662,795

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

These financial statements should be read in conjunction with the notes to the financial statements on pages 66 to 115.

		CO	UNCIL		GRO	OUP
(\$000's)	NOTE	2024 BUDGET	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Equity						
Accumulated Funds	11	246,940	242,546	233,302	246,899	237,638
Other Reserves	11	28,239	34,581	34,934	21,698	24,332
Revaluation Reserve	11	222,011	392,379	392,595	400,609	400,825
Total Equity		497,190	669,506	660,831	669,206	662,795
Current Assets						
Cash and Cash Equivalents	12	2,352	3,093	1,553	7,129	3,378
Other Financial Assets	13	169	298	54	298	54
Inventory	14	120	120	134	2,223	1,571
Capitalised Quary development Asset	24	0	0	0	280	0
Receivables under Exchange Transactions	15	274	543	466	3,543	4,097
Receivables under Non Exchange Transactions	15	4,539	6,455	4,758	6,454	4,753
Derivative Financial Instruments	16	0	264	297	264	297
Total Current Assets		7,454	10,773	7,262	20,191	14,150
Current Liabilities						
Payables and Deferred Revenue under Exchange Transactions	17	4,197	5,879	5,621	8,897	7,194
Payables and Deferred Revenue under Non Exchange Transactions	17	2,032	1,009	1,017	1,419	2,127
Current Portion of Borrowings	18	26,326	17,333	7,251	19,608	8,549
Provisions	19	4	2	4	503	249
Employee Entitlements	20	817	972	884	2,316	2,328
Derivative Financial Instruments	16	31	0	0	0	0
Total Current Liabilities		33,407	25,195	14,777	32,743	20,447
Net Working Capital		(25,953)	(14,422)	(7,515)	(12,552)	(6,297)
Non Current Assets						
Property, Plant and Equipment	21	521,396	678,634	669,116	691,238	683,018
Intangible Assets	22	7,175	6,296	7,090	6,296	7,162
Investment Property	23	2,167	2,127	2,222	2,127	2,222
Capitalised Quarry Development Asset	24	0	0	0	1,023	830
Receivables under Exchange Transactions	15	0	0	0	331	362
Other Financial Assets	13	323	423	539	423	539
Investment in CCO and Civic Financial Services Ltd	13	6,432	12,903	10,622	20	20
Derivative Financial Instruments	16	198	117	260	117	260
Deferred Tax Asset	10	0	0	0	0	530
Total Non Current Assets		537,691	700,500	689,849	701,575	694,943
Non Current Liabilities						
Borrowings	18	14,023	16,000	21,009	18,872	25,357
Provisions	19	525	527	494	527	494
Derivative Financial Instruments	16	0	45	0	45	0
Deferred Tax Liability	10	0	0	0	373	0
Total Non Current Liabilities		14,548	16,572	21,503	19,817	25,851
Net Assets		497,190	669,506	660,831	669,206	662,795

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

These financial statements should be read in conjunction with the notes to the financial statements on pages 66 to 115.

		СО	UNCIL		GRO	OUP
(\$000's)	NOTE	2024 BUDGET	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Cash flows from Operating Activities						
Cash was provided from:						
Rates Revenue (including penalties)		22,520	22,355	21,358	22,340	21,345
Subsidies and Grants		16,136	18,212	15,912	18,252	15,985
Property Rentals		541	537	474	559	496
Petroleum Tax		140	123	135	123	135
Interest Revenue		15	122	72	126	74
Receipts from Other Revenue and Construction Contracts		4,116	3,878	5,888	43,455	33,598
		43,468	45,227	43,839	84,855	71,633
Cash was applied to:						
Payments to Suppliers and Employees		28,884	28,168	30,757	63,351	55,401
Elected Members		580	461	380	611	530
Interest Paid on Borrowings		1,627	1,532	1,214	1,860	1,572
		31,091	30,161	32,351	65,822	57,503
Net Cash Inflow from Operating Activities	29	12,377	15,066	11,488	19,033	14,130
Cash flows from Investing Activities						
Cash was provided from:						
Proceeds from Sale of Property, Plant and Equipment		0	119	221	296	325
Proceeds from Surrender of Financial Assets		0	48	0	48	0
		0	167	221	344	325
Cash was applied to:						
Purchase and Development of Property, plant and equipment and Quarry Development Costs		22,332	18,528	11,684	19,961	14,643
Purchase of Intangible Assets		184	0	721	0	721
Purchase of Financial Assets		0	150	90	150	90
		22,516	18,678	12,495	20,111	15,454
Net Cash flows from Investing Activities		(22,516)	(18,511)	(12,274)	(19,767)	(15,129)
Cash flows from Financing Activities						
Cash was provided from:						
Cash was provided from Borrowings		30,139	26,000	8,000	31,112	14,148
		30,139	26,000	8,000	31,112	14,148
Cash was applied to:						
Repayment of Borrowings		20,000	21,000	8,000	26,597	12,642
Repayment of Lease Liabilities		0	15	13	30	28
		20,000	21,015	8,013	26,627	12,670
Net Cash Inflow/(outflow) from Financing Activities		10,139	4,985	(13)	4,485	(1,478)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		0	1,540	(799)	3,751	479
Cash, cash equivalents and bank overdrafts at the beginning of the year		2,352	1,553	2,352	3,378	2,899
Cash, cash equivalents and bank overdrafts at the end of the year		2,352	3,093	1,553	7,129	3,378
Balance at end of year represented by:						
Cash at Bank and In Hand		2,352	3,093	1,553	7,129	3,378
		2,352	3,093	1,553	7,129	3,378

Funding Impact Statements

(Local Government (Financial Reporting) Regulations 2011)

The following information is presented in compliance with the Local Government (Financial Reporting) Regulations 2011 and should not be relied on for any other purpose than compliance with those regulations. The purpose of the statements is to present information about sources and applications of funding. This information is derived from accrual accounting records, prepared under GAAP, however transactions with no funding impact, such as depreciation and asset revaluations have been eliminated.

Waitomo District Council: Funding Impact Statement for 2022 to 2024 for Whole of Council (\$000's)	AP 2022/23	Actual 2022/23	AP 2023/24	Actual 2023/24
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	9,683	9,749	9,997	10,041
Targeted rates	11,564	11,499	12,523	12,467
Subsidies and grants for operating purposes	5,560	8,340	7,675	7,816
Fees and charges	4,126	7,848	4,507	4,456
Interest and Dividends from Investments	12	84	15	148
Local authorities fuel tax, fines, infringement fees and other receipts	198	253	249	327
Total operating funding (A)	31,143	37,773	34,966	35,255
Applications of operating funding				
Payments to staff and suppliers	25,667	32,258	30,052	29,934
Finance costs	1,258	1,307	1,628	1,633
Total applications of operating funding (B)	26,925	33,565	31,680	31,567
Surplus (deficit) of operating funding (A-B)	4,218	4,208	3,286	3,688
Sources of capital funding				
Subsidies and grants for capital expenditure	16,151	8,561	8,461	12,338
Increase (decrease) in debt	1,423	1,307	8,967	(269
Gross proceeds from sale of assets	0	221	0	60
Lump sum contributions	41	0	41	
Other dedicated capital funding	0	0	0	(
Total sources of capital funding (C)	17,615	10,089	17,469	12,13
Applications of capital funding				
Capital expenditure - to meet additional demand	0	0	0	
Capital expenditure - to improve the level of service	4,300	4,508	6,098	2,289
Capital expenditure - to replace existing assets	19,314	11,671	16,418	16,928
Increase (decrease) in reserves	(1,781)	(1,882)	(1,761)	(3,394
Increase (decrease) of investments	0	0	0	(
Total applications of capital funding (D)	21,833	14,297	20,755	15,823
Surplus (deficit) of capital funding (C-D)	(4,218)	(4,208)	(3,286)	(3,688)
Funding Balance ((A-B)+(C-D))	0	0	0	0

NOTES TO THE FINANCIAL STATEMENTS

Statement of Accounting Policies for the year ended 30 June 2024

Reporting Entity

Waitomo District Council is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's activities is the LGA and the Local Government (Rating) Act 2002.

The Group consists of the ultimate parent, Waitomo District Council (the Council), and its subsidiary, Inframax Construction Limited (100% owned). Council's subsidiary is incorporated and domiciled in New Zealand.

The Council and Group provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

Council has designated itself and the Group as public benefit entities (PBE's) for financial reporting purposes.

The financial statements of the Council and the Group are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 29 October 2024.

Basis of Preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Going Concern

The financial statements of the Group have been prepared on a going concern basis.

Statement of Compliance

The financial statements of the Council and Group have been prepared in accordance with the requirements of the Local Government Act 2002 (LGA), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

These financial statements comply with PBE standards.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Measurement Basis

The measurement basis applied is historical cost, modified by the revaluation of land and buildings, certain infrastructural assets and financial instruments, Council's investment in Inframax Construction Limited, investment property and forestry assets. The accrual basis of accounting has been used unless otherwise stated.

For the assets and liabilities recorded at fair value, fair value is defined as the amount for which an item could be exchanged, or a liability settled, between

knowledgeable and willing parties in an arm's length transaction. For investment property, the fair value is determined by reference to market value.

The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Standards issued and not yet effective and not early adopted

At the date of authorisation of the financial report the following standards, amendments or interpretations were on issue and not yet effective.

Standards, Amendments or Interpretations	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
Disclosure of Fees for Audit Firms' Services	1 January 2024	30 June 2025
Amendments to PBE IFRS 17	1 January 2026	30 June 2027

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The Group's financial statements incorporate the financial statements of the Council and the entities controlled by the Council (its subsidiaries). Control is achieved where the Council has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in surplus or deficit from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used into line with those used by other members of the Group.

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue and expense of the entities within the Group on a line by line basis. All intra-group transactions, balances, revenue and expenses are eliminated in full on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Council. Investment in the subsidiary is recorded at fair value in the Council's financial statements.

Revenue

Revenue comprises rates, revenue from operating activities, grant revenue, interest revenue and other revenue and is measured at fair value of the consideration received or receivable.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue may be derived from either exchange or nonexchange transactions. These are defined as:

Exchange transactions

Exchange transactions are transactions where the Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

The following specific recognition criteria must also be met before revenue is recognised.

Rates revenue

Rates are set annually by resolution from the Council and relate to a particular financial year. All ratepayers are invoiced within the financial year for which the rates have been set. Rates revenue is recognised as revenue when rates are levied. Rates arising from late payment penalties are recognised as revenue when rates become overdue. Rates revenue is classified as non-exchange revenue.

Waka Kotahi roading subsidies

Council receives funding assistance from Waka Kotahi, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled. Waka Kotahi subsidies are classified as non-exchange revenue.

Other Subsidies and Grants received

Other subsidies and grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grants are satisfied. Subsidies and other grants received are classified as non-exchange revenue.

Fees, Levies & Charges

Other fees, levies and charges are recognised as revenue when the obligation to pay arises or, in the case of licence fees, upon renewal of the licence. Fees, levies and charges are classified as non-exchange revenue with the exception of on-charging of consultants' fees for resource consents.

Interest Revenue

Revenue is recognised using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument. Interest revenue is classified as exchange revenue.

Sale of goods

The sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer. This revenue is classified as exchange.

Property Rental Revenue

Rental revenue arising on property owned by the Group is accounted for on a straight-line basis over the lease term. Property rental revenue is generally classified as non-exchange.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised when the control of the asset is transferred to Council. The fair value of this asset is recognised as revenue, unless there is a use or return condition attached to the asset and is classified as non-exchange revenue.

Rendering of Services and Construction Contracts

Revenue from construction contracting services includes revenue from building and civil contracting services. Revenue and profit are recognised on the basis of value of work completed. Percentage of completion is measured by reference to the value of work performed which is independently certified each month by the customer's engineer to the contract.

Expected losses are recognised in full as soon as they become apparent.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable

to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with the Group's construction activities in general.

Rendering of services is classified as exchange revenue.

Expenditure

Expenditure is recognised when the Group has been supplied with the service or has control of the goods supplied.

Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where the Group has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Group's decision.

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Income Tax

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the Statement of Financial Position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at

the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly into equity.

Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank over drafts.

Inventory

Inventory held for use in the provision of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The amount of any write down from the loss of service potential or from cost to net realisable value is recognised in surplus or deficit in the period of the write-down.

Inventories held by Inframax Construction Limited are valued on the basis of lower of cost, determined on a weighted average cost basis, and net realisable value. Aggregate stocks are valued using a standard cost, this standard cost is based on the average cost of production.

Receivables

Short-term receivables are recorded at the amount due, less an allowance for Expected Credit Losses (ECL).

The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

when remitted in accordance with the Council's rates remission policy; and

- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and
- 90B (in relation to Māori freehold land) of the local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include

the debtor being in liquidation or the receivable being more than one year overdue.

Other Financial Assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless the it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, NZLGFA borrower notes, and loans to subsidiaries and associates.

Subsequent measurement of financial assets at FVTOCRF

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Other than for derivatives, the Council and group has no instruments in this category.

Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls. Which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition. The Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Council measure ECLs on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the financial asset, the ECL is recognised as a provision.

Unlisted shares in the subsidiary and other companies

Investments in subsidiaries and other companies is carried in Council and group financial statements in the following way;

- Investment in the subsidiary is carried at fair value through other comprehensive revenue and expense (FVTOCRE).
- Investments in other companies is carried at cost, which materially approximate their fair value.

Derivative financial instruments

Derivative financial instruments are used to manage exposure to interest rate risks arising from the

Council's financing activities. In accordance with its Treasury Management Policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses on derivatives that are not hedge accounted are recognised in surplus or deficit.

The full fair value of a hedge accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Hedge accounting

The Council and group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);or
- hedges of highly probable forecast transactions (cash flow hedge).

The Council and group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Council and group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Cash flow hedge

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised in other comprehensive revenue and expense, and the ineffective portion of the gain or loss on the hedging instrument is recognised in surplus or deficit as part of "finance costs".

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised in other comprehensive revenue and expense are reclassified into surplus or deficit in the same period or periods during which the asset acquired or liability assumed affects the surplus or deficit. However, if it is expected that all or a portion of a loss recognised in other comprehensive revenue and expense will not be recovered in one or more future

periods, the amount that is not expected to be recovered is reclassified to surplus or deficit.

When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the associated gains and losses that were recognised in other comprehensive revenue and expense will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised, or revoked, or it no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive revenue and expense from the period when the hedge was effective will remain separately recognised in equity until the forecast transaction occurs.

When a forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive revenue and expense from the period when the hedge was effective is reclassified from equity to surplus or deficit.

Hedge ineffectiveness

Hedge ineffectiveness in a hedge relationship can arise from:

- Differences in the timing of cash flows of the hedged items and hedging instruments.
- changes to the forecasted amount of cash flows of hedged items and hedging instruments.
- The counterparties credit risk effecting fair value movements of hedging instruments and hedged items.

Payables

Payables and other payables are recognised at their face value when the Group becomes obligated to make future payments resulting from the purchase of goods or services.

Payables may be derived from either exchange or nonexchange transactions. These are defined as:

Exchange transactions

Exchange transactions are transactions where the Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Payables from exchange transactions include payables to suppliers, retention monies and payables for elected members' and directors' fees.

• Non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Non exchange payables include payables for GST, deposits and bonds held and deferred grant revenue.

Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

Good and Service Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the Statement of Financial Position.

Where the Council and Group are not in possession of or issued a valid tax invoice at balance date, the GST portion is not accounted for in either Receivables or Pavables.

Commitments and contingencies are disclosed exclusive of GST.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in finance costs.

Landfill Post Closure Costs

The Group has a legal obligation under the resource consents for open and closed landfills to provide ongoing maintenance and monitoring services at the sites after closure. A provision for post closure costs is

recognised as a liability when the obligation for post closure arises.

The provision is a measure based on the present value of future cash flows expected to be incurred, taking into account future events including legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

Amounts provided for landfill post closure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

Employee Entitlements

Short-Term Employee Entitlements

Employee benefits expected to be settled within 12 months after the end of the period which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and entitlements expected to be settled within 12 months, and sick leave.

A liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Group anticipates it will be used by staff to cover those future absences.

Leases

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments

A finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Group will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Property, Plant & Equipment

Property, plant and equipment consists of:

Operational Assets

Operational assets are tangible assets, able to be dealt with as part of the operating strategy and include land, buildings, plant and equipment, motor vehicles, furniture and fittings, computer hardware, library books, and finance leases for office equipment.

Restricted Assets

Restricted assets cannot be disposed of because of legal and other restrictions but provide a benefit or service to the community. These are mainly assets associated with reserves vested under the Reserves Act, endowments and other property held in Trust for specific purposes.

Infrastructural Assets

Infrastructural assets are the fixed utility systems providing an ongoing service to the community but are not generally regarded as tradable. They include infrastructural land, roads, water reticulation systems, sewerage reticulation systems, storm water systems, refuse systems and land under roads.

Land (operational, restricted and infrastructural) is measured at fair value. Buildings (operational and restricted) and all infrastructural assets (except for land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the Group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non exchange transaction, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in the property revaluation reserves in respect of those assets are transferred to accumulated funds.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

The costs of day to day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, land under roads, work in progress and those assets in the tables below that are not depreciated, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Operational Assets

Operational assets are depreciated on a straight line basis. The estimated useful lives are as follows:

Operational Buildings	15-100 years
Plant and Equipment	4-13 years
Motor vehicles	5-7 years
Furniture and Fittings	5-30 years
Computers	4-5 years
Library Books	7 years
Archive Books	Not depreciated

Restricted Assets

Restricted assets are depreciated on a straight line basis as follows:

Restricted Buildings	15 - 100 years
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Infrastructural Assets

Infrastructural assets are depreciated on a straight line basis. The estimated useful lives are as follows:

Roads and Footpaths

Pavement Formation	Not depreciated
Pavement Subbase	160 years or not depreciated
Pavement Base	120 years
Sealed Surface	10 - 80 years
Metal Surface	Not depreciated
Bridges and Major Culverts	60-100 years
Retaining Walls and Other Structures	20 – 100 years
Footpaths and Footpath Crossings	50 - 80 years
Drainage and Culverts	60 – 80 years
Kerb and Channel, Stormwater Channels	K & C 80 years, SWC not depreciated
Guard Rails	20-50 years
Streetlights and Poles	Lanterns 20 -25 years, poles and brackets 30 - 60 years
Road Signs	Signs 15 – 20 years, Signposts 40 years
Resource Consents	10 - 35 years

Water Supply Assets

Pipes	60 - 120 years
Fire Hydrant Valves	75 years
Meters	30 years
Tobies	60 years
Pump Stations	20 – 100 years

Dam Structures	100 years
Reservoir Structures	80 years
Treatment Plants	5 – 100 years
Resource Consents	11 – 35 years or not depreciated

Wastewater Assets

Pipes	50 - 120 years
Manholes	100 years
Mailloles	100 years
Separator Tanks	50 years
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Pump Stations	15 – 100 years
Treatment Plants	15 - 100 years
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Resource Consents	15 – 35 years

Stormwater Assets

I	Pipes	60 - 120 years
	Manholes and Cesspits	100 years
	Resource Consents	20 years

Solid Waste Assets

Landfill Cells and Earthworks	Not depreciated
Building and Shelters	15 - 60 years
Oxidation Ponds	80 years
Roading and Driveways	12 - 80 years
Weighbridges and Automatic Gates	15 – 50 years
Bins and Containers	15 - 80 years
Retaining Walls	25 years
Fencing and Other Assets	15 - 50 years
Resource Consents	30 - 35 years

The depreciation rates are applied at a component level and are dependent on the remaining useful life for each component. The residual value and useful life on an asset is reviewed and adjusted where applicable at each balance date.

Revaluation

Land and buildings (operational and restricted) and infrastructural assets (except for land under roads) are revalued with sufficient regularity to ensure that their carrying value does not materially differ from fair value and at least every three years. The carrying values of revalued items are assessed annually to ensure that they do not differ materially from fair value. If there is a material difference, then an off-cycle revaluation is carried out for that asset class.

Revaluations of property, plant and equipment are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to a property revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in the other comprehensive revenue and expense.

Revaluation of Restricted Assets

Land and buildings in restricted assets are subject to either restrictions on use, or disposal, or both. This includes restrictions from legislation (such as land declared as a reserve under the Reserves Act 1977), or other restrictions (such as land or buildings under a bequest or donation that restricts the purpose for with the assets can be used).

Intangible Assets

Computer Software

Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The costs associated with maintaining computer software are recognised as an expense as incurred. The costs associated with the development and maintenance of the Group's website are recognised as an expense as incurred. Staff training costs are recognised in the surplus or deficit when incurred.

Carbon Credits

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are de-recognised when they are used to satisfy carbon emission obligations.

Service Concession Asset

Through a property sharing agreement with the Te Küiti High School Board of Trustees and the Ministry of Education for the Gallagher Recreation Centre, Council is enabled to offer recreational and sporting services to the wider community. This arrangement is recognised as a service concession asset which is an intangible asset and is recognised at cost.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life for software. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates for software and service concession asset (GRC-licence to use the facility) have been estimated as follows:

Computer software	2 – 5 years
Service concession asset	35 years

Forestry Assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected future cash flows discounted at a current market determined rate. The calculation is based on assessment of growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains and losses arising on initial recognition of forestry assets at fair value less costs to sell and from

a change in fair value less costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Non-current Assets Held For Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. This condition is regarded as met only when the sale is highly probable and the assets (or disposal group) is available for immediate sale in its present condition and the sale of the asset (or disposal group) is expected to be completed within one year from the date of classification. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value less costs to sell are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Investment in Unlisted Shares

Council has an interest (1.6%) in a Council Controlled Organisation (CCO), Waikato Local Authority Shared Services Limited (trading as Co-Lab). Council has no significant influence over the company's operational or financial policies.

Council has an interest (0.15%) in Civic Financial Services Limited. Council has no significant influence over the company's operational or financial policies.

Council has an interest (0.04%) in New Zealand National Mutual Riskpool. Council has no significant influence on operational or financial policies.

These three investments are carried at fair value through other comprehensive revenue and expense (FVTOCRE), however because there is no active market for these shares as they are unlisted and quoted market prices for similar financial assets are not available, their cost currently approximates their fair value.

Investment Property

Investment property consists of miscellaneous housing and residential sections properties. Investment property is held primarily for capital growth, rental or similar revenue. Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, the Group measures all investment property at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Capitalised Quarry Development Costs

The costs of stripping activity which provides a benefit in the form of improved access to rock is recognised as a 'stripping activity asset' where it is probable that the future economic benefit associated with the stripping activity will flow to the Group, the Group can identify the component of the rock for which access has been improved and the costs relating to the stripping activity associated with that component can be measured reliably. A stripping activity asset is depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the rock that becomes more accessible as a result of the stripping activity using the units of production method.

Cost Allocation

The Council has derived the cost of service for each significant activity. Direct costs are expensed directly to the activity. Indirect costs relate to the overall costs of running the organisation and include staff time, office space and information technology costs. These costs are allocated to Council activities using appropriate cost drivers such as resource use, staff numbers and floor area. All overhead costs have been allocated to significant activities.

Impairment of Property, Plant and Equipment and Intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Property, plant and equipment and intangible assets that have a finite useful life are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

Value in use for non-cash generating assets

Non cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use cash generating assets

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash generating assets and cash generating units is the present value of expected future cash flows.

Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Accumulated Funds,
- Other reserves, and
- Property revaluation reserves.

Other Reserves

Other reserves are a component of equity and consist of Council created reserves, investment revaluation reserves and the hedging reserve.

Council created reserves include operational reserves where separate revenue streams are held, depreciation reserves which are held for funding internal loan repayments or asset renewals, and special purpose reserves. Some reserves are restricted an only be used for their stated purpose unless revised by the group through reference to the courts or the affected third parties.

The investment revaluation reserves relate to revaluations of council's shareholdings in its subsidiary and or other companies.

The cashflow hedging reserve relates to cumulative changes in the net value of derivatives for hedges that are deemed affective.

Property Revaluation Reserves

Property revaluation reserves relate to the revaluation of property, plant and equipment to fair value.

Emissions Trading Scheme (ETS)

The regulations for landfill methane emissions under the New Zealand Emissions Trading Scheme (NZ ETS) require waste disposal facility operators to surrender New Zealand Units (NZU's) by 31 May of each year to match the remission from 1 January to 31 December of the preceding calendar year. The cost of meeting ETS obligations is mandatory and Council is required to

surrender NZU's for the landfill methane emissions associated with Rangitoto Landfill. NZU's that are purchased to meet these liabilities are recognised at cost and subsequently recognised at cost subject to impairment. Where there is an obligation to return units the expense and liability are recognised and are measured at the carrying value of units on hand plus the fair value of any additional units required.

Budget Figures

The budget figures are those approved by the Council in its AP 2023/24. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

Critical Accounting Estimates and Judgements

In preparing these financial statements the Group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Infrastructural Assets

There are a number of assumptions and estimates used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Group could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example storm water, wastewater and water supply pipes situated underground. This risk is minimised by the Group performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Group could be over or underestimating the annual deprecation charge recognised as an expense in the surplus or deficit.

To minimise this risk the Group's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are

also carried out regularly as part of the Group's asset management planning activities, which gives the Group further assurance over its useful life estimates.

Experienced independent valuers perform the Group's infrastructural asset revaluations. The carrying value of infrastructure assets is disclosed in Note 21. Where revaluations are not carried out in a particular financial year for an asset class, the carrying fair for that asset class will approximate its fair value.

Property, plant and equipment useful lives and residual values

At each balance date the Group reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Group to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Group, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the Statement of Financial Position. The Group minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programs;
- review of secondhand market prices for similar assets; and
- analysis of prior asset sales.

The Group has not made significant changes, apart from those noted above, to past assumptions concerning useful lives and residual values. The carrying amounts of property, plant and equipment are disclosed in Note 21.

Three Waters Service Delivery Reforms

The New Zealand Government is implementing a water services reform programme called Local Water Done Well that is intended to ensure all New Zealanders have safe, clean and affordable water services. The current Government repealed the previous water services legislation (Water Services Acts Repeal Act 2024) returning water service delivery and asset ownership to councils. Each council must now decide how to best deliver water services under new legislation enacted and being enacted over then next year. The reform will be enacted by two further pieces of legislation:

- The Local Government (Water Services Preliminary Arrangements) Act 2024 establishes the Local Water Done Well framework and the preliminary arrangements for the new water services system. This Bill was enacted on 2 September 2024. This legislation requires councils to:
 - Develop a Water Services Delivery Plan (WSDP) by 3 September 2025.
 - WSDP must outline future water services delivery arrangements, and for councils to commit to an implementation plan.

- WSDP must include baseline information about their water services operations, assets, revenue, expenditure, pricing, and projected capital expenditure, as well as necessary financing arrangements.
- The Local Government Water Services Bill will set out a range of changes to the water services delivery system and to the water services regulatory system. This Bill will be introduced to Parliament in December 2024. This legislation will establish the requirements for delivery and regulation of water services including:
 - New water services delivery models for councils to choose from, including new water organisations that can be owned by councils and/or consumer trusts.
 - Minimum requirements for local government water services providers.
 - A new economic regulation regime for local government water services providers, to be implemented by the Commerce Commission.
 - Changes to improve the efficiency and effectiveness of the drinking water regulatory regime.
 - Change in the approach to applying Te Mana o te Wai.
 - A new approach to managing urban stormwater, including changes to improve the management of overland flow paths and watercourses in urban areas.
 - Changes relating to wastewater environmental performance standards and national engineering design standards.

Council has resolved to participate in co-designing with other Waikato councils an aggregated model for the delivery of water services. The Entity would be governed by a professional board and be implemented in stages. Council have agreed to Stage 1 which would provide functional services of asset management planning, capital works delivery, consenting, project planning, design and procurement with the end point being an aggregated, fully regulated, water services entity but does not involve asset ownership, control or customer pricing. Council also resolved to allow the Chief Executive to negotiate a Heads of Agreement which would come to Council in October 2024 with the intention of being signed in November 2024, this will be a non-binding agreement.

Council continues to recognise its three waters assets at 30 June 2024 in accordance the accounting policies set out on pages 72 to 73. There has been no adjustment in these financial statements to reflect the expected future transfer of assets to a new water entity. As further details are established this may require adjustments to Council's three water assets either in respect of disclosure or measurement.

Estimating Construction Contract Revenue

Assessment of projects on a percentage of completion basis, in particular with regard to accounting for variations, the timing of surplus recognition and the amount of surplus recognised. The amount recognised in revenue is disclosed in Note 4, the receivable in Note 15 and the payable in Note 17.

Valuation of Investment in Inframax Construction Ltd

The investment in Inframax Construction Limited was revalued as at 30 June 2024 and resulted in a valuation range of \$11.0m to \$14.8m with a mid-point of \$12.883m for the investment. After consideration of the subsidiary's financial statements and forecasts, Council adopted the mid-point valuation of \$12.883m to be fair value at 30 June 2024. Adoption of this value resulted in a gain on valuation of \$2.28m, which is included in Other Comprehensive Revenue and Expense. Experienced independent valuers performed the valuation of the investment in Inframax Construction Limited at 30 June 2024.

The valuers used the capitalisation of earnings approach, consistent with the previous valuation, using a number of estimates and assumptions to establish a suitable level of earnings and a market derived multiple, all based on historical and forecast financial performance information. In deriving the valuation, a number of developments were noted by the valuers. These included the renewal of the Waitomo District Council contract and the end of the Taupo District Council contract and disestablishment of company's operations in Taupo. The dispute resolution process is

still ongoing for the quarry flood event from February 2022, which caused damage to some quarry equipment. In addition to this, remedial work undertaken in the 2023/24 year from adverse weather events is unlikely to continue at the same levels.

Deferred Tax Asset Recognition and recoverability

Determining whether or not to recognise a deferred tax asset requires estimation of future cash flows. Any significant deviation from the assumptions used in forecasting future cash flows may affect the carrying value of the asset.

The Group has recognised through surplus or deficit a deferred tax asset for the full utilisation of tax losses brought forward by its subsidiary Inframax Construction Ltd. This recognition is based on budgeted taxable profit for 2023/24 and the expectation of continued profitability for future years.

Changes in accounting policies

There have been no changes to accounting policies during the year.

Note 1: Rates Revenue (excluding Metered Water Rates)

	cour	NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
General Rate	8,062	7,455	8,057	7,450
Uniform Annual General Charge	1,642	2,069	1,641	2,067
Targeted Rates - Wastewater	2,577	2,048	2,576	2,048
Targeted Rates - Water	2,063	2,049	2,061	2,047
Targeted Rates - Solid Waste	1,476	1,099	1,474	1,099
Targeted Rates - Roads and Footpaths	4,532	4,539	4,530	4,537
Targeted Rates - Other	1,218	1,092	1,216	1,090
Rates Penalties	362	369	362	369
Sub Total	21,932	20,720	21,917	20,707
Less Rates paid on Council properties	(398)	(365)	(398)	(365)
Total Rates Revenue	21,534	20,355	21,519	20,342
Rates Revenue from non exchange transactions	21,534	20,355	21,519	20,342

Note 2: Metered Water Rates

Targeted Water Supply Rates under section 19 of the Local Government (Rating) Act 2002

The Local Government (Financial Reporting) Regulations 2011 introduced further disclosure requirements for the Financial Statements. One of the changes is to disclose separately, in the Statement of Comprehensive Revenue and Expense, the amount of revenue received from targeted rates for water supply set under section 19 of the Local Government (Rating) Act 2002. The section allows local authorities to charge for water by meter. The revenue related to water by meter has been disclosed under metered water rates in the Statement of Comprehensive Revenue and Expense and has been excluded from the Rates Revenue note.

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Metered Water Rates	968	894	968	894

Note 3: Subsidies and Grants

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
NZTA Waka Kotahi Roading Subsidy	18,369	12,926	18,369	12,926
Department of Internal Affairs - Three Water Reforms	257	328	257	328
Mayors Taskforce for Jobs	325	550	325	550
Grants received for King Country Indoor Sports and Recreation Centre	0	2,607	0	2,607
Better Off Funding	1,081	293	1,081	293
Other Grants	122	198	162	271
Total Subsidies and Grants	20,154	16,902	20,194	16,975
Subsidies and grants revenue from non exchange transactions	20,154	16,902	20,194	16,975

Department of Internal Affairs

In August 2022, Council entered into a funding agreement with the Department of Internal Affairs for the Three Waters Services Reforms transition support package. The total funding approved was \$374,000. Council received \$328,000 of subsidy revenue at 30 June 2023.

In August 2023 a variation to the original funding agreement was signed and the available amount of the transition support package increased to \$599,000. At 30 June 2024, Council recognised \$257,000 of subsidy revenue under this agreement.

Better Off funding

In December 2022, Council entered into a funding agreement with Department of Internal Affairs and Crown Infrastructure Partners Ltd for the Three Waters Reforms Better Off Package. The total funding approved was \$3,550,000 with the Better Off projects to be completed by 30 June 2026. Council recognised \$293,000 of subsidy revenue at 30 June 2023.

In June 2023, a variation to the original agreement was signed and the agreement was extended to 30 June 2027. At 30 June 2024, Council recognised \$1,081,000 of subsidy revenue under this agreement.

Mayor's Taskforce for Jobs Community Recovery Programme

During the year Council entered into an agreement Variation with Local Government New Zealand for the Mayor's Taskforce for Jobs Programme funded by Ministry of Social Development.

The programme provided funding to support initiatives to secure sustainable employment outcomes (SEOs) 30+ hours per week, for young people identified as a NEET (not in employment, education or training), disabled youth, other youth aged 16-24 and those disadvantaged in the labour market who are not able to readily access MSD products and services.

A two year agreement was entered totalling \$585,000, with \$325,000 received at 30 June 2024. Council successfully met all the conditions of the agreement for the first year with 60 SEOs reported as a result of the programme delivered by 30 June 2024.

Note 4: Fees, Charges and Income from Construction

		NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Revenue from exchange transactions				
Income from Construction Contracts	0	3,961	38,137	32,368
Resource Consent Revenue	139	21	138	21
Property Rentals	0	0	22	22
Sale of Goods	163	172	411	618
Total	302	4,154	38,708	33,029
Revenue from non-exchange transactions				
Regulatory Services Revenue	468	449	468	449
Property Rentals	589	492	589	486
Rental Revenue from Investment Property	28	32	28	32
Trade Waste Charges	1,045	800	1,045	800
Solid Waste Disposal Charges	1,533	1,506	1,533	1,496
Swimming Pool Revenue	0	29	0	29
Resource Consent Revenue	82	103	83	103
Quarry Royalties	5	57	5	0
Other Fees and Charges	334	214	315	210
Total	4,084	3,682	4,066	3,605
Total Fees, Charges, and Income from Construction	4,386	7,836	42,774	36,634

(2023: Council has entered into a Service Concession Arrangement with the Ministry of Education and Te Kūiti High School Board of Trustees as an operator to the arrangement. Under the arrangement Council is to construct a two basketball court, gymnasium stadium building on Te Kūiti High School grounds. The construction revenue recognised is for construction services provided by Council as the operator under the service concession arrangement and is equal to the construction costs Council has incurred for construction of the stadium).

Note 5: Other Revenue Including Gains and Losses

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Revenue on Vested Assets	359	0	359	0
Other Revenue	271	131	291	158
Petrol Tax Proceeds	127	134	127	134
Total Other Revenue from non-exchange transactions	757	265	777	292
Gain/(Loss) in Change in Fair Value of Investment Property	(95)	55	(95)	55
Gain/(Loss) on Sale of Property, Plant and Equipment	66	154	66	154
Total Other Gains/(Losses)	(29)	209	(29)	209
Total Other Revenue including Gains/(Losses)	728	474	748	501

Note 6: Employee Benefit Expenses

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Salaries and Wages	7,034	6,113	20,859	18,032
Defined Contribution Plan Employer Contributions	171	109	496	257
Increase/(Decrease) in Employee Benefit Liabilities	43	66	(56)	330
Total Employee Benefit Expenses	7,248	6,288	21,299	18,619

Note 7: Depreciation and Amortisation Expense

		COUNCIL			OUP
(\$000's)	2024 BUDGET	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Leadership	738	679	617	679	617
Recreation and Property	1,456	1,524	1,317	1,524	1,317
Community and Partnerships	4	9	6	9	6
Regulatory Services	12	14	12	14	12
Solid Waste	113	115	102	115	102
Stormwater	257	257	252	257	252
Wastewater	1,038	1,043	1,110	1,043	1,110
Water Supply	969	935	912	935	912
Roads and Footpaths	4,883	4,871	4,647	4,871	4,647
Other Activities	0	0	0	1,754	1,758
Total Depreciation and Amortisation Expense	9,470	9,447	8,975	11,201	10,733

Note 8: Finance Costs

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Interest on Bank Borrowings	1,618	1,292	1,946	1,647
Interest on Finance Leases	1	2	1	4
Discount Unwinding on Provision (refer note 19)	14	13	14	13
Total Finance Costs	1,633	1,307	1,961	1,664

Note 9: Other Expenses

	COU	NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Audit Fees for Financial Statement Audit	224	236	360	332
Audit Fees for Long Term Plan and Consultation Document	118	0	118	0
Audit Fees for Assurance Related Services	8	6	8	6
Bad Debts Written Off	214	257	221	257
Directors Fees	0	0	150	150
Grants Expenditure	251	286	251	286
Insurance Premiums	508	397	508	712
Inventory Consumption	0	0	0	3,752
Impairment of Property, Plant and Equipment	0	0	458	100
Loss on Disposal of Property, Plant and Equipment	353	357	382	360
Operating Lease Expenses	15	14	1,240	1,112
Impairment of Receivables	(100)	(14)	(100)	(14)
Remuneration of Elected Members	478	389	478	389
Subscriptions	129	103	129	139
Road Maintenance Expenditure	7,911	8,295	7,911	8,295
Other Maintenance Expenditure	7,624	6,700	9,973	8,845
Direct Contract Expenses	3	3,961	15,203	9,046
Electricity and Gas Expenditure	675	677	736	739
Other Expenditure	4,392	3,983	5,755	5,063
Investment Property Expenditure	5	3	5	3
Rates and Penalties Remissions	168	164	168	164
Total Other Expenditure	22,976	25,814	44,361	39,736

Council

The Operating lease expense relates to various items of office equipment. The lease can be renewed at the Council and Group's option, with rents set by reference to current market rates for items of equivalent age and condition. The Council does have the option to purchase the assets at the end of the lease term. The Group does not have option to purchase the asset at the end of the lease sheld by the subsidiary. There are no restrictions placed on Council or Group by any of the finance leasing arrangements.

Note 10: Tax					
	COU	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Income tax recognised in Profit or Loss					
Deferred tax on temporary differences	0	0	902	(319)	
	0	0	902	(319)	
Reconciliation of Accounting Profit/(Loss) before tax and income tax expense					
Surplus before Taxation	6,614	4,161	7,533	4,679	
Prima facie taxation at 28% (2023: 28%)	1,852	1,165	2,110	1,310	
Taxation effect of non-taxable expenditure	(1,949)	(1,226)	(1,755)	(977)	
Non-recognition of benefit of Tax Losses	97	61	97	61	
Re-recognition of temporary differences	0	0	453	0	
Under/(Over) provided in prior periods	0	0	(3)	(7)	
Taxation Expense	0	0	902	(387)	

(\$000's)	Depreciation and Amortisation	Employee Entitlements	Other Provisions	Tax Losses Carried Forward	Total Deferred Tax Asset/ (Liability)
Deferred tax balances					
Council					
Council has not recognised any deferre	ed tax assets o	r liabilities.			
Group 2023					
Opening Balance	(1,181)	175	(61)	1,985	918
(Charged)/credited to Profit or Loss	(17)	(4)	(59)	(315)	(395)
Under/(over) provided in prior periods	7	0	0	0	7
Closing Balance	(1,191)	171	(120)	1,670	530
Group 2024					
(Charged)/credited to Profit or Loss	(224)	24	117	(823)	(906)
Under/(over) provided in prior periods	2	0	0	1	3
Closing Balance	(1,413)	195	(3)	848	(373)

Council

Council has accumulated tax losses of \$3,346,000 (2023: \$2,998,000) to 30 June 2024. Accumulated tax losses are available to offset future taxable income, thereby reducing income tax liability. Council has not recognised a deferred tax asset for accumulated tax losses as no taxable income is expected from the subsidiary (or from any other source).

Group

The Group has accumulated tax losses of \$6,374,000 (2023: \$8,961,000) to 30 June 2024. The Group has recognised a deferred tax asset for all remaining accumulated tax losses held by the subsidiary in the 2023/24 financial year.

Imputation Credit Account	GROUP	GROUP
(\$000's)	2024 ACTUAL	2023 ACTUAL
Balance 1 July	3,416	3,416
Closing Balance 30 June	3,416	3,416

Note 11: Equity

	COUNCIL		GROUP		
(\$000's)	2024	2023	2024	2023	
Accumulated Funds	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
Balance at 1 July	233,302	228,510	237,638	232,715	
Surplus/(Deficit) for the year	6,614	4,161	6,631	4,292	
Transfer from Revaluation Reserve on Asset		,	,		
Disposal	216	135	216	135	
Transfer from Council Created Reserves	2,414	496	2,414	496	
Balance at 30 June	242,546	233,302	246,899	237,638	
Other Reserves					
Council Created Reserves					
Balance at 1 July	23,592	24,088	23,592	24,088	
Transfers to Retained Earnings	(2,414)	(496)	(2,414)	(496)	
Balance at 30 June	21,178	23,592	21,178	23,592	
Investment Revaluation Reserves					
Balance at 1 July	10,606	6,416	4	4	
Valuation Gains/(Losses)	2,281	4,190	0	0	
Balance at 30 June	12,887	10,606	4	4	
Hedging Reserve					
Balance at 1 July	736	346	736	346	
Gains/(Losses) from Cash Flow Hedges	(220)	390	(220)	390	
Balance at 30 June	516	736	516	736	
Total Other Reserves at 30 June	34,581	34,934	21,698	24,332	
Revaluation Reserves					
Balance at 1 July	392,595	212,175	400,825	219,550	
Revaluation Gains/(Losses)	0	180,555	0	181,410	
Transfer from Retained Earnings on Asset Disposal	(216)	(135)	(216)	(135)	
Balance at 30 June	392,379	392,595	400,609	400,825	
This is made up of:					
Operational Land	8,241	8,241	9,119	9,119	
Operational Buildings	9,951	9,951	10,979	10,979	
Library Books	2	3	2	3	
Restricted Land	10,783	10,783	10,783	10,783	
Restricted Buildings	3,600	3,600	3,600	3,600	
Infrastructural Land	1,719	1,719	1,719	1,719	
Roading Assets	323,069	323,070	328,865	328,866	
Water Reticulation Assets	9,802	9,933	9,802	9,933	
Wastewater Reticulation Assets	13,387	13,423	13,387	13,423	
Stormwater Reticulation Assets	9,567	9,614	9,567	9,614	
Solid Waste Assets	2,258	2,258	2,258	2,258	
Quarry Plant Assets	0	0	528	528	
Total Revaluation Reserves	392,379	392,595	400,609	400,825	
Total Equity	669,506	660,831	669,206	662,795	
i otal Equity	009,500	000,031	009,200	002,793	

Information about reserve funds held for a specific purpose is provided below:

	WAITOMO DISTRICT COUNCIL			
(\$000's)	OPENING BALANCE 1 JULY 2023	TOTAL DEPOSITS	TOTAL WITHDRAWALS	CLOSING BALANCE 30 JUNE 2024
Operational Reserves				
Leadership				
Representation, Strategy and Engagement	1,008	0	(124)	884
Investments	1,085	91	(73)	1,103
Emergency Management	507	1	0	508
Natural Disaster	426	0	0 (107)	426
Recreation and Property	3,026	92	(197)	2,921
Parks and Reserves	1,147	13	(12)	1,148
Housing and Other Property	838	29	(92)	775
Library	37	11	0	48
Aquatic Centre	(54)	88	0	34
Les Munro Centre	270	0	(7)	263
Aerodrome	119	0	(59)	60
Gallagher Recreation Centre	25	81	(71)	35
Public Facilities	659	7	(45)	621
T dollie T dellides	3,041	229	(286)	2,984
			, ,	<u> </u>
Community and Partnerships	1,607	129	(39)	1,697
Regulatory Services	765	20	(175)	610
	703		(175)	010
Solid Waste				
Kerbside Collection	275	19	0	294
Waste Disposal	(513)	0	(268)	(781)
Waste Minimisation	(27)	0	(3)	(30)
	(265)	19	(271)	(517)
Stormwater			,	(-)
Te Kūiti Stormwater	95	0	(81)	14
Rural Stormwater	187	0	(2)	185
	282	0	(83)	199
Resource Management	374	0	(167)	207
- Transaction Control of the Control	374		(107)	207
Wastewater				
Wastewater (Harmonised)	1,010	256	(307)	959
Pre Harmonisation of Rates Reserves			, ,	
Te Kūiti Wastewater	2,746	0	(166)	2,580
Te Waitere Wastewater	75	0	0	75
Maniati/Benneydale Wastewater	(242)	0	0	(242)
Piopio Wastewater	377	0	(34)	343
	3,966	256	(507)	3,715
Water Supply				
Water Supply (Harmonised)	(628)	183	(722)	(1,167)
Pre Harmonisation of Rates Reserves	(020)	103	(122)	(1,107)
Te Küiti Water Supply	(966)	0	0	(966)
Mōkau Water Supply	(654)	0	0	(654)
		0		
Piopio Water Supply Maniati/Benneydale Water Supply	(611)	0	0	(611) (50)
riamadi, bermeyadie water Suppry	(2,909)		U	(30)

	WAITOMO DISTRICT COUNCIL			
(\$000's)	OPENING BALANCE 1 JULY 2023	TOTAL DEPOSITS	TOTAL WITHDRAWALS	CLOSING BALANCE 30 JUNE 2024
Roads and Footpaths				
Subsidised Roads	(612)	278	0	(334)
Unsubsidised Roads	664	0	(228)	436
	52	278	(228)	102
Total Operational Reserves	9,939	1,206	(2,675)	8,470
Depreciation Reserves				
Leadership	2		•	<u> </u>
Recreation and Property	2	2	0	4
Parks and Reserves	74	106	(62)	110
	74	106	(62)	118
Housing Community Halls	215	0	(4)	211
Community Halls	811	0	0	811
Land and Buildings	298	248	(261)	285
Library	663	99	(64)	698
Aquatic Centre	23	34	(32)	25
Les Munro Centre	701	254	(99)	856
Aerodrome	66	45	(43)	68
Public Facilities	350	168	(178)	340
	3,201	954	(743)	3,412
Community and Partnerships	61	4	0	65
Regulatory Services	(31)	13	(16)	(34)
Solid Waste	(570)	113	(335)	(792)
Stormwater				
Te Kūiti Stormwater	1,109	213	(599)	723
Rural Stormwater	61	12	(14)	59
	1,170	225	(613)	782
Wastewater				
Te Kūiti Wastewater	265	504	(574)	195
Te Waitere Wastewater	5	5	(3)	7
Maniati/Benneydale Wastewater	386	55	(40)	401
Piopio Wastewater	129	158	(51)	236
Tiopio Wastewater	785	722	(668)	839
			, ,	
Water Supply				
Te Kūiti Water Supply	427	255	(333)	349
Mōkau Water Supply	(248)	155	(119)	(212)
Piopio Water Supply	180	101	(187)	94
Maniati/Benneydale Water Supply	195 554	56 567	(25) (664)	226 457
Roads and Footpaths	334	307	(404)	-137
Subsidised Roads	7,662	2,014	(3,329)	6,347
Unsubsidised Roads	187	27	(20)	194
	7.		\ '1	

	WA	WAITOMO DISTRICT COUNCIL				
(\$000's)	OPENING BALANCE 1 JULY 2023	TOTAL DEPOSITS	TOTAL WITHDRAWALS	CLOSING BALANCE 30 JUNE 2024		
Business Support						
Business Support	590	416	(396)	610		
Plant	28	252	(182)	98		
	618	668	(578)	708		
Total Depreciation Reserves	13,639	5,309	(6,966)	11,982		
Investment Revaluation Reserves						
Shares in Other Companies	4	0	0	4		
Shares in Subsidiary	10,602	2,281	0	12,883		
Total Investment Revaluation Reserves	10,606	2,281	0	12,887		
Special Purpose Reserves						
District Development	16	0	0	16		
Cashflow Hedging Reserve	736	0	(220)	516		
Carbon Credits Reserve	(661)	666	0	5		
Forestry Harvesting and Replanting Reserve	472	0	(49)	423		
Waste Minimisation Levy Reserve	137	176	(106)	207		
Gallagher Recreation Centre	50	25	0	75		
Total Special Purpose Reserves	750	867	(375)	1,242		
Total Other Reserves	34,934	9,663	(10,016)	34,581		

The Council maintains reserves as a sub-set of its equity. There are four categories of reserves held.

Operational Reserves

Operational reserves are created to hold short-term funding surpluses/(deficits) arising from the various activities of Council. A deficit may occur when operating expenditure exceeds budget, operating revenue is less than budget or a combination of both.

A balance in the operational reserve forms part of the Council's funding considerations for a particular activity in the subsequent years budget. Council ensures that rates collected for a particular activity from an identified group of ratepayers are used only for that activity and for the benefit of that identified ratepayer.

Depreciation Reserves

The Council sets aside accumulated funds from rates in specific Depreciation Reserves to fund repayments on loans raised for capital expenditure and to maintain the service capacity and integrity of assets throughout their useful lives. Council ensures that funds accumulated for a particular activity from an identified group of ratepayers can only be used for that activity and for the benefit of that identified group. The purpose of the Depreciation Reserves is to ensure that Council's ability to provide services to the District's communities is maintained.

Investment Revaluation Reserves

Council investment activities include its subsidiary company. Council is obliged to periodically review the value of its investment in its subsidiary. Investment revaluation reserves are therefore created when the value of Council's investment either increases or decreases as a result of that revaluation.

Special Purpose Reserves

Council maintains special purpose reserves to hold specific funds in relation to an activity. There are currently four special purposes reserves held as follows:

- District Development Reserve funds were received from Development King Country Trust in April 2012 with the intention to set up a Waitomo District Development Board.
- Cashflow Hedging Reserve comprises the effective portion of the cumulative net change in the fair value of derivatives designated as cash flow hedges.
- Carbon credits reserve is used to record the funding and expenditures in relation to Council's responsibilities for the Emissions Trading Scheme.
- Forestry replanting reserve is used for funding and expenditures relating to the replanting and harvesting of forestry assets.
- Waste Minimisation Levy Reserve The waste

minimisation reserve is used to record the funding and expenditure in relation to the Council's share of the waste disposal levy received from Central Government under the Waste Minimisation Act 2008. The funds received are required to be expended on initiatives and projects to promote or achieve waste minimisation in accordance with the

Council's Waste Management and Minimisation

 Gallagher Recreation Centre reserve is to hold funds specially for the operation of the stadium as detailed in the property sharing agreement.

Note 12: Cash and Cash Equivalents

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Cash and Cash Equivalents				
Cash at Bank and In Hand	3,093	1,083	7,129	2,908
Term deposits with maturities of less than 3 months	0	470	0	470
Total Cash and Cash Equivalents	3,093	1,553	7,129	3,378

The carrying value of cash at bank and short term deposits with maturities less than three months approximates their fair value. The Council holds unspent funds, included in cash at bank and term deposits of \$1,356,606 (2023: \$1,078,498) that are subject to restrictions. These unspent funds relate to Waste Minimisation Reserve (refer note 11), subsidy and grants received with restrictions and retention monies held. These restrictions generally specify how the funds are required to be spent. Although cash and cash equivalents at 30 June 2024 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated allowance is immaterial.

Note 13: Other Financial Assets

	COU	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Current					
NZLGFA Borrower Notes	298	54	298	54	
Total	298	54	298	54	
Non Current					
NZLGFA Borrower Notes	423	539	423	539	
Total	423	539	423	539	
Total Other Financial Assets	721	593	721	593	

NZLGFA Borrower Notes

NZLGFA Borrower Notes are a debt the NZ Local Government Funding Agency issues to its Council borrowers. The amount borrowed by the agency is at a rate 2.5% for new or 1.6% for existing borrowings of the amount a council borrows in long term (greater than one year) debt from the NZLGFA. The purpose of the arrangement is to provide liquidity to the Agency.

<u>Investment in Council Controlled Organisation</u> (<u>Inframax Construction Ltd</u>)

Council has 100% shareholding in the unlisted shares of Inframax Construction Ltd (2023:100%). The principal activity of the subsidiary is roading, construction and maintenance with its head office in Te Kūiti. The balance date of the subsidiary is 30 June.

As at 30 June 2024 Council revalued its investment in Inframax Construction Ltd which resulted in a fair value of \$12,883,000 (2023: \$10,602,000). The valuation was undertaken by Nick McVerry from PricewaterhouseCoopers (PWC).

Unlisted Shares in Companies

Council is a shareholder in Waikato Local Authority Shared Services Ltd (trading as Co-Lab). Co-Lab is jointly owned by 12 local authorities and has been set up to develop shared service initiatives, including a valuation database.

Council also holds 16,940 shares in Civic Financial Services Ltd (2023: 16,940). The investment is recorded at cost which approximates their fair value.

	COUNCIL		COUNCIL GROUP		OUP
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Unlisted Shares in Subsidiary	12,883	10,602	0	0	

	COU	NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Unlisted Shares in Companies	20	20	20	20
Total Investments in CCO and Companies	12,903	10,622	20	20

Note 14: Inventory

	COUNCIL 2024 2023 ACTUAL ACTUAL		GROUP	
(\$000's)			2024 ACTUAL	2023 ACTUAL
Metal Stockpiles and Landfill Stock	1	5	2,104	1,224
Fuels, Spares and Consumables	119	129	119	347
Total Inventory	120	134	2,223	1,571

Note 15: Receivables

	COI	JNCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Receivables under Exchange Transactions					
General Debtors	235	106	568	761	
Amounts due from Customers for Contract Work	0	0	2,191	2,140	
Retentions Receivable	0	0	591	1,069	
Prepayments	364	367	580	496	
Receivables prior to Impairment	599	473	3,930	4,466	
Less Expected Credit Losses	(56)	(7)	(56)	(7)	
Total Receivables under Exchange Transactions	543	466	3,874	4,459	
Receivables under Non Exchange Transactions					
Rates Receivables *	2,822	2,721	2,821	2,721	
Related Party Receivables	1	5	0	0	
General Debtors	4,463	2,810	4,463	2,810	
Receivables prior to Impairment	7,285	5,536	7,284	5,531	
Less expected credit losses	(830)	(778)	(830)	(778)	
Total Receivables Under Non Exchange Transactions	6,455	4,758	6,454	4,753	
Total Receivables	6,998	5,224	10,328	9,212	

^{*} Included in the Rates Receivable figure is an amount of \$1,132,681 (2023: \$1,054,107) relating to rate penalties.

	COU	NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Current				
Receivables under Exchange Transactions	543	466	3,543	4,097
Receivables under Non Exchange Transactions	6,455	4,758	6,454	4,753
Total Current Receivables	6,998	5,224	9,997	8,850
Non Current				
Receivables under Exchange Transactions	0	0	331	362
Total Non Current Receivables	0	0	331	362

Aging and Impairment of Receivables	COUNCIL		GROUP	
(\$000's)	2024 2023 ACTUAL ACTUAL		2024 ACTUAL	2023 ACTUAL
Gross Receivables				
Not past due	5,372	3,543	8,444	9,016
Past due 1-30 days	22	98	22	98
Past due 31-60 days	8	21	11	28

Aging and Impairment of Receivables	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Past due 61-90 days	131	5	131	11	
Past due > 90 days	1,987	1,976	2,026	2,015	
Total Gross Receivables	7,520	5,643	10,634	11,168	
Impairment of Receivables					
Not past due	(123)	(169)	(123)	(169)	
Past due 1-30 days	(3)	0	(3)	0	
Past due 31-60 days	(5)	(1)	(5)	(1)	
Past due 61-90 days	(52)	0	(52)	0	
Past due > 90 days	(703)	(616)	(703)	(616)	
Total Impairment of Receivables	(886)	(786)	(886)	(786)	
Net Receivables					
Current	5,249	3,374	8,321	8,848	
Past due 1-30 days	19	98	19	98	
Past due 31-60 days	3	20	6	26	
Past due 61-90 days	79	5	79	11	
Past due > 90 days	1,284	1,360	1,323	1,399	
Total Net Receivables	6,634	4,857	9,748	10,382	
Plus Prepayments	364	0	580	496	
Total Receivables	6,998	4,857	10,328	10,878	
To dividual Top animo and	000	700	996	700	
Individual Impairment	886	786 0	886	786 0	
Collective Impairment					
Total Provision for Impairment	886	786	886	786	
Current	123	169	123	169	
Past due 1-30 days	3	0	3	0	
Past due 31-60 days	5	1	5	1	
Past due 61-90 days	52	0	52	0	
Past due > 90 days	703	610	703	616	
Total Individual Impairment	886	780	886	786	
·					
Balance at 1 July	(786)	(800)	(786)	(800)	
Additional expected credit loss provisions made during the year	(313)	(162)	(313)	(162)	
Receivables written off during the period	213	176	213	176	
Balance at 30 June	(886)	(786)	(886)	(786)	

The Chief Executive approved the write off rates receivable during the year under the Local Government (Rating) Act 2002 as follows:

• Section 90A \$47,395 (2023: \$94,909)

• Section 90B \$nil (2023: \$nil)

Note 16: Derivative Financial Instruments

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Current Asset Portion				
Interest rate swaps - cash flow hedges	264	297	264	297
Total Derivative Financial Instrument Assets	264	297	264	297
Non Current Asset Portion				
Interest rate swaps - cash flow hedges	117	260	117	260
Total Derivative Financial Instrument Assets	117	260	117	260
Non Current Liability Portion				
Interest rate swaps - cash flow hedges	45	0	45	0
Total Derivative Financial Instrument Liability	45	0	45	0

Interest Rate Swaps

The fair value of interest rate swaps held by Council has been determined by calculating the expected cashflows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves. Most market parameters are implied from instrument prices.

The notional principal amounts of the outstanding interest rate swap contracts for Council and Group were \$20,000,000 (2023: \$20,000,000) of which all were effective at balance date and no swaps had a forward start date. At 30 June 2024 the fixed interest rates applicable to the swap contracts ranged from 2.89% to 4.65% (2023: 2.89% to 3.96%).

The Council and Group have no fair value hedges.

Note 17: Payables and Deferred Revenue

	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Payables and Deferred Revenue under Exchange Transactions					
Trade Payables and Accrued Expenses	3,691	3,653	7,527	6,575	
Related Party Payables	1,068	1,661	0	0	
Retention Monies	1,120	292	1,120	292	
Amounts due to Customers for Contract Work	0	0	0	0	
Elected Members and Directors Fees Payable	0	15	0	15	
Deferred Revenue	0	0	250	312	
Total	5,879	5,621	8,897	7,194	
Payables and Deferred Revenue under Non Exchange Transactions					
GST Payable	0	0	410	1,110	
Deposits and Bonds	54	77	54	77	
Deferred Revenue	955	940	955	940	
Total	1,009	1,017	1,419	2,127	
Total Payables and Deferred Revenue	6,888	6,638	10,316	9,321	

Payables are generally non-interest bearing and are normally settled on 30 day terms. Therefore, the carrying value of payables approximates their fair value.

Note 18: Borrowings

	COU	NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Current				
Secured Loans	17,324	7,236	19,599	8,519
Lease Liabilities	9	15	9	30
Total Current	17,333	7,251	19,608	8,549
Non Current				
Secured Loans	16,000	21,000	18,872	25,348
Lease liabilities	0	9	0	9
Total Non Current	16,000	21,009	18,872	25,357
Total Borrowings	33,333	28,260	38,480	33,906

Council

Councils borrowings consisted of \$26,000,000 (2023: \$23,000,000 Floating Rate Notes with a range of applicable interest rates of 6.140% to 6.500% (2023: 6.195% to 6.375%), a Fixed Rate Bond of \$1,000,000 (2023: \$1,000,000) with applicable interest rate of 3.68% (2023: 3.68%), Commercial Paper of \$6,000,000 (2023: \$4,000,000) with applicable interest rate of 5.832% to 5.945% (2023: 5.615%). The Westpac Call Advance was not drawn at 30 June 2024 (2023: Nil) with applicable interest rate of 6.75% (2023: 6.75%) when drawn.

All interest rates quoted above, except for the fixed rate bond are based floating rates with 90 day resets and include the interbank market interest rate (BKBM) or the Westpac prime interest rate plus credit margin. Interest rate exposure is hedged through executing Receive-Floating-Pay-Fixed interest rate swaps which effectively converts floating rate debt into a fixed rate. The effective weighted average interest rate for all floating rate notes, interest rates, commercial paper, fixed rate bonds and credit facility fees is 5.23% (2023: 5.10%).

The maturity date for the Westpac Call Advance facility is 1 July 2025 (2023: 1 July 2024) and a range of maturity dates apply for the Floating Rate Notes of September 2024 to April 2028 (2023: September 2024 to August 2026). The Commercial Paper (CP) has maturity date of August 2024 (2023: September 2023). It is anticipated the maturing CP in August 2024 will be funded through the issue of new CP. The maturity date for the Fixed Rate Bond is April 2025.

Council has a Wholesale Advance credit facility from Westpac Banking Corporation Limited with a limit of \$6,000,000 (2023: \$10,000,000) of which \$6,000,000 (2023: \$10,000,000) was available as at 30 June 2024.

Group

In addition to the facility held by Council, as noted above, Inframax Construction Limited has a bank overdraft of \$1,000,000 (2023: \$1,000,000) of which \$1,000,000 (2023: \$1,000,000) was undrawn. Asset Finance Facility of \$6,600,000 (2023: \$6,600,000) of which \$3,078,000 (2023: \$3,093,628) was undrawn. Term Loan of \$1,625,000 (2023: \$2,125,000) of which \$0 (2023:\$0) was undrawn. It also has Performance Guarantees of \$1,742,000 (2023: \$2,094,000).

Inframax undertook to achieve specified gearing, debt servicing and equity ratios each quarter. All gearing, debt servicing and equity ratios were met for each quarter (2023: In June 2022 and September 2022, the debt servicing covenants were not met. ASB Bank has provided waivers for these periods. Covenants were satisfied at June 2023).

Stock Issued under Debenture Trust Deed

At 30 June 2024 the total amount of Stock issued and outstanding under the Debenture Trust Deed was:

	COUNCIL		
(\$000's)	2024 ACTUAL	2023 ACTUAL	
Debenture Stock	33,160	28,115	
Security Stock	45,000	45,000	
Total Stock Issued	78,160	73,115	

Security Stock issued is a general security instrument issued to Westpac Banking Corporation Limited for security of the Call Advance facility and Interest Rate Swap contracts. No principal money was owing under the Security Stock (2023: Nil).

Security Stock (Floating Nominal Amount)

Security Stock for a floating nominal amount has been issued to TEL Security Trustee (LGFA) Limited for the guarantee and indemnity of the New Zealand Local Government Funding Agency Limited of which Council is one of 72 (2023: 70) local authority guarantors of thereof. Additional disclosure of this guarantee and indemnity is provided in Note 27: Contingencies.

Security Stock for a floating nominal amount has been issued to the New Zealand Local Government Funding Agency Limited for accession to the Multi-Issuer Deed, the Equity Commitment Deed and in respect to debt securities issued to the LGFA since 19 June 2017.

Security

Council

Council borrowings are secured over annual rates on every rateable property within the Waitomo District. On the 6 August 2010 a Debenture Trust Deed was executed, whereby security in the form of a charge over rates revenue is held by a trustee for the benefit of Council's lenders.

The Debenture Trust Deed was amended on the 10 April 2017 and additional deeds were acceded to join as guarantor and borrower from the LGFA.

Group

In addition to security issued by Council, security in the form of a General Security Deed over all present and after acquired property of Inframax Construction Ltd dated 27 February 2022 and a Senior Facility Agreement is held by the ASB Bank Limited was amended and restated 2 March 2023.

Finance Leases

Finance lease liabilities are effectively secured as the right to the leased asset reverts to the lessor in the event of default.

Analysis of Finance Lease Liabilities	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Total Minimum Lease Payments Payable				
Not later than one year	9	15	9	30
Later than one year and not later than five years	0	9	0	9
Present Value of Minimum Lease Payments	9	24	9	39

The finance leases is for various items of office equipment. The net carrying amount of the leased items is shown as a separate class of property, plant, and equipment as disclosed in note 21. The finance lease can be renewed at the Group's option. There is an option to purchase the assets at the end of the lease term and there are no restrictions placed on Group by any of the finance leasing arrangements.

Internal Loans

Internal borrowings are eliminated on consolidation of activities of Council's financial statements. The following table summarises the internal loans held for each group of activities.

(\$000's)	OPENING BALANCE 1 JULY 2023	LOAN REPAYMENTS	LOANS RAISED	CLOSING BALANCE 30 JUNE 2024	INTERNAL INTEREST PAID
Activity Loans					
Leadership	75	(15)	168	228	3
Recreation and Property	6,692	(291)	118	6,519	150
Regulatory Services	6	(1)	0	5	0
Solid Waste	5,253	(338)	25	4,940	117
Stormwater	650	(27)	341	964	14
Resource Management	2,482	(160)	562	2,884	55
Wastewater	11,289	(641)	385	11,033	251
Water Supply	14,275	(510)	559	14,324	317
Roads and Footpaths	16,323	(1,000)	553	15,876	366
Total	57,045	(2,983)	2,711	56,773	1,273

Note 19: Provisions

Provision for Landfill Aftercare

Council owns the Waitomo District Landfill as well as a number of closed landfill sites. The closed landfill sites are located at Te Kūiti, Mōkau , Piopio, Aria and Maniaiti/Benneydale. Council has closure and post closure responsibilities for these landfills imposed under the resource consents issued and non-compliance may lead to prosecution under the Resource Management Act. It became apparent that leachates discharging into the ground water and surface water from closed landfills at Mōkau , Piopio, Aria and Maniaiti/Benneydale has become inert and Council has been released from ongoing leachate monitoring of these sites. The provision was reduced reflecting the reduction in cost for this obligation and further reduced for annual resource consent fees not being payable in two years' time.

For the operational landfill, located at William Street, Te Kūiti, closure responsibilities include final cover application and vegetation, completing facilities for leachate collection, ground water quality and gas monitoring ongoing site maintenance, including weed and pest control and remedial measures if required.

Council gained a resource consent for additional capacity for the Waitomo District Landfill and this forms the basis for the provision assumptions. The new consent provides consented capacity of 467,000 m3, whereas the old consent was for 268,000 m3 and a revised estimated remaining life of 25 years (2023: 26 years) based on current fill volumes. The increase in estimated remaining life is due to an estimated reduced fill rate. Final capping costs are assumed to be carried out in 2050 for an estimated \$637,000, followed by 50 years of monitoring costs of \$11,000 per year (both costs expressed on non-inflated or discounted basis). The discount rates used range from 4.25% to 5.43% (2023: 4.19% to 5.43%) and inflation rates range from 3.36% to 2.00% (2022: 3.36% to 1.93%). These are the key assumptions around the calculation of the provision, however due to the long term nature of the liability, there are inherent uncertainties in estimating costs that will be incurred.

Provision for Long Term Maintenance for Gallagher Recreation Centre

Council has an obligation to the Ministry of Education and Te Kūiti High School Board of Trustees to maintain the Gallagher Recreation Centre that Council uses to provide recreation services to the community. The obligation is established under the Property Sharing Agreement for the facility.

A Long-Term Maintenance Provision is established to recognise this obligation and is based on a 30 year maintenance plan for the facility. The provision is based on forecast expected maintenance that is significant, with minor expenditure being expensed when incurred. The major maintenance items includes amount other items, replacement lighting, replacement perforated corrugate ceiling lining, replacement fire alarm system, metal structure repainting and exterior Colorsteel replacement.

The provision calculation is based on expected expenditure of the first ten years of the 30 year maintenance plan, with inflation rates of between 1.8% to 2.2% being applied. These are the key assumptions around the calculation of the provision, however due to the long term nature of the liability and timing and costings of the significant maintenance items, there are inherent uncertainties in estimating what the provision should be.

Group

In addition to Council's provision the following provision is applicable to the Group.

Provision for an Enforceable Undertaking

As at 13 October 2021 Worksafe executed an Enforceable Undertaking for \$1,108,031. At 30 June 2024 there is a provision remaining of \$251,000 (2023: \$245,413).

	COU	NCIL	GRO	OUP
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Provision for Landfill Aftercare				
Balance at 1 July	498	529	498	529
Unused Provision Reversed	(30)	(40)	(30)	(40)
Amounts used during the year	(4)	(4)	(4)	(4)
Discount unwinding	14	13	14	13
Balance at 30 June	478	498	478	498
Gallagher Recreation Centre Long Term Maintenance Provision				
Balance at 1 July	0	0	0	0
Additions to the Provision for the Year	51	0	51	0
Balance at 30 June	51	0	51	0
Provision for Enforceable Undertaking				
Balance at 1 July	0	0	245	447
Amounts used during the year	0	0	(44)	(202)
Additions to the Provision for the Year	0	0	50	0
Balance at 30 June	0	0	251	245
Provision for Legal Fees				
Balance at 1 July	0	0	0	0

	COU	NCIL	GRO	OUP
(\$000's)	2024	2023	2024	2023
	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Amounts provided during the year	0	0	250	0
Balance at 30 June	0	0	250	0
Total Provisions	529	498	1,030	743
This is made up of:				
Current	2	4	503	249
Non Current	527	494	527	494
Total Provisions	529	498	1,030	743

Note 20: Employee Entitlements

	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Accrued Pay	298	255	814	949	
Annual, Long Service and Sick Leave	674	629	1,502	1,379	
Total Employee Entitlements	972	884	2,316	2,328	
This is made up of:					
Current entitlements	972	884	2,316	2,328	
Total Employee Entitlements	972	884	2,316	2,328	

Note 21: Property, Plant and Equipment

Council 2024 \$000's	Cost/ Revaluation 30.06.23	Acc Depn & Impairment Charges 30.06.23	Carrying Value 30.06.23	Current Year Additions	Current Year Disposals	Reclassification	Current Year Depreciation	Revaluation Gain/(Loss) & Impairment Charges	Cost/ Revaluation 30.06.24	Acc Depn & Impairment Charges 30.06.24	Carrying Value 30.06.24
Operational Assets											
Land	9,368	0	9,368	0	0	0	0	0	9,368	0	9,368
Buildings	12,608	928	11,680	1,009	0	0	972	0	13,617	1,900	11,717
Plant and equipment	741	496	245	351	52	0	97	0	1,040	593	447
Motor Vehicles	3,205	2,364	841	241	52	0	198	0	3,394	2,562	832
Furniture and fittings	1,818	1,401	417	160	0	0	51	0	1,978	1,452	526
Computers	2,826	2,250	576	293	0	0	183	0	3,119	2,433	686
Library Books	1,369	1,215	154	47	1	0	44	0	1,415	1,259	156
Finance leases – office equipment	66	45	21	0	0	0	13	0	66	58	8
Total Operational Assets	32,001	8,699	23,302	2,101	105	0	1,558	0	33,997	10,257	23,740
Restricted Assets											
Land	11,870	0	11,870	0	0	0	0	0	11,870	0	11,870
Buildings	7,928	433	7,495	126	0	0	439	0	8,054	872	7,182
Total Restricted Assets	19,798	433	19,365	126	0	0	439	0	19,924	872	19,052
Infrastructural Assets											
Land	2,995	0	2,995	0	0	0	0	0	2,995	0	2,995
Roads	528,873	0	528,873	14,284	0	0	4,871	0	543,157	4,871	538,286
Water Reticulation	30,446	912	29,534	1,002	204	0	935	0	31,244	1,847	29,397
Sewerage Reticulation	34,548	1,110	33,438	1,001	57	0	1,043	0	35,492	2,153	33,339
Stormwater Systems	12,561	252	12,309	770	42	0	257	0	13,289	509	12,780
Refuse Systems	5,753	0	5,753	25	29	0	113	0	5,749	113	5,636
Land under Roads	9,956	0	9,956	0	0	0	0	0	9,956	0	9,956
Total Infrastructural Assets	625,132	2,274	622,858	17,082	332	0	7,219	0	641,882	9,493	632,389
Contract Work in Progress	3,591	0	3,591	4,123	4,261	0	0	0	3,453	0	3,453
Total Council Assets	680,522	11,406	669,116	23,432	4,698	0	9,216	0	699,256	20,622	678,634

Council 2023 \$000's	Cost/ Revaluation 30.06.22	Acc Depn & Impairment Charges 30.06.22	Carrying Value 30.06.22	Current Year Additions	Current Year Disposals*	Reclassification	Current Year Depreciation	Revaluation Gain/(Loss) & Impairment Charges	Cost/ Revaluation 30.06.23	Acc Depn & Impairment Charges 30.06.23	Carrying Value 30.06.23
Operational Assets											
Land	9,324	0	9,324	44	0	0	0	0	9,368	0	9,368
Buildings	11,633	0	11,633	991	16	0	928	0	12,608	928	11,680
Plant and equipment	701	452	249	41	1	0	44	0	741	496	245
Motor Vehicles	2,731	2,191	540	541	67	0	173	0	3,205	2,364	841
Furniture and fittings	1,647	1,362	285	171	0	0	39	0	1,818	1,401	417
Computers	2,428	2,126	302	399	1	0	124	0	2,826	2,250	576
Library Books	1,328	1,170	158	46	5	0	45	0	1,369	1,215	154
Finance leases – office equipment	66	32	34	0	0	0	13	0	66	45	21
Total Operational Assets	29,858	7,333	22,525	2,233	90	0	1,366	0	32,001	8,699	23,302
Restricted Assets											
Land	11,868	0	11,868	2	0	0	0	0	11,870	0	11,870
Buildings	7,843	0	7,843	88	3	0	433	0	7,928	433	7,495
Total Restricted Assets	19,711	0	19,711	90	3	0	433	0	19,798	433	19,365
Infrastructural Assets											
Land	2,995	0	2,995	0	0	0	0	0	2,995	0	2,995
Roads	347,232	0	347,232	6,188	0	0	4,647	180,100	528,873	0	528,873
Water Reticulation	28,601	0	28,601	2,171	326	0	912	0	30,446	912	29,534
Sewerage Reticulation	33,374	0	33,374	1,174	0	0	1,110	0	34,548	1,110	33,438
Stormwater Systems	12,227	0	12,227	334	0	0	252	0	12,561	252	12,309
Refuse Systems	5,369	0	5,369	74	44	0	102	456	5,753	0	5,753
	9,956	0	9,956	0	0	0	0	0	9,956	0	9,956
Land under Roads			420.754	9,941	370	0	7,023	180,556	625,132	2,274	622,858
Land under Roads Total Infrastructural Assets	439,754	0	439,754	3,341							
	439,754 3,242	0	3,242	4,420	4,071	0	0	0	3,591	0	3,591

Group 2024 \$000's	Cost/ Revaluation 30.06.23	Acc Depn & Impairment Charges 30.06.23	Carrying Value 30.06.23	Current Year Additions	Current Year Disposals	Reclassification	Current Year Depreciation	Revaluation Gain/(Loss) & Impairment Charges	Cost/ Revaluation 30.06.24	Acc Depn & Impairment Charges 30.06.24	Carrying Value
Operational Assets											
Land	10,363	0	10,363	0	0	0	0	0	10,363	0	10,363
Buildings	16,234	1,666	14,568	1,016	0	0	1,063	0	17,250	2,729	14,521
Plant and equipment	741	496	245	351	52	0	97	0	1,040	593	447
Motor Vehicles	22,668	12,306	10,362	1,731	258	0	1,662	(458)	22,977	13,262	9,715
Quarry Production Equipment	652	343	309	0	0	0	47	0	652	390	262
Furniture and fittings	2,608	2,074	534	302	0	0	119	0	2,902	2,185	717
Computers	2,826	2,250	576	293	0	0	183	0	3,119	2,433	686
Library Books	1,369	1,215	154	47	1	0	44	0	1,415	1,259	156
Finance leases – office equipment	137	88	49	0	0	0	41	0	137	129	8
Total Operational Assets	57,598	20,438	37,160	3,740	311	0	3,256	(458)	59,855	22,980	36,875
Restricted Assets											
Land	11,870	0	11,870	0	0	0	0	0	11,870	0	11,870
Buildings	7,928	433	7,495	126	0	0	439	0	8,054	872	7,182
Total Restricted Assets	19,798	433	19,365	126	0	0	439	0	19,924	872	19,052
Infrastructural Assets											
Land	2,995	0	2,995	0	0	0	0	0	2,995	0	2,995
Roads	528,873	0	528,873	13,634	0	0	4,871	0	542,507	4,871	537,636
Water Reticulation	30,446	912	29,534	1,002	204	0	935	0	31,244	1,847	29,397
Sewerage Reticulation	34,548	1,110	33,438	1,001	57	0	1,043	0	35,492	2,153	33,339
Stormwater Systems	12,561	252	12,309	770	42	0	257	0	13,289	509	12,780
Refuse Systems	5,753	0	5,753	25	29	0	113	0	5,749	113	5,636
Land under Roads	9,956	0	9,956	0	0	0	0	0	9,956	0	9,956
Total Infrastructural Assets	625,132	2,274	622,858	16,432	332	0	7,219	0	641,232	9,493	631,739
Contract Work in Progress	3,635	0	3,635	4,198	4,261	0	0	0	3,572	0	3,572
Total Council Assets	706,163	23,145	683,018	24,496	4,904	0	10,914	(458)	724,583	33,345	691,238

Group 2023 \$000's	Cost/ Revaluation 30.06.22	Acc Depn & Impairment Charges 30.06.22	Carrying Value 30.06.22	Current Year Additions	Current Year Disposals*	Reclassification	Current Year Depreciation	Revaluation Gain/(Loss) & Impairment Charges	Cost/ Revaluation 30.06.23	Acc Depn & Impairment Charges 30.06.23	Carrying Value
Operational Assets	·										
Land	10,319	0	10,319	44	0	0	0	0	10,363	0	10,363
Buildings	15,161	658	14,503	1,111	27	0	1,019	0	16,234	1,666	14,568
Plant and equipment	701	452	249	41	1	0	44	0	741	496	245
Motor Vehicles	21,158	12,803	8,355	3,825	244	0	1,574	0	22,668	12,306	10,362
Quarry Production Equipment	640	273	367	12	0	0	70	0	652	343	309
Furniture and fittings	2,806	2,418	388	264	18	0	100	0	2,608	2,074	534
Computers	2,428	2,126	302	399	1	0	124	0	2,826	2,250	576
Library Books	1,328	1,170	158	46	5	0	45	0	1,369	1,215	154
Finance leases – office equipment	137	61	76	0	0	0	27	0	137	88	49
Total Operational Assets	54,678	19,961	34,717	5,742	296	o	3,003	0	57,598	20,438	37,160
Restricted Assets	<u> </u>										
Land	11,868	0	11,868	2	0	0	0	0	11,870	0	11,870
Buildings	7,843	0	7,843	88	3	0	433	0	7,928	433	7,495
Total Restricted Assets	19,711	0	19,711	90	3	o	433	0	19,798	433	19,365
Infrastructural Assets											
Land	2,995	0	2,995	0	0	0	0	0	2,995	0	2,995
Roads	347,208	0	347,208	6,212	0	0	4,647	180,100	528,873	0	528,873
Water Reticulation	28,601	0	28,601	2,171	326	0	912	0	30,446	912	29,534
Sewerage Reticulation	33,374	0	33,374	1,174	0	0	1,110	0	34,548	1,110	33,438
Stormwater Systems	12,227	0	12,227	334	0	0	252	0	12,561	252	12,309
Refuse Systems	5,369	0	5,369	74	44	0	102	456	5,753	0	5,753
Land under Roads	9,956	0	9,956	0	0	0	0	0	9,956	0	9,956
Total Infrastructural Assets	439,730	0	439,730	9,965	370	0	7,023	180,556	625,132	2,274	622,858
Contract Work in Progress	3,277	0	3,277	4,429	4,071	0	0	0	3,635	0	3,635
Total Council Assets	517,396	19,961	497,435	20,226	4,740	0	10,459	180,556	706,163	23,145	683,018

^{*} Current year disposals are accounted for on a net basis, rather than by deductions to cost/revaluation and accumulated depreciation and impairment charges.

Valuation

Land (operational, restricted, and infrastructural)

The valuations for both land and buildings were performed by an independent registered valuers Ashley Pont, Mairi MacDonald and Maria McHugh from Quotable Value Limited performed Council's valuation and an independent valuer performed Inframax Construction Limited valuation. The valuation is effective as at 30 June 2022 and no valuation was undertaken for 30 June 2024.

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the "unencumbered" land value where there is a designation against the land or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely.

Asset Class	Valuation Date	Total Value
Council: Operational, Restricted and Infrastructural Land	30 June 2022	\$23,613,000
Inframax Construction Limited: Operational Land	30 June 2022	\$995,000

Buildings (operational and restricted)

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the replacement with modern equivalent assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- Straight-line deprecation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value. These valuations include adjustments for estimated building strengthening costs for earthquake prone buildings and the associated lost rental during the time to undertake the strengthening work.

Asset Class	Valuation Date	Total Value
Council: Operational and Restricted Buildings	30 June 2022	\$20,049,000
Inframax Construction Limited: Operational Buildings	30 June 2022	\$2,866,000

Infrastructural asset classes: water utilities infrastructure, refuse systems and roads.

The valuation of utilities infrastructure; sewerage reticulation, water reticulation, and storm water systems refuse systems and roads was performed by an independent registered valuer, Miles Wyatt, Mark Gordon (for roading) an independent valuer from AECOM New Zealand Limited. The valuation for sewage reticulation, water reticulation and storm water systems is effective as at 30 June 2022 and for Refuse Systems and Roads as at 30 June 2023.

The valuation method use for all these asset classes was the depreciated replacement cost method. There are a number of estimates and assumptions used in this valuation method. These include:

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement cost of the asset.
 The replacement cost is derived from recent construction contracts in the region for similar assets.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or under-estimating the annual deprecation charge recognised as an expense in the statement of comprehensive revenue or expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and conditionmodelling are also carried out regularly as part of asset management planning activities, which provides further assurance over useful life estimates.

Set out below is the summary of current valuations for infrastructural asset classes.

Asset Class	Valuation Date	Total Value (Optimised Depreciated Replacement Cost)
Roads	30 June 2023	\$528,873,000
Refuse Systems	30 June 2023	\$5,753,000
Storm water systems	30 June 2022	\$12,227,000
Wastewater Reticulation	30 June 2022	\$33,374,000
Water Supply Reticulation	30 June 2022	\$28,601,000

Land under roads

Land under roads was valued based on fair value of adjacent land determined by Adrian Doyle of Doyle Valuations Limited, effective 1 July 2001. On transition to NZ IFRS, the Council elected to use the fair value of land under roads as at 1 July 2001 as deemed cost and land under roads is no longer revalued.

Quarry Production Equipment

The valuation of heavy quarry production equipment held by Inframax Construction Limited was performed by an independent registered valuer. The valuation is effective as at 14 August 2024. All quarry production equipment is used or held for operational requirements and as such is valued under the requirements of NZ IAS 16 using a market comparison approach taking into consideration recent sales of similar assets.

An impairment test is performed each year to ensure that the valuations do not materially differ from that which would be determined using fair value at the end of the reporting period.

Asset Class	Valuation Date	Total Value
Inframax Construction Limited: Quarry Production	14 August 2024	\$367,000
Equipment		

Library collections

The library collection was valued by North Langley & Associates as at 1 July 2004. The value of the collection at that date was \$493,000. Subsequent carrying values have been determined through subsequent additions, less accumulated depreciation and disposals. On transition to NZ IFRS the Council elected to use the fair value of library books as at 1 July 2004 as deemed cost and library books are no longer revalued.

Disposals

During the year a number of motor vehicles, library books and parts of operational property assets were disposed through being replaced. A number of water reticulation and plant projects were undertaken during the year as such replaced asset components were disposed of.

Work in progress

The total amount of property, plant, and equipment in the course of construction is \$3,453,000 (2023: \$3,591,000).

Leasing

The net carrying amount of plant and equipment held by Council under finance leases is \$8,000 (2023: \$21,000) and \$8,000 (2023: \$49,000) for the Group.

Reconciliation of Additions to Property, plant and equipment and Intangible Assets to Capital Expenditure in Note 30

The following assets were added to Property, plant and equipment and Intangible Assets which were included in the capital expenditure from Council significant activities.

Asset Class	Total Value
Capital Expenditure for the year	
included as Property, plant and	\$19,213,000
equipment (Note 30)	
Total Additions to Property, Plant and	±22 422 000
Equipment (Note 21)	\$23,432,000
Less Prior Years Work in Progress added	(#4.210.000)
(Note 21)	(\$4,219,000)
Total Asset Additions	\$19,213,000

Note 22: Intangible Assets

	COU	NCIL	GRO	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL		
Software						
Cost						
Balance at 1 July	1,431	1,417	2,021	2,104		
Additions	0	14	0	14		
Disposals	0	0	0	(97)		
Balance at 30 June	1,431	1,431	2,021	2,021		
Accumulated Amortisation						
Balance at 1 July	1,265	1,183	1,783	1,678		
Amortisation expense for the year	60	82	132	203		
Impairment	0	0	0	0		
Disposals	0	0	0	(98)		
Balance at 30 June	1,325	1,265	1,915	1,783		
Net Book Value at 30 June	106	166	106	238		
Emission Trading Units						
Balance at 1 July	1,005	752	1,005	752		
Additions	0	708	0	708		
Amounts surrendered during the year	(563)	(455)	(563)	(455)		
Balance at 30 June	442	1,005	442	1,005		
				-		
Service Concession Asset						
Balance at 1 July	5,990	3,210	5,990	3,210		
Additions	0	2,780	0	2,780		
Balance at 30 June	5,990	5,990	5,990	5,990		
Accumulated Amortisation						
Balance at 1 July	71	0	71	0		
Amortisation expense for the year	171	71	171	71		
Balance at 30 June	242	71	242	71		
Dalatice at 30 Julie		72				
Net Book Value at 30 June	5,748	5,919	5,748	5,919		
			4.00			
Balance at 30 June	6,296	7,090	6,296	7,162		

(2023: Council has entered into a Service Concession Arrangement with the Ministry of Education and Te Kūiti High School Board of Trustees as an Operator to the arrangement, to construct a two basketball court, gymnasium stadium building on the Te Kūiti High School grounds. Following construction Council is to operate the facility to provide recreational services to the community. The arrangement is in place for 35 years following completion of construction which was completed in February 2023. The value of the service concession asset is measured at cost and is equal to the total cost of construction of the facility and installation of equipment less contributions from the Ministry of Education and the Board of Trustees, who are Grantor parties to the Service Concession Arrangement).

Note 23: Investment Property

	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Balance at 1 July	2,222	2,167	2,222	2,167	
Additions	0	0	0	0	
Gains/(Losses) due to change in Fair Value	(95)	55	(95)	55	
Balance at 30 June	2,127	2,222	2,127	2,222	

The valuation of investment property was performed by Mairi MacDonald, Maria McHugh and James Jennings, independent valuers from Quotable Value Limited. They are experienced valuers with extensive market knowledge in the types and location of the investment properties owned by Council.

The fair value of investment property has been determined using either the Direct Sales Approach or the Income Approach. The Direct Sales Approach was used as an estimate of value based on a comparison of the asset to similar assets that have recently sold, with adjustments made for the assets physical features and condition. Where the Income Approach was used, it reflects what a prudent investor would pay for an asset given an expected return with consideration of the risks involved in the investment and two approaches were used; capitalisation of income and discounted cash flow.

The valuation was effective as at 30 June 2024.

Note 24: Capitalised Quarry Development Costs

	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Balance at 1 July	0	0	830	872	
Stripping costs capitalised during the year	0	0	622	167	
Bunding	0	0	0	0	
Stripping costs amortised during the year	0	0	(149)	(209)	
Balance at 30 June	0	0	1,303	830	
This is made up of:					
Current	0	0	280	0	
Non Current	0	0	1,023	830	
Total Capitalised Quarry Development Costs	0	0	1,303	830	

Note 25: Capital Commitments and Operating Leases

	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Commitments for capital contracted but not provided for:					
Water supply assets	0	1,024	0	1,024	
Wastewater assets	0	0	0	0	
Road assets	3,248	4,432	3,248	4,432	
Plant and Equipment	0	0	0	4	
Restricted buildings	0	0	0	0	
Operational buildings	68	514	68	514	
Computers	0	0	0	0	
Total Capital Commitments	3,308	5,970	3,308	5,974	
Non Cancellable Operating Leases as Lessee					
Not later than one year	0	0	0	0	
Later than one year but not later than five years	0	0	0	0	
Later than five years	0	0	0	0	
Total Non Cancellable Operating Leases	0	0	0	0	
Operational Commitments					
Not later than one year	4,945	4,839	4,945	4,890	
Later than one year but not later than five years	2,246	4,266	2,246	4,340	
Later than five years	0	0	0	0	
Total Operational Commitments	7,191	9,105	7,191	9,230	
Total Commitments	10,503	15,075	10,503	15,204	

The operating lease is for various items of office equipment. The net carrying amount of the leased items is shown as a separate class of property, plant and equipment is disclosed in note 21. The finance lease can be renewed at the Council's option, with rents set by reference to current market rates for items of equivalent age and condition. The Council does have the option to purchase the assets at the end of the lease term. There are no restrictions placed on Council by any of the finance leasing arrangements.

Note 26: Contingencies

Council

Mining Licence

In respect of the mining licence for McKenzies Quarry, Council has provided the Ministry of Commerce with a land reinstatement bond of \$10,700 (2023: \$10,700), in lieu of a cash deposit.

Co-Lab

Council is a shareholder in Waikato Local Authority Shared Services Ltd (trading as Co-Lab). Co-Lab is jointly owned by 12 local authorities and has been set up to develop shared service initiatives, including a valuation database. There is uncalled capital of \$34,221 (2023: \$34,221) that Council may be required to pay if called. Council considers it unlikely that it will be called upon for the capital and therefore have not provided for this claim.

New Zealand Local Government Funding Agency Limited

Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a local currency rating from S&P Global Ratings of AAA and a foreign currency rating of AA+ and a local currency rating and foreign currency rating of AA+ from Fitch.

Guarantees

Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss model (as fair value could not be reliably measured) and subsequently at the higher of the provision for impairment at balance date determined by the expected credit loss model and the amount initially recognised. At the end of financial year, the council have assessed the 12-month expected credit losses of the guarantee liability, based on market information of the underlying assets held by the NZLGFA. The estimated 12-month expected credit losses are immaterial due to the extremely low probability of default by the NZLGFA in the next 12 months, and therefore, the council have not recognised a liability.

Uncalled capital

As at 30 June 2024, there were 30 local authority shareholders and 72 local authority guarantors of the NZLGFA of which Council is a guarantor. [In that regard it has uncalled capital of \$20m. When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified]. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2024, NZLGFA had borrowings totalling \$23.030m (2023: \$17.684m).

The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt
 obligations if further funds were required.

New Zealand Mutual Liability Riskpool

Waitomo District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call, in respect of historical claims, diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Group

Contingent Liability for Unfulfilled Contractual Obligations and Quarry Rehabilitation and Maintenance Obligations.

In addition to the above, the group has a contingent liability of \$173,000 in relation to rehabilitation and maintenance obligations at the expiry of grant of resource consents for a quarry operation by the company. Post balance date the Group has arranged with the ASB Limited for a bank guarantee of \$29,000 in favour of Waikato Regional Council related to these resource consents.

Performance bonds have been issued in favour of local authorities and government agencies. The Group knows of no reason why these performance related bonds or guarantee would be called upon by external parties and therefore have not recognised them in the balance sheet.

Contingent Asset for Insurance Claim for Flood Damage

The Group has a contingent asset at balance date for an insurance claim for flood damage at a quarry in February 2022. The claim is yet to be settled for damaged assets to be either repaired or replaced.

Note 27: Operating Cashflow Reconciliation

	COU	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Net Surplus/(Deficit) After Tax	6,614	4,161	6,631	4,292	
Add/(Less) Non Cash Items					
Depreciation and Amortisation	9,447	8,975	11,201	10,733	
Surrender of Carbon Credits	563	454	563	454	
Construction Services Revenue under Service Concession Arrangement	0	(2,781)	0	(2,781)	
(Gain)/Loss in change of fair value of Investment Property	95	(55)	95	(55)	
Loss/(Gain) on Disposal of Assets or Impairment of Assets	286	202	537	408	
Non cash acquistion of Assets	(359)	0	(359)	0	
Change in Deferred Taxation Asset/Liability	0	0	902	387	
Add/(Less) Movements in Working Capital Items Increase/(Decrease) in Trade and					
Other Payables	550	145	997	1,274	
(Increase)/Decrease in Trade and Other Receivables	(2,098)	1,177	(1,141)	(34)	
(Increase)/Decrease in Inventories	14	(14)	(652)	(47)	
Increase/(Decrease) in Employee Entitlements	89	64	(11)	331	
Increase/(Decrease) in Provisions	31	(31)	287	(233)	
Add/(Less) Items Classified as Investing or Financing Activities	(166)	(809)	(17)	(599)	
Net Cash Flows from Operating Activities	15,066	11,488	19,033	14,130	

Note 28: Capital Expenditure

	COUNCIL			
(\$000's)	NOTE	2024 BUDGET	2024 ACTUAL	2023 ACTUAL
Capital by Significant Activity				
Leadership		1,136	712	1,108
Recreation and Property		1,207	1,425	3,952
Community and Partnerships		0	27	66
Regulatory Services		20	19	6
Solid Waste		3,877	25	839
Stormwater		475	927	486
Wastewater		643	451	1,353
Water Supply		5,238	747	984
Roads and Footpaths		9,920	14,880	7,385
Total Capital Expenditure		22,516	19,213	16,179
Shown as Additions to				
Property, plant and equipment		22,332	19,213	12,677
Intangible assets		184	19,213	3,502
Investment Property		0	0	3,302
Total Capital Expenditure		22,516	19,213	16,179
Funded by				
Internal Loans		10,581	2,543	3,730
Subsidy Revenue and Contributions to Capital		10,561	2,545	3,730
Expenditure		8,461	12,338	8,561
Rates Funding and Other Revenue		0	0	33
Reserve Funding		3,474	4,332	3,855
Total Capital Expenditure		22,516	19,213	16,179

Summary of Significant Capital Additions and Replacements

Activity		Dudmak	Actual Expenditure \$000's			
(Total spend in \$000's)	Description	Budget \$000's	Additional demand	Improve performance	Replace existing asset	
-	Office furniture and equipment, computer					
	hardware and licences, vehicles and plant	720			556	
Leadership	equipment required to meet organisational	739	0	0		
(Total spend	needs.					
\$712)	Building strengthening of the WDC	396	0	0	89	
	administration building for earthquake resistance and miscellaneous building renewals.	390	0	U	09	
	Customer Service Centre refurbishment.	0	0	0	67	
	Better Off projects including walkway, parking		Ū	0	07	
	area sealing at Benneydale Hall and Town Gateways. This is fully funded by central government.	385	0	370	0	
	Playground and park renewals and coastal reserves improvement.	232	0	64	5	
Recreation and	Air conditioning renewals at the Les Munro Centre to enhance the facility for users.	175	0	0	99	
Property (Total spend \$1,425)	Aquatic Centre Pool Resurfacing and Painting.		0	0	127	
Spenu #1,423)		160	0	0	137	
	Library book stock renewal to maintain the					
	standard of books available, library technology and building renewals.	67	0	0	70	
	Miscellaneous renewals, elderly persons					
	housing, halls, public toilets, aerodrome,	188	0	369	311	
	cemetery, street furniture.					
Community & Partnerships (Total Spend \$27)	Waitomo Bikes in Schools.	0	0	27	0	
Regulatory						
Services (Total spend \$19)	Animal and dog pound renewals	19	0	1	18	
Solid Waste	Landfill cell development and gas flaring Equipment.	3,730	0	0	0	
(Total spend	· ·					
\$25)	Transfer station improvements and renewal including resource consent volume expansion.	147	0	0	25	
Stormwater	Ctarmwater improvements and rehabilitation					
(Total spend	Stormwater improvements and rehabilitation and other minor renewals.	475	0	341	586	
\$927)						
Wastewater (Total spend	Ongoing renewals of Council wastewater infrastructure assets, including pipes, pump	643	0	145	236	
\$451)	stations and treatment plants.	043	0	143	250	
Ŧ · /	Te Waitere wastewater system improvements					
	and renewal and extension of soakage field.	0	0	69	1	
Water Supply	Te Kūiti water resilience project including initial					
(Total spend	scoping and designing.	4,693	0	305	0	
\$747)						
	Ongoing improvements and renewal of water supply infrastructure assets, covering reticulation, treatment plant, resource consent and other improvements.	545	0	0	442	
	Footpaths and road to zero improvements.	291	0	490	0	
	Pavement rehabilitation renewals.	1,201	0	0	2,595	
	Sealed surfacing renewals.	1,128	0	0	1,337	
Roads	Bridge and bridge structure replacement.	656	0	0	1,156	
(Total spend	Unsealed road metalling renewals.	638	0	0	489	
\$14,880)	Storm and wet weather reinstatements.	5,066	0	0	6,397	
	Other road renewals.	750	0	0	2,305	
	Unsubsidised road improvements.	189	0	106	5	
(Total spend						
\$19,213)		22,516	0	2,287	16,926	

Note 29: Financial Instruments

	cou	INCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Financial Instrument Categories					
Amortised Cost					
Cash and Cash Equivalents	3,093	1,553	7,129	3,377	
Receivables Under Exchange and Non Exchange Transactions	7,517	5,642	10,633	9,501	
Loans and Advances - Current	298	54	298	54	
Loans and Advance - Non Current	423	539	423	539	
Total Loans and Receivables	11,331	7,788	18,483	13,471	
Fair Value through surplus and deficit (FVTSD)					
Derivative Financial Instrument Assets	381	557	381	557	
Fair Value through other comprehensive revenue and expense (FVTOCRE)					
Unlisted Shares in Companies	20	20	20	20	
Unlisted Shares in Subsidiaries	12,883	10,602	0	0	
Total FVTOCRE	12,903	10,622	20	20	
Financial Liabilities					
Fair Value through surplus and deficit (FVTSD)					
Derivative Financial Instrument Liabilities	45	0	45	0	
Financial Liabilities at Amortised Cost					
Payables and Deferred Revenue under Exchange and Non Exchange Transactions - Current	5,879	5,621	9,057	7,992	
Secured Loans - Current	17,324	7,236	19,599	8,519	
Secured Loans - Non Current	16,000	21,000	18,872	25,348	
Lease Liabilities - Current	9	15	9	30	
Lease Liabilities - Non Current	0	9	0	9	
Total Financial Liabilities at Amortised Cost	39,212	33,881	47,537	41,898	

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss. Due to the timing of its cash inflows and outflows, the Group holds surplus cash in interest bearing accounts which gives rise to credit risk.

The Group also minimises credit risk by limiting investments to registered banks, local government stock and other entities with a S&P Global Ratings credit rating no less than AA-.

The Group has no collateral or other credit enhancements for financial instruments that give rise to credit risk.

Guarantor of LGFA's borrowings

The Council is exposed to credit risk as a guarantor of all of LGFA's borrowings. Information about this exposure is explained in note 26. Council considers this risk to be extremely low.

Maximum Exposure to Credit Risk

Council's maximum credit exposure for each class of financial instrument is as follows:

	COU	NCIL	GROUP		
(\$000's)	2024 2023 ACTUAL ACTUAL		2024 ACTUAL	2023 ACTUAL	
Cash and Cash Equivalents	3,093	1,553	7,129	3,377	
Receivables Under Exchange and Non Exchange Transactions	7,517	5,642	10,633	9,501	
Loans and Advances	721	593	721	593	
Total Credit Risk	11,331	7,788	18,483	13,471	

Credit Quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to S&P Global Ratings credit rating (if available) or to historical information about counter-party default rates:

	cou	NCIL	GROUP		
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Counter-parties with Credit Ratings:					
Cash and Cash Equivalents					
AA- Long Term Rating	3,093	1,553	7,129	3,377	
Derivative Financial Instrument Assets					
AA- Long Term Rating	381	557	381	557	
Other Financial Assets - Loans and Advances					
AAA Domestic Long Term	721	564	721	564	

Debtors and other receivables mainly arise from Group's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings.

The Group has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and the Council has a range of powers under the Local Government (Rating) Act 2002 to recover outstanding debts from the ratepayers, the property mortgagee and/or through property sales.

Liquidity Risk

Management of Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Group aims to maintain flexibility in funding by keeping committed credit lines available. The Group manages its borrowings in accordance with its funding and financial policies, which include the Treasury Policy (incorporating Council's investment and liability management policies)

Guarantor of LGFA borrowings

The Council is exposed to liquidity risk as a guarantor of all of LGFA's borrowings. This guarantee becomes collectable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 26. Council considers this risk to be extremely low.

Contractual Maturity Analysis of Financial Liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual un-discounted cash flows:

(\$000's)	Effective Interest Rates %	Carrying Amount \$000's	Total Contractual Cashflows \$000's	Less than One Year \$000's	1-2 Years \$000's	2-5 Years \$000's	More than Five Years \$000's
Council 2024							
Payables and Deferred Revenue under Exchange and Non Exchange Transactions - Current	0.00%	6,402	6,402	6,402	0	0	0
Finance Leases	7.50%	9	9	9	0	0	0
Secured Loans - Current	5.96%	17,324	17,324	17,324	0	0	0
Secured Loans – Non- current	6.34%	16,000	18,471	1,014	3,859	13,598	0
Derivative Financial Instruments	0.00%	45	51	0	0	51	0
Total		39,780	42,257	24,749	3,859	13,649	0

(\$000's)	Effective Interest Rates %	Carrying Amount \$000's	Total Contractual Cashflows \$000's	Less than One Year \$000's	1-2 Years \$000's	2-5 Years \$000's	More than Five Years \$000's
Council 2023							
Payables and Deferred Revenue under Exchange and Non Exchange Transactions - Current	0.00%	5,621	5,621	5,621	0	0	0
Finance Leases	7.50%	24	24	15	9	0	0
Secured Loans - Current	3.65%	7,236	7,236	7,236	0	0	0
Secured Loans – Non- current	6.08%	21,000	21,099	4,118	11,650	5,331	0
Derivative Financial Instruments	0.00%	0	0	0	0	0	0
Total		33,881	33,980	16,990	11,659	5,331	0
C 2024							
Group 2024							
Trade and other payables (Current)	0.00%	9,581	9,581	9,581	0	0	0
Lease Liabilities	7.50%	9	9	9	0	0	0
Secured Loans - Current	6.22%	19,599	19,599	19,599	0	0	0
Secured Loans - Non- current	5.87%	18,872	22,740	1,923	4,715	15,630	472
Derivative Financial Instruments	0.00%	45	51	0	0	51	0
Total		48,106	51,980	31,112	4,715	15,681	472
Group 2023							
Payables and Deferred Revenue under Exchange and Non Exchange Transactions - Current	0.00%	7,992	7,992	7,992	0	0	0
Lease Liabilities	4.35%	39	40	31	9	0	0
Secured Loans - Current	4.34%	8,519	8,519	8,519	0	0	0
Secured Loans - Non- current	6.45%	25,348	27,726	7,387	12,344	7,172	823
Derivative Financial Instruments	0.00%	0	0	0	0	0	0
Total		41,898	44,277	23,929	12,353	7,172	823

Sensitivity Analysis

The table below illustrates the potential impact on surplus/ (deficit) for reasonably possible market movements, with all other variables held constant, based on Group's financial instrument exposures at balance date. The impact on Equity is the same as the surplus/ (deficit) impact below except for cashflow hedges which only have an impact on equity. A movement of 50bps (basis points), which is 0.50% and represents managements' assessment of the reasonably possible change in interest rates:

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Interest Rate Risk				
Market Interest Rates increase by 50bps	(60)	(60)	(90)	(93)
Market Interest Rates decrease by 50bps	60	60	90	93

The sensitivity analysis is prepared assuming the amount of liability outstanding at balance date was outstanding for the whole year.

Explanation of Sensitivity Analysis - Council

Council has floating rate debt with a principal amount totalling \$12,000,000 (2023: \$12,000,000). A movement in interest rates of plus or minus 50bps would result in a movement of \$60,000 (2023: \$60,000). A movement in market interest rates on fixed rate debt does not have any impact because secured loans are accounted for at amortised cost using the effective interest method.

Explanation of Sensitivity Analysis - Group

Group has floating rate debt with a principal amount totalling \$17,982,000 (2023: \$18,583,000). A movement in interest rates of plus or minus 50bps would result in a movement of \$90,000 (2023: \$93,000). A movement in market interest rates on fixed debt does not have any impact because secured loans are accounted for at amortised cost using the effective interest method.

Fair Value

The carrying value of cash and cash equivalents, debtors and other receivables, loans, advances, current borrowings, creditors and other payables approximates their fair value. The fair value of non-current portion of borrowings of Council is \$16,421,000 (2023: \$21,380,000) and for the Group \$19,293,000 (2023: \$25,728,000).

Council holds a small shareholding interest in NZ Local Government Insurance Corporation Limited and Waikato Local Authority Shared Services Limited, of which it has no intention of disposing of. The fair value of these unlisted companies cannot be reliably measured, due to a lack of an active market and lack of appropriate projected cash flow and revenue stream information for these securities.

Fair Value Measurement

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1
 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
 and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(\$000's)	Level 1	Level 2	Level 3	Total
Council 2024				
Financial assets at FVTOCRE				
Unlisted Shares in Subsidiary	0	0	12,883	12,883
Unlisted Shares in Companies	0	0	20	20
	0	0	12,903	12,903
Financial Assets at FVTSD				
Derivative Financial Instrument Assets	0	381	0	381
	0	381	0	381
Financial Liabilities at FVTSD				
Derivative Financial Instrument Liabilities	0	45	0	45
	0	45	0	45
Council 2023				
Financial assets at FVTOCRE				
Unlisted Shares in Subsidiary	0	0	10,602	10,602
Unlisted Shares in Companies	0	0	20	20
	0	0	10,602	10,602
Financial Assets at FVTSD				
Derivative Financial Instrument Assets	0	557	0	557
	0	557	0	557
Financial Liabilities at FVTSD	0	0	0	0
Derivative Financial Instrument Liabilities	0	0	0	0
Derivative i mancial mistrament Liabilities				
Group 2024				
Financial Assets at FVTOCRE				
Unlisted Shares in Companies	0	0	20	20

(\$000's)	Level 1	Level 2	Level 3	Total
	0	0	20	20
Financial Assets at FVTSD				
Derivative Financial Instrument Assets	0	381	0	381
	0	381	0	381
Financial Liabilities at FVTPL				
Derivative Financial Instrument Liabilities	0	45	0	45
	0	45	0	45
Group 2023				
Financial Assets at FVTOCRE				
Unlisted Shares in Companies	0	0	20	20
	0	0	20	20
Financial Assets at FVTSD				
Derivative Financial Instrument Assets	0	557	0	557
	0	557	0	557
Financial Liabilities at FVTSD				
Derivative Financial Instrument Liabilities	0	0	0	0
	0	0	0	0

Recognition of Level 3 fair value measurements of financial assets

	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Balance at 1 July	10,622	6,432	20	20
Revaluation of financial assets at FVTOCRE	2,261	4,190	0	0
Balance at 30 June	12,883	10,622	20	20

Note 30: Related Party Transactions

The Council is the ultimate parent of the Group. Related parties include its subsidiary Inframax Construction Ltd, the Council's investment in Waikato Local Authority Shared Services Ltd and Civic Financial Services Ltd.

Council

Council has a 100% shareholding in Inframax Construction Ltd. The following related party transactions are included in Council's financial statements.

	cou	COUNCIL		
(\$000's)	2024 ACTUAL	2023 ACTUAL		
Transactions with Inframax Construction Ltd				
Road construction and maintenance expenditure	10,615	11,289		
Fees and charges and income from construction	34	90		
Balances Outstanding with Inframax Construction Ltd				
Payables	1,068	1,661		
Receivables	1	5		

Inframax Construction Limited

The subsidiary provided minor work for V Gribben \$241 (2023: \$nil). There was nil owing at the yearend (2023 \$nil). The subsidiary also provided minor work for E Rattray \$21,335 (2023 \$nil) there was nil owing at the yearend (2023 \$nil).

Waikato Local Authority Shared Services

The Council has 1.6% of the issued shares in Waikato Local authority Shared Services Ltd Trading as Co-Lab.

The following related party transactions are included in the Council's financial statements.

	COUNCIL	
(\$000's)	2024	2023
Revenue shared services	0	0
Expenses shared services	704,000	598,827

Remuneration of the Chief Executive (Council)

In the 2023/24 financial year the total remuneration paid to the Council's Chief Executive was \$288,070 (2023: \$277,770).

Elected Representatives and Directors	COU	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Mayor Robertson	127	117	127	117	
Deputy Mayor Whitaker (to 13.10.22)	0	15	0	15	
Deputy Mayor Goddard	83	58	83	58	
Councillor Brodie (to 13.10.22)	0	11	0	11	
Councillor New	52	43	52	43	
Councillor Manawaiti	52	33	52	33	
Councillor Osborne	57	35	57	35	
Councillor Tasker	52	33	52	33	
Councillor Todd	55	34	55	34	
Councillor Marshall (to 13.10.22)	0	10	0	10	
Directors Fees	0	0	150	150	
Total Elected Members Remuneration and Directors Fees	478	389	628	539	

Key Management Personnel	COU	NCIL	GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL
Elected Members and Directors				
Remuneration	478	389	628	539
Number of elected members and directors	7	10	12	14
Key Management Personnel				
Remuneration excluding contribution to a defined contribution plan	1,181	1,127	1,702	1,677
Contributions to a defined contribution plan	29	25	29	25
Total Remuneration	1,210	1,152	1,731	1,702
Full time equivalent members	6	6	11	11

Council's key management personnel include the Mayor, Councillors, Chief Executive and other senior management personnel. The Group's key management personnel include the Mayor, Councillors, Chief Executive and other senior management personnel and the Directors and executive staff of Inframax Construction Ltd. Due to the difficulty in determining the full time equivalent for elected members and directors, the number of elected members and directors has been reported instead of the full time equivalent.

Council Employees	COUNCIL
(\$000's)	2024 ACTUAL
Total number of employees per remuneration band at 30 June:	
<\$60,000	36
\$60,000 - \$79,999	26
\$80,000 - \$119,999	29
\$120,000 - \$289,999	10
Total Employees	101

Council Employees	COUNCIL
(\$000's)	2023 ACTUAL
Total number of employees per remuneration band at 30 June:	
<\$60,000	36

Council Employees	
(\$000's)	2023 ACTUAL
\$60,000 - \$79,999	19
\$80,000 - \$119,999	25
\$120,000 - \$279,999	8
Total Employees	88

The number of full time equivalent employees at 30 June 2024 was 76 (2023: 75).

Note 31: Severance payments

Council

There were severance payments made during the year of \$10,000 (2023: nil).

Group

There were severance payments made during the year of \$10,000 (2023: nil).

Note 32: Events after balance date

On 1 July 2024 Council entered into a five year road maintenance contract with Inframax Construction Ltd valued at \$48.1 million. The contract includes an annual resealing programme, sealed and unsealed road maintenance, unsealed road metalling, drainage renewals and emergency first response.

On 3 September 2024 NZTA Waka Kotahi advised the adoption of the 2024-27 National Land Transport Programme which confirmed that there was no allocation of funding for low cost, low risk (LCLR) projects for Waitomo. The total of LCLR projects planned for the three years 2024-27 was \$4,472,000, of which 75% was expected to be funded from NZTA Waka Kotahi subsidy. Projects include footpath improvements and minor improvement categories. Staff are currently working through the revised funding programme to present to Council for their consideration.

Note 33: Explanations of Variances to Budget (Council)

Statement of Comprehensive Revenue and Expenditure

Revenue was \$4.5 million more than forecast. The main variances were:

- Subsidy revenue was above forecast due to the timing of roads renewals, particularly for storm damage, which is part funded by NZTA Waka Kotahi subsidy.
- Interest revenue was more than forecast, with favourable bank rates for cash held in the operating account and contract retention account.
- Fees and charges were below forecast due to refuse dump charges, quarry royalties revenue and building control revenue. This was partly offset by additional revenue received for animal control shared services with Otorohanga District Council and more trade waste revenue.
- Other revenue was more than forecast mostly due to waste minimisation levy revenue which funds waste minimisation programmes. Vested asset revenue was recognised for the recognition of gym equipment and chattels for the Gallagher Recreation Centre as part of the property sharing agreement. A loss on valuation of investment properties was also recognised which reflects the easing of land values since June 2023.

Expenditure was \$0.2 million more than forecast. The main variances were:

- Employee benefit expenses were \$0.4 million more than forecast due to additional personnel costs for the shared service for animal control, freedom camping monitoring, Three Wates Reform transition and Motakiora/Brook Park maintenance which were funded from additional external revenue. Less staff costs were added to capital projects resulting in these costs being recognised as operating expenditure.
- Other expenditure was \$0.2 million below forecast for sludge removal from the wastewater ponds, the timing of
 the district plan development costs against forecast, lower Mayors Taskforce for Jobs programme costs (and
 funding) than was forecast and unspent regulatory budgets for legal expenses and earthquake prone buildings.

Statement of Financial Position

Total equity was \$172.3 million more than forecast due to:

- The surplus was \$4.3 million more than forecast (variance comments provided above).
- Other reserves were \$6.3 million more than forecast due mainly to the increase in the valuation of the investment in Inframax Construction Ltd.
- The revaluation reserve was \$170.4 million more than forecast as roads and solid waste assets were revalued at

30 June 2023. This valuation was finalised after the 2023/24 annual plan was adopted.

- Current assets were \$3.3 million more than forecast. There was an increase in cash and cash equivalents, and receivables for NZTA Waka Kotahi subsidy and Better Off project funding.
- Current liabilities \$8.2 million less than forecast due mainly to the portion of borrowings that were classified as current were less than forecast. There was also no current derivative financial instrument liability recognised at 30 June 2024. This was partly offset by an increase in payables which were more than forecast for water supply and stormwater contracts compared to forecast.
- Non current assets were \$162.8 million more than forecast. This was due to an uplift in asset values for roads and solid waste assets as at 30 June 2023. This valuation was finalised after the 2023-24 Annual Plan was adopted.
- Non current liabilities were \$2.0 million more than forecast as the portion of borrowings classified as non current were more than anticipated. Total borrowings for the year were less than forecast. There was also a derivative financial instrument liability recognised as at 30 June 2024.

Note 34: Local Government Act Disclosures

Under the LGA, the Council is required to disclose the following rating base information for the end of the preceding financial year.

Rating base information	COUNCIL
	2023 ACTUAL
Number of rating units	5,938
Total Capital value of rating units	4,654,249,415
Total Land value of rating units	3,007,472,765

Insurance (\$000's)	Carrying Value 30 June 2024	Covered by Insurance Contracts	Covered by Financial Risk Sharing Arrangement	Covered by Self Insurance
Stormwater, Wastewater and Water Supply	75,516	161,715	0	426
Operational and Restricted Buildings and Contents	20,722	113,284	0	0
Motor Vehicles	832	1,589	0	0
Total	97,070	276,588	0	426

Network Assets (\$000's)	Estimate of Replacement Cost 30 June 2023	Estimate of Replacement Cost 30 June 2024	Carrying Value 30 June 2024	Assets Constructed during 2023/2024
Roads	671,654	685,938	538,286	14,284
Stormwater Drainage	22,925	23,652	12,780	770
Wastewater - Other Assets	26,729	27,337	15,022	645
Wastewater - Treatment Plants and Facilities	26,487	26,823	18,317	356
Water Supply - Other Assets	22,658	23,221	14,655	753
Water Supply - Treatment Plants and Facilities	23,624	23,860	14,742	249
Total	794,077	810,831	613,802	17,057

(No network assets were transferred to Council during the 2023/24 year).

Note 35: Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise accumulated funds and reserves. Equity is represented by net assets.

The LGA requires the Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the LGA and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Councils' assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The LGA requires the Council to make adequate and effective provision in its Long Term Plan (10 Year

Plan) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The LGA sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the Revenue and Financing policies in the Council's 10 Year Plan.

Council has the following council created reserves:

- Operational reserves are held for short term funding surpluses (or deficits) that arise from the various activities of Council.
- Depreciation reserves are held from accumulated funds from rates to fund repayments of loans raised for capital expenditure and to maintain the service capacity and integrity of assets throughout their useful lives.
- Investment revaluation reserves are held from the periodical review of the value of its investment in its subsidiary. These valuation movements do not form part of the revaluation reserve shown in the equity section of the Statement of Financial Position.
- Special purpose reserves are held when Council has received funds that are restricted for particular purposes.

Note 36: Exchange and non-exchange revenue

	COU	COUNCIL		GROUP	
(\$000's)	2024 ACTUAL	2023 ACTUAL	2024 ACTUAL	2023 ACTUAL	
Revenue from exchange transactions					
Interest revenue	148	84	152	85	
Fees and charges and income from construction	302	4,154	38,708	33,029	
Total Revenue from exchange transactions	450	4,238	38,860	33,114	
Revenue from non-exchange transactions					
Rates revenue	21,534	20,355	21,519	20,342	
Metered water rates revenue	968	894	968	894	
Subsidies and grants	20,154	16,902	20,194	16,975	
Fees and charges and income from construction	4,084	3,682	4,066	3,605	
Other revenue from non exchange transactions	757	265	777	292	
Total Revenue from non exchange transactions	47,497	42,098	47,524	42,108	
Other gains/(losses)	(29)	209	(29)	209	
Total Revenue	47,918	46,545	86,355	75,431	

COUNCIL CONTROLLED ORGANISATIONS

Council controlled organisations (CCOs) are essentially any company with a majority Council shareholding, or a trust or similar organisation with a majority of Council-controlled votes or Council-appointed trustees.

Council is involved in two CCOs:

- Inframax Construction Limited (a wholly owned subsidiary of the Council); and
- Waikato Local Authority Shared Services (WLASS) Limited.

INFRAMAX CONSTRUCTION LIMITED

Background

Inframax Construction Limited (ICL) is a roading construction and maintenance company with its head office situated in Te Kūiti.

Shareholders

ICL is a wholly owned subsidiary of Waitomo District Council.

Company Objectives

The principle objective of Inframax Construction Limited is to operate as a successful business and to contribute to the well-being of the communities in which it operates.

In pursuing the principle objective the Company and Directors shall:

- Maximise the long term viability and profitability consistent with the Shareholder's objectives for ownership and value creation.
- Seek and develop profitable business opportunities that make best use of the people, technical and financial resources of the Company.
- Continue to review the available options for the share ownership of the Company, so as to be able to provide informed advice to the Shareholder, as to the most efficient arrangements to enhance both profitability and or Shareholder value.
- Ensure assets and liabilities are prudently managed consistent with the nature of a contracting business.

- Ensure transparent and informed relationships are maintained with the Shareholder within the spirit of 'no surprises'.
- Act as a good employer by:

♦Providing a work environment that recruits, fosters and maintains safe, competent, motivated, committed and productive employees

♦Recognising and rewarding excellent performance of any staff.

 Act in an environmentally and socially responsible manner and implement sustainable business practices.

Nature and Scope of Operations

The core business of the Company is roading maintenance and construction, quarrying and crushing of aggregates and maintenance and construction of utilities and infrastructure assets.

The Company competes for infrastructure contracts in the central western North Island Districts and in other areas where it is identified that such contracts will yield an appropriate rate of return or where the Company believes that there are sound commercial reasons for doing so.

The Company may expand into other ventures and/or activities that are consistent with the Company's objectives and the provisions of the Local Government Act 2002.

Performance Results

Statement of Performance Measures: Year ended 30 June 2024

The results achieved compared with the performance criteria contained in the Statement of Corporate Intent as follows:

Financial Performance	Statement of Corporate Intent		Act	ual Achievement
	2024	2023	2024	2023
Equity ratio	50%	49%	53%	52%
Current Ratio	Positive	Positive	Positive	Positive
EBITDA (millions)	\$3.1 million	\$3.0 million	\$3.7 million	\$3.5 million
Revenue (millions)	\$44 million	\$43 million	\$49 million	\$40 million
Banking covenants	Met	Met	Met	Satisfied with Waiver

The Equity ratio is the ratio of average shareholder's funds expressed as a percentage of average total assets. Average assets and average shareholder's funds are based on 30 June 2024 and 30 June 2023 figures.

Non-Financial Performance	Statement of Intent 2024		Statement of Intent 2023	
	Achieved	Target	Achieved	Target
LTI Frequency Rate	25	Zero	20	Zero
Accident weekly compensation days	298	100	91	100
ISO9001 accreditation	Standard achieved	Standard achieved	Standard achieved	Standard achieved
ISO45001 accreditation	Standard achieved	Standard achieved	Standard achieved	Standard achieved
Environmental Consent Compliance Non-compliant Partially compliant Highly compliant Fully compliant Not assessed	0 2 0 6 1	All	0 3 0 5 1	All
Support of local events in operating area - Number of local events where the company provided complimentary goods, services or financial support.	Not applicable	Not applicable	19	15
Number of Broader Outcomes Initiatives	20	15	Not applicable	Not applicable

Inframax Construction Ltd - Statement of Comprehensive Revenue and Expense: Year ended 30 June 2024

(\$000's)	2024 ACTUAL	2023 ACTUAL
Total Revenue	49,086	40,265
Total Expenditure (including Depreciation and Interest)	47,501	38,536
Net Profit/(Loss) Before Tax	1,585	1,729
Company Tax/(Credit)	902	387
Net Profit /(Loss) After Tax	683	1,342

CO-LAB

Background

Waikato local authorities have worked closely together over a number of years on mutually beneficial joint projects. These projects have demonstrated the benefits that can be gained both in terms of outcomes achieved and reduction in costs to the community. The local authorities believe that the company will generate savings through economies of scale and through additional purchasing power and the ability to recover costs.

There are a number of services provided by local authorities, particularly in respect of information collection and management, where improved services at lower aggregate cost can be achieved by having a number of authorities participate in purchase or development of the infrastructure for the service, and ongoing operation of it.

Co-Lab is the current trading name for Waikato Local Authority Shared Services (WLASS) Limited, formally known as LASS (Local Authority Shared Services) up until 4 April 2016.

Shareholders

Co-Lab is a Council Controlled Organisation (CCO) owned equally by 12 local authorities in the Waikato Region, being Waikato Regional Council, Hamilton City Council, Hauraki, Matamata-Piako, Otorohanga, Rotorua, South Waikato, Taupo, Thames- Coromandel, Waikato, Waipa, and Waitomo District Councils. The company was incorporated in December 2005.

Company Objectives

The objective of Co-Lab is to act as an 'umbrella' organisation providing Waikato local authorities with a corporate structure under which they can develop and promote shared services to other local authorities.

The constitution of Co-Lab sets out principles according to which the company will be operated and governed. This includes shareholders' rights and the appointment of directors. The company's Annual Statement of Intent identifies its activities, intentions for the year and the objectives to which those activities will contribute.

Nature and Scope of Activities

The principal nature and scope of the activity for the company is to:

- Provide shared services to all local authorities within the Waikato Region. The company also intends to sell processes and systems as set up under individual agreements to local authorities outside the Region.
- Pursue all opportunities to develop shared services that may benefit the community, either through enhanced services or reduced costs.
- Give consideration to developing shared service products which a majority of local authorities of the region believe are of value. The objective is to provide the most effective access to regional information that may be of value to the community using modern technology and processes.
- Explore all possible avenues to provide these services itself, or contract them from outside parties, each depending on a rigorous business case.

In terms of the Local Government Act 2002, Council's involvement in Co-Lab is consistent with its Appointment of Directors to CCO's Policy. Council's involvement in Co-Lab was confirmed, following public consultation through its Annual Plan 2005-06. Council at present has no formal objectives other than to maintain its current shareholding.

PRIORITY	PERFORMANCE MEASURE	TARGET	OUTCOME (PROGRESS TOWARDS TARGET)
Prioritise and develop business cases for opportunities that, if implemented, add value to councils by achieving one or more of our objectives	Business cases will include measurable benefits linked to one or more of the outcomes sought Opportunity assessments are supported by councils (evidenced by Board minutes)	Projected savings to councils of \$300k+ 75% of councils	Unable to currently measure Not Achieved
Develop opportunities and deliver	Opportunities / projects are developed / delivered within agreed timelines Opportunities / projects are developed / delivered, within	80%	Not Achieved
projects within agreed budgets and timelines	approved budget Overall company management/support functions will be undertaken within budget unless additional expenditure has the board pre-approval		Not Achieved Achieved
	Measurable benefits are actively monitored and reported against	Six-monthly	Partially Achieved. Activity remains in progress
Ensure projects realise their expected benefits	Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised)	For \$200k+ Projects (based on cost of opportunity development and ongoing investment) Within 15 months	Unable to currently measure
		quantifiable benefits are realised	Unable to currently measure
Ensure existing services are meeting the needs of councils	The services we provide (below) are considered by councils who use that service to meet or exceed their expectations (evidenced by an annual survey)	80% of councils	Achieved
Foster and promote cross-council collaboration and networking to share ideas on improving efficiencies and best practice	Across these groups, ideas for future consideration and/or initiatives are identified each year	Four per annum	Not Achieved



STATEMENT OF COMPLIANCE

COMPLIANCE

The Council of Waitomo District Council confirms that all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

RESPONSIBILITY

Council and the Management of Waitomo District Council accept the responsibility for the preparation of the annual financial statements and statements and the judgement used in them.

Council and the Management of Waitomo District Council accept the responsibility for establishing and maintaining the internal controls designed to provide reasonable assurance as to the integrity and reliability of Financial Reporting.

In the opinion of Council and the Management of Waitomo District Council, the annual Financial Statements for the year ended 30 June 2024 fairly reflect the financial position and operations of Waitomo District Council.

John Robertson **MAYOR**

Ben Smit
CHIEF EXECUTIVE

Waitomo District Council

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