



WAIMAKARIRI
DISTRICT COUNCIL

Annual Report Summary

2016/17

The year in review



*A copy of the full Annual Report is available from
waimakariri.govt.nz*

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WHERE WE SPENT YOUR RATES



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COMMUNITY OUTCOMES



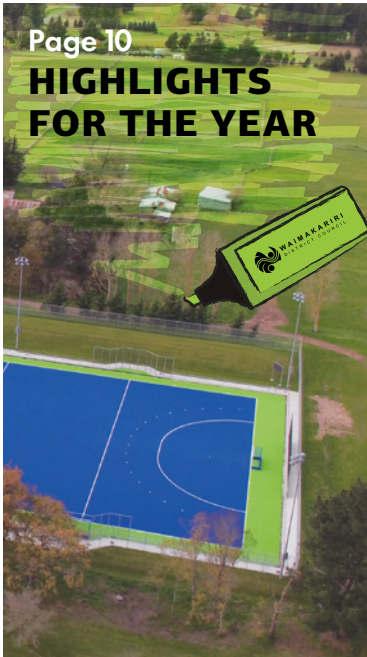
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OVERALL SERVICE PERFORMANCE RESULTS



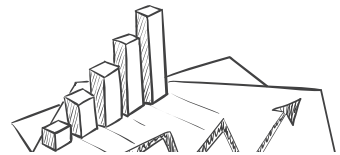
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INDEPENDENT AUDITORS REPORT



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Message from

THE MAYOR AND CHIEF EXECUTIVE

The Waimakairi District continues to be a growth council, with about 57,800 of us currently calling this District our home. Despite the slight drop in new dwelling consents this year, it is anticipated that by 2048 our population may approach 97,000 and as such planning and managing for growth remained a priority for the Council.

There were two key District Development planning projects advanced during the 2016/17 year. They were the preparation of a refreshed District Development Strategy (DDS) 2048 and the development of an accelerated review of the Waimakariri District Plan.

An early consultation document on a refreshed DDS was prepared early in the year and made public in October 2016. The DDS is a document which signals potential spatial growth directions in response to projected population change. A key piece of work underpinning this project is the development of a growth model that enables land supply and demand scenarios to be considered and incorporated into long term planning.

A number of capital projects have been undertaken this year to support the growth we are experiencing including the arterial road in West Kaiapoi, the installation of traffic lights at Southbrook/South Belt intersection, the building of a new service centre and library in Oxford to meet earthquake standards and the major upgrades of sewage treatment plants in Rangiora and Woodend. The Council has also continued to work towards ensuring full compliance with the Drinking Water Standards for New Zealand with upgrades completed for the Mandeville and Ohoka schemes.

The District Plan Review was advanced through the year and will include an e-plan application which enables the District Plan to be available online and more interactive. A series of Plan effectiveness reports have been finalised and it is anticipated that a Revised District Plan will be completed late 2019.

A major achievement this year was the completion of the Regeneration Plan for the areas that were 'Red Zoned' in Kaiapoi, the Pines Beach and Kairaki, with a significant number of our community making submissions on the Plan. This has provided the framework for the development of the regeneration areas. A Regeneration Steering Group has been established to oversee the work, which has commenced with the Council progressing the Kaiapoi riverbank enhancement projects.

To have built our first artificial hockey turf in the District this year was also a significant achievement. The turf has already hosted its first international match between the Black Sticks and the USA, and it is being very well utilised by local and regional hockey teams.

New representation arrangements for Waimakariri District were introduced in October 2016 after the Local Body Election, with three Wards and the establishment of four new community boards. There were four newly elected councillors and six councillors who returned from the last term and 13 new Community Board members across the four new Boards. The overall voter turnout for the 2016 election in Waimakariri District was 39.34 per cent, being 15,487 votes.

It is with sadness we record the passing of two of our elected representatives; Karen Eastwood (Woodend-Sefton Community Board) and Councillor Peter Allen. Both made outstanding contributions and are a significant loss to our community.



David Ayers
Mayor



Jim Palmer
Chief Executive

WHERE WE SPENT YOUR RATES

We deliver a broad range of services to our community or parts of the community in return for payment of rates.

This is a selection of the services we've provided over the year and the cost per day to you the ratepayer. These costs are based on average rates for properties where the service is provided. Where they are not provided they are not charged for.

Services funded by targeted rates include water supply, sewage disposal, drainage, rural fire, waste collection and recycling.

** Includes Administration, District Development, Civil Defence, Cemeteries, Rural Fire, Health, Animal and Building Control.*

COMMUNITY BUILDINGS



31 cents



PLANNING HEALTH AND SAFETY*



49 cents



ROADS AND FOOTPATHS



\$1.34



SWIMMING POOLS



40 cents



WASTE COLLECTION



24 cents



WATER SUPPLY



81 cents



LIBRARIES



42 cents



SEWERAGE



90 cents



PARKS



73 cents



EARTHQUAKE RECOVERY



11 cents



COMMUNITY OUTCOMES

Community Outcomes describe how Waimakariri District Council aims to achieve meeting the current and future needs of our communities with good-quality local infrastructure, providing local public services and performance of regulatory functions.

Community outcomes set the direction for our Long Term Plan (LTP) and all activities included in the 2015-2025 LTP that the Council undertakes contribute towards achieving these outcomes. The key groups of activities that contribute to each outcome are displayed.



There is a safe environment for all.

- Community Leadership
- Property Management
- Infrastructure Services
- Community Services



There are areas of significant indigenous vegetation and habitats for indigenous fauna.

- Community Services
- Council Controlled Organisations
- Community Leadership



There are wide ranging opportunities for people to contribute to the decision making by local, regional and national organisations that affects our District.

- Community Leadership



Our community's needs for health and social services are met.

- Community Leadership



Public effect is given to the spirit of the Treaty of Waitangi.

- Community Leadership



The air and land is healthy.

- Community Leadership
- Infrastructure Services



There is sufficient clean water to meet the needs of communities and ecosystems.

- Infrastructure Services



People have wide ranging opportunities for learning and being informed.

- Community Services



Public spaces and facilities are plentiful, accessible and high quality.

- Community Services



The distinctive character of our towns, villages and rural areas is maintained.

- Community Leadership
- Council Controlled Organisations



Core utility services are provided in a timely, sustainable and affordable manner.

- Infrastructure Services
- Council Controlled Organisations



People are friendly and caring, creating a strong sense of community in our District.

- Community Services
- Community Leadership



The community's cultures, arts and heritage are conserved and celebrated.

- Community Services
- Council Controlled Organisations



Businesses in the district are diverse, adaptable and growing.

- Community Leadership
- Council Controlled Organisations



Transport is accessible, convenient, reliable, affordable and sustainable.

- Infrastructure Services



OVERALL SERVICE PERFORMANCE RESULTS

In the Council's Long Term Plan 2015-2025 there are a total of 107 non-financial performance measures in place to gauge the service performance of Councils six groups of significant activities.

Non-financial performance measures have set targets to assess things like responsiveness, health and safety, timeliness and legislative compliance. They also link to and demonstrate how the activities the Council undertakes contribute to outcomes sought by the community.

During 2015/16 it was identified that some of the measures were not sufficiently reporting response times, primarily due to work completion times being incorrectly captured. An internal review was undertaken by an independent consultant to correct the data for part of the year with results being reported correctly for the fourth quarter.

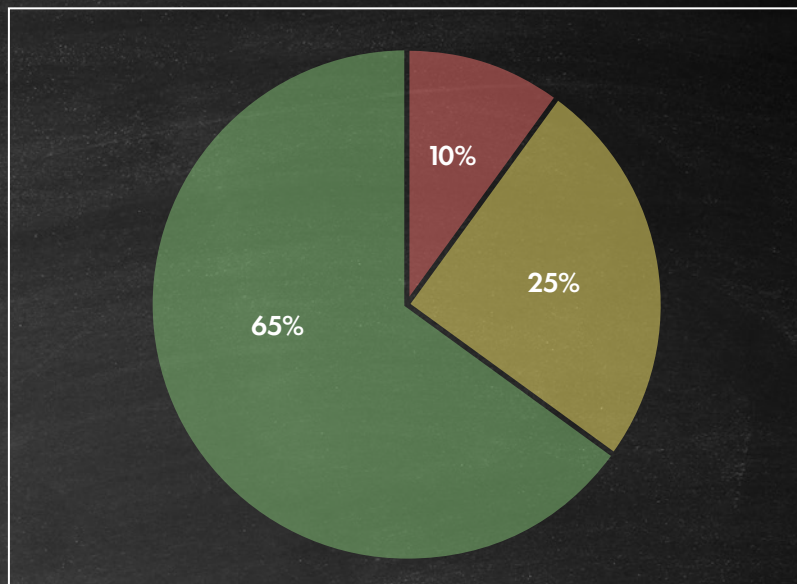
Overall results for the 2016/17 financial year have remained fairly consistent with 65 percent

of all measures achieved, the same result as 2015/16. We've seen a drop of seven percent in those measures nearly achieved and a seven percent increase in those measures not met. The majority of those measures that were not met related to service requests and response times.

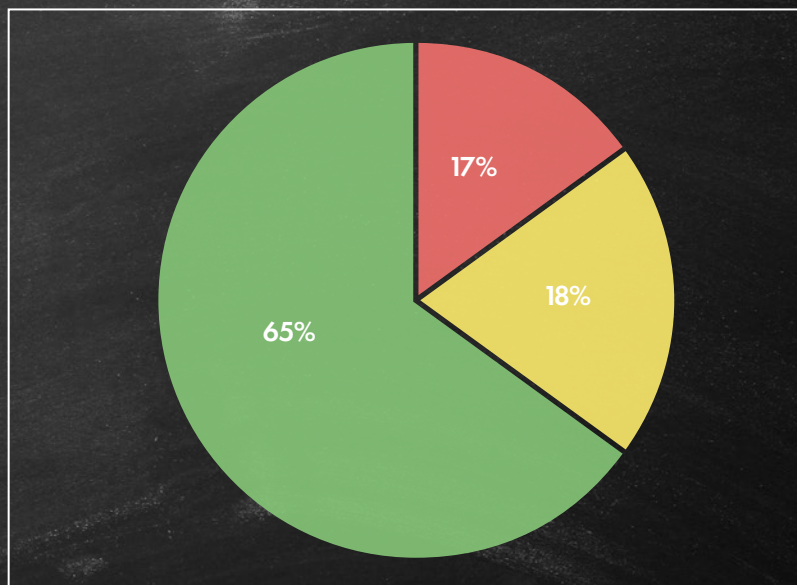
Measures that were not met:






- Community Protection - A number of service request measures were not met due to the high demand on resourcing after hours. We are currently reviewing resourcing availability during peak periods.
- Property Management - A total of 188 requests were received, 84 percent responded to within 24 hours and 81 percent actioned within 10 working days.
- Recreation - The satisfaction survey was completed in August 2017, which is outside the 2016/17 reporting year.
- Roads and Footpaths - There were two more fatalities and four more serious injury crashes compared with results for 2015/16.
- Stormwater Drainage - The response times to service requests for Rural Drainage and all other Drainage enquires did not meet targets as set in the LTP 2015-2025. However, there has been an improvement on 2015/16 results.
- Water Supply - The response time and resolution for non-urgent service requests did not meet mandatory targets as set in the LTP 2015-2025.




2015/2016



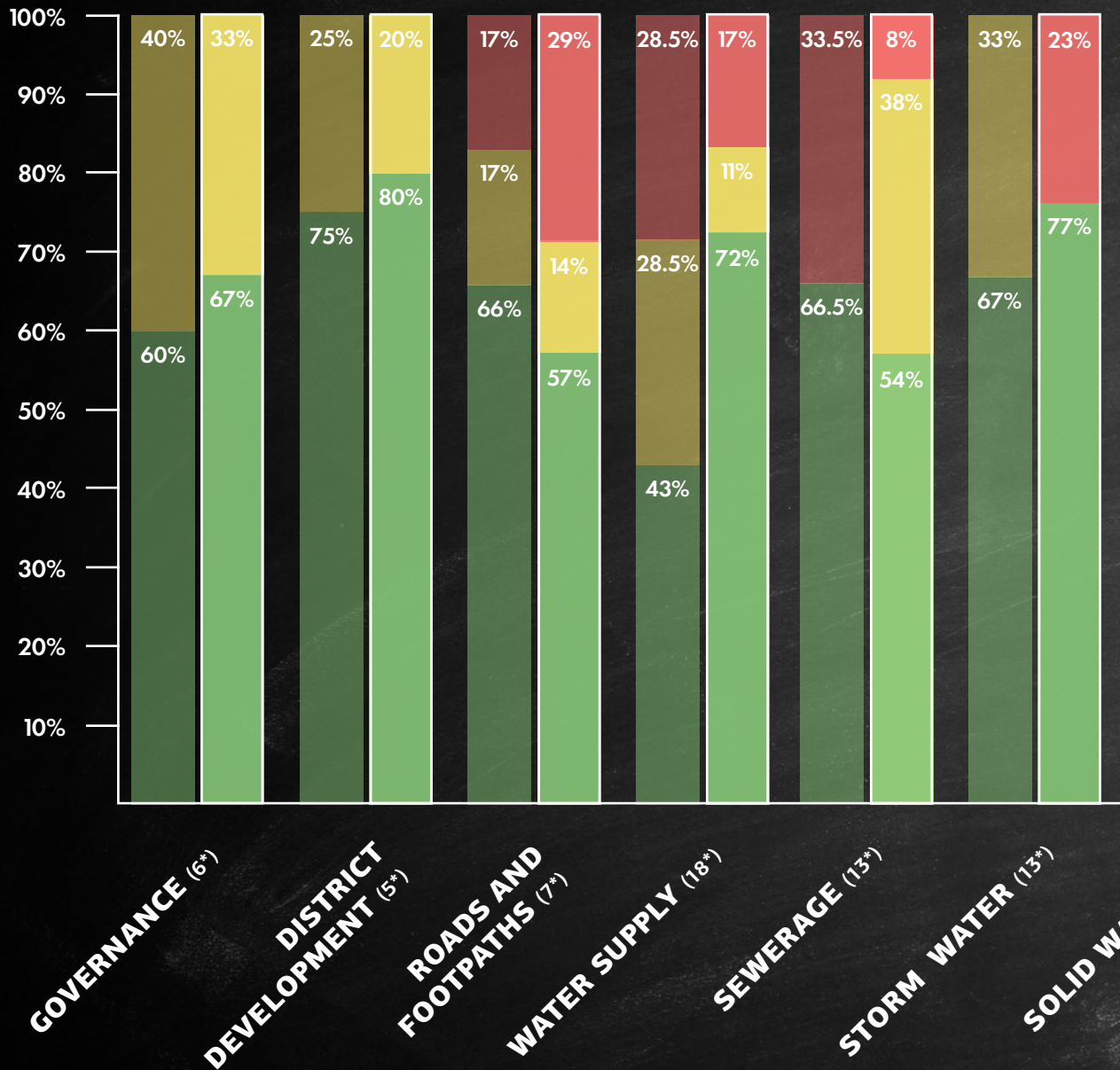
2016/2017



2015/2016   **2016/2017**   

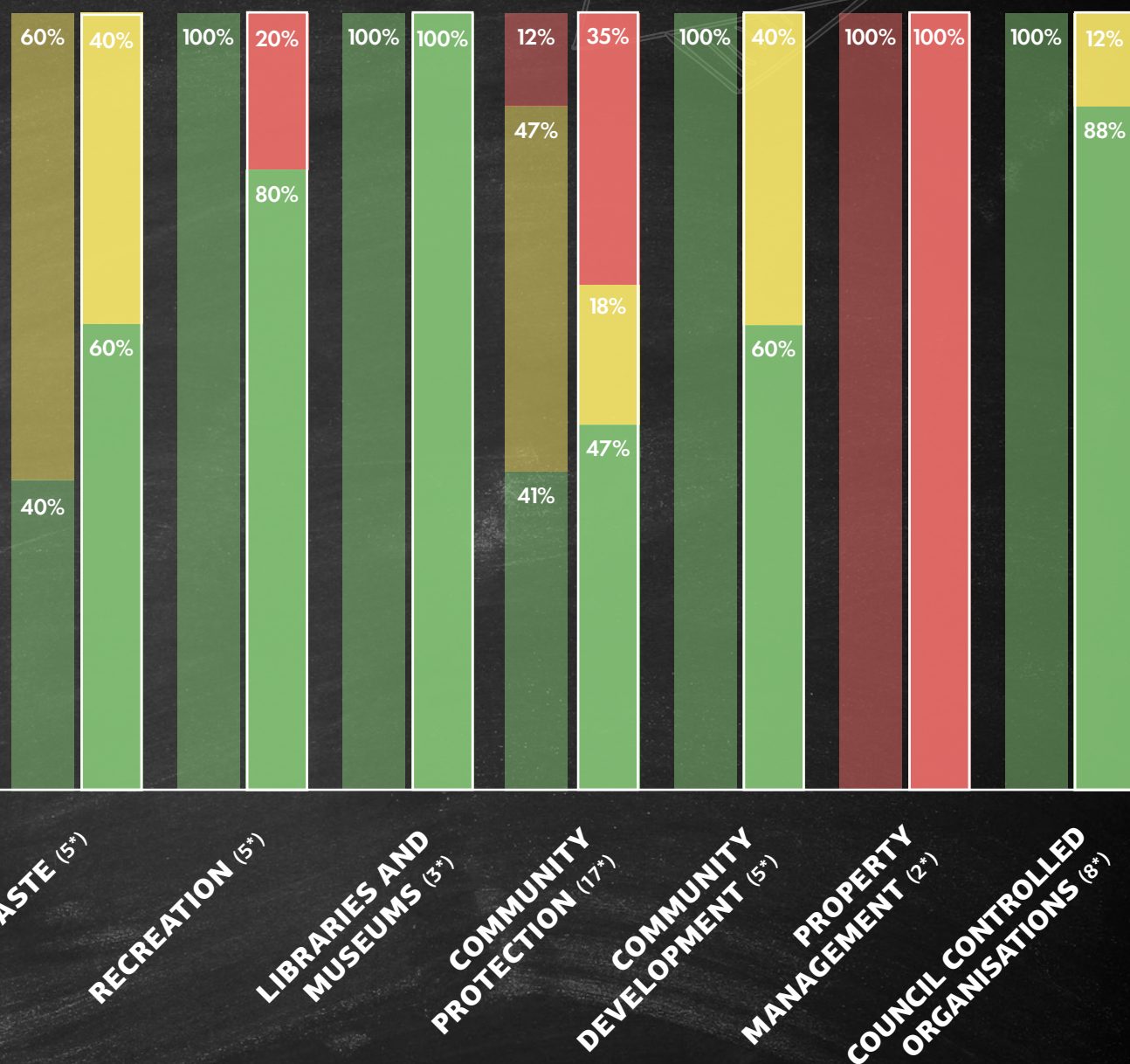
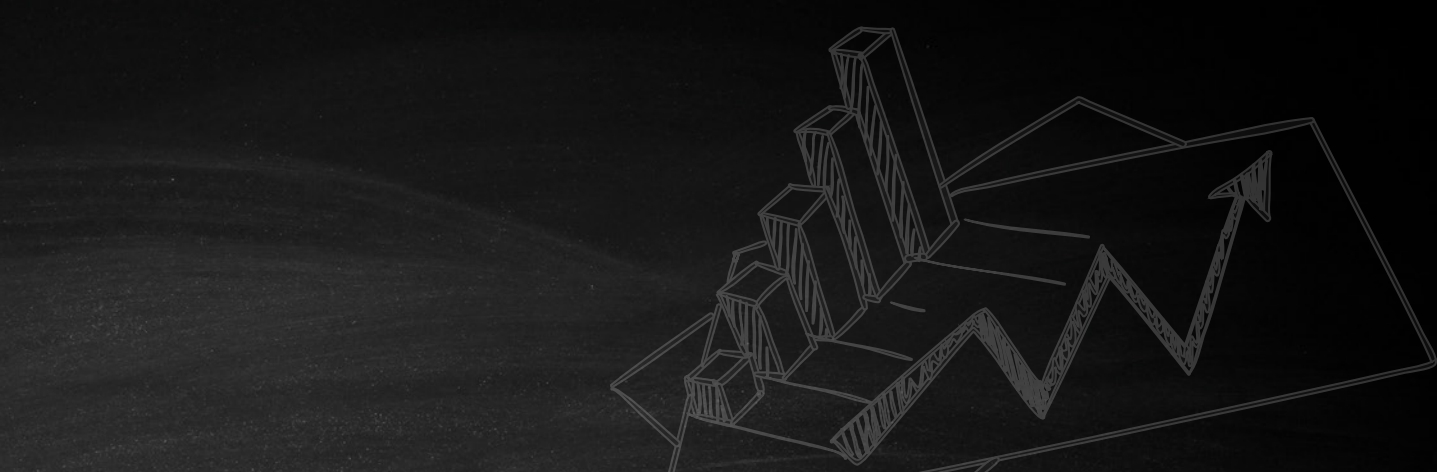
 = Met or exceeded target
 = Nearly achieved target (within 5% reach of target)
 = Not met target (variance greater than 5%)

BREAKDOWN BY ACTIVITY



2015/2016
 2016/2017
 = Met or exceeded target
 = Nearly achieved target (within 5% reach of target)
 = Not met target (variance greater than 5%)

(*) = Number of measures





Rangiora Hockey Turf, Coldstream Road

HIGHLIGHTS FOR THE YEAR





SOUTHBROOK ROAD/SOUTH BELT INTERSECTION IMPROVEMENT

Construction commenced on the installation of traffic lights at the Southbrook Road/South Belt intersection in January 2017.

The work also included significant upgrade and improvements to stormwater, sewer and watermain infrastructure. The project was completed in August 2017.



WEST KAIAPOI NEW ARTERIAL ROAD

The construction of the West Kaiapoi New Arterial Road commenced in early 2017.

It is expected the new road will be complete before the end of 2017.



OHOKA WATER

A new deep well has been successfully drilled on Mill Road and connected to the existing system.

Interim secure status has been obtained from the District Health Board



MANDEVILLE WATER

The new UV system has been constructed and is now treating water to achieve compliance with the Drinking Water Standards.

The system is still to be externally assessed by District Health Board to formally confirm compliance.



RANGIORA WASTEWATER TREATMENT PLANT

Construction work has progressed well on the new inlet pump station, aeration basin and screening facility to accommodate further growth in Rangiora.

This work is scheduled to be commissioned in December 2017.

WOODEND WASTEWATER TREATMENT PLANT

Construction work has progressed well on the two new ponds at the Woodend wastewater treatment plant and is programmed to be completed by October 2017.



RANGIORA HOCKEY TURF, COLDSTREAM ROAD

The Council completed the construction of the districts first Hockey specific artificial turf. The turf has been built next to Mainpower Oval in Rangiora and has already hosted two international games.

The turf and surrounding car park and toilet and changing room facilities are being used as part of a network of turfs in the greater Christchurch area and is the home of both the Rangiora and Kaiapoi-Hinemoa Hockey Clubs.

COMMUNITY DEVELOPMENT

The Council's Community Team have been recognised at the 10th Annual New Zealand Safe Communities Forum for 'outstanding leadership and support for Safe Communities at a national level.'

The annual forum is focused on connecting communities and improving evidence based practice in the Safe Community space.

Waimakariri District Council has been an accredited Safe Community since 1999 and was the second district awarded this status in New Zealand.



OXFORD REDEVELOPMENT

As a result of the 2010/11 earthquakes, the Oxford Service Centre and Library suffered structural damage which has prompted a rebuild.

In July 2016, the Oxford Service Centre and Library was re-located to temporary premises at the Pearson Park Pavilion. Construction was underway in late 2016. The Oxford Service Centre and Library opened to the public in September 2017.

District Growth and Development



TOWN CENTRE REGENERATION

While the earthquake of 2010 broke plenty of things, the spirit of the Waimakariri community was not amongst them. This was perhaps most obviously illustrated by the re-generation of the Kaiapoi and Rangiora town centres.

Both have emerged post-quake significantly enhanced, with modern buildings, stylish shop fronts and a retail industry that is pushing ahead.

The commercial town centres we enjoy now are a celebration of the programme of recovery and regeneration.

They are also a manifestation of our council purpose - "To make Waimakariri a great place to be, in partnership with our communities"



DISTRICT GROWTH

The Council issued consents for 621 new dwellings across Waimakariri during the last 12 months, which is consistent with the level of growth the District has experienced in recent years and relatively comparative with the 666 consents issued during 2015/16 financial year.

Kaiapoi also continues to grow, although its rate of momentum has slowed and the impact of lifestyle blocks continues to feature strongly in the District's growth.

Overall, based on building consents issued for new dwellings, district growth was slightly down by four per cent compared to the 2015/16 financial year.



DISTRICT DEVELOPMENT STRATEGY

An early consultation document on a refreshed District Development Strategy (DDS) looking out 30 years to 2048 was prepared early in the year and made public in October 2016.

The DDS is a policy document that signals potential spatial growth directions in response to projected population change. Early community and stakeholder comments were sought, along with expert background reports commissioned.

The Strategy was drafted mid-way through the year and released as a draft for public comment in June 2017. A key piece of work underpinning this project is the development of a growth model that enables land supply and demand scenarios to be considered and factored into long term planning.



RECOVERY PLAN RECOGNITION

As the implementation of the Recovery Plan's top priorities, roads and infrastructure in the Kaiapoi East and South regeneration areas was underway, it received news of national awards acknowledging the planning and community participation involved with developing the draft Waimakariri Red Zone Recovery Plan.

Along with Council's planning approach to developing the draft Recovery plan, these awards are recognition of the Waimakariri community who contributed their ideas and feedback during the Council's consultation phases for the Recovery Plan during 2015 and 2016. Community involvement ranged from primary school children through to the elderly, residents from within Kaiapoi, The Pines Beach, Kairaki and surrounding areas had their say, as did central Government, infrastructure providers, Ngai Tahu and Ngai Tūāhuriri.

KAIAPOI WHARF

Work on the redevelopment of the Kaiapoi Wharf has begun, and has seen some disruption for regular users while the strengthening and upgrades to both the wharf and the wharf side area are completed.

This project, which is being undertaken by the Waimakariri District Council in conjunction with Environment Canterbury (ECan), is part of the overall earthquake recovery and regeneration of the Kaiapoi Riverbanks area.



REGENERATION IMPLEMENTATION PLAN

A major achievement this year was the completion of the Regeneration Plan for the areas that were 'Red Zoned' in Kaiapoi, the Pines Beach and Kairaki. This has provided the framework for the development of the regeneration areas.

The first steps of the implementation are underway and began in early 2017. These involve:

- Working with the Crown (LINZ) on a Land Divestment Plan
- Preparing a timeline/schedule for regeneration area projects
- Preparing a Participation Strategy – this will highlight how the community can be involved in projects.

FINANCIALS



FINANCIAL STATEMENTS

	Group Actual 2017	Parent Actual 2017	Parent Budget 2017	Group Actual 2016	Parent Actual 2016
	\$'000	\$'000	\$'000	\$'000	\$'000
CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2017					
Financial Performance					
Total operating revenue	110,349	110,349	101,285	112,075	112,075
Finance cost	4,138	4,138	6,600	4,545	4,545
Other operating expenditure	81,377	81,377	76,472	81,651	81,651
Other gains	3,654	3,654	-	1,098	1,098
Plus Share of Associates	(102)	-	-	25	-
Net Surplus / (Deficit) before Taxation	28,386	28,488	18,213	27,002	26,977
Less Taxation expense	(349)	(349)	(75)	(217)	(217)
NET SURPLUS / (DEFICIT)	28,037	28,139	18,138	26,785	26,760
Other comprehensive revenue and expense					
Gain/(Loss) on asset revaluation	94,228	94,228	42,721	23,242	23,011
Increase/(decrease) in asset revaluation reserve due to Impairment & impairment reversal	8,451	8,451	-	11,344	11,344
Financial assets at fair value through other comprehensive revenue and expense	1,232	1,232	-	(29)	(29)
TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE	103,911	103,911	42,721	34,557	34,326
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	131,948	132,050	60,859	61,342	61,086

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2017

EQUITY AT BEGINNING OF THE YEAR	1,425,094	1,422,259	1,390,768	1,363,752	1,361,173
Net Surplus / (Deficit) for the year	28,037	28,139	18,138	26,785	26,760
Other comprehensive revenue and expense	103,911	103,911	42,721	34,557	34,326
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	131,948	132,050	60,859	61,342	61,086
EQUITY AT END OF THE YEAR	1,557,042	1,554,309	1,451,627	1,425,094	1,422,259

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

Current Assets	31,890	31,890	31,754	36,662	36,662
Non-current Assets	1,651,011	1,648,279	1,568,534	1,508,368	1,505,534
TOTAL ASSETS	1,682,901	1,680,169	1,600,288	1,545,030	1,542,196
Current Liabilities	32,318	32,318	26,760	33,702	33,702
Non-current Liabilities	93,542	93,542	121,902	86,235	86,235
TOTAL LIABILITIES	125,860	125,860	148,661	119,937	119,937
Accumulated general equity	807,263	804,988	772,583	778,490	776,114
Other reserves	6,771	6,771	5,977	5,385	5,385
Revaluation reserve	743,009	742,550	673,067	641,219	640,760
TOTAL EQUITY	1,557,042	1,554,309	1,451,627	1,425,094	1,422,259

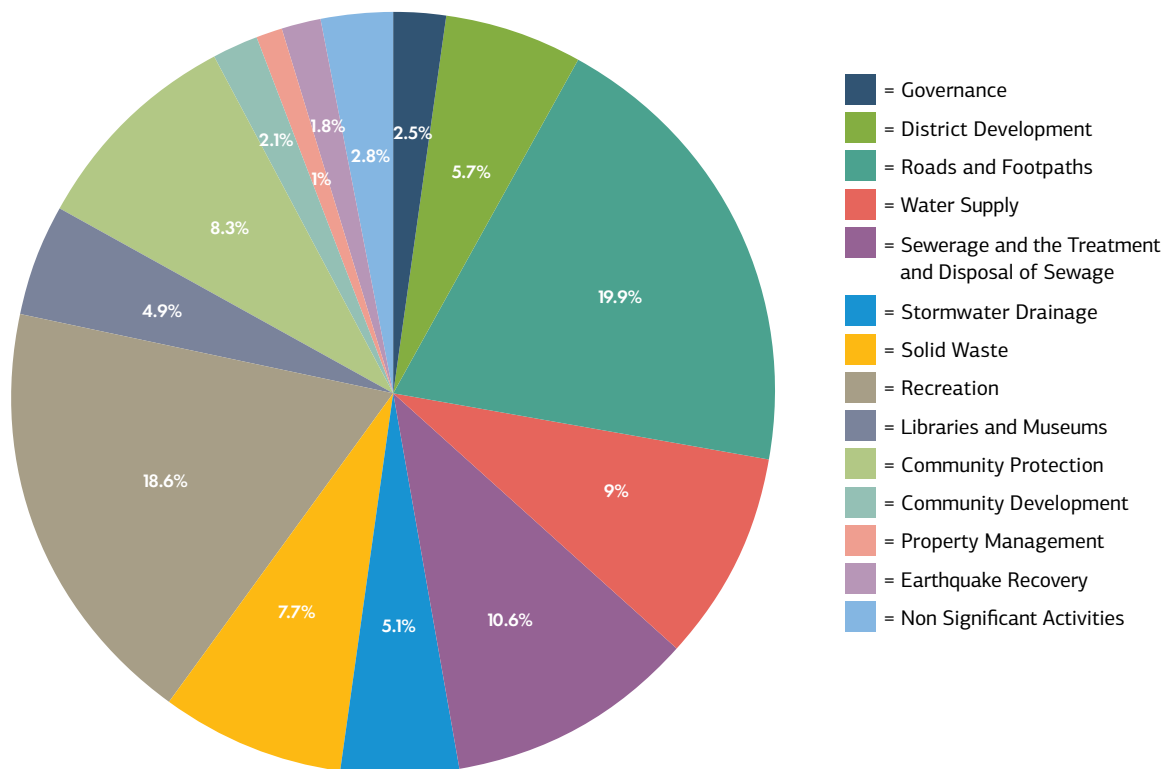
	Group Actual 2017	Parent Actual 2017	Parent Budget 2017	Group Actual 2016	Parent Actual 2016
	\$'000	\$'000	\$'000	\$'000	\$'000
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2017					
Cashflows from operating activities	30,913	30,913	21,917	31,193	31,193
Cashflows from investing activities	(41,392)	(41,392)	(54,333)	(36,437)	(36,437)
Cashflows from financing activities	5,000	5,000	30,000	15,000	15,000
NET INCREASE (DECREASE) IN CASH HELD	(5,479)	(5,479)	(2,416)	9,756	9,756
Plus opening cash balance	21,622	21,622	26,096	11,866	11,866
CLOSING BALANCE	16,143	16,143	23,680	21,622	21,622

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

EXPENDITURE SUMMARY

The chart below shows how expenditure was spread among Council's activities.

Council's total operating expenditure for 2016/17 was \$85.5m.



VARIANCES

Revenue and other gains were \$12.7 million over budget.

Other revenue was \$2.6 million over budget due to increased rates penalties, recoveries of private works, more than budgeted connection fees/lump sum contributions to connect to Council's infrastructural facilities, cash settlement from URS/OCEL for the Ocean Outfall claim and increased liquor licensing/food premises revenue.

Development Contributions received were more than budgeted by \$5.4 million. Significant subdivisions were completed in Woodend, Kaiapoi and Rangiora.

Earthquake recoveries from Government agencies were under budget by \$1.0 million due to delays in the earthquake recovery programme.

Vested assets were \$1.8m over budget mainly due to significant subdivisions completed in Woodend, Kaiapoi and Rangiora.

Other gains of \$3.7 million include valuation gains of Council's interest rate swaps, forestry assets and investment properties, which were not budgeted.

Operating expenses were \$2.4 million over budget.

Actual expenditure was \$2.4 million more than budget mainly due to unbudgeted write-off of old asset values that were subsequently replaced.

Other comprehensive revenue and expense

The Council recorded a \$94.2 million gain on asset revaluation (budget \$42.7m). As at 30 June 2017, Council revalued its roading assets, 3 waters assets and solid waste assets. Impairment has been reversed by \$8.5m. The fair value of Council's shares in Transwaste and Civic Financial Services Ltd has increased by \$1.2m.

Financial Position

Non current assets were \$79.8 million over budget as valuation movements were more than budgeted.

Derivative financial instruments were \$1.6 million over budget due to negative impact of unfavourable interest rate movements on Council's interest rate swaps.

Borrowings (Current and non-current) were \$25.0 million under budget mainly due to delay of earthquake recovery programme.

Financial Benchmarking

There are no major variances in the Council's financial performance in relation to various benchmarks which enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

FINANCIAL BENCHMARKING

Annual report disclosure statement for year ending 30 June 2017

What is the purpose of this statement?

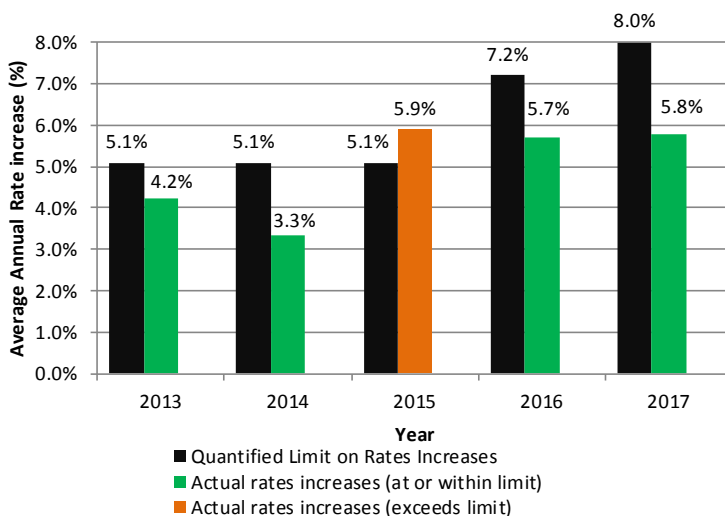
The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting Pudence) Regulation 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates (increases) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's long-term plan. The quantified limit is the average rates increase per property and the limit for each year shown is sourced from the 2012-2022 and 2015-2025 Long Term Plans.

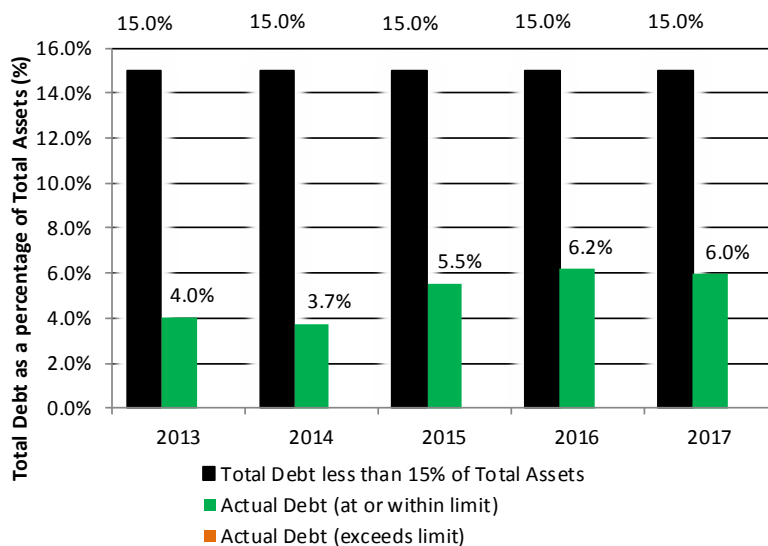
The average rates increase per property in 2013 and 2014 were less than budgeted as Council had remitted rates based on Council's rates remission policy. The average increase was more than budgeted in 2015 as the actual rating units were less than what was forecasted.



Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. 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 for the following graph is total debt as a percentage of total assets will not exceed 15%. The limits shown were sourced from the 2012-2022 and 2015-2025 Long Term Plans.



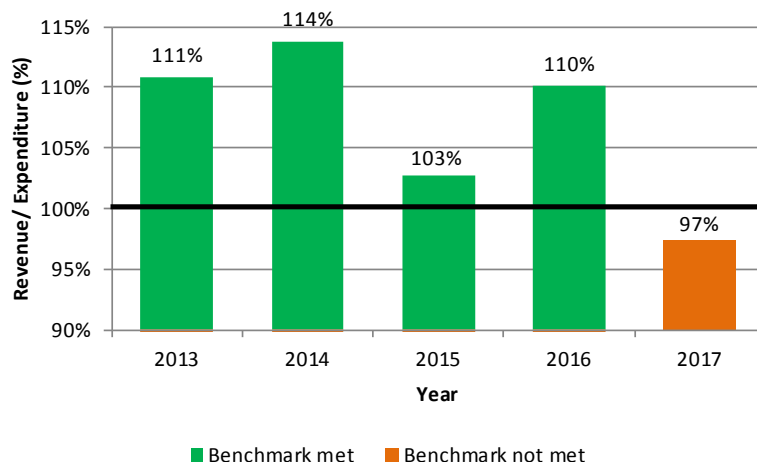
Balanced budget benchmark

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.

Council's revenue exceeded its operating expenses in 2013, 2014 and 2016 by over 10% mainly due to insurance recoveries for earthquake works.

Council's operating expenses exceeded its revenue in 2017. Council considered rate affordability by smoothing the rates increase caused by the earthquake events to outer years. Also depreciation is not fully funded due to the depreciation fund able to be invested at a higher rate than inflation over the useful life of assets.

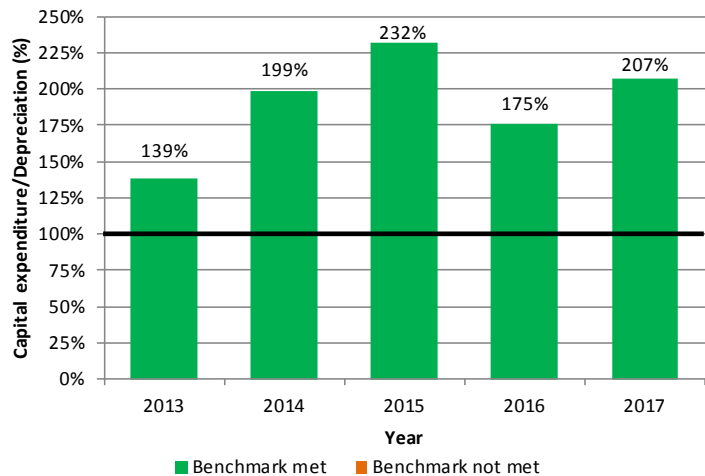


Essential services benchmark

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.

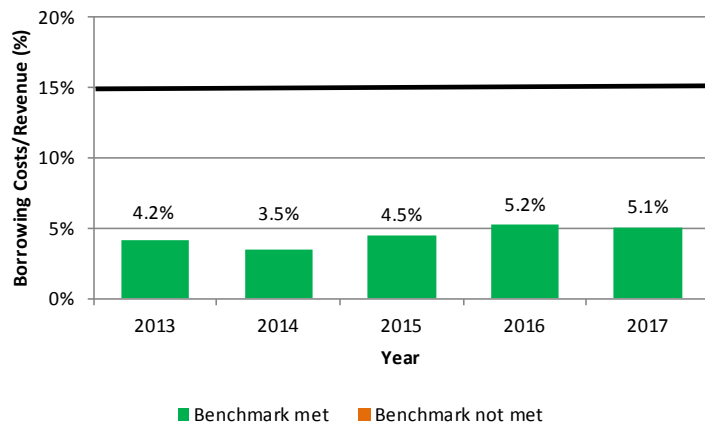
The Council expenditure on network services excludes earthquake repairs/replacements but includes new/growth works.



Debt servicing benchmark A

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).

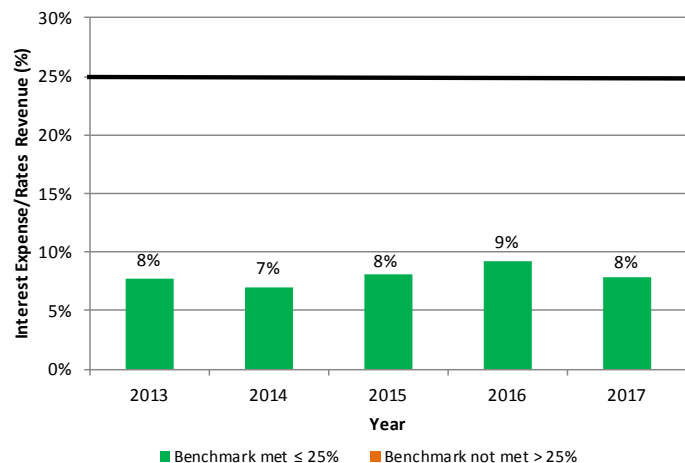
Because Statistics New Zealand projects the Council's population will grow as fast as, or faster than, the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.



Debt servicing benchmark B

The following graph compares Council's interest expense with the rates revenue and the limits were sourced from the 2012-2022 and 2015-2025 Long Term Plans.

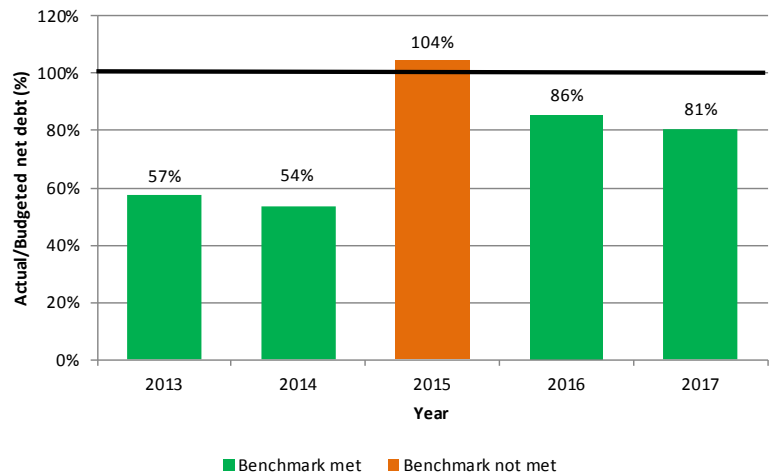
The Council meets this benchmark if interest expense as a proportion of rates revenue does not exceed 25%.



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 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.

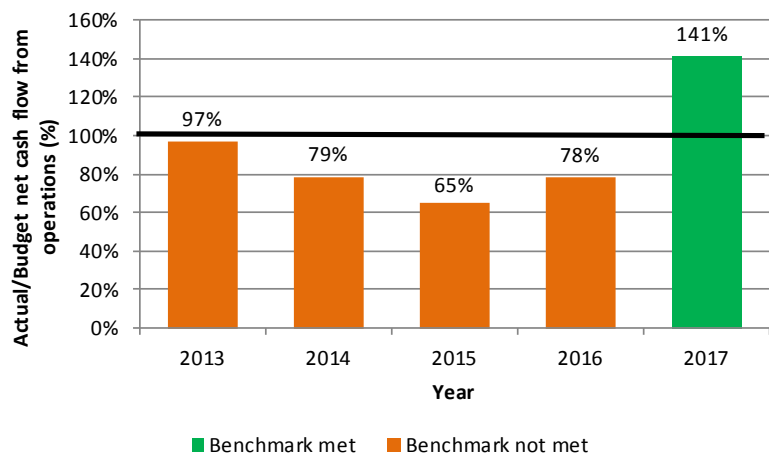
The benchmark was not met in 2013 due to less than budgeted earthquake recoveries from insurance and Canterbury Earthquake Recovery Authority (CERA).

In 2014 Council received less NZTA subsidies compared to the budget due to delayed progress of some roading capital projects for example, the new Ashley Bridge project.

In 2015 the benchmark was not met as delays in the Earthquake recovery programme reduced the cash received from Canterbury Earthquake Recovery Authority (CERA).

In 2016 Council received less NZTA subsidies compared to the budget due to delay of roading capital programme.

In 2017 Council received more development and other contributions compared to the budget due to subdivisions completed in Rangiora, Kaiapoi and Woodend.



FINANCIAL OVERVIEW

Under the provisions of the Local Government Act (LGA) 2002 (s.101) Council is required to manage its revenues, expenses, assets, liabilities, investments and general dealings prudently and in a manner that promotes the current and future interests of its community.

The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses (breakeven).

The Annual Report shows that Council recorded a net surplus before taxation for the year ended 30 June 2017 of \$28.5 million, which was \$10.3 million more than budget. The surplus was \$27.0 million for the 2015/16 financial year.

The major variations from budget are below.

The Council's net surplus before taxation was \$10.3 million more than budget. Development and other contributions received were over budgeted due to significant subdivisions completed in Rangiora, Kaiapoi and Woodend.

The Council's borrowings as at 30 June 2017 were \$100.0 million (\$95.0 million in 2016/17). This compares with a budget of \$125.0 million. Borrowings were less than budget due to the delay of the earthquake recovery programme.

SPECIFIC DISCLOSURES

The specific disclosures in the summary financial statements have been extracted from the full financial statements. The full financial statements were authorised for issue by Council on 24 October 2017.

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

The full financial statements have been prepared in accordance with Tier 1 Public Benefit Entity (PBE) accounting standards.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.

The summary financial statements are in compliance with Public Benefit Entity Financial Reporting Standard 43 (PBE FRS 43).

An unmodified audit opinion was given on the full Annual Report by Audit New Zealand.

You can find a copy of the full Annual Report on the Council's website: waimakariri.govt.nz.

EVENTS AFTER BALANCE DATE

Rural Fire functions were transferred to the newly established government organisation, Fire Emergency New Zealand (FENZ) on 1 July 2017.

All the Council assets that are associated with the functions and responsibilities for Rural Fire were made available or transferred to FENZ from 1 July.

FENZ need to have access to the operational response assets of rural fire to operate effectively from 1 July 2017.

All land & buildings and non-mobile assets will be available for use on the same basis until formal leases and transfers are able to be determined. This primarily relates to the rural fire buildings located at Pines Beach and Waikuku Beach.

The carrying value of assets to transfer or be made available is \$1,543,230.

It is with sadness that Councillor Peter Allen passed away in late August. A by-election for the Rangiora-Ashley Ward (Councillor) will be held and the new member will be sworn into the Council in late January and the Rangiora-Ashley Community Board at its February meeting.

PRIOR YEAR ERROR CORRECTION

The Council has adjusted its comparative year financial statements for the year ended 30 June 2016 for the correction of the prior period errors.

During 2016/17, the Council identified assets (not captured in the system) that were vested to Council in 2015/16 and prior to 30 June 2015. The list of vested assets missed is shown in the table A.

VESTED ASSETS - TABLE A

		Period to adjust to	
	Value \$'000	1/07/2015	2015/16
Water	3,174	3,174	-
Sewer	5,787	5,787	-
Drainage	9,593	9,593	-
Roading	1,569	298	1,271
	20,123	18,853	1,271

For details, please refer to Note 32 of 2016-17 Annual Report.

In addition, the Council has identified development contributions that were not recorded in the right period.

The adjustments were shown in table B.

DEVELOPMENT CONTRIBUTIONS - TABLE B

Period to adjust to

	Value \$'000	1/07/2015	2015/16
Recreation	2,330	1,995	335
Water	330	330	-
Sewer	506	506	-
Drainage	743	743	-
Roading	232	232	-
	4,142	3,807	335

For details, please refer to Note 32 of 2016-17 Annual Report.

INDEPENDENT AUDITORS REPORT

To the readers of Waimakariri District Council and group's summary of the annual report for the year ended 30 June 2017

The summary of the annual report was derived from the annual report of the Waimakariri District Council (the District Council) and group for the year ended 30 June 2017.

The summary of the annual report comprises the following summary statements on pages 6 to 20 and 25 to 27:

- the summary statement of financial position as at 30 June 2017;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2017;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision.

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2017 in our auditor's report dated 24 October 2017.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

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

Other than in our capacity as auditor, we have no relationship with, or interests in the District Council.

A handwritten signature in blue ink, appearing to read 'John Mackey', with a stylized flourish extending to the right.

John Mackey,

Audit New Zealand

On behalf of the Auditor-General Christchurch, New Zealand

24 October 2017





WAIMAKARIRI
DISTRICT COUNCIL

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