



FRONT COVER

# **Ashburton District Council**

## **Annual Report 2023/24**

[inside cover ]

**Ashburton: The district of choice for lifestyle and opportunity**

**Hakaterere: Te rohe ka whiria mō te āhua noho, me te hapori**

**It's Our Place**  
**[itsourplace.nz](http://itsourplace.nz)**

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## KIA ORA KOUTOU, WELCOME

### 2023/24 HAS BEEN A YEAR MARKED BY THE COMPLETION OF MAJOR PROJECTS AND STRONG COMMUNITY ENGAGEMENT

The highlight of the year was the eagerly anticipated completion of Te Whare Whakaterere, the district's new library and civic centre. The library opened its doors to an excited community in January 2024, with Council and staff moving in shortly after. Since the opening, Te Whare Whakaterere has been a vibrant hub in town and a welcoming venue for the community to engage with Council. Whether this is to present at a Council hearing in Hine Paaka, the Council Chamber, or to join a 'Wonky Donkey' performance in the library event space. It was with much pride that we learnt that the sustainability and energy-saving features of Te Whare Whakaterere had been recognised at national industry awards, where it was awarded an excellence in the Sustainable Building Property Award, and a merit in the Civic, Health and Arts Property Awards.

The new coalition government, following the October 2023 general elections, has launched an extensive programme of legislative changes, including the repeal of the Three Waters legislation, which has its ongoing impact on our working programme. We continue to provide our feedback on the reforms and advocate for our community needs.

2023-2024 saw a continuing rise in cost of living and this was one of the topics voiced by our community during the 2024-34 Long Term Plan consultation. Following a strong community engagement

programme, 1,522 submissions were received from individuals and organisations, with feedback on the highlighted key decisions and other issues. The input was extremely valuable to get the balance right for the decisions we had to make for the future of our District.

One of the other issues highlighted was the importance of the second bridge across the Ashburton River. The current Government announced for the bridge to be among key road transport projects and Council remains committed to seeing the bridge built.

Fixing potholes continued to be a priority throughout the year and despite not yet meeting our targets, we were pleased to see a significant increase in the satisfaction of both our sealed and unsealed roads in our annual resident's survey.

A new chapter for Methven was the completion of the new water treatment plant in September 2023. The asset, using membrane treatment technology, should bring an end to boil water notices after storm events. In Mt Somers, the construction of the new water treatment plant also started, and this was opened in August 2024.

The growth of our district is reflected in the ongoing demand of our regulatory and planning services, with our building team issuing 502 building consents, 187 resource consents, approving 78 subdivision plans and the processing of a significant number of Kainga Ora housing redevelopments.

## PICTURE SPREAD TOP half LANDSCAPE page 4 + 5-

L1

Over the summer months Lake Hood has been battling with an algal bloom, leading to health warnings that prevented an optimum use of the lake. We remained in close contact with the Lake Hood residents and Council has purchased a weed harvester and started works on the construction of a channel to support water quality improvements. Water fun at Lake Hood was guaranteed for the brave with the opening of the jumping platform in April.

In March 2024 the Council's first Biodiversity Strategy was adopted, outlining the direction and actions for the community and council to work together on preserving the remnants of indigenous biodiversity in the Ashburton District.

Locals and visitors to our district have two new sites to visit with the opening of the Ng King Community and Heritage Park in Ashburton and the special Matariki viewing platform in the Rakaia Gorge, where you can admire the Matariki star cluster in the night sky. The Glow in the Park event moved to the Ashburton Domain and attracted more than 40,000 visitors in a successful third edition.

Financially, this year resulted in a surplus of \$10.8 million before taxation and other comprehensive income. Total revenue was \$12.7 million above a budget of \$92 million. This was mainly due to increased income from subsidies and grants.

Our financial performance this year has seen us meet the goals of our Financial Strategy which focuses on prudence, stability, service and planning for the future. We also met all ten goals of the government's mandatory financial affordability performance benchmarks.

Finally, we would like to thank our elected members, staff, contractors and the many volunteers for their hard work, expertise and commitment. We cannot properly reflect on the past year without acknowledging all these people for their ongoing efforts to make ASHBURTON THE DISTRICT OF CHOICE FOR LIFESTYLE AND OPPORTUNITY – HAKATERE: TE ROHE KA WHIRIA MO TE AHUA NOHO, ME TE HAPORI.

WE LOOK FORWARD TO WORKING TOGETHER IN 2024/25 AND BEYOND



**NEIL BROWN**  
MAYOR



**HAMISH RIACH**  
CHIEF EXECUTIVE

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# PART 1: OVERVIEW

# WHAT IS AN ANNUAL REPORT?

EACH YEAR WE PRODUCE AN ANNUAL REPORT TO LET OUR COMMUNITY KNOW HOW WE PERFORMED AGAINST OUR BUDGET AND WORK PROGRAMME.

The report considers the following:

- did we do all we said we would do?
- did we meet our budgets?
- did we perform as expected?
- did we contribute to improvements in the overall well-being of our district?

Our targets for the year are set through either the Long-Term Plan or Annual Plan, for our:

- forecast income and expenditure;
- planned work programmes; and
- level of service provided to the community.

Any variations to what was forecast are outlined and explained.

This Annual Report details our performance achieved against the targets and work programmed in the Annual Plan 2023/24 (Year 3 of the Long-Term Plan 2021-31).



## VIEW OUR PLANNING AND REPORTING DOCUMENTS

### On our website



[ashburtondc.govt.nz](https://ashburtondc.govt.nz) > District > Plans, Reports and Strategies



### In hardcopy

Te Whare Whakatere  
Council Services  
2 Baring Square East, Ashburton

Methven iSITE Information Centre  
160 Main Street, Methven

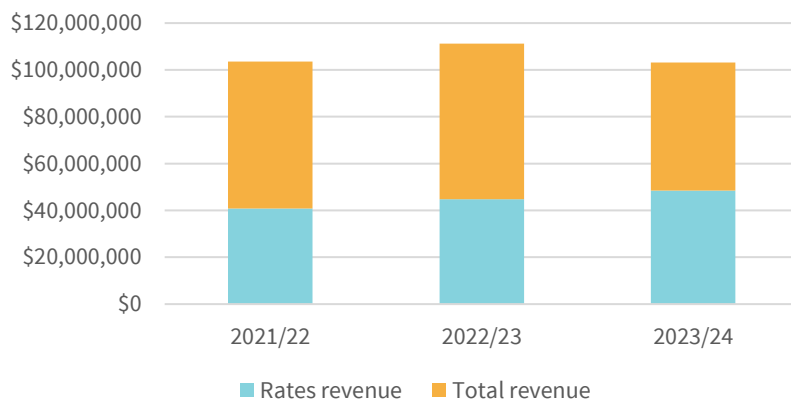
# OUR DISTRICT

OUR DISTRICT’S POPULATION IS ESTIMATED TO BE **36,800**, OF WHICH ABOUT **20,800** LIVE IN THE TOWN OF ASHBURTON.

<p><b>6,190 km<sup>2</sup></b> area of our district</p>	<p><b>442 ha</b> of parks and open spaces</p>	<p><b>271 ha</b> of sports parks</p>	<p><b>30</b> neighbourhood playgrounds</p>
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WE HAVE 2,691 KM OF ROADS ACROSS THE DISTRICT, MADE UP OF 1,525 KM OF SEALED AND 1,166 KM OF UNSEALED ROAD.

WE ALSO HAVE 189 BRIDGES, 261 KM OF FOOTPATHS AND 9.8 KM OF CYCLEWAY.



THE DISTRICT WAS LAST VALUED IN **JULY 2021**, WITH **16,102** RATEABLE PROPERTIES AS AT 1 JULY 2023.

THE TOTAL RATEABLE VALUE IS **\$20,447,146,150** WITH AN AVERAGE RATEABLE VALUE OF **\$1,270,899** – 0.08% MORE THAN THE PREVIOUS YEAR.

**11**  
Council owned water supplies

**527 km**  
water pipes

**208 km**  
wastewater pipes

**43 km**  
stormwater pipes

**1,424 km**  
stockwater races

# OUR STRATEGIC DIRECTION

OUR STRATEGIC DIRECTION INCLUDES A VISION, COMMUNITY OUTCOMES AND GUIDING PRINCIPLES.

Our vision is the overall, future focussed goal we are working towards.

Community outcomes also look to the future and take a ‘whole-of-community’ view. They integrate social, cultural, environmental and economic well-being.

We aim to contribute to these outcomes in every activity that we deliver. However, we cannot achieve

these alone. We will continue working with numerous organisations (e.g. health, business, environmental, community, government departments) who also contribute towards these outcomes through the activities and services they provide.

Our guiding principles set out how we will function and deliver activities and services to our community.

## THE FOUR WELL-BEINGS

The Local Government Act 2002 (LGA) defines our power and responsibilities. The purpose of local government is:

- to enable democratic local decision-making and action by, and on behalf of, communities; and
- to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future (we call these the four-well-beings).

For all the activities in this Annual Report we indicate how the work contributed to the relevant well-being(s):

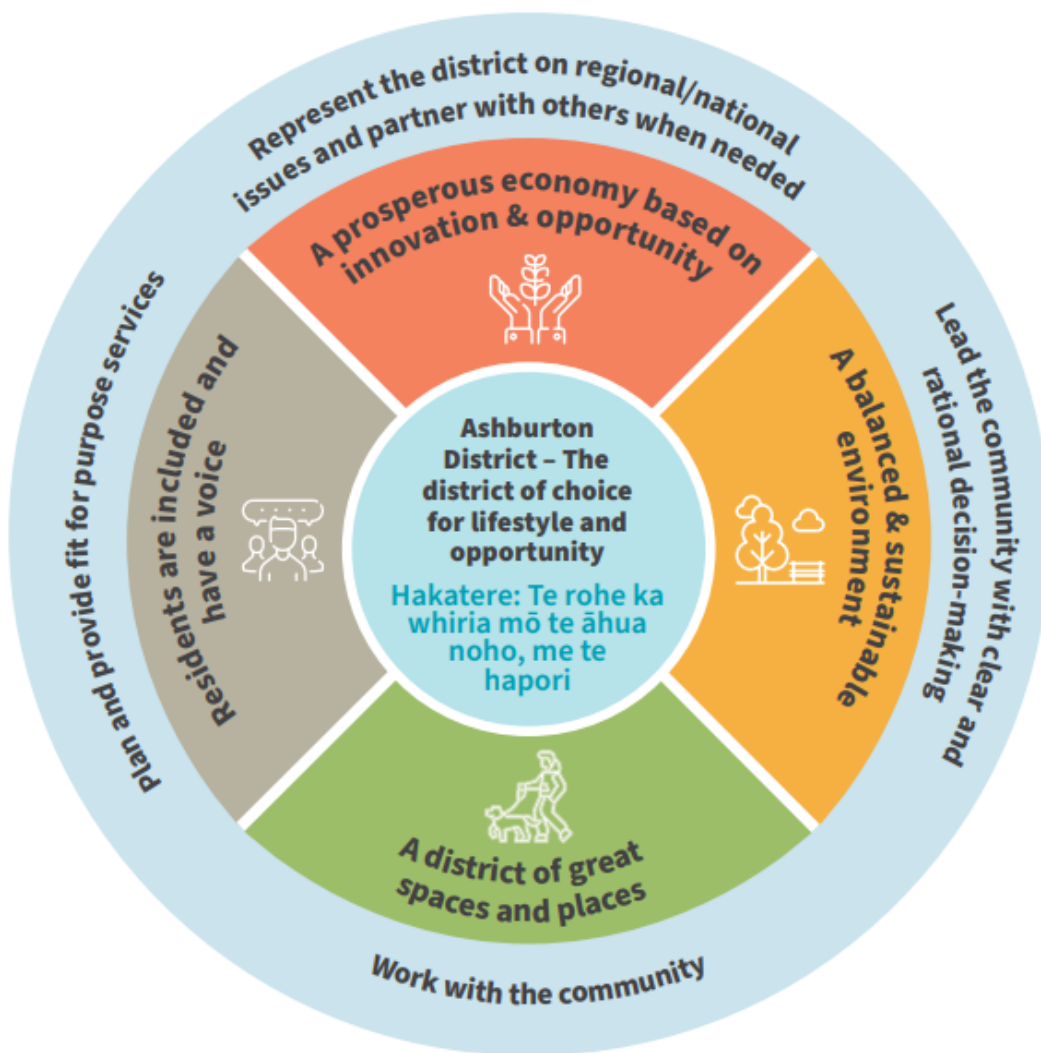
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Social well-being	Economic well-being	Environmental well-being	Cultural well-being
Involves individuals, their families, whanau, hapu, iwi, and a range of communities being able to set goals and achieve them, such as education, health, the strength of community networks, financial and personal security, equity of opportunity, and rights and freedoms.	Whether the economy can generate the employment and wealth necessary to provide many of the requirements that make for social well-being, such as health, financial security, and equity of opportunity.	Whether the natural environment can sustainably support the activities that constitute healthy community life, such as air quality, fresh water, uncontaminated land, and control of pollution.	The shared beliefs, values, customs, behaviours and identities reflected through language, stories, visual and performing arts, ceremonies and heritage that make up our communities.

OUR VISION


# ASHBURTON : THE DISTRICT OF CHOICE FOR LIFESTYLE AND OPPORTUNITY

HAKATERE: TE ROHE KA WHIRIA  
MŌ TE ĀHUA NOHO, ME TE HAPORI



## OUR COMMUNITY OUTCOMES

We monitor progress against our Community Outcomes. This provides information on how the District is going and trends that may influence our activities and performance, including those outside our control. We do not set targets for community outcomes, rather we monitor trends over the last three years.

 <b>Residents are included and have a voice</b> <b>Ka whai wahi, ka whakaputa korero ka kainoho</b>				
<p>Our community feels a sense of belonging, inclusion, and social connectedness. We celebrate our identity, heritage and cultural diversity. We are an organisation that collaborates with partners and engages in two-way dialogue with our communities in order for them to have the opportunity to influence local outcomes and decisions, and to gain a sense of ownership of our plans, strategies and decisions.</p>				
HOW WE MEASURE SUCCESS	2021/22	2022/23	2023/24	Trend
Residents feel a sense of community with others in their neighbourhood	91%	89%	89%	→
Residents feel they have opportunities to have their say on Council business	86%	90%	89%	↘
Residents believe they can influence Council decision-making	63%	64%	61%	↘
Numbers responding to consultations	1,098	549	2,659	↗
Numbers participating in local elections <i>(Local Body Elections are held once every three years, two most recent elections held in 2019 and 2022).</i>	N/A	2022: 51% 2019: 55%	N/A	



### A prosperous economy built on innovation and opportunity

He ohaka whai rawa I ruka I te aroka hou me te whai aheika

We are a welcoming, enabling and business friendly district that encourages local economic development. We provide opportunities for people of all ages and at all phases of life to enjoy a quality of living within our district that is economically sustainable and affordable. We recognise and manage the effects of population growth and actively promote the district as a destination of choice. We value the role our district's natural, cultural and social assets play in supporting economic development.

HOW WE MEASURE SUCCESS	2021/22	2022/23	2023/24	Trend
Housing affordability index <sup>1</sup>	5.3	5.0	5.1	↗
Rental affordability index <sup>2</sup>	18.9%	19.6%	19.9%	↗
District GDP <sup>3</sup>	\$2,803m	\$2,878m	\$2,860 (0.6% down)	↘
Unemployment rate <sup>4</sup>	2.4%	2.2%	3.0%	↗
Tourism spend <sup>5</sup>	\$211m	\$247m	\$271	↗

<sup>1</sup> <https://qem.infometrics.co.nz/ashburton-district/housing/housing-affordability?compare=new-zealand,canterbury-region>


<sup>2</sup> <https://qem.infometrics.co.nz/ashburton-district/housing/rental-affordability?compare=new-zealand,canterbury-region>

<sup>3</sup> <https://qem.infometrics.co.nz/ashburton-district/economic/gdp>

<sup>4</sup> <https://qem.infometrics.co.nz/ashburton-district/labour-market/unemployment-rate?compare=new-zealand,canterbury-region>

<sup>5</sup> <https://qem.infometrics.co.nz/ashburton-district/economic/tourism-expenditure?compare=new-zealand,canterbury-region>






## A balanced & sustainable environment

### He taiao toitu

We are proud of our natural and built environments. We sustainably manage our environment and natural resource to ensure they can be enjoyed now and by future generations and recognise the vital role these play in sustaining our district. We actively support improving the health of our district's rivers, lakes and waterways. Our unique landscapes and indigenous biodiversity are valued. Waste reduction, recycling, energy conservation and efficiency, and water conservation are a part of how we all live.

HOW WE MEASURE SUCCESS	2021/22	2022/23	2023/24	Trend
Resident satisfaction with the state of the district's environment and biodiversity	85%	89%	87%	↘
Resident satisfaction with Council's activity to care for the district's environment and biodiversity	84%	88%	87%	↘
Council meets its resource consent conditions for consents held (e.g. water abstraction, wastewater discharges)	91%	98%	96.6	↘



## A district of great spaces and places

### He tiriwa pai, he wahi pai I tenei takiwa

Our community feels a sense of pride from living in our district. We have safe, vibrant and thriving communities. We recognise and cater for the range of generations within our community. Our district is well connected, and our social and recreational facilities enable people to enjoy positive healthy lifestyles. Our facilities and infrastructure are planned and developed to meet current and future needs.

HOW WE MEASURE SUCCESS	2021/22	2022/23	2023/24	Trend
Resident satisfaction with range of community facilities	91%	94%	92%	↘
Resident satisfaction with the general lifestyle opportunities available in our district	95%	93%	95%	↗

# WORKING WITH MĀORI

Ngāi Tahu has a unique relationship with Council as partners through Te Tiriti o Waitangi (the Treaty of Waitangi) and supporting legislation. Council is committed to meeting our obligations under Te Tiriti and other legislation, and ensuring that engagement is meaningful and leads to positive outcomes for Māori.

The Local Government Act 2002 provides principles and requirements for local authorities that intends to recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi, and to maintain and improve opportunities for Māori to participate in decision-making processes. While the LGA relates to all Māori, it is recognized that within the Canterbury region, Ngāi Tahu are the tangata whenua. Ashburton District falls within the rohe of Ngāi Tahu papatipu rūnanga – Te Rūnanga o Arowhenua, Te Ngāi Tūāhuriri Rūnanga and Te Taumutu Rūnanga.

In addition to the Local Government Act obligations, the Ngāi Tahu Claims Settlement Act 1998 includes confirmation of the ability for Ngāi Tahu to express its traditional kaitiaki relationship with the environment.

The Resource Management Act 1991 (RMA) recognises Ngāi Tahu interests in ancestral lands, water sites, wāhi tapu, flora and fauna, and other taonga as matters of national importance. The RMA requires Council to have particular regard to kaitiakitanga and iwi environmental management plans and to take into account the principles of Te Tiriti. The RMA further recognises Māori interests in natural and physical resources and contains specific requirements for consulting and working with tangata whenua.

Council recognises Aoraki Environmental Consultancy (AEC) as the assigned organisation for Arowhenua Rūnanga, for matters relating to the natural environment. Council will engage with AEC in the first instance.

Council is committed to having a successful and enduring partnership with Mana Whenua as we know that it is important to seek the expertise and wisdom of those with inherited kaitiaki responsibilities and mātauranga.

# YOUR ELECTED REPRESENTATIVES FOR 2023/24

[Council – redesign to portrait layout]

## COUNCIL

### Mayor



**Neil Brown**

P 307 7765 | M 027 301 6018  
mayor@adc.govt.nz

### Western Ward



**Deputy Mayor Liz McMillan**

M 021 708 013  
Liz.McMillan@adc.govt.nz



**Cr Rob Mackle**

M 027 456 6872  
Rob.Mackle@adc.govt.nz

### Eastern Ward



**Cr Lynette Lovett**

M 027 435 9619  
Lynette.Lovett@adc.govt.nz



**Cr Richard Wilson**

M 027 274 3477  
Richard.Wilson@adc.govt.nz

### Ashburton Ward



**Cr Leen Braam**

P 307 2330 | M 027 436 2636  
Leen.Braam@adc.govt.nz



**Cr Carolyn Cameron**

M 021 729 098  
Carolyn.Cameron@adc.govt.nz



**Cr Tony Todd**

M 027 436 8256  
Tony.Todd@adc.govt.nz



**Cr Phill Hooper**

M 027 464 6805  
Phill.Hooper@adc.govt.nz



**Cr Russell Ellis**

M 027 438 0112  
Russell.Ellis@adc.govt.nz

METHVEN COMMUNITY BOARD

 <p><b>Kelvin Holmes</b> P 302 8882   M 021 225 4355 Kelvin.Holmes@adc.govt.nz</p>	 <p><b>Richard Owen</b> M 027 809 2261 Richie.Owen@adc.govt.nz</p>	 <p><b>Megan Fitzgerald</b> M 027 262 1602 Megan.Fitzgerald@adc.govt.nz</p>
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 <p><b>Robin Jenkinson</b> M 027 484 1112 Robin.Jenkinson@adc.govt.nz</p>	 <p><b>Allan Lock</b> M 027 201 9137 Allan.Lock@adc.govt.nz</p>
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SUPPORTED BY THE TWO WESTERN WARD COUNCILLORS:

*Western Ward*

 <p><b>Deputy Mayor Liz McMillan</b> M 021 708 013 Liz.McMillan@adc.govt.nz</p>	 <p><b>Cr Rob Mackle</b> M 027 456 6872 Rob.Mackle@adc.govt.nz</p>
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[photo page P1]

# OUR ORGANISATION

This year we have updated our Organisational Values to include the te reo Māori translation.

## Our Purpose & Values

Supporting our communities to thrive by working together to provide services and places for people to **connect, grow, live, work and play.**

[CHANGE WHITE TEXT TO BLACK]



Ka mahi tika ai tātou

- ✓ Build trust by communicating openly and acting with integrity
- ✓ Apply a customer lens to everything we do
- ✓ Make responsible decisions by balancing different needs
- ✓ Plan for our future and think sustainably
- ✓ Take responsibility and "own" our roles



Ka whakarite ai tātou

- ✓ Know our stuff and encourage knowledge sharing and professional growth
- ✓ Learn from our successes and mistakes
- ✓ Aim to improve and innovate by questioning the status quo & bringing ideas to life
- ✓ Focus on solutions
- ✓ Follow through with our commitments



Pakihiwītahi ai tātou

- ✓ Collaborate and tackle challenges together
- ✓ Work with and for our communities
- ✓ Think about how our work impacts others
- ✓ Acknowledge and celebrate our achievements
- ✓ Value and encourage social connections



Kauanuanu ana ngā reo ai tātou

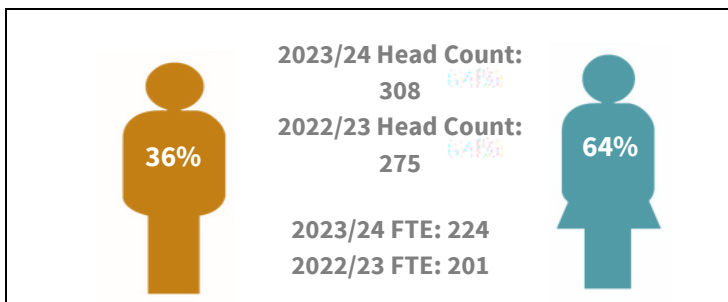
- ✓ Encourage diverse ideas
- ✓ Keep an open mind
- ✓ Have empathy for and support one another
- ✓ Care for the wellbeing and safety of ourselves and others
- ✓ Seek to understand what is important to others

# OUR WORKFORCE SNAPSHOT

Our people are our greatest asset. Through their efforts, we can deliver great services to our diverse communities.

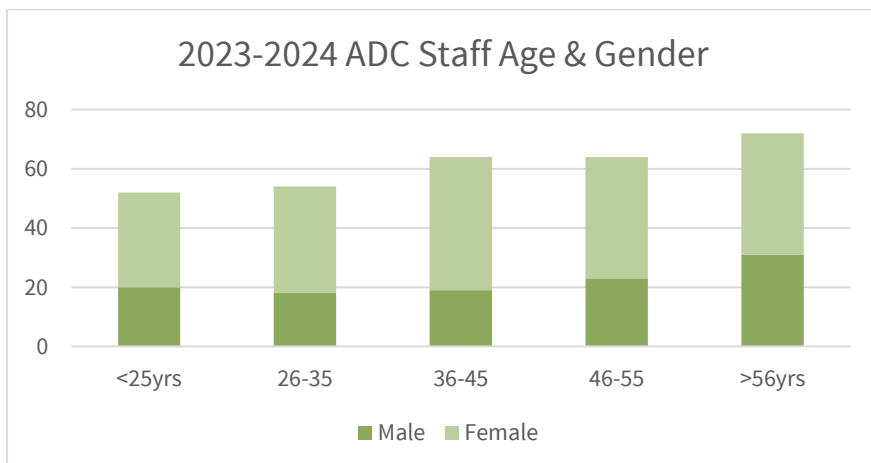
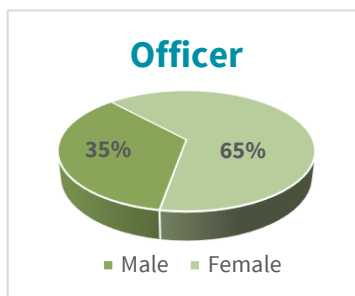
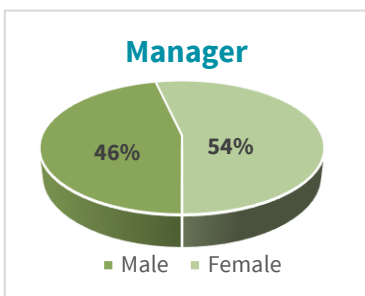
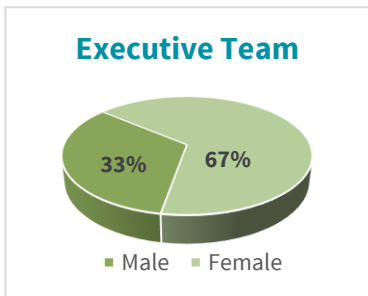
## Full & Part Time Employees as at 30 June 2024

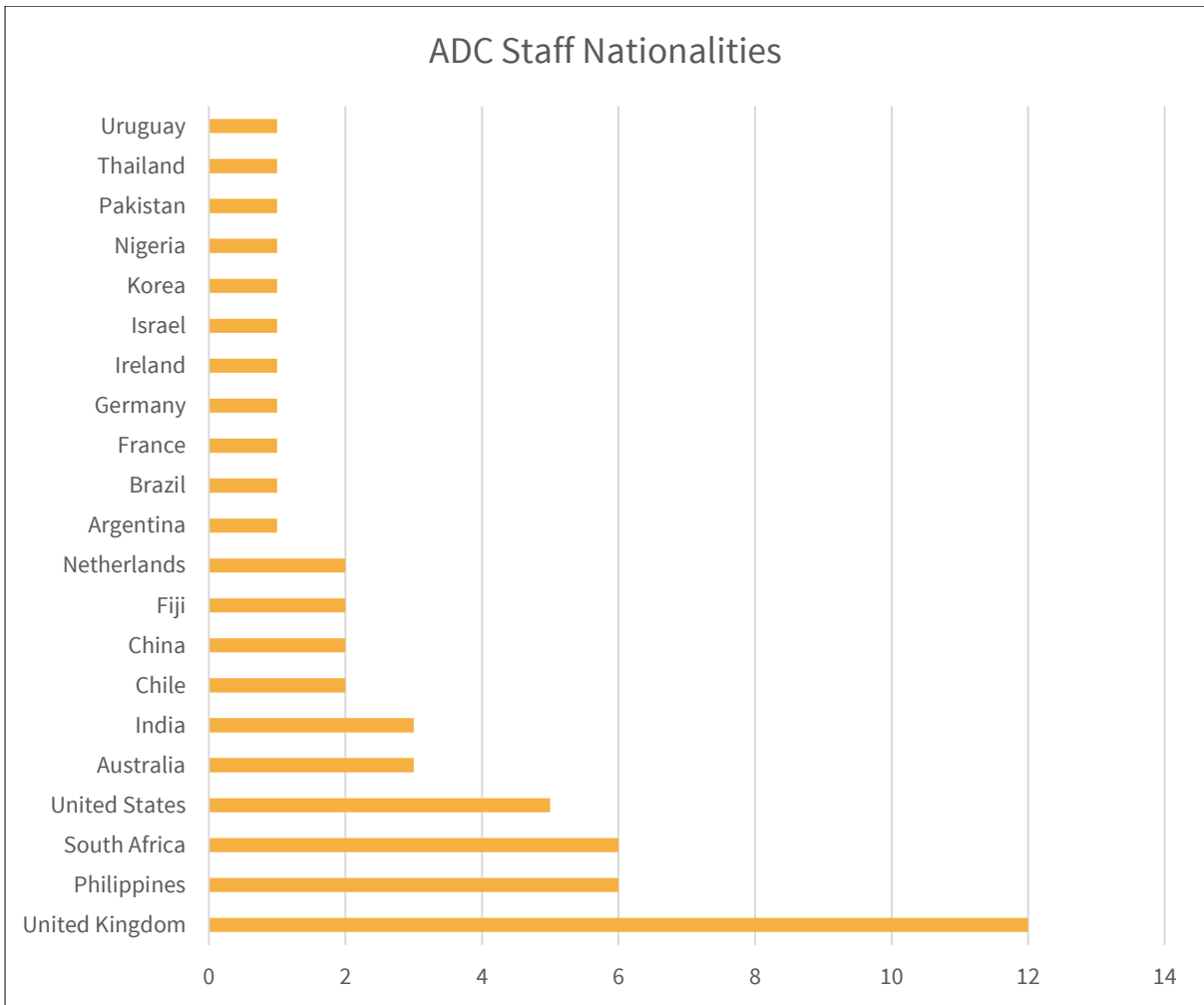
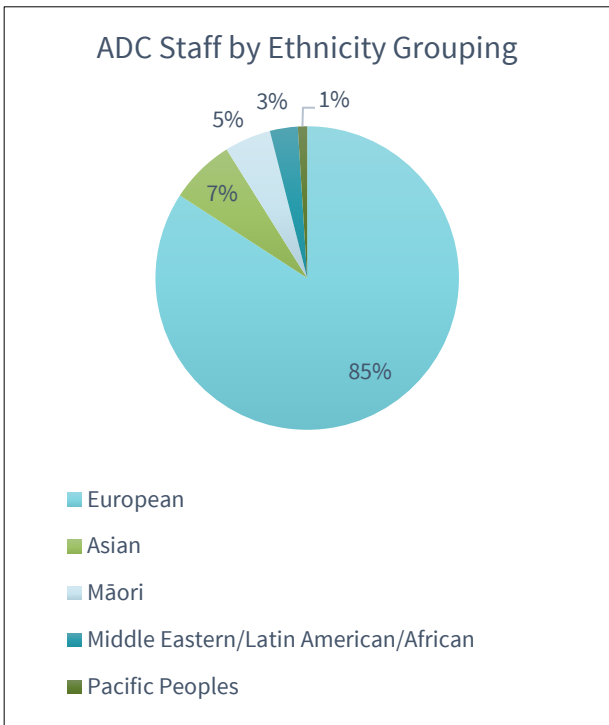
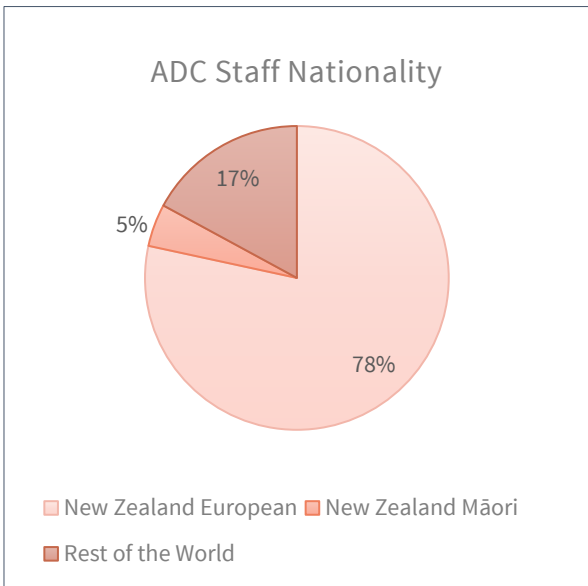
The graph below provides an overview of head count (HC) and FTE (excluding casuals) as at 30 June 2024 and how this compares at the same time in 2022/2023 year. The increase in head count relates to some approved additional resource to deliver on work/projects, additional external funding and filling of long-term vacancies and more part time employment being hired.



[designs graphics p22+23]

	Full	Part	Male Total		Full	Part	Female Total
2024	84	28	112		105	91	196
2023	73	20	93		102	80	182







# OUR FINANCIAL STRATEGY

OUR FINANCIAL STRATEGY SETS OUT THE GENERAL APPROACH AND PRINCIPLES THAT WILL BE FOLLOWED TO MANAGE OUR FINANCES.

The strategy includes limits on rates levels, rates rises and borrowing, and aims to promote financial stability, affordability and value for money over the short, medium and long-term.

Our financial goals are to:

- ensure Council remains financially stable, while financing key priorities
- spend money prudently to deliver agreed levels of service, cater for growth and manage assets soundly
- ensure rates and fees are kept to a reasonable level
- provide clear financial parameters for Council work programmes.

## RATES LIMITS

We have set limits for our total rate income and annual rates increase.

ANNUAL LIMIT	OUR PERFORMANCE	ACTUAL RESULT	
Total rates in any one year are to be no greater than <b>1%</b> of the total capital value of the district	Total rates \$48,462,000 District CV \$20,447,146,150	0.2%	✓
The total rates increase for 2023/24 is to be no greater than <b>5% plus LGCI<sup>6</sup></b>	Total increase: 8.3% Less LGCI: 5.0%	3.3%	✓

## EXTERNAL DEBT LIMITS

ANNUAL LIMIT	OUR PERFORMANCE	ACTUAL RESULT	
Net interest payments to service external debt to be less than <b>20%</b> of total Council revenue (excluding vested assets, infrastructure revaluations and other gains)	Interest costs \$5,300,000 Revenue \$105,006,000	5.0%	✓
Net interest payments to service external debt are less than <b>25%</b> of total rates for the year	Interest costs \$5,300,000 Rates income \$48,462,000	10.9%	✓
Net debt to not exceed <b>250%</b> of total revenue	Net debt \$111,488,000 Revenue \$105,006,000	106.1%	✓
Maintain access to liquidity of no less than <b>110%</b> of core debt	Liquidity \$32,593,000 Core debt \$98,600,000	33%	✓

<sup>6</sup> LGCI = Local Government Cost Index. We need to spend money on significantly different goods and services than a domestic household. Therefore, we use the LGCI to compare spending with inflation, rather than the domestic Consumer Price Index (CPI). The rate included in the 2023/24 Annual Plan was 5.0%.

## FIVE-YEAR FINANCIAL SUMMARY

	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000
<b>REVENUE</b>					
Rates	37,406	38,241	40,774	44,751	48,462
Finance income	120	329	286	1,022	1,527
Other revenue	25,600	39,860	55,551	62,725	50,724
Other gains	202	7,999	7,024	2,664	4,293
<b>Total income</b>	<b>63,328</b>	<b>86,429</b>	<b>103,635</b>	<b>111,162</b>	<b>105,006</b>
<b>OPERATING EXPENSES</b>					
Personnel costs	16,132	16,677	17,887	18,675	20,901
Depreciation and amortisation	16,169	15,456	18,076	18,334	22,133
Finance costs	1,453	1,437	1,808	3,236	5,300
Other expenses	27,545	29,803	35,186	39,175	40,443
Other losses	3,264	2,629	9,039	3,834	5,450
<b>Total operating expenditure</b>	<b>64,563</b>	<b>66,002</b>	<b>81,996</b>	<b>83,254</b>	<b>94,227</b>
Operating surplus / (deficit)	(1,906)	20,427	21,639	27,908	10,779
Income tax expense / (revenue)	(16)	31	50	(29)	(17)
Other comprehensive income	24,685	808	108,192	793	17,713
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSES</b>	<b>22,763</b>	<b>21,266</b>	<b>129,881</b>	<b>28,672</b>	<b>28,475</b>
Working capital	(22,610)	5,569	10,843	(17,560)	(18,279)
Public debt	42,136	70,600	90,600	85,600	130,600 <sup>7</sup>
Total assets	830,109	878,098	1,026,506	1,055,905	1,124,563
Total equity	770,153	791,418	921,444	949,971	978,444
<b>OTHER FINANCIAL STATISTICS</b>					
Proportion of rates to total income	59%	44%	39%	40%	46%
Average rates per rateable property (GST excl.)	\$2,423	\$2,454	\$2,616	\$2,803	\$3,010
Public debt (as a percentage of total assets)	5.08%	8.04%	8.83%	8.11%	11.61%
Public debt per rateable property	\$2,730	\$4,530	\$5,813	\$5,361	\$8,111

<sup>7</sup> Increase in Public Debt is largely due to Drinking Water and wastewater projects expenditure and the completion of Te Whare Whakaterere.

[L3 - photo]

# **PART 2: OUR ACTIVITIES AND SERVICES**

**HOW TO READ THIS SECTION**

This section describes how we performed in each of our strategic activity areas.

We organise these into 11 groups of activities, sitting under one of four functions: Local Infrastructure, Public Services, Regulatory Services and Miscellaneous Services.

Each activity area includes an overview of the programmes and services included in that area, the projects undertaken, and how we performed – both financially and non-financially.

**Local Infrastructure****Public Services****Regulatory Services****Miscellaneous Services****FUNDING IMPACT STATEMENTS**

These statements show, by groups of activities, the detailed breakdown of income and expenditure contained in the statement of comprehensive revenue and expenses.

The statements also show the budget set in the Long Term Plan 2021-31 and the actual performance achieved in the 2023/24 financial year. Significant variances (greater than \$500,000) between budget and actual are explained.

**Local Infrastructure**



**District Water Management**  
Drinking Water, Wastewater, Stormwater, Stockwater



**Transportation**  
Roading, Footpaths



**Waste Reduction & Recovery**  
Solid Waste Collection, Solid Waste Management

**Public Services**



**Community Governance & Decision-Making**  
Democracy, Community Grants & Funding



**Economic Development & Commercial Activities**  
Commercial Property, Forestry, Economic Development



**Community Services**  
Community Safety, Elderly Persons Housing, Memorial Halls, Public Conveniences, Reserves & Campgrounds



**Parks & Open Spaces**  
Cemeteries, Rural & Urban Beautification



**Recreational Facilities**  
Ashburton Library, Ashburton Art Gallery & Museum, EA Networks Centre

**Regulatory Services**



**Regulatory Functions**  
Building Regulation, District Planning, Emergency Management, Land Information



**Regulatory Compliance**  
Alcohol Licensing and Gambling Venue Consenting, Animal Control, Environmental Health, Parking

**Miscellaneous Services**

**Annual Residents' Survey**

Each year we commission a survey of our residents. Through this, we get feedback on the quality of our activities, services and performance. Much of this information is used to report against our non-financial performance measures. In 2023/24 we used Key Research to carry out this survey.

4,000 residents are randomly selected from the electoral roll and posted an invitation to an online survey – at one of four time points across the year. A week later, residents who have not responded, are sent a paper copy of the survey.

This year, 878 residents completed the survey. The survey responses are weighted to be representative of our district's population based on age, gender, location (urban or rural) and ethnicity.

[photo P2]

# LOCAL INFRASTRUCTURE



# DISTRICT WATER MANAGEMENT

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...

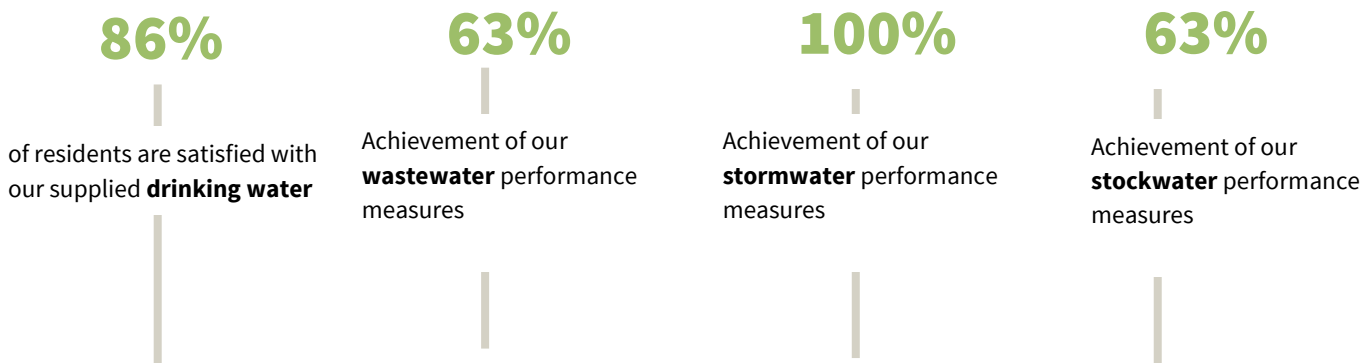


Environmental wellbeing of the community by continuing to design resilient new infrastructure capable of withstanding the effects of a changing climate and the potential impacts of an AF8 earthquake.



Social wellbeing of our residents by supplying reticulated drinking water and wastewater schemes.

### KEY RESULTS FOR THE YEAR



[design: remove \* in ALL

**Achieved**  
**21 / 29**  
**performance measures\***

# DRINKING WATER

## WHAT WE DO

We provide 11 community drinking water supplies across our district, servicing approximately 11,809 homes and businesses. The number of supplies has dropped from 12 to 11 because of the merger of the Methven & Methven-Springfield supply in September.

Remaining properties get drinking water from other sources, such as private community schemes, private wells or rainwater tanks.

Our supplies are located in Ashburton, Methven (including Methven-Springfield), Rakaia, Hinds, Mt Somers, Fairton, Chertsey, Hakatere, Mayfield, Dromore and Montalto.

We ensure the quality and availability of our supplied drinking water to the community through the following:

- Operation, repairs and maintenance of the schemes.
- Ensuring the supplies are safe and meet community health needs.
- Monitoring drinking water quality.
- Upgrading and extending supplies where necessary.

We operate community water supplies in order to provide safe and clean drinking water that promotes a healthy community, in accordance with our responsibilities under the Water Services Act 2021, including reporting against the Drinking Water Quality Assurance Rules made by Taumata Arowai (the drinking water regulator).

## WHAT WE DID IN 2023/24

### NEW WATER TREATMENT PLANTS

Methven's new water treatment plant, using membrane treatment technology, was completed in September and should bring an end to boil water notices after storm events. It was formally opened in October 2023.

Around the same time the construction of the new Mt Somers water treatment plant commenced. This new plant was formally opened by the Mayor on 29 August 2024.

### WATER QUALITY MONITORING

One of the key projects in 2023-24 was the installation of 46 Water Quality Monitoring Pillars, consisting of chlorine, pH, pressure and turbidity measuring equipment at various locations around our water networks.

The budget for UV disinfection, a treatment that provides a second barrier to bacterial and protozoal contamination of the source water in deep groundwater supplies, has been carried over and the work is scheduled for 2025.

### FINDING LEAKS

In 2021/22 we installed drinking water meters on properties on the Methven drinking water scheme, as part of a trial to identify the magnitude of water loss from both the private and public infrastructure.

This year the meters helped to identify leaks in Council's own pipe networks, as well as on private property, allowing us to focus on the identified parts of the network to repair or replace pipes.





Council also used special acoustic equipment in Methven and other schemes to listen for leaks in its pipe networks. At the end of 2023 operators identified 256 leaks in the Tinwald, Hinds, Rakaia and Methven area – 105 leaks were on its public network and 151 on private land.

**WATERMAIN RENEWALS**

There was a notable watermain renewal programme planned for this year, which is part of the ongoing replacement programme. The following water pipelines were renewed:

- *Ashburton*: Chalmers Ave, Cass Str, Melcombe Str, Elizabeth Street, Grigg Str, River Terrace, Chalmers Avenue and Baring Square East (3,451m – 1% of total scheme length)
- *Hinds*: Reed Str, Delmaine Str, Peters Str, Framptons Road and Cracroft Street (1,814m – 24% of total scheme length)
- *Hakatere*: Lower Hakatere and Hakatere Drive (1,207m – 56% of total scheme length)
- *Methven*: McKerrow Str, Main Str, Mackie Str and Kilworth Str (790m – 2% of total scheme)

**CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES** [update table – here and throughout doc]

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika</p>
	✓	✓	✓

<sup>8</sup>Note on drinking water results: Foremost we want to emphasize that Council staff considers ADC drinking water to be safe. The current reporting is following the latest DIA instructions, but it is important to understand that the % for each supply refers to the technical compliance of the supply and is not directly reflecting the water quality (E.g. when there is a brief equipment failure it will drop the %). Ashburton District Council continues to work towards meeting the requirements of the Water Services Act including reporting against the Drinking Water Quality Assurance Rules. For example, one of the projects in their work programme, UV treatment for the Ashburton supply, is expected to significantly improve the percentage for Ashburton. This work is scheduled for 2024/25.

## OUR PERFORMANCE DRINKING WATER

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
We provide quality drinking water to connected properties	All Council drinking water schemes achieve bacteria compliance	50%	100%	New DIA water supply compliance.
	All Council drinking water schemes achieve protozoal compliance	0%	100%	Reported in column below <sup>8</sup>
	<p><i>New target as issued by DIA August 2024.</i></p> <p>The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:</p> <p>(a) 4.4 T1 Treatment Rules;            (b) 4.5 D1.1 Distribution System Rule;            (c) 4.7.1 T2 Treatment Monitoring Rules;            (d) 4.7.2 T2 Filtration Rules;            (e) 4.7.3 T2 UV Rules;            (f) 4.7.4 T2 Chlorine Rules;            (g) 4.8 D2.1 Distribution System Rule;            (h) 4.10.1 T3 Bacterial Rules;            (i) 4.10.2 T3 Protozoal Rules; and            (j) 4.11.5 D3.29 Microbiological Monitoring Rule</p>	N/A	100%	<sup>9</sup> Ashburton X 18.18% Methven 88.70% Rakaia 49.07% Chertsey 48.75% Dromore 49.17% Fairton 45.83% Hakatere 71.04% Hinds 53.33% Mayfield 50.21% Montalto 47.92% Mt Somers 89.38%

<sup>9</sup> Results are a percentage of each supplies compliance with the Drinking Water Quality Assurance Rules (DWQARs) relevant to it for the 2023-2024 year.

- Ashburton Methven & Rakaia must comply with the level 3 DWQARs (h), (i) & (j)

- Chertsey, Dromore, Fairton, Hakatere, Hinds, Mayfield, Montalto & Mt Somers must comply with the level 2 DWQARs (c), (d), (e) & (f)

- DWQARs covered by this measure are not all the rules relevant to each supply. The measure is focused on Treatment performance rules & Distribution water quality rules only.

Due to the new DIA water supply compliance reporting regulations, we were required to have a third-party audit/review. The output from that external review is presented in the table below. Please note that the percentage compliance reported in the previous table for each supply ('old measure'), is not in any way comparable to the external results for the supply presented below, since the two sets of results have been calculated/determined using different methods.

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)		2022/23 RESULT	2023/24 TARGET	2023/24 RESULTS
We provide quality drinking water to connected properties  T = Treatment Plant D = Distribution Zone	Ashburton	T3 Bacterial ( <i>Chlorine, General Rules</i> )	NA	NA	0/4 met
		T3 Protozoa ( <i>Protozoal Rules and General Rules</i> )	NA	NA	4/4 met
		D3 ( <i>Residual disinfection OR Contentious Monitoring Residual Disinfection</i> )	NA	NA	0/1 met
		D3 ( <i>Microbiological</i> )	NA	NA	1/1 met
	Methven (Methven - Springfield)  * Methven New Water Treatment Plant Only	T3 Bacterial ( <i>UV Disinfection, General Rules</i> )	NA	NA	0/2 met
		T3 Protozoa ( <i>Protozoal Rules, Membrane Filtration*, UV Disinfection and General Rules</i> )	NA	NA	0/2 met
		D3 ( <i>Residual disinfection OR Contentious Monitoring Residual Disinfection</i> )	NA	NA	0/2 met
		D3 ( <i>Microbiological</i> )	NA	NA	1/2 met
	Rakaia	T3 Bacterial ( <i>Chlorine, General Rules</i> )	NA	NA	0/1 met
		T3 Protozoa ( <i>Protozoal Rules and General Rules</i> )	NA	NA	1/1 met
		D3 ( <i>Residual disinfection OR Contentious Monitoring Residual Disinfection</i> )	NA	NA	0/1 met
		D3 ( <i>Microbiological</i> )	NA	NA	1/1 met
	Hinds	T2 -Treatment Monitoring	NA	NA	0/1 met
		T2 - Filtration	NA	NA	0/1 met
		T2 - UV	NA	NA	0/1 met
		T2 - Chlorine	NA	NA	1/1 met
		D2 - Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	1/1 met
	Mt Somers	T2 -Treatment Monitoring	NA	NA	1/1 met

<p>We provide quality drinking water to connected properties</p> <p>T = Treatment Plant</p> <p>D = Distribution Zone</p>	Mt Somers	T2 – Filtration	NA	NA	1/1 met
		T2 – UV	NA	NA	0/1 met
		T2 – Chlorine	NA	NA	1/1 met
		D2 – Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	0/1 met
	Chertsey	T2 -Treatment Monitoring	NA	NA	0/1 met
		T2 – Filtration	NA	NA	0/1 met
		T2 – UV	NA	NA	0/1 met
		T2 – Chlorine	NA	NA	1/1 met
		D2 – Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	0/1 met
	Fairton	T2 -Treatment Monitoring	NA	NA	0/1 met
		T2 – Filtration	NA	NA	0/1 met
		T2 – UV	NA	NA	0/1 met
		T2 – Chlorine	NA	NA	0/1 met
		D2 – Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	0/1 met
	Hakaterere	T2 -Treatment Monitoring	NA	NA	1/1 met
		T2 – Filtration	NA	NA	0/1 met
		T2 – UV	NA	NA	1/1 met
		T2 – Chlorine	NA	NA	1/1 met
		D2 – Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	0/1 met
	Mayfield	T2 -Treatment Monitoring	NA	NA	0/1 met
		T2 – Filtration	NA	NA	0/1 met
		T2 – UV	NA	NA	0/1 met
		T2 – Chlorine	NA	NA	0/1 met
		D2 – Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	1/1 met
	Dromore	T2 -Treatment Monitoring	NA	NA	0/1 met
		T2 – Filtration	NA	NA	0/1 met
		T2 – UV	NA	NA	0/1 met
		T2 – Chlorine	NA	NA	1/1 met
		D2 – Residual Disinfection	NA	NA	0/1 met
		D2 - Microbiological	NA	NA	0/1 met
	Montalto	T2 -Treatment Monitoring	NA	NA	0/1 met
T2 – Filtration		NA	NA	0/1 met	
T2 – UV		NA	NA	0/1 met	
T2 – Chlorine		NA	NA	0/1 met	
D2 – Residual Disinfection		NA	NA	0/1 met	
D2 - Microbiological		NA	NA	1/1 met	

WHAT WE'RE WORKING TOWARDS  (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS  (PERFORMANCE MEASURE)		2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
Council contractors respond to drinking water failures and requests with median response times	Median response time (in hours) to urgent and non-urgent callouts	Urgent call-out attendance	0.98 hours (59 minutes)	1 hour	0.82 (49 minutes)	✓
		Urgent call-out resolution	4 hours	4 hours	1.58 hours	✓
		Non-urgent call-out attendance	1.83 days (44.0 hours)	1 day	2 days (48 hours) <sup>10</sup>	x
		Non-urgent call-out resolution	2.04 days (49.1 hours)	5 days	2.81 days (67.5 hours)	✓
We provide efficient and sustainable drinking water services	Reduction in real water loss from the reticulated systems*  The percentage of real water loss from Council's networked reticulation system is estimated using Minimum Night Flow (MNF) analysis, following an approach similar to Appendix A of the Water NZ Water Loss Guidelines and Section 2b of the Water Loss Guidance from the National Performance Framework.		59%	34%	59% <sup>11</sup>	x
	Reduction in average consumption / resident / day*  The average consumption of drinking water per day per resident within Ashburton District.		790 L	≤706 L	838 L <sup>12</sup>	x
The majority of residents are satisfied with our drinking water services	Customer satisfaction with drinking water services  a)Clarity b)Taste c)Odour d)Pressure or flow e)Continuity of supply  Council's response to any of these issues		4.96 complaints / 1,000 connections	≤10 complaints / 1,000 connections	8.38 complaints / 1,000 connections	✓
		Residents are satisfied with Council's drinking water supplies	80%	80%	86%	✓

\*Mandatory performance measure set by the Department of Internal Affairs

<sup>10</sup> For non-urgent call-outs, the contractor focuses on resolution on first visit to site. This reduces the average resolution time but does result in average call-out attendance being longer.

<sup>11</sup> Not all properties on Council supplies are metered and so the approved water loss calculation yields a coarse figure and includes losses on private reticulation.

<sup>12</sup> This result is also impacted by higher losses on schemes. No universal metering across Ashburton district means it is not possible to determine whether the increase is due to increased resident consumption or increased network leakage.



## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	-	-	-
Targeted rates	5,918	6,167	7,020
Subsidies and grants for operating purposes	-	-	113
Fees and charges	27	28	78
Internal charges and overheads recovered	-	-	81
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	207
<b>Total sources of operating funding</b>	<b>5,945</b>	<b>6,195</b>	<b>7,499</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	2,825	2,596	3,463
Finance costs	283	449	1,059
Internal charges and overheads applied	772	797	762
Other operating funding applications	-	-	14
<b>Total applications of operating funding</b>	<b>3,880</b>	<b>3,842</b>	<b>5,298</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>2,065</b>	<b>2,352</b>	<b>2,201</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	178	182	165
Increase (decrease) in debt	7,393	9,267	8,003
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>7,571</b>	<b>9,450</b>	<b>8,168</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	528	429	-
- to improve the level of service	8,006	8,745	11,440
- to replace existing assets	1,124	2,611	3,785
Increase (decrease) in reserves	(23)	17	(4,856)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>9,636</b>	<b>11,802</b>	<b>10,369</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(2,065)</b>	<b>(2,252)</b>	<b>(2,201)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variations over \$500,000 are explained here.

### Sources of Operating Funding

We required \$1.3 million more operating funding than expected in year 3 of the LTP to provide our drinking water services. This was to meet increased drinking water compliance requirements and to service debt.

### Application of Operating Funding

We spent \$1.4 million more on operational costs for the activity to meet increased drinking water compliance requirements and to service debt. Examples of additional compliance requirements include external lab costs and the development of drinking water safety plans.

### Sources of Capital Funding

We did not require the budgeted capital funding by \$1.3 million. This means that the loans raised this financial year are lower than originally budgeted.

### Application of Capital Funding

We underspent our capital funding by \$1.4million due to the complexity of the installation of UV supplies on six supplies, the timing of the physical works will extend into 2024/25. The Montalto Water Supply project has been placed on hold, pending discussions with Taumata Arowai.

## CAPITAL EXPENDITURE BY WATER SUPPLY

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Ashburton	1,499	2,813	3,995
Methven	4,704	280	2,429
Rakaia	461	310	870
Fairton	52	-	567
Hakatere	15	327	171
Hinds	19	382	626
Mayfield	10	-	-
Chertsey	10	-	329
Methven-Springfield	137	3,664	329
Montalto	408	4,185	136
Mt Somers <sup>13</sup>	2,668	-	6,011
Dromore	57	34	278
<b>Total capital expenditure</b>	<b>10,040</b>	<b>11,995</b>	<b>15,983</b>
Less vested assets	381	210	758
<b>Council funded capital expenditure</b>	<b>9,659</b>	<b>11,785</b>	<b>15,225</b>

<sup>13</sup> Capital expenditure on the Mt Somers Water Treatment Plan upgrade was a carry forward from year 2 of the LTP. The required budget for this work was considerably greater than budgeted in the LTP.

# WASTEWATER

## WHAT WE DO

We manage wastewater collection, treatment and disposal services for our communities across the district. We have three community-based wastewater schemes that service approximately 65% of our district's population.

The majority of the reticulated network operates on gravity, with 14 pump stations used to service defined subdivisions. The largest pump stations serve Lake Hood and the Ashburton Business Estate.

Wastewater is conveyed to wastewater treatment plants. Ashburton and Methven use aeration and oxidation ponds for treatment; Rakaia uses clarifiers, a trickling filter and UV disinfection. In all cases, treated wastewater is discharged to land.

The provision of the wastewater activity involves:

- Operating and maintaining wastewater schemes, including collection, treatment and disposal of wastewater.
- Ensuring the wastewater system is safe and meeting community health needs.
- Monitoring discharge water quality.
- Upgrading and extending schemes, where required.

Daily operations and maintenance of the system is contracted out to Ashburton Contracting Limited.

## WHAT WE DID IN 2023/24

### NORTHWEST ASHBURTON WASTEWATER SERVICING

The north-west Ashburton wastewater extension project, providing essential wastewater infrastructure to the Residential C zoned land in the area, was completed in August 2023 with Council accepting applications from property owners wanting to connect to the expanded wastewater network.

### RAKAIA SLUDGE DISPOSAL

The Rakaia treatment site was commissioned in 1999 but has faced compliance challenges in recent years around how the sludge, a by-product of the treatment process, was applied to land. It was intended to

upgrade the existing sludge land disposal system at the site, however subsequent compliance monitoring reports by Environment Canterbury suggested the existing land disposal was no longer viable.

Following an abatement notice from Environment Canterbury, officers looked at a range of options to deal with the sludge and presented them to Council. In December 2023 Council committed to a \$2.5 million upgrade for the Rakaia plant, using the funds to construct 12 drying beds for the wastewater sludge.

### WILKINS ROAD WASTEWATER PLANT UPGRADES

Seven new aerators have been installed on the first two ponds at the Wilkins Road wastewater treatment plant. The aerators, four in the first (aeration) pond and three in the second (oxidation) pond, churn up the water and move it around, ensuring there is enough oxygen evenly distributed for bacteria to break down the effluent.





Another update at the facility was the replacement of the septage screen. This screen protects the plant from stones and other material that might damage equipment.

### SEWERMAIN RELINING AND RENEWALS

As part of our ongoing sewer rehabilitation programme, 2.4km of wastewater pipeline in Ashburton and Methven has been relined.

Pipeline renewals were done in Ashburton at Elizabeth Street, Wills Street and Princes Street. Work to install 230 metres of new wastewater pipe on Cameron Street was completed in February.

**CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES**

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tīriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika</p>
	✓	✓	✓

[add photo?]

## OUR PERFORMANCE WASTEWATER

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS  (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS  (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We provide an efficient and sustainable wastewater system	<b>Dry weather overflow incidents*</b> <i>The number of dry weather sewerage overflows from the Council's sewerage systems, expressed per 1000 sewerage connections to that sewerage system.</i>	1.00 / 1000 connections	≤1.0/1000 connections	1.88 / 1000 <sup>14</sup> x	
	<b>Compliance with resource consents*</b> <i>Compliance with Council's resource consents for discharge from its sewerage systems measured by the number of the following received by Council:</i>	<b>Abatement notices</b>	0	0	1 <sup>15</sup> x
	<b>Infringement notices</b>	0	0	1 <sup>16</sup> x	
	<b>Enforcement orders</b>	0	0	0 ✓	
	<b>Convictions</b>	0	0	0 ✓	
Council contractors respond to wastewater failures and requests with median response times	<b>Median response time to callouts*</b> <i>Where contractors attend a call-out on Council's behalf to a fault or unplanned interruption to a Council networked reticulation system, the median response times are measured, from the time Council receives the notification to the time that service personnel reach the site, and to the time that Council received notification of resolution of the problem.</i>	<b>Call-out attendance time</b>	0.78 hours (47 minutes)	1 hour	0.45 hours (27 minutes) ✓
		<b>Call-out resolution</b>	1.83 hours (110 minutes)	4 hours	2.47 hours (149 minutes) <sup>17</sup> ✓

\* Mandatory performance measure set by the Department of Internal Affairs

<sup>14</sup> It is difficult to provide a definitive reason for the increase in dry weather overflow events. It is speculated that lower network flows during the extended dry period may be a contributing factor.

<sup>15</sup> Rakaia WWTP issued an abatement notice on 27 November 2023 and 8 January 2024. These abatements are considered as one as they are for the same issue – being sludge disposal non-compliance. Notice to be addressed with the sludge drying beds project.

<sup>16</sup> Infringement received on 30 November 2023 for sludge discharge from Rakaia Wastewater Treatment Plant.

<sup>17</sup> The increase in dry weather overflow incidents may have impacted resolution timeframes.

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)		2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
The majority of residents are satisfied with our wastewater services	Customer satisfaction with wastewater services * <i>The total number of complaints received by Council expressed per 1000 connections about:</i>	a) Sewage odour b) Sewerage system faults c) Sewerage system blockages d) Council's response to issues with our sewerage system	8.23 complaints / 1000 connections	≤ 10 complaints / 1000 connections	11.64 x complaints / 1000 connections <sup>18</sup>

\* Mandatory performance measure set by the Department of Internal Affairs

<sup>18</sup> This is related to a spike in the number of blockages attended to. We speculate that this may be due to lower infiltration and inflow resulting in less flushing flows through the network.

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	-	-	-
Targeted rates	4,669	4,870	5,204
Subsidies and grants for operating purposes	-	-	-
Fees and charges	81	83	152
Internal charges and overheads recovered	-	-	72
Local authorities fuel tax, fines, infringement fees and other receipts	283	290	278
<b>Total sources of operating funding</b>	<b>5,033</b>	<b>5,242</b>	<b>5,706</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	1,544	1,591	2,497
Finance costs	571	657	1,047
Internal charges and overheads applied	613	633	616
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>2,728</b>	<b>2,881</b>	<b>4,159</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>2,305</b>	<b>2,361</b>	<b>1,546</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	340	348	482
Increase (decrease) in debt	3,813	338	4,185
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>4,152</b>	<b>686</b>	<b>4,667</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	66	-	-
- to improve the level of service	226	232	1,176
- to replace existing assets	6,186	2,847	7,321
Increase (decrease) in reserves	(21)	(31)	(2,284)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>6,458</b>	<b>3,048</b>	<b>6,214</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(2,305)</b>	<b>(2,361)</b>	<b>(1,546)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variations of \$500,000 or greater are explained here.

### Application of operating funding

The increase in the application of operating funding by \$1.26 million is due to increased interest costs from higher interest rates and increased payments to suppliers through the maintenance contract. This is driven from unplanned biological interventions at the Wilkins Rd treatment pond and an increased number of network blockages.

### Sources of capital funding

Capital funding requirements were greater than LTP year 3 by \$3.9 million due to project delays in the 2022/23 year.

### Applications of capital funding

The \$3.2 million increase is due to 2022/23 projects being completed in early 2023/24 and undertaking new capital projects as identified in the 2023/24 Annual Plan. Contributing to this variance was Ashburton pipeline renewals delayed in the 2022/23 year. As well as the construction phase of Northwest Ashburton wastewater servicing project budgeted in 2022/23 of the LTP 2021-31 but, being completed in 2023/24.

## CAPITAL EXPENDITURE BY WASTEWATER SCHEME

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Ashburton	6,514	2,878	9,241
Methven	494	430	502
Rakaia	83	97	609
<b>Total capital expenditure</b>	<b>7,091</b>	<b>3,405</b>	<b>10,352</b>
Less vested assets	613	327	1,855
<b>Council funded capital expenditure</b>	<b>6,478</b>	<b>3,079</b>	<b>8,497</b>



# STORMWATER

## WHAT WE DO

We provide urban stormwater collection and disposal networks in Ashburton, Methven and Rakaia. Lake Hood and Hinds have small systems of swales and open drains. These networks and systems ensure property and the environment are protected from flooding, and that roads and footpaths continue to be accessible during rain events.




Stormwater schemes underpin the safety of our communities, people and property via collection and redirection of rainwater. These systems ensure rainfall is quickly and efficiently removed and prevent ongoing economic damage because of extreme weather events.

## WHAT WE DID IN 2023/24

### MITIGATION INVESTMENTS

This year we installed cameras and rain gauges at the Lochlea, Mill Creek Detention Basin, Braebrook and Oakley stormwater attenuation facilities in Ashburton.

### CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whāi āhēika</p>
	✓	✓	✓

## OUR PERFORMANCE STORMWATER

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS  (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS  (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We provide protection from flooding for private properties	Flooding events from stormwater overflows*  <i>The number of flooding events resulting from stormwater overflows, and for each flooding event the number of habitable floors affected, expressed per 1000 properties connected to the stormwater system</i>	The number of flooding events	0	0	0 ✓
		The number of habitable floors affected for each flooding event	0	0	0 <sup>19</sup> ✓
	Median response time (in hours) to callouts*  <i>Where contractors attend a call-out on Council's behalf to attend a flooding event, the median response times are measured from the time Council receives the notification to the time that service personnel reach the site.</i>		0	1 hour	0 <sup>20</sup> ✓
We provide efficient and sustainable stormwater services	Compliance with resource consents*  <i>Compliance with Council's resource consents for discharge from its stormwater systems measured by the number of the following received by Council:</i>	Abatement notices	0	0	0 ✓
		Infringement notices	0	0	0 ✓
		Enforcement notices	0	0	0 ✓
		Convictions	0	0	0 ✓
The majority of residents are satisfied with our stormwater services	Customer satisfaction with stormwater services (complaints per 1000 connections)*  <i>The total number of complaints received by Council about the performance of its stormwater system, expressed per 1000 connections to the stormwater systems.</i>		1.81	≤5	3.47 <sup>21</sup> ✓

\* Mandatory performance measure set by the Department of Internal Affairs

<sup>19</sup> Not applicable as there were no relevant weather events during this period

<sup>20</sup> Not applicable as there were no relevant weather events during this period.

<sup>21</sup> There was a slight increase in 2023/24 compared with the previous year – an expected fluctuation often to do with the amount of rain across the year and people's increased awareness of stormwater.

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	130	141	112
Targeted rates	1,312	1,283	1,434
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1	1	1
Internal charges and overheads recovered	-	-	21
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	130
<b>Total sources of operating funding</b>	<b>1,443</b>	<b>1,425</b>	<b>1,697</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	465	344	354
Finance costs	69	100	142
Internal charges and overheads applied	307	316	219
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>841</b>	<b>760</b>	<b>715</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>602</b>	<b>664</b>	<b>982</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,385	3,014	(281)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>1,385</b>	<b>3,014</b>	<b>(281)</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	1,982	3,659	88
- to replace existing assets	-	-	-
Increase (decrease) in reserves	5	20	612
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>1,987</b>	<b>3,679</b>	<b>701</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(602)</b>	<b>(665)</b>	<b>(982)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

### Sources of capital funding

This was \$3.3 million less than budgeted in the LTP year 3 spent during the year due to Ashburton stormwater main upgrades projects budgeted in the LTP not budgeted in the Annual Plan 2024.

### Applications of capital funding

We underspent our capital funding by \$2.9 million as we had planned to construct an attenuation and treatment facility at the discharge to the Ashburton/Hakatere River, at West Street, however, this has been rescheduled to manage our capital workload and priorities.

## CAPITAL EXPENDITURE BY STORMWATER SCHEME

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Ashburton	2,477	3,850	852
Methven	132	89	18
<b>Total capital expenditure</b>	<b>2,609</b>	<b>3,939</b>	<b>870</b>
Less vested assets	627	280	782
<b>Council funded capital expenditure</b>	<b>1,982</b>	<b>3,659</b>	<b>88</b>

# STOCKWATER

## WHAT WE DO

The 1,424 km network of stockwater races is comprised of five separate areas, which service a combined farm area of approximately 176,000 ha.

Water is sourced from 19 main intakes, with the majority from rivers, streams, springs and drains. Fifteen of these extractions are either sourced directly or from waterways and springs likely linked to the Hakatere / Ashburton River system. The remainder are from the Rangitata, Hinds and Rakaia systems.

We operate stockwater races to promote the productivity of rural land through the efficient provision of clean, reliable stockwater. The water race network is primarily a gravity fed open race system, although there are several areas serviced by piped systems.

Stockwater is also provided via a piped schemes in the Montalto area. This scheme is also used for household purposes and is treated to provide potable water – for the purposes of management; the scheme is considered a drinking water supply.

## WHAT WE DID IN 2023/24

### STOCKWATER CLOSURE PROGRAMME

This year we received 13 applications for race closures, of which 10 were approved. Three are still being worked through as to the outcome.

### PUDDING HILL INTAKE CLOSURE INVESTIGATION

Investigations on the possible closure of the Pudding Hill Intake commenced in 2022/23 and continued through 2023/24. At this stage we have successfully identified alternatives for affected landowners and work is now continuing on an assessment of environmental effects (AEE) on the intake closure.

## FUTURE OF STOCKWATER CONSULTATION

One of the key decisions that we consulted on with the community for the 2024-34 Long Term Plan was the future of the stockwater service. The options presented were - to stay and invest, maintain with a closure programme over time, or exit the service within the next three years. The majority of respondents supported exiting the stockwater service. However, many noted the complexity of the issues involved, including the protection of biodiversity and a lack of alternative water sources. Feedback also emphasised the need for a well-planned and inclusive approach to exiting the service. In June 2024, Council agreed to exit the stockwater service by 30 June 2027 and confirmed that a working group will be established to develop a plan for the way forward and monitor progress.





## FISH SCREENS

Key direct river intakes for the stockwater scheme are the Brothers intake (South Branch, Ashburton River); Methven Auxiliary intake (North Branch, Ashburton River) and Pudding Hill intakes (Pudding Hill Stream). These intakes are the subject of consent conditions requiring fish screening infrastructure to be installed – by February 2015.

Due to the significant costs involved in installing and maintaining fish screens, we have been deferring installation given the uncertainty of the future of the network and the possibility of affected intakes to cease operating. However, in May 2022, Environment Canterbury issued us with a formal warning in regard to their absence.

In response we started a project to design suitable fish screening infrastructure at the Brothers intake site since that had the most interest. Work on a concept design, consistent with the released fish screening guidelines, has been started and preliminary discussions with Environment Canterbury have been held on the concept.

### CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho	 A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā	 A balanced & sustainable environment He taiao toitū	 A prosperous economy based on innovation and opportunity He āhaka whai rawa i ruka i te aroka hou me te whai āheika
	✓	✓	✓

## OUR PERFORMANCE STOCKWATER

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS		
We provide efficient and sustainable stockwater services	Compliance with resource consents	Abatement notices	1	0	0 <sup>22</sup>	✓
	<i>Compliance with Council's resource consents for discharge from its stockwater systems measured by the number of the following received by Council:</i>	Infringement notices	0	0	0	✓
		Enforcement notices	0	0	0	✓
		Convictions	0	0	0	✓

<sup>22</sup> We had no abatement notices issued in 2023/24. Resolution of the notice issued in 2022/23 is still being addressed.

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	87	87	83
Targeted rates	870	797	953
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	24
<b>Total sources of operating funding</b>	<b>957</b>	<b>884</b>	<b>1,060</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	752	663	1,083
Finance costs	4	4	16
Internal charges and overheads applied	164	170	214
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>919</b>	<b>836</b>	<b>1,314</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>38</b>	<b>48</b>	<b>(253)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(9)	(9)	(18)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>(9)</b>	<b>(9)</b>	<b>(18)</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	37
- to replace existing assets	-	-	-
Increase (decrease) in reserves	28	39	(307)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>28</b>	<b>39</b>	<b>(271)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(38)</b>	<b>(48)</b>	<b>253</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET**

There are no variances of \$500,000 or more for stockwater.

**CAPITAL EXPENDITURE BY ACTIVITY**

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Stockwater	-	-	37
<b>Total capital expenditure</b>	-	-	<b>37</b>
Less vested assets	-	-	-
<b>Council funded capital expenditure</b>	-	-	<b>37</b>



# TRANSPORTATION

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Economic wellbeing of the community by ensuring that goods and produce can move from within the district to markets



Environmental wellbeing of the community by continuing to design resilient new infrastructure capable of withstanding the effects of a changing climate and the potential impacts of an AF8 earthquake



Social wellbeing of the community by providing residents and visitors to the district with a network (including roads, footpaths, cycleways and walkways) that enables safe, effective and fit-for-purpose journeys

**KEY RESULTS FOR THE YEAR**

**32%**

of residents are satisfied with our sealed roads



**55%**

of residents are satisfied with our unsealed roads



**99%**

of footpaths meet service standards



**97%**

of the sealed road network is classed as 'smooth'



**Achieved**  
**5 / 10**  
**performance measures\***



## WHAT WE DO

We are responsible for one of the largest road networks in New Zealand. Our road network covers 2,691 km, with approximately 1,525 km sealed and 1,166 km unsealed. This network continues to increase as new subdivisions develop in the district.

Our road network has been designed to minimise vehicle kilometres travelled on unsealed roads, with a sealed road within reasonable proximity of all properties.

We also manage and maintain a footpath network of 261 km and 9.8 km of cycle lanes in towns and villages throughout the district.

We are committed to improving our road network, which includes providing and maintaining additional to mentioned above:

- 1,106 km of surface water channel
- 255 traffic islands
- 189 bridges and culverts
- 3,830 streetlights
- 11,173 road signs and 1,351 km of markings
- 20 traffic signals
- on-street car parking
- sealed entranceways

Keeping our roads and footpaths in good condition helps to support local industries and offers our residents and visitors safe and easy travel around our district.

We also undertake road safety initiatives to encourage drivers to be safe on our roads.

## WHAT WE DID IN 2023/24

### ASHBURTON-TINWALD CONNECTIVITY

Following announcements from both the previous and current Government for the bridge to be among key road transport projects in the next three years, we await the final funding decisions for the second Ashburton river bridge project, expected in August 2024.

During the 2024-34 Long Term Plan consultation a considerable amount of general feedback from the community was referring to the relevance of a second bridge. Council remains committed to seeing the bridge built and have maintained our \$7.5 million contribution towards the project.

### SCHOOL SPEED ZONES

In July the new 30km/h speed zones, permanent for schools in urban areas and variable for rural schools, came into effect. The slower speeds, mandated by Government, triggered community commentary with requests to review the restrictions hours for urban schools. In December the transport minister announced that the new Government is reversing those speed limit rules. When this happens, Council will consider its future approach.

### NZTA - SH1 TINWALD CORRIDOR PROJECT

NZTA-Waka Kotahi constructed traffic lights on the State Highway 1 in Tinwald. Purpose of the traffic lights is to help create gaps in traffic, making it easier to cross the highway whether in cars, on bikes, scooters or on foot. The project, completed in March, was coordinated and funded by NZTA.

### PUBLIC TRANSPORT SURVEY

Council was keen to understand the future need for public transport in Ashburton and, together with Safer Mid Canterbury, collected information through an online survey. The research aimed at finding out the likely level of demand for public service in Ashburton, as the town had not traditionally had such a service. The results were received by Council in June 2024 with a presentation to follow from the researchers.

### ADDITIONAL UNSUBSIDISED ROADING FUNDS

An additional \$1 million for unsubsidised sealed road rehabilitation was approved to enable an additional 4 km of road to be constructed.

### FOOTPATH, KERB AND CHANNEL WORKS

This year the following sections of footpath, kerb and channel were constructed:

- Line Road/Dolma Street footpath, kerb and channel (965m) – Connecting walkway between Methven Chertsey Road and Dolma Street
- Albert Street footpath, kerb and channel (482m) – Connecting walkway to Ashburton Christian School
- Racecourse Road footpath, kerb +channel (250m)
- Lagmhor Road footpath, kerb +channel (420m)

**ROAD REHABILITATION, MAINTENANCE AND REPLACEMENT PROGRAMME**

On Thompsons Track, one of the busiest roads in the Ashburton District, nearly 2.5km was rehabilitated to make it wider and stronger. This year we also:

- resurfaced 49km of road – at a total cost of \$2.78 million
- rehabilitated 9km of sealed rural roads, at a cost of \$2.3 million
- applied an additional 2,755m<sup>3</sup> of road metal associated with flood repairs.
- spent \$906,587 grading unsealed roads.

Other repair work this year included:





- Chalmers Avenue roundabout
- Seaford Road rehabilitation outside ANZCO factory (1260m)

- Various road rehabilitations throughout the district: Tramway Road (672m), Tinwald Westerfield Mayfield Road (860m), Maronan Road (910m), Ealing Montalto Road (990m and 990m), Lismore Mayfield Road (1400m).

**SAFETY IMPROVEMENT SIGNAGE & VISIBILITY**

Work to improve signage and visibility at 33 sealed rural intersections was completed by the end of April. The intersections had been singled out for safety improvements, including larger signs and road markings.

**CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES**

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ohaka whai rawa i ruka i te aroka hou me te whai āheika</p>
	✓		✓

## OUR PERFORMANCE TRANSPORTATION

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We provide quality transportation services for the district	The footpath network is well maintained *	99%	85%	99%	✓
	The sealed local road network is smooth *	97%	90%	97%	✓
	The sealed local road network is well maintained * <i>The percentage of the sealed network that is resurfaced each year. Reseals and rehabilitations included.</i>	4.9%	4%	4.6%	✓
	Volume of metal replaced on unsealed roads	36,545 m <sup>3</sup>	≥48,000m <sup>3</sup>	35,684m <sup>3</sup> <sup>23</sup>	x
	Reduction in fatalities on local roads* <i>The change in the number from the previous financial year.</i>	-2	Decrease from previous year	+1 <sup>24</sup>	x
	Reduction in serious injury crashes on local roads* <i>The change in the number from the previous financial year.</i>	+4	Decrease from previous year	+2 <sup>25</sup>	x
Council contractors respond to transportation network failures and requests within required response times	Roading service requests are responded to within 5 working days *	98%	75%	98%	✓
	Footpath service requests are responded to within 5 working days *	98%	75%	96%	✓
The majority of residents are satisfied with Council's transportation services	Residents are satisfied with Council's unsealed roads	46%	65%	55% <sup>26</sup>	x
	Residents are satisfied with Council's sealed roads	26%	50%	32% <sup>27</sup>	x

\* Mandatory performance measure set by the Department of Internal Affairs

<sup>23</sup> Quantity placed limited by the funding available

<sup>24</sup> There was 1 fatality on local roads in 2022/23 compared with 2 in 2023/24.

<sup>25</sup> There were 13 serious injury crashes in 2022/23 compared with 15 in 2023/24.

<sup>26</sup> Not achieved but a significant increase from the previous year. Of those who were dissatisfied, 35% noted grading is not done soon enough / poor grading, 30% referred to poor maintenance of roads/poor quality of roads and 30% mentioned too many potholes.

<sup>27</sup> Not achieved but a significant increase from the previous year. Of those who were dissatisfied, 65% noted too many potholes, 37% repairs need to be fixed again too soon / cheap repairs, and 33% noted poor maintenance / quality of roads.

[photo P3]

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	213	279	271
Targeted rates	8,285	8,572	9,180
Subsidies and grants for operating purposes	2,636	2,812	4,618
Fees and charges	-	-	24
Internal charges and overheads recovered	-	-	316
Local authorities fuel tax, fines, infringement fees and other receipts	283	327	577
<b>Total sources of operating funding</b>	<b>11,417</b>	<b>11,990</b>	<b>14,986</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	5,857	6,057	8,249
Finance costs	140	183	374
Internal charges and overheads applied	1,440	1,493	2,502
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>7,437</b>	<b>7,733</b>	<b>11,125</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>3,979</b>	<b>4,257</b>	<b>3,861</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	6,347	6,772	4,807
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,914	2,035	(222)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>8,261</b>	<b>8,807</b>	<b>4,585</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	4,333	4,901	3,792
- to replace existing assets	7,810	7,894	8,125
Increase (decrease) in reserves	97	269	(3,470)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>12,240</b>	<b>13,064</b>	<b>8,447</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(3,980)</b>	<b>(4,257)</b>	<b>(3,861)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variances of \$500,000 or greater are explained here.

### Sources of operating funding

The majority of the \$2.9 million variance relates to subsidies being above budget and – most of which relates to additional funding received from NZTA Waka Kotahi, and our decision to invest an additional \$1million of unsubsidised funding, shown as additional targeted rate. In addition, \$900,000 of Better Off Funding was received in the 2023/24 year.

### Applications of operating funding

The increase in operational funding was increased cost of supplies, due to an increased programme of work, higher than budgeted depreciation and the impact of rising interest costs.

### Sources of capital funding

Our loan funding was \$4.2 million less due to reallocation of projects in line with NZTA Waka Kotahi funding received.

### Application of capital funding

We spent \$4.1 million more in 2023/24, due in part to receiving an additional \$1 million NZTA Waka Kotahi funding for emergency works and pavement rehabilitation. Council authorised the use of \$512k of emergency funding to support the additional emergency works. In addition, there was increased capital spend in roading as a result of Council receiving \$900,000 from the Better off Funding. Finally additional spend in rehabilitation work, service renewals and additional signs around our intersections made up the balance of the \$4.1 million additional spend against the 2023/24 budget.

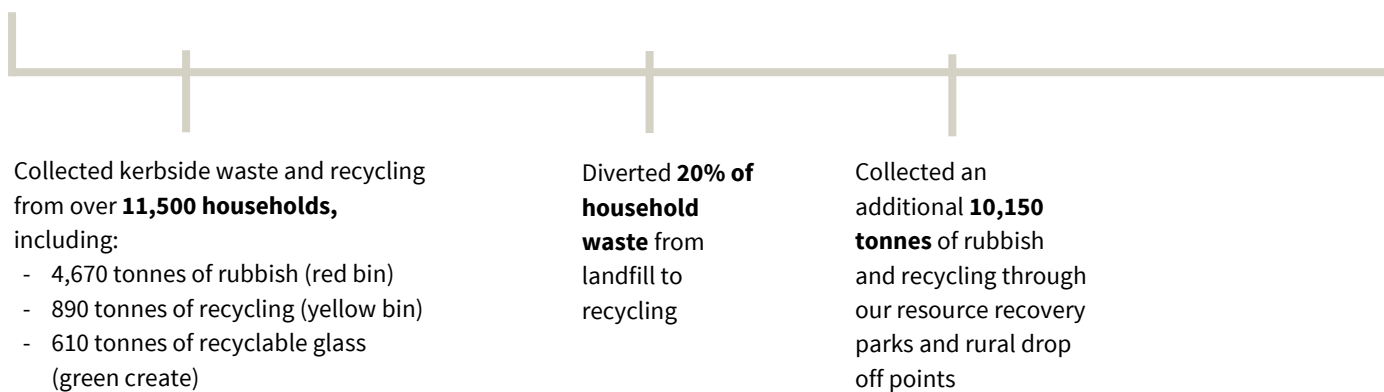
## CAPITAL EXPENDITURE BY ACTIVITY

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Roading	12,295	12,579	16,383
Footpaths	798	653	952
<b>Total capital expenditure</b>	<b>13,094</b>	<b>13,232</b>	<b>17,336</b>
Less vested assets	951	437	5,419
<b>Council funded capital expenditure</b>	<b>12,143</b>	<b>12,795</b>	<b>11,917</b>



# WASTE REDUCTION & RECOVERY

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Environmental wellbeing of the community by ensuring that our rubbish and recyclable material is well managed.

## KEY RESULTS FOR THE YEAR

**83%**

of residents are satisfied with our rubbish and recycling services



**85%**

of users were satisfied with the kerbside collection service



Achieved  
**0 / 3**  
performance measures\*



## WHAT WE DO

We promote sustainable waste management and minimisation. We provide collection services and facilities for transferring and transporting waste to landfill disposal or to other processing facilities. Enviro NZ holds the contract for the kerbside bin collection service which covers 73% of households across our district.

We also manage the following waste reduction and recovery services:

- Ashburton and Rakaia resource recovery parks
- Rural recycling drop-offs around the district
- Methven green waste and inorganic material drop-off facility
- Management of the district's closed landfills
- Management of discarded litter and the collection of illegally dumped waste
- Communication, advocacy, education, and enforcement
- Waste management planning and reporting

All landfill waste is trucked to the Kate Valley Landfill – the most comprehensively engineered waste management facility in the South Island. The landfill has a leachate management system that collects and stores leachate ready for treatment, a gas management system that collects methane produced by the landfill and pumps it to generators that produce electricity, and a surface water management system which collects stormwater and ensures only clean water flows to the wetlands.

## WHAT WE DID IN 2023/24

### ASHBURTON LANDFILL SLOPE REMEDIATION

This year, long-awaited work to remediate the Ashburton landfill began with additional capping of the slope and adding fill material to make it less steep and less prone to erosion. The work made good progress and stages will continue across a 5-year period. In the final stage the shingle and groynes will be covered with topsoil and the whole area will be beautified, looking like a natural slope and will be planted with natives.

Rehabilitation of the Mt Somers closed landfill, damaged during the 2021 floods, was completed this year.

### GREEN WASTE DECISION

One of the Key decisions that was consulted on for the Long Term Plan 24-34 was the communities' green waste service preference. Government has mandated the introduction of a food waste collection service by 2027. We asked the community how they wanted us to provide this service, a green waste collection service (both food and green waste), or just the mandatory food waste service. A clear majority preferred the full green waste service which Council decided will be introduced for all residential users from September 2026.





### COMPACTOR REPAIR

Major repairs on the Ashburton Resource Recovery Park compactor, replacing hydraulic valves, pumps, power packs, control valves and associated fittings to ensure the successful compacting of the targeted weight to landfill of 24-26 tonnes.

### PARTNERSHIP ECO EDUCATE

Eco Educate works alongside Council to help reduce the impact on the environment and preserve natural resources. This year we extended the contract to undertake recycling education by 2 years with an option to extend for another 2 years. Eco Educate also staffed the waste station at Council's Glow in the Park event, where it collected 670kg of rubbish, but was able to divert 93 per cent of it to recycling and composting facilities.

## CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho	 A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā	 A balanced & sustainable environment He taiao toitū	 A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whāi āheika
	✓	✓	

## OUR PERFORMANCE WASTE REDUCTION & RECOVERY

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We provide kerbside collection services to the majority of residents in the district	Increase the volume of recyclable material from kerbside collection services	-3.8%	+1%	-1.81% <sup>28</sup>	x
	Residents are satisfied with rubbish and recycling services in the district	83%	90%	83%	x
We provide waste reduction and recovery facilities throughout the district	Increase the volume of recyclable/recoverable material recovered from the waste stream	+5.7%	+1%	-13% <sup>29</sup>	x

<sup>28</sup> The average kerbside recycling rate for 2023/2024 is 14.39% compared to 14.15% in 2022/2023. The volume of recyclable materials received from kerbside is dependent on the amount disposed by households. While there is a slight increase in kerbside recycling, the volume of kerbside recyclable materials disposed per household slightly dropped to 245 kg in 2023/2024 compared to 253kg in 2022/2023. Considering that the total general waste collection also dropped in 2023/24 a possible explanation for the drop in recyclable material from kerbside collection could be that households are buying less and/or households re-using more, which leads to less waste (general and recyclable).

<sup>29</sup> The total volume of waste received at the Resource Recovery Park decreased by 5% from 22,579 tonnes to 21,454 tonnes. Average rate of diversion for 2023/24 is 31.2% compared to 31.5% the previous year. The volume of recyclable/recoverable materials recovered from the waste stream dropped by 13% from 7745 tonnes to 6712 tonnes. The decrease can be attributed to the significant drop in the volume of Landfill Capping materials (e.g. building materials) from 1634 tonnes the previous year to 395 tonnes this year.

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	987	886	814
Targeted rates	2,377	2,541	2,912
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2,547	3,079	3,785
Internal charges and overheads recovered	817	934	999
Local authorities fuel tax, fines, infringement fees and other receipts	265	279	344
<b>Total sources of operating funding</b>	<b>6,993</b>	<b>7,720</b>	<b>8,853</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	5,403	5,869	7,086
Finance costs	16	16	37
Internal charges and overheads applied	1,432	1,575	1,894
Other operating funding applications	-	-	(15)
<b>Total applications of operating funding</b>	<b>6,851</b>	<b>7,460</b>	<b>9,002</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>142</b>	<b>260</b>	<b>(148)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	5	743	118
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>5</b>	<b>743</b>	<b>118</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	179	184	305
- to replace existing assets	16	762	-
Increase (decrease) in reserves	(48)	58	(335)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>147</b>	<b>1,003</b>	<b>(30)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(142)</b>	<b>(260)</b>	<b>148</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variations of \$500,000 or greater are explained here.

### Sources of operating funding

Operating Income is greater than budget, mainly due to fees and charges reporting \$706,000 greater than budgeted in year 3 of the 21-31 LTP. This is a result of fees & charges increasing since the LTP budget was adopted because of increasing costs of providing the service.

### Applications of operational funding

Our operating expenditure was \$1.5 million greater than budgeted. These costs were due to cost fluctuation, equipment repairs and various waste minimisation activities. Increase in costs due to inflationary pressures of providing services could not have been predicted when the 21-31 LTP was adopted. These costs are partially offset by the additional fee income.

### Sources of capital funding

This was \$625,000 less than budgeted due to a delayed project, specifically the Ashburton Resource Recovery Park re-use shop which was delayed in the 2023/24 Annual Plan.

### Application of capital funding.

Overall capital funding was lower than budgeted due to the delay in the project mentioned above.

## CAPITAL EXPENDITURE BY ACTIVITY

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Refuse collection	-	-	1
Refuse management	195	946	304
<b>Council funded capital expenditure</b>	<b>195</b>	<b>946</b>	<b>305</b>

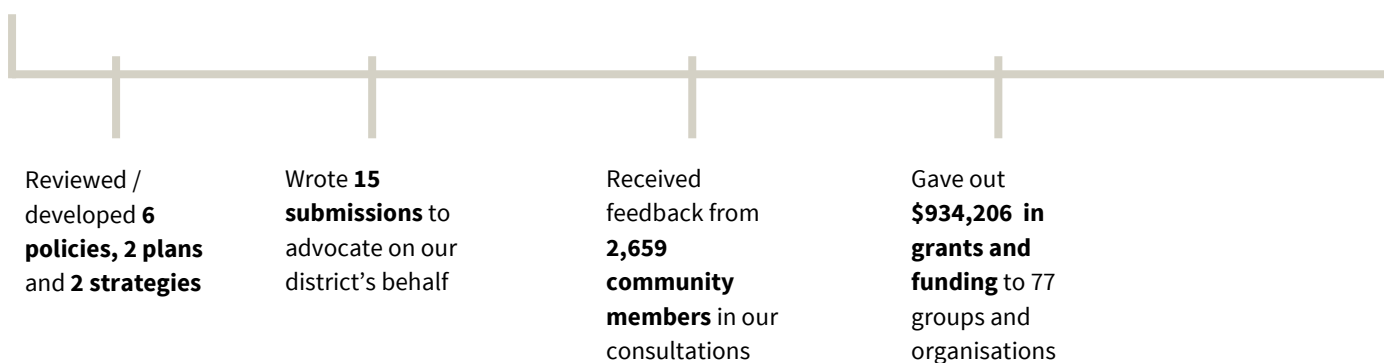
[Photo page P4]

# **PUBLIC SERVICES**



# COMMUNITY GOVERNANCE & DECISION-MAKING

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Social wellbeing of the community by providing residents opportunities to have their say on a range of matters and through grant funding support of community groups and organisations.



Cultural wellbeing of the community by maintaining and strengthening our relationships with Te Runanga o Arowhenua through regular hui with Aoraki Environmental Consultancy and by delivering the Welcoming Communities programme within the district.

### KEY RESULTS FOR THE YEAR

70%

of residents are satisfied with our overall performance



92%

of residents agree that our district is going in the right direction



80%

of residents trust Council to do the right thing



89%

of residents are satisfied with the mayor and councillors



67%

of residents are satisfied with how their rates have been spent



86%

of residents are satisfied with our advocacy work



97%

of residents are satisfied with the opportunities for grants and funding



94%

of residents are satisfied with our support of social services



**Achieved**  
**4 / 4**  
**performance measures\***



## WHAT WE DO

The Community Governance & Decision-Making activity supports and guides all the activities we as a council undertake. This activity enables us to function and provides stable, transparent, effective, efficient and accountable local governance to the district.

Elected Members set the direction and make decisions around the funding of activities to ensure we meet our community outcomes and strategic priorities.

### *Democracy*

We have an important role in providing leadership for the district and representing the interests of the community at the local, regional and national levels. Council meets regularly to make governance decisions on council strategies, policies, bylaws and plans for our district.

Also included under this area is the delivering of our Welcoming Communities programme and the Methven Community Board. The Methven Community Board is an elected board that represents the interests of the Methven community.

As of 2024 the former Youth Council will be replaced by a new digital engagement hub and face-to-face youth forums where school students will be invited to share their views on different subjects.

### *Community Grants & Funding*

We contribute over \$930,000 to community groups and organisations, including those who provide services to the community on our behalf. Our grants and funding fall into six categories of Arts and Culture, Community Development, Community Pools, Economic Development, Natural and Built Environments, and Sport and Recreation.

We recognise that other organisations and groups do important work to support the community in areas that are far better serviced by these groups than by us. We believe supporting the groups already working in the community to deliver these important services is an effective and efficient use of resources.

## WHAT WE DID IN 2023/24

### DEMOCRACY

#### WELCOMING COMMUNITIES

Council is part of the Welcoming Communities programme, led by the Ministry of Business, Innovation and Employment, and as part of the programme,

Council works with newcomers and the district in general to develop the tools needed to make the settlement process as smooth as possible. One of the projects in the programme this year was a new online Welcoming Guide for newcomers to the district that got launched in May 2024.

#### NOODLE MARKET

The Hakatere Noodle Festival is a celebration of National Welcoming Week and Te Tiriti-based Multicultural Day. For the occasion, held on 2 September 2023, food trucks loaded with dishes from all over the world, gathered at the West Street Carpark.

The event is a way to acknowledge the contribution of people who move to Mid Canterbury and to make them feel welcome.

#### COMMUNITY HONOURS AWARDS

During the 2023 ceremony to celebrate the Community Honours Awards, held in September, eight people and two groups were recognised for their contributions and achievements as the Ashburton District's outstanding volunteers.

#### CONSULTATIONS WITH OUR COMMUNITY

We spoke to our community on a range of topics this year including the Local Alcohol Policy, Representation Review and the draft Biodiversity Strategy. Our main consultation in 2023-2024 was for the Long Term Plan 2024-34.

#### *Long Term Plan*

Work began in 2022 for the Long Term Plan 2024-34 with an early engagement called the 'Take 10 for our future' campaign. We received 984 responses to the community survey and had 24 groups and organisations represented at workshops where we focused on the four well-beings.

Once the Long Term Plan was drafted we collected feedback on the plan, focussing on the key issues via the "Five for our Future" LTP engagement. An extensive programme of community engagement took place between March - April 2024 resulting in a record 1,522 submissions on the draft LTP and related policies.

*For details of these projects go to [ashburtondc.govt.nz](https://ashburtondc.govt.nz) > [haveyoursay](https://www.haveyoursay.govt.nz) or [www.itsourplace.nz](https://www.itsourplace.nz)*

#### REPRESENTATION REVIEW

Every three years, local elections are held across New Zealand to elect mayors, councillors and community boards. To ensure our community has fair and

effective representation, we're required to review the representation arrangements for the district every six years. In late 2023 we sought early feedback from our community, to guide us in drafting an initial draft proposal which we started consultation on in June 2024. This proposal included the suggestion to reduce the Methven Community Board from seven to six members.

### COMMUNITY GRANTS & FUNDING

In 2023/24, there were 96 Community Grants Applications. 89 groups and organisations received \$934,206 collectively.

We also continued to administer the Creative Communities Scheme and Rural Travel Fund grants on behalf of Creative Communities New Zealand and Sport NZ respectively. The Rural Travel Fund helps to subsidise travel for rural sports clubs and rural school teams. There were 15 applicants who collectively received \$20,300.





For the Creative Communities Scheme 22 groups received \$38,391 collectively for their projects. In October 2023 there was a final round of grants from the Ministry of Business, Innovation and Education's Regional Event Fund, which was set up to kickstart local events that support cross-regional tourism recovery. There were 17 applicants for the funds, with \$30,600 allocated to nine recipients.

### GRANTS

CATEGORY	GRANT	FUNDS ALLOCATED
Arts & Culture	Community Libraries	\$15,000
	Ashburton Trust Events Centre*	\$324,800
Community Development	Community Agencies	\$74,700
	Community Projects	\$25,300
	Safer Mid Canterbury*	\$212,022
	Safe Communities*	\$45,026
	Community House*	\$15,000
	Trail Maintenance Fund	\$10,000
	High School Prize Giving	\$1,000
Economic Development	Community Events	\$20,000
Natural & Built Environments	Biodiversity	\$61,358
	Community Infrastructure	\$60,000
	Community Pools	\$50,000
	Heritage	\$0**
Sport & Recreation	School Holiday Programme	\$5,000
Discretionary Grant		\$15,000
<b>TOTAL</b>		<b>\$934,206</b>

\* Uncontested grant / \*\*No applications received

## CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho	 A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā	 A balanced & sustainable environment He taiao toitū	 A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika
✓	✓	✓	✓

## OUR PERFORMANCE

### NON-FINANCIAL PERFORMANCE MEASURES

#### GOVERNANCE

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
The community is informed of, and involved in, local decision making	Residents are satisfied that the Council provides opportunities to have their say	90%	80%	89% ✓
	Residents are satisfied with the quality of information about Council activities and events	94%	90%	96% ✓
The community's views are taken fully into account for effective governance by elected members	Residents are satisfied with the performance of the mayor and councillors	86%	80%	89% ✓

#### COMMUNITY GRANTS & FUNDING

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
Community-led projects are well supported to enhance community development and wellbeing	Residents are satisfied that the Council provides opportunities for grants and funding to support community-led projects	95%	90%	97% ✓

[Photo page P5]

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/ 23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	4,382	4,673	4,005
Targeted rates	146	150	153
Subsidies and grants for operating purposes	-	-	30
Fees and charges	-	-	15
Internal charges and overheads recovered	-	-	77
Local authorities fuel tax, fines, infringement fees and other receipts	73	23	29
<b>Total sources of operating funding</b>	<b>4,601</b>	<b>4,846</b>	<b>4,308</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	2,730	2,575	2,328
Finance costs	57	54	122
Internal charges and overheads applied	2,669	2,834	2,717
Other operating funding applications	-	-	(2)
<b>Total applications of operating funding</b>	<b>5,455</b>	<b>5,464</b>	<b>5,166</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>(854)</b>	<b>(618)</b>	<b>(858)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	825
Increase (decrease) in debt	(117)	(117)	(117)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>(117)</b>	<b>(117)</b>	<b>708</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(971)	(735)	(150)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>(971)</b>	<b>(735)</b>	<b>(150)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>854</b>	<b>618</b>	<b>858</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET**

Variances of \$500,000 or greater are explained here.

**Sources of operating funding**

Operating income was \$538,000 less than budgeted in the 2021-31 LTP due to less income received from rates and rates penalties than projected. This was due to greater dividends than projected in the 2021-31 LTP being available to reduce the rates requirement in the 2023/24.

**Sources of capital funding**

Capital income was \$825,000 higher than budgeted, due to development and financial contributions reporting higher than budgeted, because of higher than projected economic activity across the district.

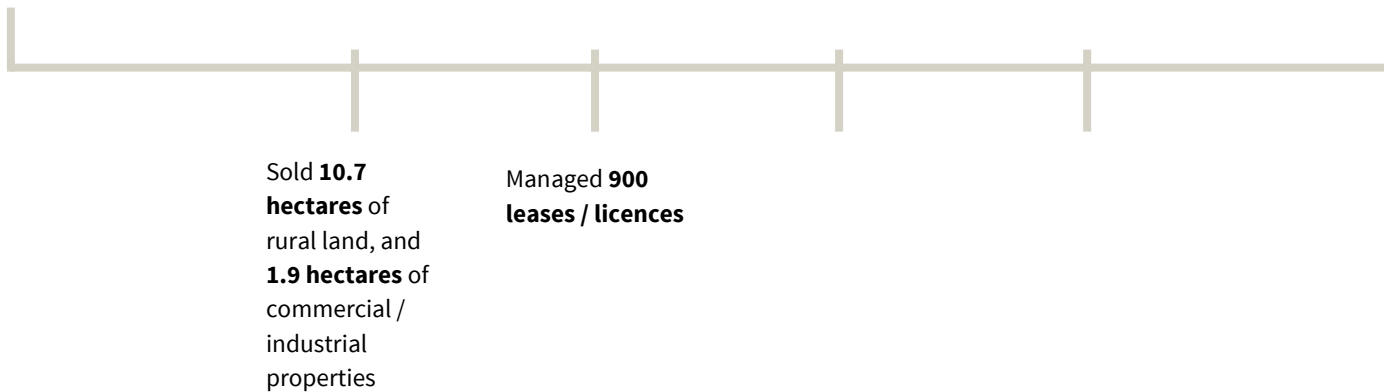
**Application of capital funding**

Reserves report \$724,000 above budgeted levels, due to development and financial contributions being higher than budgeted, because of higher than projected economic activity across the district.



# ECONOMIC DEVELOPMENT

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Economic wellbeing of the community by ensuring that our residents and business community are well connected and by providing residential / commercial properties for lease or purchase.



Social wellbeing of our residents by hosting community events for residents and visitors.

**KEY RESULTS FOR THE YEAR**

**93%**

of residents are satisfied with our community events



**87%**

of residents are satisfied with our work in economic and business development



**93%**

of residents are satisfied with our support for new residents



**Achieved**  
**1 / 2**  
**performance measures\***



## WHAT WE DO

There are three main components of our Economic Development portfolio: Commercial Property, Forestry, and Economic Development, which includes events and tourism promotion.

We invest in Economic Development initiatives to provide local economic leadership and to help offset rates. We also work to encourage people to work, live, play and invest in our district, to improve our district's income.

### *Commercial Property*

We own and manage over 1,200 properties as part of our portfolio, including industrial, commercial, residential and rural properties. Some of these are strategic investments held for our current or future activities, while non-strategic properties are continually reviewed for sale.

### *Forestry*

We have a large number of different plantation-sized parcels of forestry land throughout the district.

### *Economic Development and Tourism Promotion*

Our Economic Development team focuses on delivering the Economic Development Strategy. This includes working with and supporting the business community, community events and tourism promotion.

## WHAT WE DID IN 2023/24

### COMMERCIAL PROPERTY

#### TE WHARE WHAKATERE

Construction of Te Whare Whakaterere – our new library and civic centre building was completed in January 2024. In June 2024, at the Property Council NZ national industry awards, the building was awarded excellence in the Sustainable Building Property Award, and merit in the Civic, Health and Arts Property Awards for her sustainability and energy-saving features. The total construction costs are still to be confirmed.

#### BALMORAL HALL

An amount of \$484,000 was deferred from 2022-23 to this year to upgrade the Balmoral Hall. However, further investigation of the work needed triggered the requirements of a building consent, which would lead to a considerable amount of additional work and costs. The decision on what to do with Balmoral Hall was part of the LTP consultation and after thorough

debate, Council decided to retain the Balmoral Hall and the site for two more years, or until the Hall becomes unusable, whereby the hall is to be sold or demolished.

#### WALNUT AVENUE PAVILLION

Funds for the refurbishments to the Walnut Avenue Pavilion building were budgeted. Significant progress in the handover process was made and we got the detailed design finalised in June 2024.

#### ART GALLERY AND MUSEUM

There has been \$2 million budgeted to undertake remediation work on the building and air conditioning. This work has not yet been undertaken and these funds will continue to be carried forward until the expected completion date in mid 2026.

### ECONOMIC DEVELOPMENT AND TOURISM PROMOTION

#### ECONOMIC DEVELOPMENT STRATEGY

In 2023 consultation was undertaken with the public on the draft strategy. 19 submissions were received, and at the proceeding deliberations, elected members directed officers to make several updates to the strategy, including increasing the prominence of climate change and including Te Reo Māori throughout the document. The final strategy 'Economic Development - Rautaki Whanake Ohaoha 2023-33' was adopted on 20 December 2023.

*View our strategy on our website: [ashburtondc.govt.nz](https://ashburtondc.govt.nz) > District > Plans, Reports and Strategies > Strategies*

#### GLOW IN THE PARK EVENT





After a successful edition of the event in the Tinwald Domain in 2023 it was decided to move the lightshow to the Ashburton Domain, where it has room to expand and grow and to avoid the traffic congestion that occurred in Tinwald. The event, held in June 2024, was a huge success with well over 40,000 people attending over three nights, including a newly introduced low-sensory hour.

#### MAYORS TASKFORCE FOR JOBS (MTJF)

Our Council and Mayor are part of a nationwide network of mayors working together to help young people under 25 and disadvantaged people into employment, education, training and other positive activity in their communities.

Under this scheme, Council's youth employment coach will help connect local businesses with young adults and this year the Ashburton Learning Centre started collaborating with the Mayor's Taskforce for Jobs to help young people and others facing employment barriers find training and job opportunities. A new Facebook page was also launched.

#### CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitu</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika</p>
✓	✓	✓	✓

## OUR PERFORMANCE ECONOMIC DEVELOPMENT

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
Commercial property assets that are financially sustainable	Occupancy of all commercial tenancies at or above 95% at all times	98%	≥95%	98% ✓
Council builds relationships and collaborates with all sectors in the business community	Resident satisfaction with Council's roles in economic, business and tourism development	86%	90%	87% <sup>30</sup> x

<sup>30</sup> Of those dissatisfied, 47% noted the need to support local / small businesses, business ventures

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	694	785	1,461
Targeted rates	129	132	134
Subsidies and grants for operating purposes	154	158	2,492
Fees and charges	10	11	16
Internal charges and overheads recovered	2,363	2,422	2,447
Local authorities fuel tax, fines, infringement fees and other receipts	11,673	6,274	9,689
<b>Total sources of operating funding</b>	<b>15,023</b>	<b>9,782</b>	<b>16,237</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	2,861	2,836	5,187
Finance costs	1,063	1,378	2,663
Internal charges and overheads applied	1,571	1,604	1,508
Other operating funding applications	-	-	35
<b>Total applications of operating funding</b>	<b>5,494</b>	<b>5,818</b>	<b>9,393</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>9,529</b>	<b>3,964</b>	<b>6,844</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	4,000
Development and financial contributions	-	-	-
Increase (decrease) in debt	14,012	(3,004)	7,423
Gross proceeds from sale of assets	12,875	4,756	6,101
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>26,887</b>	<b>1,752</b>	<b>17,523</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	29,314	11	15,403
- to replace existing assets	52	63	-
Increase (decrease) in reserves	7,050	5,642	8,993
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>36,415</b>	<b>5,716</b>	<b>24,367</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(9,529)</b>	<b>(3,964)</b>	<b>(6,844)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variations of \$500,000 or greater are explained here.

### Sources of operating funding

Sources of operating funding are \$4.5 million higher than budgeted. Higher than budgeted subsidies and grants were received consisting of grants for Better Off Funding and Mayors Taskforce for jobs. A larger quantity of sections were sold during the year than budgeted in the 2021-31 LTP.

### Applications of operating funding

Applications of operating funding was \$3.8 million higher than budgeted, mainly due to higher than budgeted payments to staff and supplies, due to inflationary pressures. Finance costs report above the LTP 2021-31 budgeted levels, due to increased interest costs.

### Sources of capital funding

Sources of capital funding reported \$15.7 million higher than budgeted. This is mainly due to the delayed completion of Te Whare Whakare. Subsidies and grants for capital expenditure report \$4 million higher than budgeted, with the last portion of the Crown Infrastructure funding being received during the year. Loan funding requirements were delayed meaning debt reports \$10.4 million higher than the LTP budget. Gross proceeds from asset sales report \$1.3 million above budget with the sale of the old Library forming a large portion of this capital funding.

### Application of capital funding

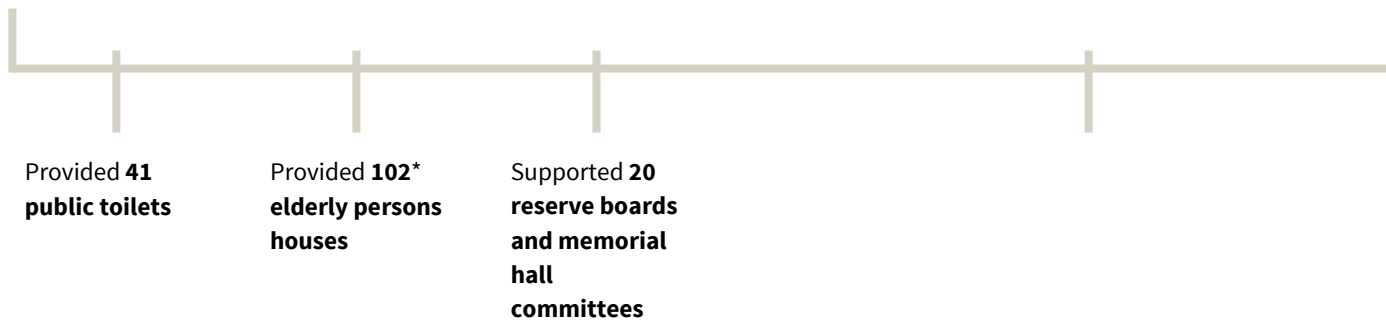
Total applications of Capital funding was \$18.6 million higher than budgeted in year 3 of 2021-31 LTP. This is mainly due to the delayed timeline for the completion of Te Whare Whakare compared to the timing based on the LTP 2021-31. Transfers to reserves report above budgeted levels because of above budget revenue such as property sales during the year.

## CAPITAL EXPENDITURE BY ACTIVITY

	2022/23 LTP \$000	2023/234 LTP \$000	2023/24 Actual \$000
Commercial Property	29,365	74	15,403
<b>Total capital expenditure</b>	<b>29,365</b>	<b>74</b>	<b>15,403</b>

# COMMUNITY SERVICES

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Social wellbeing of the community by providing housing for eligible elderly people and providing CCTV, security patrols and public toilets for key public spaces throughout the district.

*\* some of the units in the portfolio were in the process of getting demolished and unavailable for rental in 2023-24*

### KEY RESULTS FOR THE YEAR

**91%**

of residents are satisfied with community safety



**91%**

of residents were satisfied with CCTV and security patrols



**95%**

of residents were satisfied with our public toilets



**Achieved**

**3 / 3**

**performance measures\***





## WHAT WE DO

Community Services includes the provision of infrastructure such as public conveniences, memorial halls, reserves, campgrounds, elderly persons housing, and community safety measures (CCTV surveillance and security patrols) in the Ashburton CBD. It also includes our Reserve Boards.

We provide these community services to look after the wider community’s wellbeing in a number of ways and to help enhance social cohesion and community connectedness.

*Elderly Persons Housing* – ensures the most vulnerable members of our community (low-income elderly residents with no secure accommodation) have a safe and affordable place to call home.

*Public Conveniences* – provide toilet facilities for the public, including visitors and tourists, to help protect our environment and fulfil a basic health need for the community.

*Reserves and campgrounds* – provide recreational facilities throughout the district for the general public and have legislative regulations relating to their purpose and operation.

*Memorial Halls* – community facilities that can be hired for community activities and events.

*Community Safety* – CCTV surveillance and security patrols for the CBD and public areas contribute towards enhancing the safety of residents and visitors to our district. We also provide funding to Safer Ashburton through our grants and funding.

## WHAT WE DID IN 2023/24

### ELDERLY PERSONS HOUSING

We were successful in receiving a \$2.6million grant from Te Tūāpapa Kura Kāinga (Ministry of Housing and Urban Development) to put towards our new housing units being constructed at Friendship Lane. The project will result in 16 units being built for a total cost of \$3.7million.

### PUBLIC CONVENIENCES





This year we completed the construction of new toilets at the Rakaia and Mayfield Domain and replaced the toilets at the Rakaia Gorge.

A Matariki viewing platform in the Rakaia Gorge, including special signs that help people find the Matariki star cluster in the night sky, has been officially blessed and opened in March 2024. The site was built by Council and received help through a \$262,000 grant from the Government’s Tourism Infrastructure Fund in addition to our contribution of \$189,000 towards this project.

### RESERVES AND CAMPGROUNDS

The Methven Domain carpark has been resealed within budget and timeframe. The construction and funds for the storage shed for the lawn mower of the Mayfield Reserve Board is underway, with final expenses being carried over to 2024/25.

## CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika</p>
<p>✓</p>	<p>✓</p>	<p>✓</p>	<p>✓</p>

## OUR PERFORMANCE COMMUNITY SERVICES

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS	HOW WE MEASURE PROGRESS	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
LEVEL OF SERVICE	PERFORMANCE MEASURE			
Council will provide rental accommodation that meets the specific needs of eligible elderly members of the community	Occupancy rates of available Elderly Persons Housing	95%	95%	98% ✓
The majority of residents are satisfied with Council-provided public conveniences	Residents are satisfied with Council-provided public conveniences	93%	90%	95% ✓
We support the safety of Ashburton District	Residents are satisfied with Council's provision of CCTV, street lighting and security patrols within the district	88%	85%	91% ✓

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	1,161	1,268	1,149
Targeted rates	470	435	471
Subsidies and grants for operating purposes	31	32	235
Fees and charges	485	497	662
Internal charges and overheads recovered	14	15	42
Local authorities fuel tax, fines, infringement fees and other receipts	1,059	1,097	1,378
<b>Total sources of operating funding</b>	<b>3,220</b>	<b>3,344</b>	<b>3,937</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	2,214	2,252	2,638
Finance costs	65	70	63
Internal charges and overheads applied	774	761	588
Other operating funding applications	3	4	2
<b>Total applications of operating funding</b>	<b>3,056</b>	<b>3,086</b>	<b>3,290</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>163</b>	<b>257</b>	<b>647</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	533
Development and financial contributions	-	-	-
Increase (decrease) in debt	240	215	2
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>240</b>	<b>215</b>	<b>536</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	222	172	854
- to replace existing assets	313	330	916
Increase (decrease) in reserves	(133)	(30)	(588)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>403</b>	<b>473</b>	<b>1,182</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(163)</b>	<b>(257)</b>	<b>(646)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variations of \$500,000 or greater are explained here.

### Sources of operating funding

Overall sources of operating funding reports \$593,000 above budget. Subsidies and grants report \$202,000 above budget due to Better Off Funding received. Fees and charges report \$165,000 above budget. This increase is a result of fees & charges increasing since the LTP budget was adopted, to counteract the increasing costs of providing the service.

### Application of capital funding

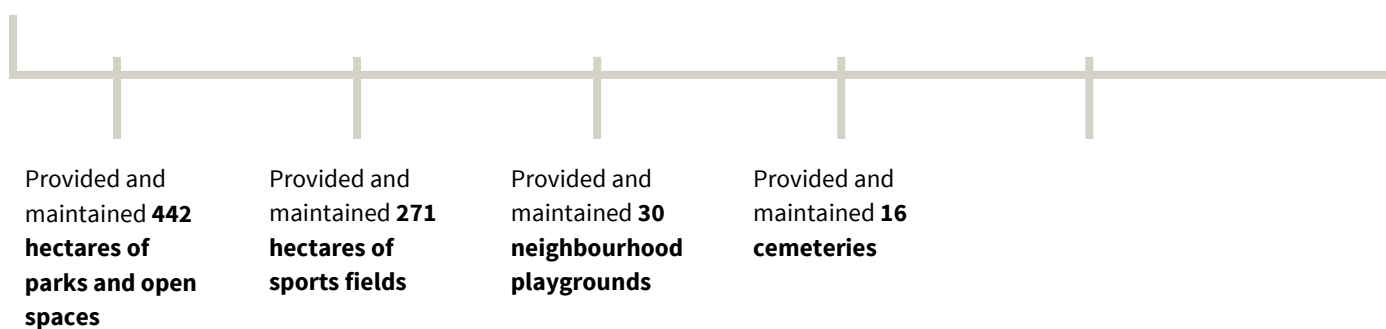
Application of capital funding reports \$709,000 above the LTP 2021-31 Year 3. This is mainly due to the increased capital grants available for capital expenditure that were unknown when the LTP was adopted. For example, this included construction of new toilets at Rakaia, and the Matariki viewing platform in the Rakaia Gorge.

## CAPITAL EXPENDITURE BY ACTIVITY

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Elderly Persons Housing	212	220	313
Public Conveniences	195	172	1,057
Memorial Halls	15	-	51
Reserves and Campgrounds	-	-	19
Reserve Boards	113	111	329
<b>Total capital expenditure</b>	<b>536</b>	<b>502</b>	<b>1,770</b>
less vested assets	-	-	-
<b>Council funded capital expenditure</b>	<b>536</b>	<b>502</b>	<b>1,770</b>

# PARKS & OPEN SPACES

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Social wellbeing of our residents through the provision of parks, gardens, playgrounds and sports fields that enhance their quality of life.



Cultural wellbeing of our residents by providing for a broad range of burial needs at our cemeteries.

### KEY RESULTS FOR THE YEAR

95%

of residents are satisfied with our **parks and open spaces**



98%

of residents are satisfied with our **cemeteries**



83%

of residents **visited the Ashburton Domain**, of which **97% were satisfied** with it



57%

of residents **visited a playground**, of which **93% were satisfied** with it



Achieved  
**6 / 6**  
performance measures\*

## WHAT WE DO

### *Cemeteries*

We operate and manage 11 open cemeteries, in addition to five closed cemeteries across the district.

Ashburton Cemetery has a natural and Muslim burial section, children's section and the only interdenominational section in the district, within its new lawn area.

We provide cemeteries to ensure a safe and healthy community, and they play an important role in preserving the social history of our district, with many having significant historic and heritage values.

### *Rural & Urban Beautification*

Parks play an important role in the image of our district and the quality of life for our community. Parks are considered a major contributor to the wellbeing of our residents through the provision of quality open space for both active sports and quiet areas for passive use.

We manage and maintain 442 hectares of parks and open spaces, 271 hectares of sports fields, and 30 neighbourhood playgrounds.

These spaces provide a place for our community to meet, be active and enjoy our environment. Having parks and open spaces available in our district is important for our community's amenity and makes our environment an attractive and welcoming place for residents and visitors.

## WHAT WE DID IN 2023/24

### RURAL & URBAN BEAUTIFICATION

#### NG KING COMMUNITY HERITAGE PARK

The heritage park on Allens Road is the site of former Chinese market gardens started by the Ng King brothers in 1921. Remnants of the settlement, including the buildings of the market gardens, a pig oven and surrounding grass spaces were declared a heritage site in 2019. This year, interpretive panels that tell the story of the settlers were installed and landscaping was finalised prior to the official opening in February. A path winds through the area and connects to Hanrahan Street.

#### BARING SQUARE EAST UPGRADE

The upgrade of the square in front of Te Whare Whakarewa was completed before the opening of the new building. The Boer War memorial has been relocated to Baring Square West following a careful restoration.

#### ASHBURTON DOMAIN UPGRADES

Various projects were completed in the Ashburton Domain. The Flying Fox was launched in December and has been a popular attraction in the domain ever since. Part of the budgeted waterway enhancements was the replacement of the pond edging and historic containment structures.

Added to the Open Spaces assets are a new leaf sucker to help with maintaining the lawns in fall and a weed harvester, which will be operated by Ashburton Contracting Limited to help with the water quality issue caused by excessive algae grow at Lake Hood.

#### NEW BIKE SKILLS PARK

The green light was given for a new bike skills park in the Ashburton Domain. Service and community groups will be responsible for the plan. Council contribution is the land and maintenance once completed.

#### RESERVE MANAGEMENT PLANS

The Reserve Management Plan sets out how local parks and reserves will be managed, what activities they'll cater for and what facilities will be provided. Following the initial work done for the development of a new Reserve Management Plan in 2022-23, we took the next steps in the process and used the initial community feedback to develop a draft plan. Consultation on this draft is taking place from June to August 2024. The final plan is scheduled to be adopted later in 2024.

#### NEIGHBOURHOOD PLAYGROUND UPGRADES

This year we focused on upgrading the playgrounds across the district that were identified in an earlier independent review as priority one. This included playgrounds in the Rakaia South settlement, Rakaia Domain, Chambers Park, Methven Domain, Railway Reserve, Davis Crescent Ashburton, Ashburton Domain Flying Fox and accessible swings, and the Tinwald Domain.

### BIODIVERSITY STRATEGY





Following extensive stakeholder and community consultation throughout 2023 our first Biodiversity Strategy was developed and adopted in March 2024. This strategy ‘Our Natural Place’, is a community-led initiative to preserve the remnants of indigenous biodiversity in the Ashburton District, which provide us with ecosystem services and functions.

View our strategy on our website: [ashburtondc.govt.nz](http://ashburtondc.govt.nz) > Ashburton District > Biodiversity

### TINWALD DISC GOLF

Following the popularity of the disc golf course in Ashburton a new disc golf course was opened at the Tinwald Domain at the beginning of December. The Tinwald course has nine holes, and the Tinwald Reserve Board was granted \$10,000 by Council for the project, which had a total price of about \$25,000.

### CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika</p>
<p>✓</p>	<p>✓</p>	<p>✓</p>	



## OUR PERFORMANCE – PARKS AND OPEN SPACES

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We provide residents with accessible, fit for purpose parks & open Spaces	Urban residents live within 400 metres of a park or open space.	95%	95%	95%	✓
	Residents throughout the district have access to sports parks (per 1,000 residents).	3.4 ha	≥3.5 ha	7.8ha <sup>31</sup>	✓
Council responds to parks & open spaces failures and requests	Complaints are responded to within ten working days.	75%	75%	95%	✓
The majority of residents are satisfied with our parks & open spaces	Residents are satisfied with Council-provided parks & open spaces	95%	95%	95%	✓
Council responds to cemetery failures and requests	Complaints are responded to within ten working days	67%	95%	100%	✓
The majority of residents are satisfied with our cemeteries	Residents are satisfied with Council-provided cemeteries	97%	95%	98%	✓

<sup>31</sup> Significant increase is result of confirmation of additional areas through Reserve Management Plan process.

Photo page P6]

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	2,053	2,505	1,961
Targeted rates	1,979	2,233	2,630
Subsidies and grants for operating purposes	-	-	12
Fees and charges	286	293	365
Internal charges and overheads recovered	-	-	64
Local authorities fuel tax, fines, infringement fees and other receipts	2	2	103
<b>Total sources of operating funding</b>	<b>4,319</b>	<b>5,033</b>	<b>5,135</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	3,857	4,007	5,012
Finance costs	92	173	198
Internal charges and overheads applied	96	103	149
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>4,045</b>	<b>4,283</b>	<b>5,360</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>274</b>	<b>750</b>	<b>(225)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	158
Development and financial contributions	617	633	648
Increase (decrease) in debt	3,611	178	3,524
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>4,229</b>	<b>811</b>	<b>4,330</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	4,079	671	4,432
- to replace existing assets	-	-	9
Increase (decrease) in reserves	424	890	(335)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>4,502</b>	<b>1,561</b>	<b>4,106</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(274)</b>	<b>(750)</b>	<b>225</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variances of \$500,000 or greater are explained here.

### Applications of operating funding

Operating expenditure is \$1.1 million greater than budgeted. Mainly due to higher costs incurred by the activity overall because of inflationary pressures and costs increasing since the LTP 2021-31 was adopted.

### Sources of capital funding

Capital income reports \$3.5 million above budget. This is mainly made up of debt requirements for capital expenditure originally budgeted in 2022/23 being completed.

### Application of capital funding

Capital expenditure is \$3.7 million more than budgeted due to several projects not occurring in the 2022/23 financial year being completed during the 2023/24 year. These consisted of the Baring Square East Upgrade, and district playground upgrades, pond edging, lighting upgrades and new pathways.

## CAPITAL EXPENDITURE BY ACTIVITY

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
Parks and recreations	3,799	671	4,437
Cemeteries	280	-	67
<b>Total capital expenditure</b>	<b>4,079</b>	<b>671</b>	<b>4,504</b>
Less vested assets	-	-	64
<b>Council funded capital expenditure</b>	<b>4,079</b>	<b>671</b>	<b>4,440</b>

# RECREATION FACILITIES

## THIS YEAR...



## OUR WORK CONTRIBUTED TO THE...



Social wellbeing of the district through the provision of recreation facilities that enhance the quality of life of all residents in the district.



Cultural wellbeing of residents by ensuring that our public facilities are welcoming to all in the community and offer programmes of relevance and interest.

**KEY RESULTS FOR THE YEAR****89%**

of users were satisfied with the services and programmes at the EA Networks Centre

**96%**

of users were satisfied with the services and programmes at the Ashburton Library

**93%**

of users were satisfied with the services and programmes at the Ashburton Museum

**90%**

of residents were satisfied with the services and programmes at the Ashburton Art Gallery



**Achieved**  
**6 / 11**  
**performance measures\***



## WHAT WE DO

Our recreational facilities are based around the recreational, cultural and social aspects of our life in the district – the things that make Ashburton a great place to work, live, play and invest.

Our facilities provide an additional quality of life aspect to the foundation of good infrastructure and aid in the development of healthy, active, functioning communities. We recognise that recreation plays a key role in creating the environment in which our communities can prosper and enjoy improved health and wellbeing.

### *Ashburton Art Gallery & Museum*

The Ashburton Art Gallery and Museum is home to our local museum and art gallery and aims to be the leading art, cultural and heritage facility in the heart of Te Waipounamu (the South Island).

### *Ashburton Library – Te Kete Tuhinga*

The library provides our community with opportunities for life-long learning, access to information, leisure and reading. In 2023-24 two thirds of the households in the district indicated they utilise the library.

### *EA Networks Centre (EANC)*

The EANC includes an indoor sports stadium with six full size courts, gym and fitness class area, and indoor pool complex featuring a ten lane 25 metre pool, hydrotherapy pool, leisure pool with lazy river, learn to swim pool, spa pool and steam room.

## WHAT WE DID IN 2023/24

### ASHBURTON LIBRARY – TE KETE TUHINGA

#### MOVE TO TE WHARE WHAKATERE

The highlight of the year has been the move to the new building. After construction delay pushed back the initial moving date the new library opened its doors on 22 January 2024. The new library, called Te Kete Tuhinga, is twice the size of the previous library and includes community meeting spaces, a performance space, maker space, learning lab and audio visual studio.

The extensive library programme of Community Engagement Activities and Digital Access Projects was further extended with training sessions for all ages on how to use the equipment in the Maker space area and engineering and recording training in the new Sound

Studio. The meeting rooms are being well utilised by the community.

In June 2024, the library launched the 1,000 Books Before School initiative. The collaboration with Ashburton Altrusa encourages regular reading to babies and toddlers in the years before they start school.

### ASHBURTON ART GALLERY & MUSEUM

#### GALLERY AND MUSEUM EXHIBITIONS

This year we delivered 25 exhibitions across our five temporary exhibition spaces. Of note was our *A New Era: Ng King Bros. Chinese Market Garden Settlement* exhibition, which celebrated the restoration of this significant archaeological site in Whakatere Ashburton and its re-opening as a community heritage park. Now a HNZPT Category 1 Historic Place, the Allens Road settlement was once one of the largest commercial market gardens in the country. This exhibition displayed items recovered from the site during its restoration and shared the importance of the Ng King family's story within the social history of Chinese settlers who migrated to Aotearoa New Zealand.

We also welcomed 3,014 children and teachers to our facility from schools across the district for education programmes based around exhibitions. The most popular was our *Tuitui Tangata* exhibition, toured by Ōtautahi-based organisations Fibre Gallery and Tagata Moana Trust. The exhibition celebrated the revered art form of Tivaevae and its significant role in Cook Islands culture. Tivaevae from Whakatere Ashburton Cook Islands community members and their families were displayed in this iteration of the exhibition at Ashburton Art Gallery and Museum.

#### WHAKATERE HERITAGE COLLECTIONS ONLINE

A collections website, containing more than 1,000 photographs and records of the Ashburton District over the past 100 years and earlier was launched in May 2024. The photographs and records are from the Ashburton Museum and Historical Society's collection and Council's historical archives.

#### EA NETWORKS CENTRE

A celebratory moment for the centre was in May 2024, when a record number of 61,814 people visited the EANC, the highest monthly total since the centre opened in 2015. A Basketball NZ tournament hosted earlier in the year also brought a record number of teams and visitors to the centre.

**DEVELOPMENT OF EANC 30 YEAR MASTERPLAN**

Alongside the Long Term Plan consultation, we asked the community for feedback on the Draft EANC 30 Year Masterplan. The plan highlights the vision of what development for the EA Networks Centre and surrounding land could look like over the next 30 years. In response to consultation, we received 67 submissions and hearings took place in June. During the deliberations, Council did not indicate a desire for any major changes to be made and the adoption of the final plan has been delayed to later in the year given ongoing discussions within some sporting codes.

**EANC TECHNOLOGY IMPROVEMENTS**





Significant improvements to core facility infrastructure and energy enhancement at EANC were made by the investment in new heat pumps and the chlorine dosing

system. To make sure the current level of service for members and visitors of the centre is maintained, a few renewals were catered for, like the pool timing system and gymnasium equipment. We did not complete the scheduled upgrade of the scoreboards as the cost was prohibitive, however we did undertake improvements to scoreboard controllers as needed.

**LAKE HOOD JUMPING PLATFORM**

Lake Hood’s new jumping platform opened for business in April 2024. The platform is in a separate body of spring-fed water at the northern end of the new lake and users must be confident swimmers as they need to swim out to access the platform, then climb a ladder to either a 2.5m or 4m high jumping off point. The platform was constructed by Council, in conjunction with Ashburton Contracting Limited, using \$35,000 from the Government's Better Off Funding.

**CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES**

 <p>Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho</p>	 <p>A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā</p>	 <p>A balanced &amp; sustainable environment He taiao toitū</p>	 <p>A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika</p>
<p>✓</p>	<p>✓</p>	<p>✓</p>	<p>✓</p>



## OUR PERFORMANCE RECREATION FACILITIES

### NON-FINANCIAL PERFORMANCE MEASURES

WHAT WE'RE WORKING TOWARDS	HOW WE MEASURE PROGRESS	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS		
LEVEL OF SERVICE	PERFORMANCE MEASURE					
We provide all residents and visitors with accessible library resources for recreation and discovery	Most households in the district utilise the library	48%	60%	66%	✓	
	Number of activity and programme sessions delivered in the library / by the library team, across the year, aimed at:	Children	382	400	374 <sup>32</sup>	x
		Teens	56	200	115	x
		Adults	231	200	271	✓
We will have a library that is a welcoming and community-centred destination	Users are satisfied with Council's library services	96%	95%	96%	✓	
	Free public internet sessions (Aotearoa People's Network Kaharoa) are well utilised	29,374	40,000	33,620 <sup>33</sup>	x	
We provide a modern museum for the community that aligns with NZ Museum Standards	Museum programmes and services are well utilised	24,586	26,000	25,951	x	
	Ashburton Museum meets New Zealand Museum Standards	80%	75%	80%	✓	
The majority of users are satisfied with the Museum	Users are satisfied with Council-provided museum services and programmes	97%	93%	93%	✓	
We provide quality gym, pool, and stadium facilities	EA Networks Centre is well utilised	442,139	490,000	494,329	✓	
The majority of users are satisfied with EA Networks Centre	Users are satisfied with EA Networks Centre services and programmes	88%	92%	89% <sup>34</sup>	x	

<sup>32</sup> Note: the number of activity and programme sessions delivered in the library/by the library team for Children, Teens and Adult sessions is updated. The reason for not meeting the Teens & Children activity target was the impact of the move into new library which disrupted programming for activities.

<sup>33</sup> Many residents now own devices.

<sup>34</sup> 2023-24 Of those who were dissatisfied with the EA Networks Centre, 28% would like the EA Networks Centre to have 'better opening hours, more classes and more staff, 25% states the centre 'needs a hydro slide' or 'more child orientated facilities' (24%).

[Photo page P7]

## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	5,739	5,956	6,799
Targeted rates	-	-	-
Subsidies and grants for operating purposes	82	84	108
Fees and charges	2,483	2,567	1,800
Internal charges and overheads recovered	-	-	112
Local authorities fuel tax, fines, infringement fees and other receipts	108	110	157
<b>Total sources of operating funding</b>	<b>8,412</b>	<b>8,717</b>	<b>8,976</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	5,210	5,269	6,023
Finance costs	4	4	15
Internal charges and overheads applied	3,934	4,039	4,477
Other operating funding applications	11	11	5
<b>Total applications of operating funding</b>	<b>9,159</b>	<b>9,322</b>	<b>10,520</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>(747)</b>	<b>(605)</b>	<b>(1,544)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	49
Development and financial contributions	-	-	-
Increase (decrease) in debt	(7)	(7)	(11)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>(7)</b>	<b>(7)</b>	<b>38</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	329	275	343
- to replace existing assets	215	50	474
Increase (decrease) in reserves	(1,298)	(936)	(2,323)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>(754)</b>	<b>(612)</b>	<b>(1,506)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>747</b>	<b>605</b>	<b>1,544</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

## SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET

Variances greater than \$500,000 are explained here.

### Application of operating funding

Operating expenditure was \$1.2 million greater than budgeted. This is a result of inflationary pressures pushing overheads, and payments to staff and suppliers higher than budgeted in the LTP 2021-31 budget.

### Application of capital funding

Total Application of funds reports \$894,000 below that budgeted in the LTP 2021-31. This is due to capital expenditure being higher than LTP 2021-31, with requirements changing since the LTP 2021-31 budget was set. There was a higher than budgeted decrease in reserves due to contributions from reserves budgeted.

## CAPITAL EXPENDITURE BY ACTIVITY

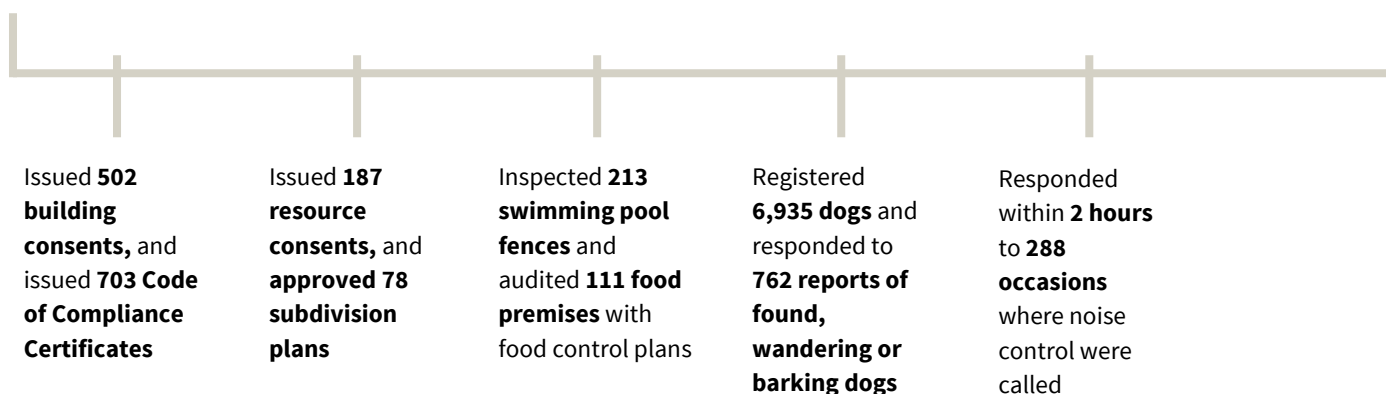
	<b>2022/23</b>	<b>2023/24</b>	<b>2023/24</b>
	<b>LTP</b>	<b>LTP</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Ashburton Library	237	179	151
Art, culture and heritage	73	53	51
Recreation facilities and services	234	93	615
<b>Total capital expenditure</b>	<b>544</b>	<b>324</b>	<b>817</b>

[Photo page P8]

# REGULATORY SERVICES

# REGULATORY SERVICES

## THIS YEAR WE...



## OUR WORK CONTRIBUTED TO THE...



Economic wellbeing of our community by ensuring that properties, public facilities and businesses are operating in a safe and compliant manner.



Environmental wellbeing of our community by ensuring that the district land is used appropriately as per Council's District Plan.

### KEY RESULTS FOR THE YEAR

**93%**

of residents are satisfied with alcohol licensing



**89%**

of residents are satisfied with animal control



**73%**

of users are satisfied with our building service



**98%**

of residents are satisfied with emergency management



**75%**

of users are satisfied with our environmental monitoring



**82%**

of users are satisfied with our planning services



**97%**

of users are satisfied with our property information services



**Achieved**  
**14 / 21**  
**performance measures\***



## WHAT WE DO

Within Regulatory Services, we perform two main roles – Regulatory Functions and Regulatory Compliance. Providing cost-effective regulatory functions ensures we contribute to creating a district of great spaces and places by managing how land is used and contributing to the prosperity of our community by promoting growth, keeping the community safe and healthy by minimising hazards and promoting responsible behaviour.

*Regulatory Functions include:*

- Building Regulation
- District Planning
- Emergency Management
- Land Information

*Regulatory Compliance includes:*

- Alcohol Licensing and Gambling Venue Consenting
- Animal Control
- Environmental Health
- Parking

## WHAT WE DID IN 2023/24

### BUILDING CONSENTS

We are still catching up with the backlog of building consent processing following the unpredicted surge of building consents received during Covid19. In 2023/24 there were 502 consents issued and work continued to enhance the process to make sure we are compliant with issuing consents within 20 working days.

We managed to increase the percentage of consents issued within the timeframe from 55.8% to 78.5% compared to last year but have not yet reached the target of doing this in time for each request.

In May, Council successfully completed the biannual accreditation process and had its Building Consent Authority renewed.

### DISTRICT PLAN CHANGE 5

A key project in 2023/24 was the completion of Plan Change 5 to the Ashburton District Plan, related to transportation and parking changes. The Council initiated the plan change to address transportation related matters, predominantly associated with the introduction of the National Policy Statement on Urban Development was started in March 2023.

Other activities for the Planning team were the management of the hearing and decision on the Southern Parallel Equine Centre resource consent application and the processing of a significant number of Kainga Ora housing redevelopments.

### EMERGENCY MANAGEMENT

A highlight of the year has been the move to and commissioning of the new Emergency Operations Centre – the Wakanui Room - at Te Whare Whakaterere.

This year we developed community response plans for Hakatere Huts, Hinds and Ashburton Lakes and other plans were reviewed (South Rakaia Huts, Ashburton Emergency Management SOP's and Alford Forest).

On 20 September 2023 a 6.0 earthquake reminded us of our responsibilities to make sure the community is well prepared for an earthquake. We published an article on the importance of a grab bag and Council staff did visual inspections of the road network and quake-prone buildings in the district.





Other activities included our participation in three community run Public Education events. In Methven we collaborated with the Methven Civil Defence Community response team and in Ashburton we joined the Ethnic Communities Day organised by Neighbourhood Support and the Hakatere Newcomers Network. We also had a stand at the annual Ashburton A&P Show.

Repairs to the radio repeater on Mt Hutt were also completed.

### REVIEW OF LOCAL ALCOHOL POLICY

In 2023 we reviewed our Local Alcohol policy. Council initially proposed rolling over the existing policy when it first consulted the public in June, but community feedback led to two proposed changes to the regulations, leading to another round of consultation. After the second review two changes were made. The first change made the one-way door restriction, that previously only applied to the Ashburton town centre and some rural areas, roll out across the rest of the district. The second change extended the trading hours for Footpath Areas of On-Licences from closing at 12.00am (midnight) to 1.00am. The changes came into effect in March 2024.

## CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES

 Residents are included and have a voice Ka whai wāhi, ka whakaputa kōrero kā kainoho	 A district of great spaces and places He tiriwā pai, he wāhi pai i tēnei takiwā	 A balanced & sustainable environment He taiao toitu	 A prosperous economy based on innovation and opportunity He ōhaka whai rawa i ruka i te aroka hou me te whai āheika
✓	✓	✓	✓

## OUR PERFORMANCE REGULATORY SERVICES

### NON-FINANCIAL PERFORMANCE MEASURES

#### Building Regulation

WHAT WE'RE WORKING TOWARDS	HOW WE MEASURE PROGRESS	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
LEVEL OF SERVICE	PERFORMANCE MEASURE				
We provide quality building regulation services	Building consents are processed and decisions made within 20 working days	55.8%	100%	78.5% <sup>35</sup>	x
	Code of Compliance Certificates are processed and decisions made within 20 working days	99.3%	100%	97.3% <sup>36</sup>	x
	Buildings with compliance schedules are audited each year	10%	10%	12%	✓
	A third of known swimming pool fences are inspected every year	100%	100%	120.3%	✓
Council responds to concerns with building regulation services within required response times	Building service complaints are responded to within two working days	100%	100%	100%	✓

<sup>35</sup> 394 out of 502 consents were issued within 20 working days. The timeframes were affected by the unpredicted surge of building consents received during Covid19 which created a bottleneck. The majority of those consents have now been dealt with, hence the increase in timeframe compliance.

<sup>36</sup> 684 out of 703 certificates were issued within 20 working days. The majority of the certificates that went over time were old historic paper based system consents.

## District Planning

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We provide quality district planning services	Resource consent applications and exemptions are determined within statutory timeframes	96.4%	100%	96.3% <sup>37</sup>	x
	Subdivision plan approval certificates (RMA s.223) are determined within ten working days	88%	100%	87% <sup>38</sup>	x
Council responds to concerns with district planning services within required response times	District planning service complaints are responded to within five working days	92%	100%	100%	✓
The majority of residents are satisfied with the standard of our district planning services	Residents are satisfied with the standard of Council's planning services	79%	80%	82%	✓

## Emergency Management

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS	
We support emergency preparedness through community-based emergency management	A community response plan is developed or renewed annually	3	1	3	✓
The majority of residents are satisfied with the standard of our civil defence services	Residents are satisfied with the civil defence services provided by Council	97%	95%	98%	✓

<sup>37</sup> 180 of 187 resource consents were processed within statutory timeframes. Heavy workloads at times resulted in the use of consultants for processing some applications, the majority of overtime applications were those processed externally.

<sup>38</sup> 68 of 78 Section 223 certificates were processed within statutory timeframes. Staff will sometimes identify issues in survey plans or easements. At times the amendments required of the applicant will result in an exceedance of the 10 day working period. The alternative to this is rejecting the application.

## Land Information

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
We provide quality land information services efficiently	LIM applications are processed within ten working days	100%	100%	100% ✓

## Regulatory Compliance

WHAT WE'RE WORKING TOWARDS (LEVEL OF SERVICE)	HOW WE MEASURE PROGRESS (PERFORMANCE MEASURE)	2022/23 RESULTS	2023/24 TARGET	2023/24 RESULTS
We provide quality alcohol licensing services	Licensed premises are monitored each year	100%	100%	100% ✓
	Stakeholder meetings are held each year	12	10	13 <sup>39</sup> ✓
The majority of residents are satisfied with Council's role in alcohol licensing	Residents are satisfied with how Council undertakes its role in alcohol licensing	90%	85%	93% ✓
We provide quality animal control services	Known dogs are registered (includes dogs otherwise accounted for)	98%	95%	99.6% ✓
Council contractors respond to animal control incidents within contractual response times	Urgent incidents are responded to within one hour	100%	100%	93% <sup>40</sup> x
	Found, wandering or barking dog incidents are responded to within five working days	91%	100%	94% <sup>41</sup> x
The majority of residents are satisfied with our animal control services	Residents are satisfied with Council's animal control services	87%	80%	89% ✓
We provide quality environmental health services	Registered food premises are appropriately risk assessed each year	97%	80%	97% ✓
Council contractors respond to environmental health issues within contractual response times	Noise complaints are responded to within two hours	100%	100%	82% <sup>42</sup> x

<sup>39</sup> The number of stakeholder meetings held across the year is influenced by a number of factors, including changes in legislation needing interpretation, number of events held in the district, and change of scope for a business – which has become more regular post-Covid-19.

<sup>40</sup> 41 out of 44 incidents were responded to within one hour. The remaining 3 incidents were responded to but the arrival time was not recorded by contractor. This has been addressed.

<sup>41</sup> 717 out of 762 incidents were responded to within 5 working days. The remaining 45 incidents were responded to but the arrival time was not recorded by contractor. This has been addressed.

<sup>42</sup> 288 out of 352 incidents were responded to within two hours. The remaining 64 incidents were responded to but due to the changeover to the new After Hours Operators based at Palmerston North, there were cases where address details supplied were incorrect, which created a delayed response for our Noise contractor. This has been addressed.

**FUNDING IMPACT STATEMENT**

<b>For the year ended 30 June</b>	<b>2022/23 LTP \$000</b>	<b>2023/24 LTP \$000</b>	<b>2023/24 Actual \$000</b>
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	1,734	1,975	1,429
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	1
Fees and charges	3,081	3,137	3,035
Internal charges and overheads recovered	99	101	134
Local authorities fuel tax, fines, infringement fees and other receipts	362	372	538
<b>Total sources of operating funding</b>	<b>5,275</b>	<b>5,586</b>	<b>5,136</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	3,490	3,557	3,953
Finance costs	19	16	38
Internal charges and overheads applied	1,818	1,888	2,202
Other operating funding applications	2	2	2
<b>Total applications of operating funding</b>	<b>5,328</b>	<b>5,463</b>	<b>6,195</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>(53)</b>	<b>123</b>	<b>(1,059)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(137)	(137)	(149)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>(137)</b>	<b>(137)</b>	<b>(149)</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(190)	(14)	(1,208)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>(190)</b>	<b>(14)</b>	<b>(1,208)</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>53</b>	<b>(123)</b>	<b>1,059</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET**

Variances of \$500,000 or greater are explained here.

**Applications of operating funding**

Operating funding was \$729,000 greater than budgeted. This is a result of inflationary pressures pushing overheads, and payments to staff and suppliers higher than budgeted in the LTP 2021-31 budget.

**Applications of capital funding**

Reserves decreased \$1.2 million below those budgeted in the 2021-31 LTP. This was mainly due to the deficit from operational activities variance of \$101 million.

[Photo page P9]

## MISCELLANEOUS SERVICES

Miscellaneous income and expenditure includes budget items not allocated to a specific activity group. Revenue for this activity group includes income Council receives from investments and dividends. Expenditure includes interest on loans raised in relation to equity investments in Ashburton

Contracting Limited (ACL) and other miscellaneous expenditure items including rate remissions. Capital expenditure in this activity includes expenditure by Council's overhead departments, such as plant and vehicle purchases, and information systems equipment and software.



## FUNDING IMPACT STATEMENT

For the year ended 30 June	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>			
General rate, uniform annual general charges, rates penalties	288	295	-
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	926
Local authorities fuel tax, fines, infringement fees and other receipts	978	1,002	1,343
<b>Total sources of operating funding</b>	<b>1,266</b>	<b>1,297</b>	<b>2,269</b>
<b>Applications of operating funding</b>			
Payments to staff and supplies	-	-	54
Finance costs	88	90	50
Internal charges and overheads applied	-	-	926
Other operating funding applications	134	137	-
<b>Total applications of operating funding</b>	<b>222</b>	<b>228</b>	<b>1,030</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>1,044</b>	<b>1,070</b>	<b>1,239</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(7)	(7)	-
Gross proceeds from sale of assets	103	106	146
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>96</b>	<b>98</b>	<b>146</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	572	624	1,116
- to replace existing assets	447	181	318
Increase (decrease) in reserves	121	364	(49)
Increase (decrease) in investments	-	-	-
<b>Total applications of capital funding</b>	<b>1,139</b>	<b>1,168</b>	<b>1,385</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(1,044)</b>	<b>(1,070)</b>	<b>(1,239)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SIGNIFICANT VARIANCES BETWEEN ACTUAL AND BUDGET**

There are no variances of \$500,000 or more for miscellaneous.

**CAPITAL EXPENDITURE BY ACTIVITY**

	<b>2022/23 LTP \$000</b>	<b>2023/24 LTP \$000</b>	<b>2023/24 Actual \$000</b>
Information systems	607	382	522
Plant and vehicles	412	423	712
Civic building	-	-	201
Parks Administration	-	-	-
<b>Council funded capital expenditure</b>	<b>1,019</b>	<b>804</b>	<b>1,434</b>



# PART 3:

# OUR FINANCES

## **Statement of comprehensive revenue and expenses**

This shows a summary of the total revenue received and expenditure incurred.

## **Statement of financial position**

This shows how total equity (the net worth of Council) has changed from the start of the year to the end of the year.

## **Statement of financial position**

This is Council's balance sheet and shows the financial position of Council at the end of the financial year. It also shows total assets and liabilities as at that date.

## **Statement of cash flows**

This details the cash flows in and out of Council over the year. The increase or decrease in cash, is agreed to the final cash balance in the statement of financial position.

# FINANCIAL PRUDENCE

ANNUAL REPORT DISCLOSURE STATEMENT FOR YEAR ENDING 30 JUNE 2024

## **PURPOSE 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 and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

### RATES AFFORDABILITY BENCHMARK

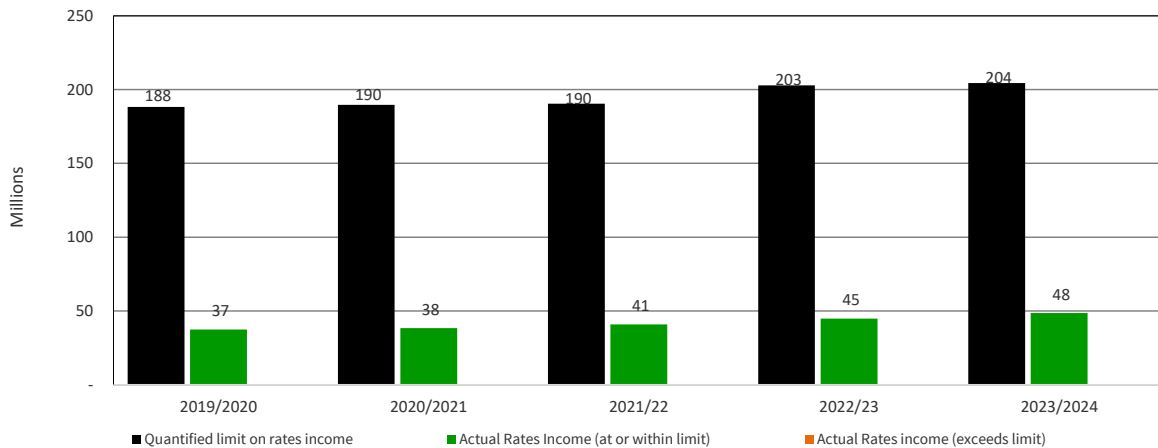
The council meets the rates affordability benchmark if:

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

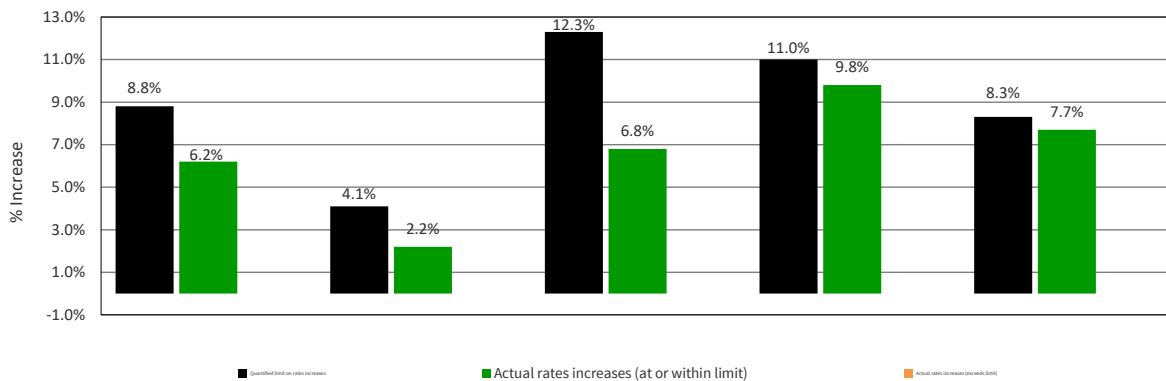
The quantified limit is actual rates income (excluding GST) will not be greater than 1% of the total capital value of the district.



### RATES (INCREASE) AFFORDABILITY

The following graph compares the council’s actual rates increase with a quantified limit on rates included in the financial strategy in the council’s long-term plan.

The quantified limit for 2023/24 is no greater than 5% (exclusive of LGCI).

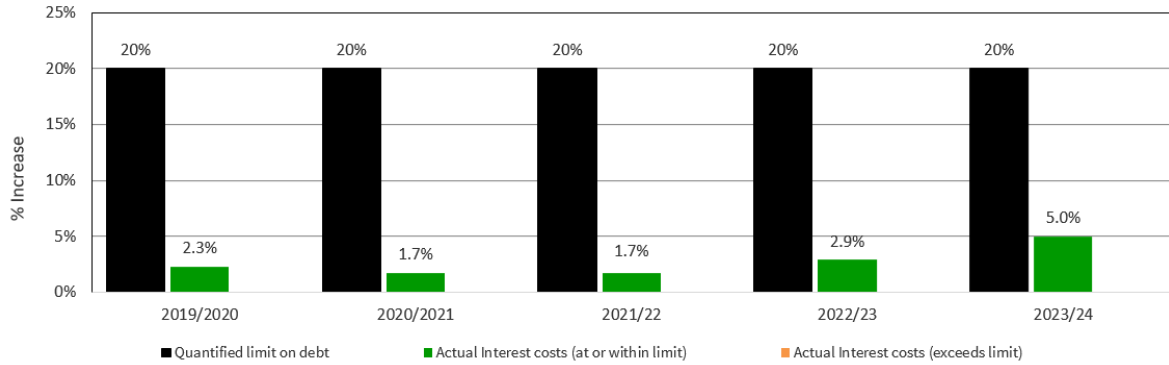


### DEBT AFFORDABILITY BENCHMARK

The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

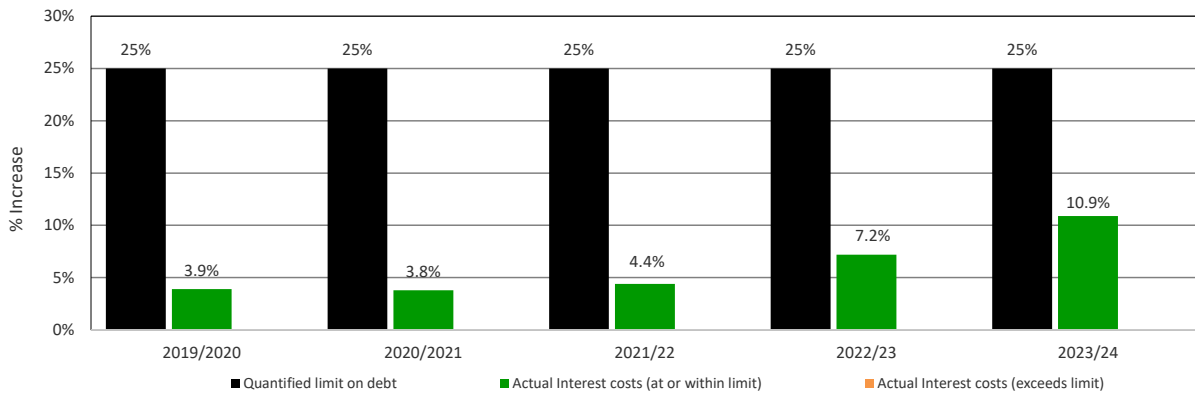
**NET INCREASE AS A PERCENTAGE OF INCOME**

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 interest payments to service external debt are less than 20% of the total revenue for the year.



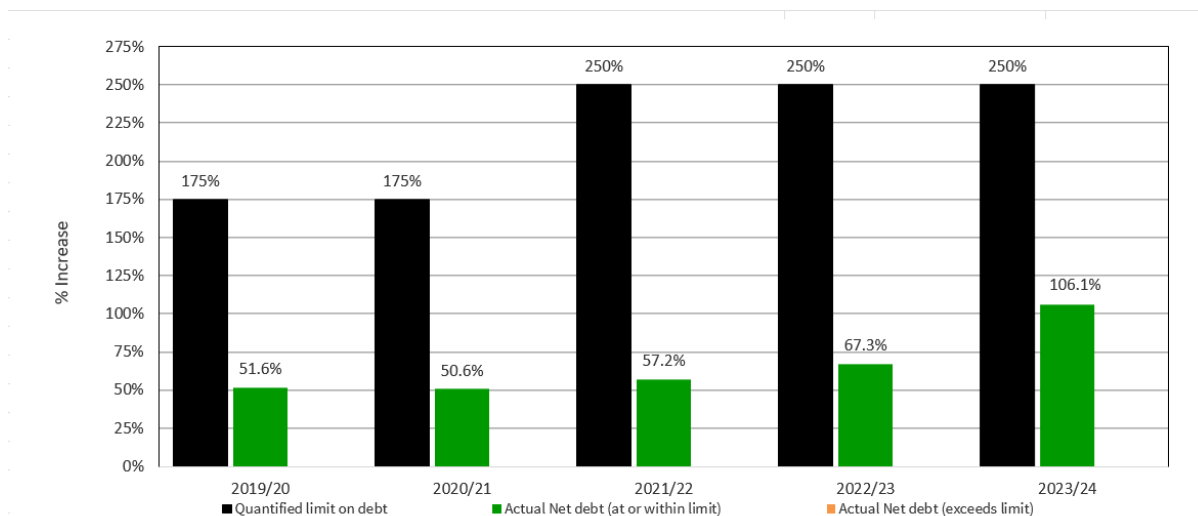
**NET INTEREST AS A PERCENTAGE OF RATES INCOME**

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 interest payments to service external debt are less than 25% of the total rates income for the year.



### NET DEBT AS A PERCENTAGE OF INCOME

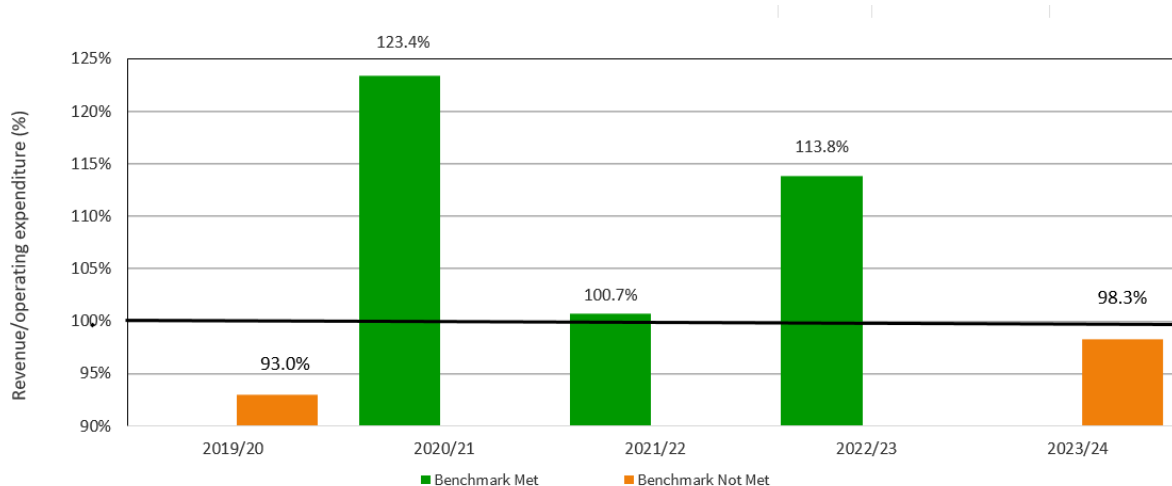
The following graph compares the council’s actual borrowing with a quantified limit on borrowing in the financial strategy included in the council’s long-term plan. The quantified limit in 2023/24 is net debt shall not exceed 250% of total revenue for the year.



### BALANCED BUDGET BENCHMARK

The following graph displays the council’s revenue (excluding development contributions, financial contributions, gains on derivative financial instruments, revaluation of property, plant or equipment and vested assets) as a proportion of operating expenditure (excluding losses on derivative financial instruments and revaluation of property, plant or equipment).

The council meets this benchmark if its revenue equals or is greater than its operating expenditure.

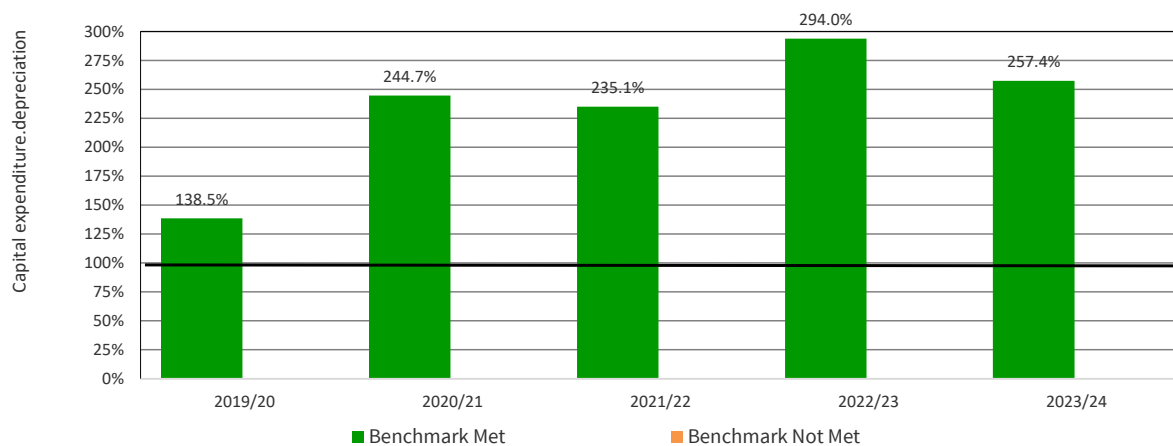




## ESSENTIAL SERVICES BENCHMARK

The following graph displays the council's capital expenditure on infrastructure as a proportion of depreciation on infrastructure.

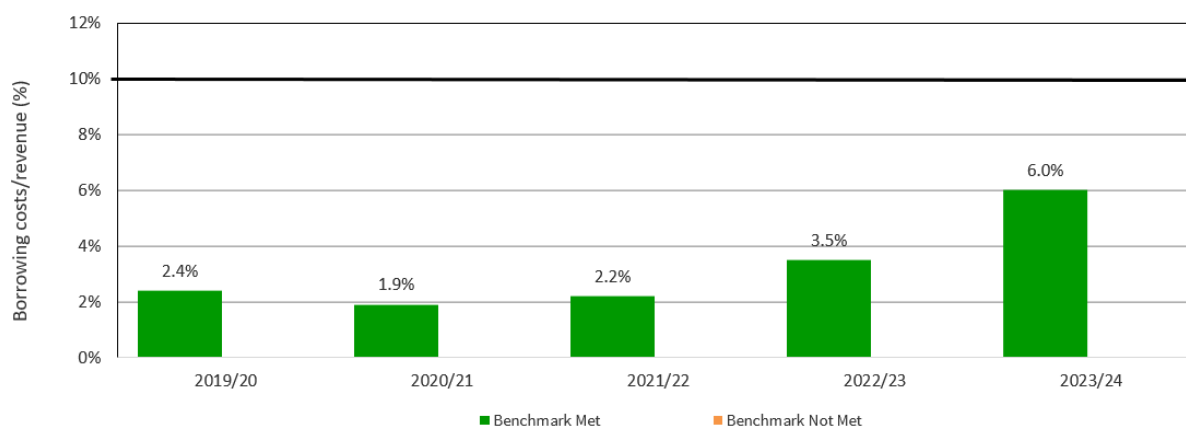
The council meets this benchmark if its capital expenditure on infrastructure equals or is greater than the depreciation.



## 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 revaluation of property, plant or equipment).

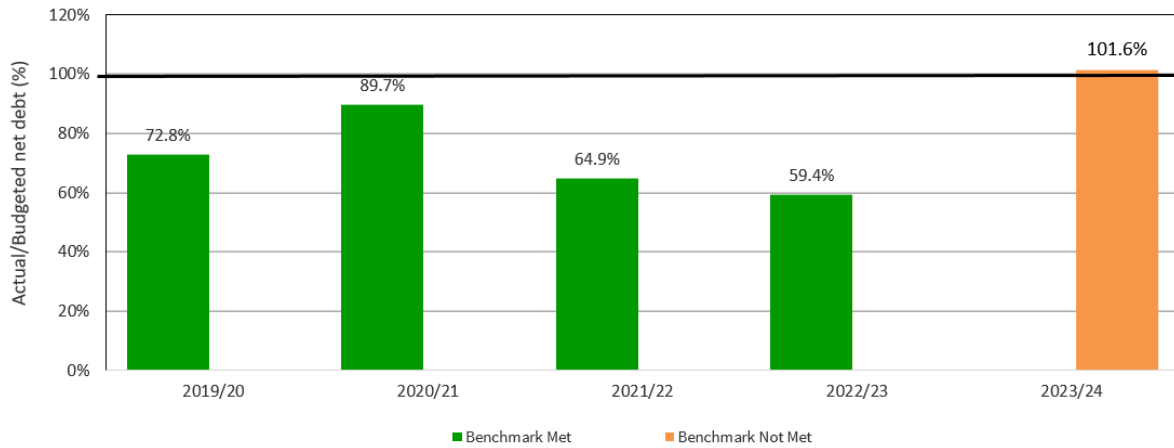
The debt servicing benchmark is met if the council's borrowing costs for the year are less than or equal to 10% of its revenue.



### 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 less financial assets (excluding trade and other receivables).

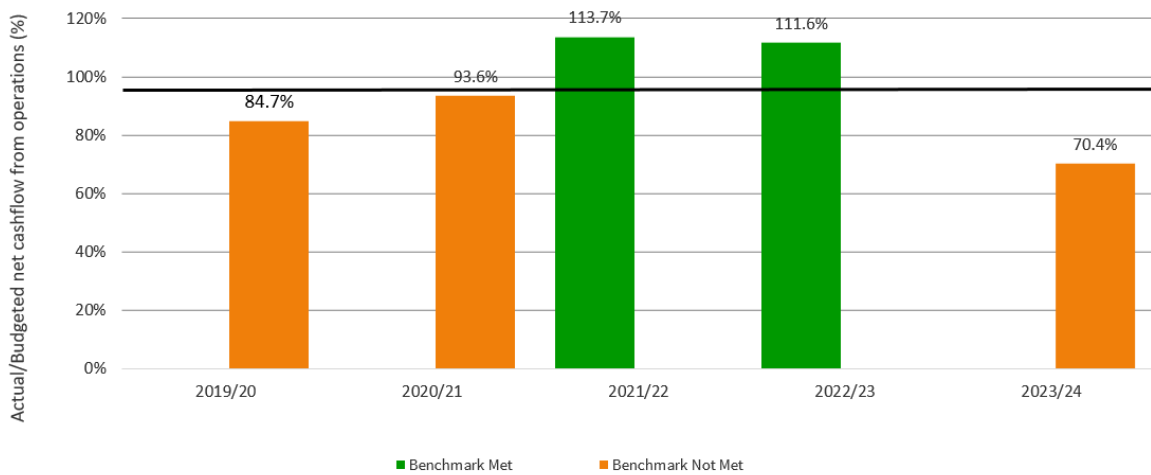
The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



### OPERATIONS CONTROL BENCHMARK

The graph displays the council’s actual net cash flow from operations as a proportion of its planned net cash flows 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.



### **Rating Base Information**

The number of rating units within the district at the end of the preceding financial year: 16,102. The total capital value of rating units within the district at the end of the preceding financial year: \$20,447,146,150. The total land value of rating units at the end of the preceding financial year: \$13,704,284,650.

### **Insurance of Assets**

The book value of assets covered by insurance contracts is \$116 million. These assets are insured to a maximum of \$301 million.

Maximum value of assets covered by financial risk sharing arrangements is \$191 million. The optimized replacement cost of these assets is \$478 million. The maximum cover is \$68 million (40% of \$170 million limit), with a claim threshold of \$600k and excess of \$240k.

In the event of natural disaster, central government may contribute up to 60% towards the restoration of water, drainage, and sewerage assets, and provide a subsidy towards the restoration of roads.

The total value of the Council's disaster insurance fund is \$565,000. This fund is available for use in the event of a disaster.

# STATEMENT OF COMPLIANCE AND RESPONSIBILITY

## COMPLIANCE

Council and management of Ashburton District Council confirm that all statutory requirements of Section 98 of the Local Government Act 2002 have been complied with in the preparation of this Annual Report.

## RESPONSIBILITY

Council and management of Ashburton District Council accept responsibility for the preparation of the Annual Report and the judgements used in it.

Council and the management of Ashburton District Council accept responsibility for internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Ashburton District Council, the Annual Report for the year ended 30 June 2024 fairly reflects the financial position, operations, cash flow, and non-financial performance of Ashburton District Council.



**Neil Brown**  
Mayor



**Hamish Riach**  
Chief Executive

30 October 2024

## REPORTING ENTITY

The Ashburton District Council (the Council) is a territorial local authority established under the Local Government Act 2002 and qualifies as a public benefit entity (PBE) under the New Zealand equivalents to the International Public Sector Accounting Standards (IPSAS).

The group consists of the Ashburton District Council and its wholly owned subsidiaries Ashburton Contracting Limited (Council controlled trading organisation) and Experience Mid Canterbury (Council controlled organisation) and its in-substance subsidiary the Ashburton Community Water Trust. Its 20% equity share of its associate Rangitata Diversion Race Management Limited and its 33% equity share of its joint venture Eastfield Investments Limited are equity accounted. All Ashburton District Council subsidiaries, associates and joint ventures are incorporated and domiciled in New Zealand.

The primary objective of the Council and group is to provide goods or services for the community or social benefit rather than making a financial return.

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

## ACCOUNTING POLICIES

### 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.

### STATEMENT OF COMPLIANCE

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

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

These financial statements comply with PBE Standards.

### PRESENTATIONAL CURRENCY AND ROUNDING

The functional currency of Ashburton District Council is New Zealand dollars and accordingly the financial statements are presented in New Zealand dollars and all values rounded to the nearest thousand dollars (\$000).

### BASIS OF CONSOLIDATION

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

### FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions (including those for which forward foreign exchange transactions are held) are translated into NZ\$ (the functional currency) using the spot exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities dominated in foreign currencies are recognised in the surplus or deficit.

### NON-CURRENT ASSETS HELD FOR SALE

Non-current assets classified as held for sale are stated at the lower of their carrying amount and fair value less costs to sell, if their carrying amount can be recovered principally through a sale transaction rather than through continuing use.

Non-current assets (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, will continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Statement of Financial Position.

### INVESTMENTS

The Council's investments in its subsidiaries are carried at cost less any allowance for impairment loss in the Council's own "parent entity" financial statements.

### 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”.

### **GOODS AND SERVICE TAX (GST)**

These financial statements have been prepared exclusive of GST, except for receivables and payables, which are GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

### **BUDGET FIGURES**

The budget figures are those approved by Council at the beginning of the year after a period of consultation with the public as part of the Annual Plan and or Long Term Plan process. The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the account policies adopted by the Council for the preparation of the financial statements.

### **OVERHEAD ALLOCATION**

The Council has derived the net cost of service for each significant activity of the Council using the cost allocation system outlined below. This involves the cost of internal service type activities being allocated to the external service type activities. External activities are those which provide a service to the public and internal activities are those which provide support to the external activities.

### **COST ALLOCATION POLICY**

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

### **CRITERIA FOR DIRECT AND INDIRECT COSTS**

‘Direct’ costs are those costs directly attributable to a significant activity. ‘Indirect costs’ are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

### **COST DRIVERS FOR ALLOCATION OF INDIRECT COSTS**

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

### **INTERNAL CHARGES**

Are eliminated at the Council level.

### **CRITICAL JUDGEMENTS IN ACCOUNTING ESTIMATES AND ASSUMPTIONS IN APPLYING ACCOUNTING POLICIES**

The General Accepted Accounting Principles recognised as appropriate for the measurement and reporting of results and financial position on an historical cost basis modified by the valuation of certain assets have been followed.

The preparation of financial statements in conformity with IPSAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

### *Infrastructure assets*

There are a number of assumptions and estimates used when performing the depreciated replacement cost valuations over the Group's infrastructure assets. These include estimates of road pavement component depth, useful and remaining useful lives, estimates of condition of assets (especially underground assets), and assumptions as to the continuation of existing demand patterns and the lack of any major natural weather event that could give rise to significant asset damage and impairment. Assumptions as to actual physical condition of the asset is minimised by physical inspections and condition modelling.

### *Classification of property*

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

### *"Local Water Done Well" water reforms*

The water services legislation (namely the Water Services Entities Act 2022, The Water Services Legislation 2023 and the Water Services Economic Efficiency and Consumer Protection Act) was repealed on 17 February 2024.

."Local Water Done Well" is being implemented in stages. The first stage being Government has enacted the Local Government (Water Services Preliminary Arrangements ) Act 2024. This new legislation provides for Council to consult on and adopt a Water Services Delivery Plan (WSDP) by no later than September 2025.

Currently Council is working through what this new water delivery model might look. Once defined, Council aim to consult in early 2025.

The WSDP must demonstrate how Council can deliver their water services in a way that -

- meets relevant regulatory quality standards for stormwater, wastewater and water supply networks;
- is financially sustainable;
- ensures compliance with drinking water quality standards; and
- supports the council's housing growth and urban development objectives.

WSDPs are required to identify the anticipated or proposed model or arrangement for delivering water services (including whether the council is likely to enter into a joint arrangement with other councils or will continue to deliver water services in its district alone). Councils must formally consult their community on the anticipated or proposed model or arrangement for delivering water services .

The reforms to date reforms to date had no effect on the 2024 financial statements or performance information.



## STATEMENT OF CASH FLOWS

### *Operating activities*

Include cash received from all income sources of the group and record the cash payments made for the supply of goods and services. Agency transactions are not recognised as receipts and payments in the Statement of Cash Flows given that they are not payments and receipts of the Council and Group.

### *Investing activities*

Those activities that relate to the acquisition and disposal of non-current assets.

### *Financing activities*

Comprise activities that change the equity and debt capital structure of the Council and Group.

## Standards issued and not yet effective and not early adopted

Standards and amendments that have been issued but are not yet effective and that have not been early adopted and that are relevant to the Council are:

### *2022 Omnibus Amendment to PBE Standards*

This Standard has been issued to amend the relevant Tier 1 and Tier 2 PBE Standards as a result of:

- PBE IPSAS 16 Investment Property: The amendments clarify that fair value measurement of self-constructed investment property could begin before the construction is completed.
- PBE IPSAS 17 Property, Plant and Equipment: The amendments change the accounting for any net proceeds earned while bringing an asset into use by requiring the proceeds and relevant costs to be recognised in surplus or deficit rather than being deducted from the asset cost recognised.
- PBE IPSAS 30 Financial Instruments: Disclosures: The amendment specifically refers to disclosing the circumstances that result in fair value of financial guarantee contracts not being determinable.
- PBE IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets: The amendments clarify the costs of fulfilling a contract that an entity includes when assessing whether a contract will be loss-making or onerous (and therefore whether a provision needs to be recognised).

The changes are for financial statements covering periods beginning on or after 1 January 2024.

## IMPLEMENTATION OF NEW AND AMENDED STANDARDS

### *Financial instruments*

PBE IPSAS 41 replaces PBE IPSAS 29 Financial Instrument: Recognitions and Measurement. PBE IPSAS 41 is effective for annual periods beginning on or after 1 January 2021. The main changes under PBE IPSAS 41 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council has applied this standard in preparing its 30 June 2024 financial statements.

# FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE YEAR ENDED 30 JUNE

	Note	Council 2024 Actual \$'000	Council 2024 Budget \$'000	Council 2023 Actual \$'000	Group 2024 Actual \$'000	Group 2023 Actual \$'000
<b>Revenue</b>						
Rates	2	48,462	46,906	44,751	48,462	44,751
Fees, charges	3	9,982	9,930	9,481	9,982	9,481
Development and financial contributions		2,120	1,757	4,543	2,120	4,543
Subsidies and grants	4	17,278	10,881	18,249	17,278	18,249
Finance income	5	1,527	417	1,022	1,756	1,180
Other revenue	6	21,344	21,261	30,452	54,413	64,270
Other gains	7	4,293	1,178	2,664	4,293	2,664
<b>Total revenue</b>	<b>1</b>	<b>105,006</b>	<b>92,330</b>	<b>111,162</b>	<b>138,304</b>	<b>145,138</b>
<b>Expenditure</b>						
Personnel costs	8	20,901	20,728	18,675	34,486	31,431
Depreciation and amortisation	9	22,133	16,998	18,334	23,695	19,613
Finance costs	5	5,300	4,538	3,236	5,398	3,319
Other expenses	10	40,443	33,775	39,175	56,961	56,343
Other losses	7	5,450	-	3,834	5,467	3,887
<b>Total expenses</b>	<b>1</b>	<b>94,227</b>	<b>76,039</b>	<b>83,254</b>	<b>126,007</b>	<b>114,593</b>
Share of associate's and joint venture surplus (deficit)	17	-	-	-	(241)	(1,073)
<b>Surplus (deficit) before taxation</b>		<b>10,779</b>	<b>16,291</b>	<b>27,908</b>	<b>12,056</b>	<b>29,472</b>
Income tax expense (revenue)	11	17	-	29	712	1,270
<b>Surplus (deficit) after taxation</b>		<b>10,762</b>	<b>16,291</b>	<b>27,879</b>	<b>11,344</b>	<b>28,202</b>
<b>Other comprehensive revenue and expense</b>						
<i>Items that will be reclassified to surplus (deficit)</i>						
Financial assets at fair value	30	65	-	50	65	50
<i>Items that will not be reclassified to surplus (deficit)</i>						
Gain (loss) on infrastructure revaluation	23, 30	11,944	24,229	743	11,944	743
Gain on land and buildings revaluation	23, 30	5,704	-	-	5,828	-
Gain on fair value of investment in associate		-	-	-	3,022	28,839
Deferred tax on revaluation of buildings	11	-	-	-	(20)	(18)
<b>Total other comprehensive revenue and Expense</b>		<b>17,713</b>	<b>24,229</b>	<b>793</b>	<b>20,839</b>	<b>29,614</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>28,475</b>	<b>40,520</b>	<b>28,672</b>	<b>32,183</b>	<b>57,816</b>

Explanations of major variances against budget are provided in note 48.

The accompanying notes form part of these financial statements.

## STATEMENT OF CHANGES IN NET ASSETS / EQUITY

FOR THE YEAR ENDED 30 JUNE

	<b>Council 2024 Actual \$000</b>	<b>Council 2024 Budget \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Equity	524,404	493,504	494,755	540,617	511,941
Prior year adjustment	-	-	977	-	2,881
Adjusted equity balance	524,404	493,504	495,732	540,617	514,822
Other reserves	425,565	469,001	425,567	459,122	427,103
<b>Adjusted balance at 1 July</b>	<b>949,969</b>	<b>962,505</b>	<b>921,299</b>	<b>999,741</b>	<b>941,925</b>
Appropriations	-	-	-	<b>(1,942)</b>	-
Surplus/(deficit) after taxation	10,762	16,291	27,879	11,344	28,202
Other comprehensive revenue	17,713	24,229	793	20,839	29,614
<b>Total comprehensive income</b>	<b>28,475</b>	<b>40,520</b>	<b>28,672</b>	<b>32,183</b>	<b>57,816</b>
<b>BALANCE AT 30 JUNE</b>	<b>978,444</b>	<b>1,003,025</b>	<b>949,971</b>	<b>1,029,982</b>	<b>999,741</b>

*The accompanying notes form part of these financial statements.*

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE

	Note	Council 2024 Actual \$000	Council 2024 Budget \$000	Council 2023 Actual \$000	Group 2024 Actual \$000	Group 2023 Actual \$000
<b>Current assets</b>						
Cash and cash equivalents	12	15,057	37,244	7,682	18,535	10,765
Receivables	13	13,305	7,321	14,489	19,872	21,866
Other financial assets	16	-	-	-	-	2,000
Inventories	15	72	82	87	2,519	2,527
Property inventory	18	155	155	389	155	389
Property intended for sale	19	-	101	323	-	323
<b>Total current assets</b>		<b>28,589</b>	<b>44,903</b>	<b>22,970</b>	<b>41,081</b>	<b>37,870</b>
<b>Non-current assets</b>						
Receivables	13	614	150	651	614	651
Deferred taxation asset	11	-	-	77	-	77
Local Authority stocks and bonds	14	4,055	1,921	3,157	4,055	3,157
Other financial assets	16	4,131	3,582	2,893	4,141	2,903
Investment in council-controlled organisation	16	4,500	4,500	4,500	-	-
Investment in associates and joint ventures	17	1,795	2,911	1,795	37,488	33,993
Property inventory	18	3,773	3,296	2,849	3,773	2,849
Investment properties	20	36,799	37,271	35,594	36,599	35,394
Forestry assets	21	3,025	4,929	4,348	3,025	4,348
Intangible assets	22	253	393	390	1,311	1,394
Property, plant and equipment	23	1,024,140	1,060,970	908,576	1,037,515	922,220
Work in progress	23	12,503	-	67,254	12,503	67,254
Derivative financial instruments	28	386	-	851	386	851
<b>Total non-current assets</b>		<b>1,095,974</b>	<b>1,119,923</b>	<b>1,032,935</b>	<b>1,141,410</b>	<b>1,075,091</b>
<b>TOTAL ASSETS</b>		<b>1,124,563</b>	<b>1,164,827</b>	<b>1,055,905</b>	<b>1,182,491</b>	<b>1,112,961</b>

	Note	Council 2024 Actual \$000	Council 2024 Budget \$000	Council 2023 Actual \$000	Group 2024 Actual \$000	Group 2023 Actual \$000
<b>Current liabilities</b>						
Payables and deferred revenue	24	12,528	10,407	17,653	15,441	20,499
Employee benefit liabilities	25	2,308	1,758	2,019	3,413	3,281
Landfill aftercare liability	26	15	15	15	15	15
Borrowings	27	32,000	7,025	24,000	32,117	24,120
Tax payable	11	17	-	-	191	919
<b>Total current liabilities</b>		<b>46,868</b>	<b>19,205</b>	<b>43,687</b>	<b>51,177</b>	<b>48,834</b>
<b>Non-current liabilities</b>						
Payables and deferred revenue	24	299	410	299	299	299
Employee benefit liabilities	25	246	214	216	298	279
Landfill aftercare liability	26	107	143	132	107	132
Deferred taxation liability	11	-	-	-	561	501
Derivative financial instruments	28	-	-	-	-	-
Borrowings	27	98,600	141,830	61,600	100,068	63,177
<b>Total non-current liabilities</b>		<b>99,252</b>	<b>142,597</b>	<b>62,247</b>	<b>101,333</b>	<b>64,388</b>
<b>TOTAL LIABILITIES</b>		<b>146,120</b>	<b>161,802</b>	<b>105,934</b>	<b>152,510</b>	<b>113,222</b>
<b>Equity</b>						
Ratepayers equity	29	540,986	534,024	521,389	560,426	540,617
Other reserves	30	437,458	469,001	428,583	469,556	459,122
<b>Total equity</b>		<b>978,444</b>	<b>1,003,025</b>	<b>949,971</b>	<b>1,029,982</b>	<b>999,739</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,124,563</b>	<b>1,164,827</b>	<b>1,055,905</b>	<b>1,182,491</b>	<b>1,112,961</b>

The financial statements were approved and authorised by Council for issue on 30 October 2024.

Signed for and behalf of the Council:



**Neil Brown**  
Mayor



**Hamish Riach**  
Chief Executive

*The accompanying notes form part of these financial statements.*

## STATEMENT OF CASH FLOWS

FOR THE YEAR END 30 JUNE

	Note	Council 2024 Actual \$000	Council 2024 Budget \$000	Council 2023 Actual \$000	Group 2024 Actual \$000	Group 2023 Actual \$000
<b>Cash flows from operating activities</b>						
Receipts from customers		84,320	85,565	83,969	119,454	117,746
Interest received		1,423	417	1,007	1,653	1,165
Dividends received		1,746	1,200	2,049	405	615
Payments to suppliers and employees		(62,410)	(55,753)	(57,648)	(92,018)	(87,648)
Sale of council subdivisions		2,039	3,755	9,582	2,039	9,582
Interest paid		(4,838)	(4,538)	(2,889)	(4,933)	(2,972)
Net GST (paid) received		(781)	-	(1,027)	(463)	(1,444)
Income tax		77	-	-	(1,362)	(2,381)
<b>Net cash flow from operating activities</b>	<b>31</b>	<b>21,576</b>	<b>30,646</b>	<b>35,043</b>	<b>24,775</b>	<b>34,663</b>
<b>Cash flows from investing activities</b>						
Sale of property, plant and equipment		9,564	200	4,530	9,621	4,670
Sale / maturing of shares and investments		547	-	11,233	547	11,233
Purchase of property, plant and equipment		(67,128)	(39,698)	(56,347)	(70,311)	(58,473)
Purchase of intangible assets		(116)	(83)	(56)	(199)	(100)
Purchase of shares and investments		(2,068)	-	(1,153)	(68)	(3,153)
Advances		-	-	-	(1,482)	4,162
<b>Net cash flow from investing activities</b>		<b>(59,201)</b>	<b>(39,581)</b>	<b>(41,793)</b>	<b>(61,892)</b>	<b>(41,661)</b>
<b>Cash flows from financing activities</b>						
Loans raised		69,000	21,729	12,000	69,000	12,000
Loan repayments		(24,000)	(7,025)	(17,000)	(24,113)	(17,116)
<b>Net cash flow from financing activities</b>		<b>45,000</b>	<b>14,704</b>	<b>(5,000)</b>	<b>44,887</b>	<b>(5,116)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		<b>7,375</b>	<b>5,769</b>	<b>(11,750)</b>	<b>7,770</b>	<b>(12,114)</b>
Add opening cash resources		7,682	31,475	19,432	10,765	22,880
<b>TOTAL CLOSING CASH RESOURCES</b>	<b>12</b>	<b>15,057</b>	<b>37,244</b>	<b>7,682</b>	<b>18,535</b>	<b>10,766</b>

The accompanying notes form part of these financial statements.

## FUNDING IMPACT STATEMENT FOR WHOLE OF COUNCIL

FOR THE YEAR ENDED 30 JUNE	2022/23 Annual Plan \$000	2022/23 Actual \$000	2023/24 Annual Plan \$000	2023/24 Actual \$000
<b>Sources of operating funding</b>				
General rate, uniform annual general charges, rates penalties	17,889	17,932	17,842	18,084
Targeted rates	26,375	26,604	29,064	30,091
Subsidies and grants for operating purposes	2,379	4,912	228	7,607
Fees and charges	8,324	9,405	9,930	9,933
Interest and dividends from investments	2,151	3,071	1,617	2,768
Local authorities fuel tax, fines, infringement fees and other receipts	10,304	17,480	17,245	13,848
<b>Total sources of operating funding</b>	<b>67,422</b>	<b>79,404</b>	<b>75,926</b>	<b>82,331</b>
<b>Applications of operating funding</b>				
Payments to staff and supplies	37,974	44,838	41,667	47,927
Finance costs	2,445	3,298	4,538	5,823
Other operating funding applications	12,840	14,209	12,835	15,349
<b>Total applications of operating funding</b>	<b>53,260</b>	<b>62,345</b>	<b>59,040</b>	<b>69,100</b>
<b>SURPLUS (DEFICIT) OF OPERATING FUNDING</b>	<b>14,162</b>	<b>17,059</b>	<b>16,886</b>	<b>13,231</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	16,135	13,168	10,653	9,524
Development and financial contributions	1,643	4,543	1,757	2,120
Increase (decrease) in debt	43,551	17,949	14,704	22,459
Gross proceeds from sale of assets	5,783	11,047	4,902	6,246
<b>Total sources of capital funding</b>	<b>67,111</b>	<b>46,707</b>	<b>32,016</b>	<b>40,349</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	3,380	-	13,038	-
- to improve the level of service	55,229	39,270	12,465	38,987
- to replace existing assets	17,155	15,774	14,278	20,948
Increase (decrease) in reserves	5,510	8,723	9,121	(6,354)
<b>Total applications of capital funding</b>	<b>81,274</b>	<b>63,767</b>	<b>48,902</b>	<b>53,581</b>
<b>SURPLUS (DEFICIT) OF CAPITAL FUNDING</b>	<b>(14,163)</b>	<b>(17,060)</b>	<b>(16,886)</b>	<b>(13,231)</b>
<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The funding impact statement is required under the Local Government Act 2002 Schedule 10 and conforms to the Local Government (Financial Reporting) Regulations 2014. General accepted account practice does not apply to the preparation of the funding impact statement as stated in S111(2) of the Local Government Act.

*The accompanying notes form part of these financial statement.*



[Photo page 16]

# NOTES TO THE FINANCIAL STATEMENTS

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## NOTE 1. SUMMARY OF REVENUE AND EXPENDITURE FOR GROUPS OF ACTIVITIES

The budget in this Annual Report does not in all instances agree to the published Annual Plan budget due to the exclusion of internal overheads in the Annual Plan that are included when used for Annual Report comparison.

	<b>Council 2024 Actual \$000</b>	<b>Council 2024 Budget \$000</b>	<b>Council 2023 Actual \$000</b>
<b>Revenue</b>			
Drinking Water	8,447	8,087	7,663
Wastewater	8,115	7,343	7,544
Stormwater	2,458	1,758	2,250
Stockwater	1,036	1,105	901
Transportation	26,542	17,129	26,068
Waste Reduction & Recovery	8,789	7,114	7,668
Community Governance & Decision-Making	2,987	4,677	2,752
Economic Development	21,623	23,865	26,626
Community Services	4,397	3,118	4,076
Parks & Open Spaces	8,038	5,475	9,724
Recreation Facilities	8,915	9,200	8,842
Strategy & Compliance	4,981	5,345	5,634
Miscellaneous	2,610	2,007	4,882
<b>Total activity revenue</b>	<b>108,938</b>	<b>96,223</b>	<b>114,630</b>
<i>Less internal revenue</i>	(3,935)	(3,893)	(3,469)
<b>TOTAL ACTIVITY REVENUE</b>	<b>105,004</b>	<b>92,330</b>	<b>111,162</b>
<b>Expenditure</b>			
Drinking Water	9,799	6,742	7,681
Wastewater	8,327	5,605	6,737
Stormwater	2,126	1,591	2,055
Stockwater	2,611	1,142	3,108
Transportation	21,031	17,257	20,024
Waste Reduction & Recovery	8,830	8,430	8,214
Community Governance & Decision-Making	3,444	3,644	3,515
Economic Development	12,908	8,513	9,136
Community Services	3,207	3,326	2,966
Parks & Open Spaces	6,533	6,814	6,159
Recreation Facilities	10,994	11,097	10,243
Strategy & Compliance	5,901	5,716	5,635
Miscellaneous	2,450	55	1,249
<b>Total activity expenditure</b>	<b>98,161</b>	<b>79,932</b>	<b>86,722</b>
<i>Less internal expenditure</i>	(3,935)	(3,893)	(3,469)
<i>Less taxation</i>	-	-	-
<b>TOTAL ACTIVITY EXPENDITURE</b>	<b>94,227</b>	<b>76,039</b>	<b>83,254</b>

## NOTE 2. RATES REVENUE

### Accounting Policies

#### REVENUE RECOGNITION

Revenue is measured at fair value.

Revenue is comprised of exchange and non-exchange transactions. Exchange transaction revenue arises when one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value in exchange.

Non-exchange transaction revenue arises from transactions without an apparent exchange of approximately equal value. Non-exchange revenue includes rates, grants and subsidies and fees and user charges derived from activities that are partially funded by rates. Revenue relating to non-exchange transactions is recognised as conditions, if any exist, are satisfied.

Sales of goods are recognised when the significant risks and rewards of ownership of the assets have been transferred to the buyer which is usually when the goods are delivered and title has passed. No revenue is recognised if there are significant uncertainties regarding the recovery of the consideration due, associated costs or the possible return of goods, or where there is continuing management involvement with the goods or services.

Rates revenue is recognised by the Group as income recognised at the start of the financial year to which the rates resolution relates.

Water billing is recognised based on the volumes delivered.

Dividends are recognised, net of imputation credits, as revenue when the shareholders' rights to receive payment have been established.

Levies, fees and charges are recognised as income when assessments are issued.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Lease incentives granted are recognised as part of the total rental income. Rental income from investment and other property is recognised in the surplus/deficit on a straight line basis over the term of the lease.

Government grants are recognised as revenue to the extent of eligibility for grants established by the grantor agency, or when the appropriate claims have been lodged. New Zealand Transport Agency roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests and assets vested in the group, with or without restrictions are recognised as revenue when control over the assets is obtained and conditions are satisfied.

Development contributions and financial contributions are recognised as revenue when Council provides, or is able to provide, the service that gave rise to the charging of the contribution. Otherwise development contributions and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

	<b>Council 2024 Actual \$000</b>	<b>Council 2024 Budget \$000</b>	<b>Council 2023 Actual \$000</b>
General rate / Uniform Annual General Charge	18,061	17,376	17,912
<i>Targeted rates attributable to activities:</i>			
Drinking Water	6,582	6,333	5,930
Wastewater	5,204	5,128	4,829
Stormwater	1,434	1,379	1,295
Stockwater	953	1,022	761
Transportation	9,180	9,086	8,266
Waste Reduction & Recovery	2,912	2,856	2,458
Community Governance & Decision-Making	153	148	152
Economic Development	134	129	127
Parks & Open Spaces	2,630	2,529	1,910
Recreation Facilities	471	454	542
	47,714	46,440	44,182
Rates penalties	474	280	387
Rates remissions	(164)	(136)	(152)
	48,024	46,584	44,417

The Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates income. That Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 together with any revenue received by the council from other local authorities for services provided by that council for which those other Local Authorities rate.

The annual rates income of the council for the year ended 30 June 2024 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is shown below.

	<b>Council 2024 Actual \$000</b>	<b>Council 2024 Budget \$000</b>	<b>Council 2023 Actual \$000</b>
Rates, other than metered water supply	48,024	46,584	44,417
Targeted water supply rates	438	322	334
Total revenue from rates	48,462	46,906	44,751

**NOTE 3. FEES AND CHARGES**

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Building and resource consent charges	2,259	2,903	2,259	2,903
Landfill charges	3,153	2,568	3,153	2,568
Swimming pool revenue	1,778	1,669	1,778	1,669
Parking fees	46	6	46	6
Other fees and charges	2,746	2,335	2,746	2,335
<b>Total fees and charges</b>	<b>9,982</b>	<b>9,481</b>	<b>9,982</b>	<b>9,481</b>

**NOTE 4. SUBSIDIES AND GRANT REVENUES**

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
NZ Transport Agency roading subsidies	8,502	9,427	8,502	9,427
EA Networks Stadium Grants	143	57	143	57
Other grant revenue	8,633	8,765	8,633	8,765
<b>Total subsidies and grant revenue</b>	<b>17,278</b>	<b>18,249</b>	<b>17,278</b>	<b>18,249</b>

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2023 nil).

## NOTE 5. FINANCE INCOME AND FINANCE COSTS

### Accounting Policy

Interest-bearing bank loans and overdrafts, and other term borrowings, are initially recorded at fair value which is usually the proceeds received, net of direct issue costs. Subsequently, they are measured at amortised cost using the effective interest rate method. Changes in the current amount are recognised in the surplus/deficit.

Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

All borrowing costs are recognised in the surplus/deficit in the period in which they are incurred.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<b>Finance income</b>				
Interest income				
- term deposits	1,279	958	1,508	1,116
- other trade receivables/call account	47	13	47	13
- Stocks and bonds	201	51	201	51
<b>Total finance income</b>	<b>1,527</b>	<b>1,022</b>	<b>1,756</b>	<b>1,180</b>
<b>Finance costs</b>				
Interest expense:				
- borrowing	5,797	3,396	5,894	3,479
- Interest rate swaps	(497)	(160)	(497)	(160)
<b>Total costs</b>	<b>5,300</b>	<b>3,236</b>	<b>5,397</b>	<b>3,319</b>
<i>Allocation of finance costs:</i>				
Portable water supplies	903	393	903	393
Wastewater	1,009	692	1,009	692
Stormwater	142	111	142	111
Stockwater	16	8	16	8
Commercial property	2,427	1,603	2,426	1,603
Recreation facilities	9	7	9	7
Cemetery	81	62	81	62
Arts and culture	105	81	105	81
Environmental services	37	32	37	32
Other operations	572	248	670	330
<b>Total finance costs</b>	<b>5,300</b>	<b>3,236</b>	<b>5,398</b>	<b>3,319</b>

## NOTE 6. OTHER REVENUE

### Accounting Policy

#### VESTED ASSETS

Vested assets are recognised at the cost to the developer, except for land which is valued at fair value at the time of transfer to Council. This is then treated as the cost of the land to Council. These assets, other than land, are also subject to depreciation and subsequent revaluation. The vested reserve land has been initially recognised at the most recent appropriate certified government valuation.

#### CONSTRUCTION CONTRACTS

Ashburton Contracting Limited recognises contract revenue and contract costs as revenue and expenses respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of the total estimated costs for each contract.

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.

An expected loss on constructed contracts is recognised immediately as an expense in the surplus/deficit.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred, and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Forestry sales	490	1,077	490	1,077
Investment property rental income	1,775	1,714	1,775	1,714
Fines and parking infringements	312	337	312	337
Plant and equipment insurance recoveries	34	31	34	31
Petrol tax	347	316	347	316
Construction revenue	-	-	4,434	6,870
Vested assets	10,798	11,846	10,798	11,846
Land sales	2,039	9,582	2,039	9,582
Dividend income	1,746	2,049	362	549
Sales, services and other income	3,804	3,501	33,823	31,949
<b>Total other revenue</b>	<b>21,344</b>	<b>30,452</b>	<b>54,413</b>	<b>64,270</b>



**NOTE 7. OTHER GAINS AND LOSSES**

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<b>Other gains</b>				
Gain on changes in fair value of interest rate swap (Note 28)	-	434	-	434
Gain on changes in fair value of investment Properties (Note 20)	1,218	1,431	1,218	1,431
Gain on sale of property intended for sale	38	38	38	38
Gain on disposal of investment properties	0	295	-	295
Gain on disposal of property, plant and equipment	2,993	424	2,993	424
Gain on fair value of Museum/Art Gallery naming sponsorship	3	3	3	3
Gain on fair value of EA Networks naming sponsorship	42	40	42	40
<b>Total other gains</b>	<b>4,293</b>	<b>2,664</b>	<b>4,293</b>	<b>2,664</b>
<b>Other losses</b>				
Loss on changes in fair value of interest rate swap (Note 28)	465	-	465	-
Loss on changes in fair value of forestry (Note 21)	1,322	335	1,322	335
Loss on disposal of property, plant and equipment	3,663	3,499	3,680	3,552
<b>Total other losses</b>	<b>5,450</b>	<b>3,834</b>	<b>5,467</b>	<b>3,887</b>

## NOTE 8. PERSONNEL COSTS

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Salaries and wages	20,582	18,413	34,167	31,169
Increase/(decrease) in employee entitlements	319	262	319	262
<b>Total personnel costs</b>	<b>20,901</b>	<b>18,675</b>	<b>34,486</b>	<b>31,431</b>

## NOTE 9. DEPRECIATION AND AMORTISATION

### Accounting Policy

Land, paintings and works of art are not depreciated.

Depreciation has been provided on a straight-line basis on all other property, plant and equipment at rates which will write off the cost (or valuation) to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings - major	1.0% S.L. – 10.0% S.L.
Buildings - minor	4.0% S.L. – 10.0% S.L.
Heavy plant and machinery	5.0% S.L. – 13.0% S.L.
Light plant and machinery	6.67% S.L. – 25.0% S.L.
Office equipment	10.0% S.L. – 11.0% S.L.
Fixtures and fittings	4.0% S.L. – 25.0% S.L.
Motor vehicles	7.0% S.L. – 13.0% S.L.
Computer equipment	10.0% S.L. – 33.0% S.L.
Library books	10.0% S.L.

The depreciation rates of other classes of assets are:

*Infrastructural Assets:* Infrastructural assets are depreciated on a straight-line basis at rates that will write off their cost, less any estimated residual value, over their expected useful life.

<b>Roading</b>	<ul style="list-style-type: none"> <li>• bridges 50-100 years</li> <li>• culverts 100 years</li> <li>• pavement surface 9-100 years</li> <li>• pavement formation N/A (not depreciated)</li> <li>• pavement layers 10-indefinite</li> <li>• footpaths 25-75 years</li> <li>• streetlights 20-40 years</li> <li>• kerb and channel 75 years</li> <li>• traffic signals 12-55 years</li> <li>• berms N/A (not depreciated)</li> <li>• signs 13 years</li> <li>• barriers and rails 13-30 years</li> </ul>
<b>Water reticulation</b>	<ul style="list-style-type: none"> <li>• pipes 40-100 years</li> <li>• valves 100 years</li> <li>• hydrants 75 years</li> <li>• pump stations 10-80 years</li> </ul>

	• tanks	25-80 years
<b>Stockwater</b>	• races	N/A (not depreciated)
	• structures	15-100 years
<b>Sewerage reticulation</b>	• pipes	50-95 years
	• laterals	95 years
	• manholes	95 years
	• treatment plant	10-95 years
<b>Stormwater systems</b>	• pipes	60-105 years
	• manholes	105 years
	• structures	50-105 years
<b>Solid waste</b>	• litter bins	10 years
	• resource recovery parks	5-50 years
<b>Parks, domains and cemeteries</b>	• playground equipment	10-50 years
	• furniture	10-30 years
	• structures	10-200 years
	• fences	10-30 years
	• signs and lighting	10-25 years
	• irrigation	8-25 years
	• roading	20-80 years
	• trees and gardens	N/A (not depreciated)

The residual value and useful life of an asset is reviewed, and adjusted as applicable, at each financial year end. Estimated residual value, over their expected useful life.

Depreciation and amortisation expense by significant activity:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Roading	8,712	7,320	8,712	7,320
Footpaths	1,440	944	1,440	944
Wastewater	3,202	2,705	3,202	2,705
Stormwater	694	634	694	634
Water supplies	3,081	2,365	3,081	2,365
Stockwater	48	56	48	56
Solid waste	243	219	243	219
Emergency management	6	7	6	7
Commercial properties	1,403	1,511	1,402	1,511
Parks and recreation	538	542	538	542
Reserves and camping areas	57	53	57	53
Cemeteries	92	66	92	66
Recreation facilities	476	428	476	428
Library	112	96	112	96
Elderly persons housing	63	54	63	54
Public conveniences	56	52	56	52
Reserve boards and halls	382	382	382	382
Environmental services	25	28	25	28
Plant and miscellaneous operations	1,503	872	3,065	2,151
<b>Total depreciation and amortisation</b>	<b>22,133</b>	<b>18,334</b>	<b>23,695</b>	<b>19,613</b>

## NOTE 10. OTHER EXPENSES

### 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 Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Directors' fees	-	-	226	210
<i>Fees to principal auditor:</i>				
Audit fees for financial statements	251	194	366	301
Audit fees for Long-Term Plan 2024-2034	103	-	103	-
Audit fees for other assurance services	7	7	7	-
Recovery from prior year's audit	29	11	29	11
Discretionary grants/contributions	2,902	1,654	2,902	1,654
Rental and operating lease costs	6	7	75	89
Bad debts written off	9	8	9	8
Impairment of property, plant and equipment		-	(39)	9
ACC levy	76	79	76	79
Electricity	1,918	1,778	1,918	1,778
Maintenance contracts	18,846	18,255	18,846	18,255
Other operating expenses	16,296	17,182	32,443	33,949
<b>Total other expenses</b>	<b>40,443</b>	<b>39,175</b>	<b>56,961</b>	<b>56,343</b>

Audit fees for other assurance services consist of audit fees to Audit New Zealand for the audit of the debenture trust deed.

Council made discretionary grants and contributions to the following organisations in 2023/2024.

<b>Organisation</b>	<b>Amount</b>	<b>Organisation</b>	<b>Amount</b>
Alford Forest Reserve Board	\$5,500	Lake Clearwater Hut holders Association	\$4,260
Allenton Rugby Club	\$3,809	Lauriston Hall	\$3,000
Ashburton Aviation Museum & Society	\$4,565	Lauriston School Pool	\$1,000
Ashburton Community Water Trust	\$100	Lushingtons	\$200
Ashburton A & P Assn	\$70	Mary Ralston	\$7,500
Ashburton Car Club	\$1,250	Mayfield Community Pool	\$10,000
Ashburton College	\$761	Mayfield Memorial Hall	\$10,000
Ashburton Community	\$3,000	Methven & Foothills Walking Festival	\$1,196
Ashburton District Neighbourhood Support	\$4,348	Methven Community Board Grant	\$15,000

Ashburton Fire Museum	\$5,000	Methven Croquet	\$5,000
Ashburton Green Forks Reserve Board	\$10,000	Methven IHUB	\$32,000
Ashburton Indian Multicultural Charitable Trust	\$2,000	Methven Library	\$5,750
Ashburton Performing Arts Theatre Trust	\$324,800	Methven Lions Club	\$7,500
Ashburton Photo	\$3,200	Methven Primary School	\$100
Ashburton RSA	\$2,500	Mid Canterbury Hockey	\$18,530
Ashburton Rowing Club	\$2,609	Mid Canterbury Netball	\$2,150
Ashburton Swim Team Incorporated	\$4,500	Mid Canterbury Vintage Machinery Club	\$1,957
Ashburton Toy Library	\$6,000	Mt Hutt College	\$500
Ashburton Trotting Owners Association	\$1,800	Mt Somers Pool	\$7,000
Ashburton Youth Café	\$5,000	Neighbourhood Support	\$10,000
Awa Awa Rata Reserve Society	\$2,000	North Canterbury Masters Swimming Club	\$1,000
Birthright Canterbury Trust	\$550	NZ Council of Victim Support Group	\$5,000
CanInspire Charitable Trust	\$2,000	Old Post Office	\$3,500
Carew Peel Forest Pool	\$1,000	Plains Museum Trust	\$18,419
CDCA-Ashburton	\$1,000	Rakaia Centre	\$6,000
Citizens Advice	\$15,000	Rakaia Community Pool	\$13,000
Cleardale Station	\$6,750	Rakaia Library	\$5,750
Connecting Mid Canterbury Charitable Trust	\$4,348	Rakaia Pony Club	\$10,000
Digital Future Aotearoa - Recycle A Device	\$3,000	Rakaia Reserve Board	\$1,174
Digital Waitaha	\$5,000	Riverbridge Native Species Trust	\$2,500
Dorie School Pool	\$500	Ross Hawthorne	\$1,543
Dr Peter Rumpling	\$1,800	Royal Forest	\$525
Dynamic Gymnastic Sports	\$2,609	Royal New Zealand Plunket Trust	\$800
Fairfield Freight Hub	\$1,803,075	Ruapuna Community Pool	\$7,000
Fairton School Pool	\$500	Safer Mid Canterbury	\$287,085
Galloway Wetlands	\$3,256	South Rakaia Bach Owners Association	\$15,000
Hakatere Multicultural Council	\$5,783	Sport Canterbury	\$65,000
Hakatere Maori Komiti	\$1,000	St Davids Union Church	\$1,120
Hampsted School Hall	\$1,000	Staveley Campsite	\$7,500
Hemsworth Estate	\$2,609	Staveley Hall	\$10,000
Hinds Community Pool	\$8,000	Upper Rangitata	\$5,750
Hinds School	\$1,034	Volunteering Mid & South Canterbury	\$5,000
Hype Youth Health Centre	\$5,000	Willowby Community Pool	\$1,000
Kai for Kids Charitable Trust	\$4,800	Willowby Hall	\$3,400
Lake Clearwater	\$7,500	Winchmore Community	\$2,500
		<b>Grand Total</b>	<b>\$2,902,131</b>

## NOTE 11. TAXATION

### Accounting Policy

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable surplus for the year. Council is not liable as a separate entity to income tax on any of its activities.

Taxable surplus differs from net surplus as reported in the Statement of Comprehensive Revenue and Expense because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Statement of Financial Position liability method. The amount of any deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted at the Statement of Financial Position date.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax surplus nor the accounting surplus.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Council is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised.

Deferred tax is charged or credited in the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Council intends to settle its current tax assets and liabilities on a net basis.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Components of tax expense recognised in statement of comprehensive revenue and expense:				
Current taxation	17	-	761	1,322
Overprovision of prior year tax	-	-	(10)	(30)
Deferred tax prior year adjustment	-	31	(69)	59
Deferred taxation	-	(2)	30	(81)
Income tax expense	17	29	712	1,270
Components of deferred tax recognised directly in equity:				
Revaluation of property plant and equipment	-	-	20	18
Income tax expense	-	-	20	18
Relationship between tax expense and accounting profit:				
Surplus/(deficit) before tax	10,779	27,908	10,679	29,878
Tax at 28%	3,018	7,814	2,990	8,366
<i>Add/(less) tax effect of:</i>				
(Non-Taxable Income)/Non Deductible Expenditure	(3,485)	(7,785)	(2,139)	(7,098)
Impact of change in tax rates	-	-	-	-
Tax Credits	-	-	(12)	5
Temporary differences not previously recognised	-	-	(48)	(1)
Reversal of prior year overprovision	-	-	(79)	(2)
	533	29	712	1,270
Imputation credit account:				
Balance of imputation credits available for use on subsequent periods	-	-	7,001	6,828
Movement in tax refund/(payable):				
Balance at start of year	-	-	(919)	(2,002)
Taxation (paid)/refunded	-	-	1,439	2,376
Provided for this year	(17)	-	(798)	(1,304)
Overprovision prior year	-	-	87	11
Tax loss	-	-	-	-
Balance at the end of the year	(17)	-	(191)	(919)

**COUNCIL DEFERRED TAX ASSETS / (LIABILITIES)***Deferred taxation assets and liabilities*

	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	-	-	-
Employee benefits	-	-	-
Retentions	-	-	-
Capitalised interest	-	-	-
Provisions	-	-	-
Intangible assets	-	-	-
Work in progress	-	-	-
Tax losses	-	-	-
Balance at end of year	-	-	-

	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	-	-	-
Employee benefits	-	-	-
Retentions	-	-	-
Capitalised interest	-	-	-
Provisions	-	-	-
Intangible assets	-	-	-
Tax losses	77	-	77
Balance at end of year	77	-	77



## Movement in temporary differences

	<b>Balance 01-Jul-23</b>	<b>Charge to surplus/ (deficit)</b>	<b>Charge to other comp. rev &amp; exp*</b>	<b>Balance 30-Jun-24</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	-	-	-	-
Employee benefits	-	-	-	-
Retentions	-	-	-	-
Capitalised interest	-	-	-	-
Provisions	-	-	-	-
Intangible assets	-	-	-	-
Work in progress	-	-	-	-
Tax losses	77	(77)	-	-
Balance at end of year	77	(77)	-	-

	<b>Balance 01-Jul-22</b>	<b>Charge to surplus/ (deficit)</b>	<b>Charge to other comp. rev &amp; exp*</b>	<b>Balance 30-Jun-23</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	-	-	-	-
Employee benefits	-	-	-	-
Retentions	-	-	-	-
Capitalised interest	-	-	-	-
Provisions	-	-	-	-
Intangible assets	-	-	-	-
Work in progress	-	-	-	-
Tax losses	106	(29)	-	77
Balance at end of year	106	(29)	-	77

\* Charge to other comprehensive revenue and expense.

**GROUP DEFERRED TAX ASSETS / (LIABILITIES)***Deferred taxation assets and liabilities*

	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	-	(779)	(779)
Employee benefits	247	-	247
Retentions	-	(287)	(287)
Capitalised interest	-	(181)	(181)
Provisions	250	-	250
Intangible Assets	-	(8)	(8)
Finance leases	197	-	197
Other	-	-	-
Tax losses	-	-	-
Balance at end of year	694	(1,255)	(561)

	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	-	(819)	(819)
Employee benefits	232	-	232
Retentions	-	(252)	(252)
Capitalised interest	-	(181)	(181)
Provisions	290	-	290
Intangible Assets	-	(6)	(6)
Finance leases	157	-	157
Other	-	-	-
Tax losses	77	-	77
Balance at end of year	756	(1,258)	(502)

*Group movement in temporary differences*

	<b>Balance 01-Jul-23</b>	<b>Charge to surplus/ (deficit)</b>	<b>Charge to other comp. rev &amp; exp*</b>	<b>Balance 30-Jun-24</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	(819)	60	(20)	(779)
Employee benefits	232	15	-	247
Retentions	(252)	(35)	-	(287)
Capitalised interest	(181)	-	-	(181)
Provisions	290	(40)	-	250
Intangible assets	(6)	(2)	-	(8)
Finance leases	157	40	-	197
Other	-	-	-	-
Tax losses	77	(77)	-	-
	(502)	(39)	(20)	(561)

	<b>Balance 01-Jul-22</b>	<b>Charge to surplus/ (deficit)</b>	<b>Charge to other comp. rev &amp; exp*</b>	<b>Balance 30-Jun-23</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	(820)	19	(18)	(819)
Employee benefits	259	(27)	-	232
Retentions	(235)	(17)	-	(252)
Capitalised interest	(182)	1	-	(181)
Provisions	254	36	-	290
Intangible assets	(4)	(2)	-	(6)
Finance leases	114	43	-	157
Other	1	(1)	-	-
Tax losses	106	(29)	-	77
	(507)	23	(18)	(502)

\* Charge to other comprehensive revenue and expense

## NOTE 12. CASH AND CASH EQUIVALENTS

### Accounting Policy

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown with borrowings in current liabilities in the statement of financial position.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Cash floats	4	4	4	4
Bank current account	11,053	7,678	14,532	10,762
Short term deposits	4,000	-	4,000	-
Bank overdraft	-	-	(1)	(1)
	<b>15,057</b>	<b>7,682</b>	<b>18,535</b>	<b>10,765</b>

The carrying value of short term deposits with maturity dates of three months or less approximates their fair value.

There is currently no cash and cash equivalents that have been earmarked by trust deed or Council resolution for any specified purpose use.

The effective interest rate on call deposits for the Group was 3.75% (2023: 1.10% to 3.75%). Ashburton Contracting Limited has overdraft facilities with the ANZ Bank of New Zealand Ltd of \$3,275,000 (2023: \$3,275,000). The effective interest rate on overdraft facilities ranges from 8.96% to 9.46% (2023: 6.46% to 8.96%).

## NOTE 13. TRADE AND OTHER RECEIVABLES

### Accounting Policy

Accounts receivable include rates and water charges and are recorded at their amortised cost using the effective interest rate method which approximates their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. As there are statutory remedies to recover unpaid rates, penalties and water meter charges, no provision has been made for expected credit losses in respect of rates receivables.

Trade receivables are stated at their amortised cost using the effective interest rate method which approximates their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are initially measured at fair value, including transaction costs. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. At subsequent reporting dates, they are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

An impairment loss is recognised in the surplus/deficit when there is objective evidence that the asset is impaired and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest rate method.

The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Rates receivable	3,309	3,107	3,309	3,107
Other receivables	5,714	10,231	10,070	15,317
Eastfield Investments Advance (1)	395	391	-	-
Community loans	3,652	688	3,652	688
Prepayments	914	782	1,085	952
ACL contract work in progress	-	-	1,475	1,683
ACL retentions receivable	-	-	1,037	897
	<b>13,984</b>	<b>15,199</b>	<b>20,628</b>	<b>22,644</b>
Provision for impairment/expected credit losses	(65)	(59)	(142)	(127)
<b>Total trade and other receivables</b>	<b>13,919</b>	<b>15,140</b>	<b>20,486</b>	<b>22,517</b>
Non-current portion:				
Community loans	614	652	614	651
Current portion	<b>13,305</b>	<b>14,488</b>	<b>19,872</b>	<b>21,866</b>

(1) Eastfield Investments Advance is the Council's current account of \$395,158. Eastfield Investments Joint Venture. The current account balance is being utilised by the Joint Venture to fund the Council's share of operating expenses. The current account was established when the entity was formed (refer Note 17).

<i>Total receivables comprise:</i>				
Receivables from non-exchange transactions – this includes outstanding amounts from rates, grants, infringements and any fees and charges that are subsidised by rates	7,331	5,960	5,615	5,958
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	6,588	9,317	15,065	16,559

There is no concentration of credit risk with respect to receivables outside the group, as the group has a large number of customers.

The Council does not provide for any impairment on rates receivable, as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments.

These powers allow Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The age of rates receivable overdue, but not impaired, are as follows:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>
< 12 months	1,673	1,535
> 12 months	1,636	1,572
Carrying amount	3,309	3,107

As of 30 June 2024, all overdue receivables, except for rates receivable, have been assessed for impairment (expected credit losses) and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The Chief Executive approved the write-off of rates receivable during the year under the LG(R)A 2002 as follows:

Section 90A: \$0 (2023: \$0)

Section 90B: \$0 (2023: \$0)

*Ageing profile of receivables at year end*

	<b>2024</b>			<b>2023</b>		
	<b>Gross \$000</b>	<b>Impairment \$000</b>	<b>Net \$000</b>	<b>Gross \$000</b>	<b>Impairment \$000</b>	<b>Net \$000</b>
<i>Council</i>						
Not past due	6,195	-	6,195	2,499	-	2,499
Past due 1-60 days	4,418	-	4,418	6,737	-	6,737
Past due 61-120 days	546	-	546	110	-	110
Past due >120 days	2,825	(65)	2,760	5,853	(59)	5,794
	13,984	(65)	13,919	15,199	(59)	15,140
<i>Group</i>						
Not past due	12,140	-	12,140	9,936	-	9,936
Past due 1-60 days	4,721	-	4,721	5,127	-	5,127
Past due 61-120 days	819	-	819	471	-	471
Past due > 120 days	3,142	(142)	3,000	7,110	(127)	6,983
	20,822	(142)	20,680	22,644	(127)	22,517

### PROVISION FOR IMPAIRMENT

The impairment provision has been calculated based on a review of specific overdue receivables and a collective assessment is based on historical credit loss experience upon initial recognition of a receivable, using reasonable assumptions and any available customer information, as well as consideration of future economic events.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Individual impairment	65	59	142	127
Collective impairment	-	-	-	-
Total provision for impairment	65	59	142	127

Movements in the provision for impairment of receivables and community loans are as follows:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Opening balance	59	59	127	101
Additional provisions made	6	-	29	68
Provisions reversed during the year	-	-	(14)	(42)
Receivables written off	-	-	-	-
Closing balance	65	59	142	127

## NOTE 14. STOCKS AND BONDS

### Accounting Policy

Stocks and bonds, although they include terms greater than one year, they are readily tradable and are not intended to be held necessarily to maturity. They are revalued each year in the Council's parent financial statements at fair value using market values supplied by an independent advisor.

Gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the surplus or deficit for the period.

### MATURITY ANALYSIS AND EFFECTIVE INTEREST RATES

The maturity dates for Local Authority stocks and bonds are as follows:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Bonds	4,055	3,157	4,055	3,157
	4,055	3,157	4,055	3,157
Maturing within 1 year	-	-	-	-
- Weighted average interest rate	0.0%	0.0%	0.0%	0.0%
Maturing between 1 and 5 years	4,055	3,157	4,055	3,157
- Weighted average interest rate	5.4%	5.0%	5.4%	5.0%
Maturing after 5 years	-	-	-	-
- Weighted average interest rate	0.0%	0.0%	-	-
	4,055	3,157	4,055	3,157

For the purposes of allocating to a financial asset category, local authority stocks and bonds are classified as Fair Value Through Other Comprehensive revenue and expense. Although they include terms greater than one year, they are readily tradable and are not intended to be held necessarily to maturity. They are revalued each year in the Council's financial statements at fair value using market value supplied by Bancorp Treasury Services Limited.



## NOTE 15. INVENTORIES

### Accounting Policy

Council inventories are valued at the lower of cost and current replacement cost, less any provision against damaged or old items, with the exception of property inventory which are recorded at the lower of cost and net realisable value.

Ashburton Contracting Limited determines cost on a first in first out basis which is valued at lower of cost and net realisable value.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<i>Commercial inventory</i>				
- Metal and asphalt	-	-	1,213	1,179
- Cement	-	-	26	16
- Services, plumbing and civil	-	-	355	406
- Rubbish bags / bins	20	32	20	32
- Retail stock	52	55	51	55
Held for distribution inventory			-	-
- Workshop, fuel and parks raw materials	-	-	854	839
	72	87	2,519	2,527

No inventories are pledged as security for liabilities however some may be subject to retention of title clauses.

## NOTE 16. OTHER FINANCIAL ASSETS

### Accounting Policy

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 it has been designated at FVTSD, in which case it is recognise 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 its held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are "solely payments of principal and interest (SPPI)" and held within a financial management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

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 instrument 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 an expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

### **SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AT FVTOCRE**

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. Debt instruments in this category are the Council and groups listed bonds.

Financial assets in this category that are equity instruments are designated as FCTOCRE 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 withing equity. The Council and group designated 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.

### **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 and deficit.

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

Other than for derivative, 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 to 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 groups 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 pass its credit obligations in full.

Council measures 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.

### **SHARES IN SUBSIDIARIES (AT COST)**

The investment in subsidiaries is carried at cost in the Council's parent entity financial statements.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Current portion				
Term deposits greater than 90 days	-	-	-	2,000
Total current portion	-	-	-	2,000
Non-current portion				
<i>Investment in CCOs and similar entities</i>				
Ashburton Contracting Ltd	4,500	4,500	-	-
	4,500	4,500	-	-
<i>Investment in other entities</i>				
NZ Local Government Insurance Corp	52	53	52	53
Local Government Funding Agency	2,965	1,795	2,964	1,795
Transwaste Canterbury Ltd	1,112	1,044	1,112	1,044
Electricity Ashburton Limited	1	1	1	1
Ashburton Trading Society Ltd	1	1	1	1
NZ Plumbers Merchants	-	-	11	11
	4,131	2,894	4,141	2,905
Total non-current portion	8,631	7,394	4,141	2,905
Total other financial assets	8,631	7,394	4,141	4,905

The Council's shareholding in other companies is as follows:

- Civic Financial Services Limited (prior to 1 March 2017 known as NZ Local Government Insurance Corporation Limited) 0.5% shareholding – 56,016 shares

The current net asset backing is \$0.93 per share (2023 \$0.90)

- Transwaste Canterbury Limited

3.0% shareholding – 600,000 shares (shares paid up to \$0.80 per share)

The current net asset backing is \$1.85 per share (2023 \$1.74). This has been compared to the dividend payout approach and the variance is not deemed material to warrant changing the methodology.

- Electricity Ashburton

Along with approximately 12,500 customers, the ADC, Ashburton Contracting limited and several of the Reserve Boards and Memorial Halls have been allocated 100 voting rebate shares in Electricity Ashburton which is registered as a cooperative company under the Co-operative Companies Act 1996. These shares are non-tradable. In total the Group has been allocated 2,300 shares valued at \$1 each.

- Unlisted shares – valuation

The investment by the Council in Ashburton Contracting Limited is carried at cost and the other companies listed above are carried at fair value in the Council's statement of financial position. These shares are unlisted and, accordingly, there are no published price quotations to determine the fair value of these investments. In addition, the range of reasonable fair value estimates is significant, and the probabilities of the various estimates cannot be reasonably assessed.

For the purposes of allocating to a financial asset category, other shares in other companies are classified as fair value through other comprehensive income.

## NOTE 17. INVESTMENT IN ASSOCIATES AND JOINT VENTURES

### Accounting Policies

#### ASSOCIATES

Council's associate investment is accounted for in the group financial statements using the equity method. An associate is an entity over which the council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate initially recognised at cost and the carrying amount in the group's financial statements is increased or decreased to recognise the group's share of surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of an associate equals or exceeds its interest in the associate, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of those surpluses equals the share of deficits not recognised.

The Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the group transacts with an associate, surpluses or deficits are eliminated to the extent of the group's interest in the associate.

Dilution gains or losses arising from investments are recognised in the surplus or deficit.

Ashburton District Council owns 30,000 Ordinary C shares of \$1 and 50,000 Deferred D shares of \$1 out of 200,000 total shares in Rangitata Diversion Race Management Limited.

Rangitata Diversion Race Management Limited (RDRML) is an unlisted company.

The investment in the associate is carried at cost in the Council's parent entity financial statements.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Council investment in Associates:				
Rangitata Diversion Race Management Limited	30	30	31,915	29,758
	30	30	31,915	29,758

The following table summarises the financial information of Rangitata Race Diversion Management.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>
Summarised statement of financial position of the associate		
Current Assets	1,998	2,261
Non- Current Assets	19,898	38,525
Current Liabilities	10,125	19,683
Non- Current Liabilities	8,539	16,475
Net Assets	3,233	4,628
Summarised statements of comprehensive revenue and expense		
Revenue	6,011	5,151
Expenses	7,042	6,255
Tax Expense	-	-
Other Comprehensive Revenue and Expense	372	(1,104)
Total Comprehensive Revenue and Expense		
Group's interest	20%	20%
Council's share of associate surplus/(deficit)	(132)	(221)

### JOINT VENTURES

A joint venture is a contractual arrangement whereby the Council and other parties undertake an economic activity that is subject to joint control.

Council's subsidiary Ashburton Contracting Limited (ACL) has entered into an unincorporated joint venture known as the Lake Hood Extension Project. ACL's share is 42.03% (2023: 37.59%) and is accounted for using the equity method.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Council investment in Associates:				
Eastfield Investments Limited/Joint Venture	1,765	1,765	2,160	2,156
Lake Hood Extension Project	-	-	3,414	2,079
	1,765	1,765	5,574	4,235

### EASTFIELD INVESTMENTS LIMITED/JOINT VENTURE

Council passed a resolution on 3rd April 2014 to become a participant in an unincorporated joint venture called Eastfield Investments Joint Venture. The purpose of the joint venture is to undertake redevelopment of the Ashburton CBD on land bounded by Burnett Street, Cass Street and Tancred Street. This area had seen a number of buildings demolished as a result of earthquake damage and the landowners (including the Council) believed there would be real economic and environmental benefits in undertaking the redevelopment in a coordinated approach that would rejuvenate the central CBD.

Eastfield Investments Limited was incorporated to act as custodian of the land and buildings of the JV participants. The company is jointly owned by the participants in the same shareholding as the JV. On 1 July 2014 Council sold to Eastfield Investments Limited land and buildings for the sum of \$1,710,000 and took up a 32.97% shareholding in the Company/JV and a current account balance of \$158,000 owed by the joint venture. No cash was exchanged between the parties.

The following table summarises the financial information of Eastfield Investments Limited/Joint Venture:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>
Summarised statement of financial position of the Joint Venture		
Current Assets	167	130
Non-Current Assets	8,203	8,205
Current Liabilities	80	58
Non-Current Liabilities	1,980	1,980
Net Assets	6,310	8,335
Summarised statements of comprehensive revenue and expense		
Revenue	380	365
Expense	266	943
Tax Expense	-	-
Other Comprehensive Revenue and Expense	-	-
Total Comprehensive Revenue and Expense	114	(578)
Group's interest	32.08%	32.08%
Council's share of associate surplus/(deficit)	37	(185)

### LAKE HOOD EXTENSION PROJECT

During the 2008 financial year Ashburton Contracting Limited entered into an agreement for a 35% participation in an unincorporated Joint Venture known as the Lake Hood Extension Project. The objective of the joint venture is to further develop Lake Hood and an adjacent site by the creation of an enlarged lake and provision of residential and rural lifestyle blocks. The participants completed the purchase of land for the project and have obtained the necessary resource consents for the project.

Following various changes in shareholder participation the Company is currently a 42.03% participant in the joint venture.

The results of the Joint Venture have been included in the financial statements using the equity method.

Contingent liabilities related to the Joint Venture are shown in Note 33.

The following table summarises the financial information of Lake Hood Extension Project

	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>		
Summarised statement of financial position of the Joint Venture				
Current Assets	8,209	5,497		
Non- Current Assets	63	159		
Current Liabilities	149	126		
Non- Current Liabilities	-	-		
Net Assets	8,123	5,530		
Summarised statements of comprehensive revenue and expense				
Revenue	683	2,979		
Expenses	1,314	3,714		
Tax Expense	-	-		
Other Comprehensive Income and Expense	11	15		
Total Comprehensive Income and Expense	(369)	(720)		
Group's interest	42.03%	37.59%		
Council's share of associate surplus/(deficit)	(146)	(271)		
	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Total investments in associates and joint ventures	1,795	1,795	37,488	33,993

## NOTE 18. PROPERTY INVENTORY

### Accounting Policy

Property inventory is recorded at the lower of cost and net realisable value.

Property is classified as inventory when it is held for sale in the ordinary course of business, or that is in the process of construction or development for such a sale.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Land and development	3,928	3,238	3,928	3,238
	3,928	3,238	3,928	3,238

This is shown in the Statement of Financial Position as:

Current portion	155	389	155	389
Non-current portion	3,773	2,849	3,773	2,849
	3,928	3,238	3,928	3,238

Property inventory held for sale is the Ashburton Business Estate.

## NOTE 19. PROPERTY INTENDED FOR SALE

### Accounting Policy

Properties are classified as intended for sale if their carrying amount will be recovered through a sale transaction within 12 months from balance date rather than through continuing use.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Forestry land	-	-	-	-
Freehold land and buildings	-	323	-	323
Investment property	-	-	-	-
	-	323	-	323

The forestry and freehold land and buildings for sale are properties surplus to Council's requirements and were approved by Council to be made available for sale. Sales were completed by 30 June 2024.

## NOTE 20. INVESTMENT PROPERTY

### Accounting Policy

Investment properties are properties which are held to either earn rental income or for capital appreciation or for both. Investment properties are stated at fair value at balance date. An external, independent valuation company, having an appropriate recognised professional qualification and recent experience in the location and category of



property being valued, values the portfolio every year. The fair values are based on market values, being 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 after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. No deduction is taken for disposal costs.

The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties and where relevant, associated costs. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

The valuations reflect, where appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting of vacant accommodation and the market's general perception of their credit worthiness; and the remaining economic life of the property. It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases all notices and where appropriate, counter notices have been validly served within the appropriate time.

Any gain or loss arising from a change in fair value is recognised in the surplus/deficit.

Rental income from investment property is accounted for as described in the Revenue Recognition accounting policy.

When an item of property, plant and equipment which is revalued is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity if it is a gain. Upon disposal of the item the gain is transferred to rate-payers equity. Any loss arising in this manner is recognised immediately in the surplus/deficit.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes of subsequent recording.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Council holds it to earn rentals or for capital appreciation or both. Any such property interest under which an operating lease classified as an investment property is carried at fair value. Lease income is accounted for as described in the Revenue Recognition accounting policy.

The investment properties were valued by Telfer Young (Canterbury) Ltd, registered valuers, as at 30 June 2024.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Opening balance	35,594	35,093	35,594	34,893
Disposals	-	(720)	-	(720)
Transfers to property plant & equipment (note 23)	-	(210)	-	(210)
Reconciling item	(13)	-	(13)	-
Fair value gains/(losses) on valuation	1,218	1,431	1,218	1,431
Closing balance	36,799	35,594	36,599	35,394

The valuation as at 30 June 2024 was completed by Telfer Young Limited. The basis of valuation is fair value, being the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion.

The valuation methodologies used were a direct sales comparison or a direct capitalisation of rental revenue using market comparison of capitalisation rates. Capitalisation rates are assessed by comparing the subject

property to similar properties that have sold with adjustments made for physical improvement and land characteristics, location and tenancy structure. The valuation methodologies are consistent with the prior year.

## NOTE 21. FORESTRY

### Accounting Policy

Forests were valued as at 30 June 2024 by ForestStat Ltd. in accordance with PBE IPSAS 27. All forests have been valued at 'fair value' less estimated point of sale costs which exclude transportation costs required to get the logs to market. Fair value valuations are based on: plantation age, species, silviculture, type, site, and productivity rotation length, expected yields at maturity, expected royalties and discount rate.

Using this information – which is collected from a variety of sources (including Council's own records and data prepared by the Ministry of Agriculture and Forestry) valuations are calculated for each plantation.

Council has a policy to revalue its forests annually. Any increase or decrease in the valuation is reflected in the surplus/deficit.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Opening balance	4,348	4,683	4,348	4,683
<b>Fair value gains/(losses)</b>				
- <b>Due to harvest</b>	(174)	(418)	(174)	(418)
- Due to sales	-	-	-	-
- Due to unit rate changes and growth	(1,149)	83	(1,149)	83
	3,025	4,348	3,025	4,348

The Council owns 1,077.6 hectares (2023: 1,059 hectares) of forest predominantly planted in Radiata pine ranging in age from 1 years to 104 years.

The valuation has been performed as per Accounting Policies with a pre-tax discount rate of 7.8% (2023: 7.0%).

The Net Present Value method has been used which values mature stands with inventory information at their realisable ("immediate liquidation") value.

Land value has been expressed as an annual land rental and included in annual overhead costs. No value is assigned to amenity species, wind damaged areas, and stands deemed un-economical to harvest, and native bush. The remaining land has an average value of \$2,500/ha, the annual cost of this land has been set as a rental of 4% on this value that is \$100/ha/year. Costs include Silviculture Harvesting and Transport, and Overheads. These are applied on either a per hectare to tonnage basis.

There are no restrictions over the forestry assets. No forestry assets are pledged as security for liabilities.

### FINANCIAL RISK MANAGEMENT STRATEGIES

The Council is exposed to financial risks arising from changes in timber prices. The Council is a long term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber processes. The Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

## SENSITIVITY ANALYSIS

No sensitivity analysis to log price or discount rate was carried out on the valuation completed 30 June 2024.

## NOTE 22. INTANGIBLE ASSETS

### Accounting Policy

#### *Computer software*

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to ten years). Subsequent expenditure on capitalised computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Costs incurred in acquiring operating system software essential to the operation of an item of Property, Plant and Equipment are included with the item of Property, Plant and Equipment and are not classified as an Intangible Asset. This is consistent with PBE IPSAS 31.

#### *Other intangible assets*

An internally generated intangible asset arising from the Council's development of its research findings is recognised only if all of the following conditions are met:

- An asset is created that can be identified such as new processes;
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Council are stated at cost less accumulated amortisation and impairment losses and are amortised on a straight-line basis over their useful lives.

#### *Subsequent expenditure*

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

#### *Amortisation*

Amortisation is charged to the surplus/deficit on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Goodwill and other intangible assets with an indefinite useful life are systematically tested for impairment at each balance date.

	<b>Council Computer Software \$000</b>	<b>Council Total \$000</b>	<b>Group Computer Software \$000</b>	<b>Group Resource Consents \$000</b>	<b>Group Goodwill \$000</b>	<b>Group Total \$000</b>
Opening balance 1/07/23	390	390	74	441	488	1,393
Additions	116	116	55	33	-	204
Disposals	-	-	(22)	(66)	-	(88)
Current year amortisation	(253)	(253)	(22)	(11)	-	(286)
Reverse amortisation on disposal	-	-	22	66	-	88
<b>Closing balance 30 June 2024</b>	<b>253</b>	<b>253</b>	<b>107</b>	<b>463</b>	<b>488</b>	<b>1,311</b>
Cost	4,471	4,471	612	669	488	6,240
Accumulated amortisation	(4,218)	(4,218)	(505)	(206)	-	(4,929)
<b>Carrying value at 30 June 2024</b>	<b>253</b>	<b>253</b>	<b>107</b>	<b>463</b>	<b>488</b>	<b>1,311</b>
Opening balance 1/07/22	576	576	75	436	488	1,575
Additions	56	56	30	14	-	100
Disposals	-	-	(11)	-	-	(11)
Current year amortisation	(242)	(242)	(31)	(9)	-	(282)
Reverse amortisation on disposal	-	-	11	-	-	11
<b>Closing balance 30 June 2023</b>	<b>390</b>	<b>390</b>	<b>74</b>	<b>441</b>	<b>488</b>	<b>1,393</b>
Cost	4,355	4,355	579	702	488	6,124
Accumulated amortisation	(3,965)	(3,965)	(505)	(261)	-	(4,731)
<b>Carrying value at 30 June 2023</b>	<b>390</b>	<b>390</b>	<b>74</b>	<b>441</b>	<b>488</b>	<b>1,394</b>

The amortisation charge has been recognised in expenses (see note 9).

## NOTE 23. PROPERTY, PLANT AND EQUIPMENT

### Accounting Policy

Property, plant and equipment consist of:

Operational assets – these include land, buildings, landfill post-closure, library books, plant and equipment, and motor vehicles.

Operational Property, Plant and Equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Restricted assets are mainly parks and reserves owned by the Council and group that provide a benefit or service to the community and cannot be disposed because of legal or other restrictions.

Infrastructure Assets are stated at their revalued amounts. The revalued amounts are their fair values at the date of revaluation, less any subsequent accumulated depreciation. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at balance date.

Additions between valuations are recorded at cost, except for vested assets (see 'Vested Assets'). Certain infrastructure assets and land have been vested in the Council as part of the sub-divisional consent process.

The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Revaluation increments and decrements are credited or debited to the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit. Any subsequent increase on revaluation that offsets a previous decrease in value is recognised first in the Other Comprehensive Revenue up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset. When revalued assets are disposed, the amount included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Costs incurred in obtaining any resource consents are capitalised as part of the asset to which they relate. If a resource consent application is declined, then all capitalised costs are written off.

Work in progress has been stated at the lower of cost and net realisable value. Cost comprises direct material and direct labour together with production overheads.

Council land is recorded at cost and there is currently no intention to revalue these assets.

Property held for service delivery objectives rather than to earn rental or for capital appreciation is included within property plant and equipment. Examples of this are property held for strategic purposes and property held to provide a social service, including those which generate cash inflows where the rental revenue is incidental to the purpose of holding the property, i.e. Council's elderly housing units.

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

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council 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.

## **BUILDINGS**

Council buildings are recorded at cost less accumulated depreciation and any accumulated impairment losses and there is currently no intention to revalue these assets.

The directors of Ashburton Contracting Limited resolved to change their policy for recording buildings from cost to fair value as at 30 June 2006. Buildings are now valued annually by an independent registered valuer and are stated at fair value.

## **INFRASTRUCTURE ASSETS**

These are the fixed utility systems that provide a continuing service to the community and are not generally regarded as tradable. They include roads and bridges, water and sewerage services, stormwater systems and parks and reserves. These infrastructural assets are revalued annually, except for land under roads which have not been revalued.

Roading, Footpaths and Solid Waste Assets existing as at 30 June 2024 were revalued on a depreciated replacement cost basis by Council staff and peer reviewed by Beca, an independent registered valuer. Parks Assets existing as at 30 June 2024 were revalued on a depreciated replacement cost basis by Council staff and peer reviewed by GHD, an independent registered valuer.

The assets were valued using depreciated replacement cost. This required determination of quantities of assets optimised to relate to these required for current service delivery, foreseeable demand, unit rates that reflect replacement with modern engineering equivalent assets, recent contract rates for work in the district, effective lives that take account of local influences and depreciation that defines current value given a definable remaining life.

Where known, construction / installation dates were used to establish asset life. For the few instances where this was not known, an estimated installation date was adopted based local understanding of the area and asset. Expected remaining useful asset lives were estimated based on standard expected lives that were modified as appropriate based on condition, local understanding and renewal planning. Past actual asset lives were used to help inform the setting of standard expected lives.

Obsolesce and surplus capacity were considered as part of Optimisation process within the valuation process.

Replacement values were revised within the revaluation. The approach used was based upon a combination of index adjustments and data from recent construction contracts.

Land under roads was valued by Quotable Value NZ Limited, an independent registered valuer, as at 30 June 2022 and were based on sales of comparable properties. The values relate to an average “unimproved value” calculation in the rural areas of the district, and in the urban areas it is land with no roads, sewers or water supply. Land under roads has not been subsequently revalued and is now carried at deemed cost.

## **IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, and goodwill, are not subject to amortisation and are tested annually for impairment.

Property, plant, and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed 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.

If an assets carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an 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 for 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.

<b>Council 2024</b>	<b>Cost/fair value 01/07/23</b>	<b>Accumulated depreciation &amp; impairment 01/07/23</b>	<b>Carrying value 01/07/23</b>	<b>Current year additions</b>	<b>Current year disposals</b>	<b>Classified as held for sale</b>	<b>*Accum depre reversed on disposal \$000</b>	<b>Current year depreciated \$000</b>	<b>Impairment losses expensed \$000</b>	<b>Revaluation increase/(decrease) in cost \$000</b>	<b>*Accum deprec reversed on reval. \$000</b>	<b>Cost/fair value 30/06/24</b>	<b>Accumulated depreciation &amp; impairment 30/06/24</b>	<b>Carrying value 30/06/24</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Operational assets</b>														
Freehold land	31,441	-	31,441	369	(347)	(764)	-	-	-	-	-	30,699	-	30,699
Buildings	73,520	(23,335)	50,185	62,264	(2,295)	-	1,211	(2,527)	-	-	-	133,489	(24,651)	108,838
Plant and machinery	7,915	(5,826)	2,090	1,710	(286)	-	220	(679)	-	-	-	9,339	(6,285)	3,054
Equipment, furniture and fittings	8,617	(7,004)	1,613	2,128	-	-	-	(537)	-	-	-	10,745	(7,541)	3,204
Library books	4,033	(3,493)	540	141	-	-	-	(77)	-	-	-	4,174	(3,570)	604
<b>Total operational assets</b>	<b>125,526</b>	<b>(39,658)</b>	<b>85,869</b>	<b>66,612</b>	<b>(2,928)</b>	<b>(764)</b>	<b>1,431</b>	<b>(3,820)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188,446</b>	<b>(42,047)</b>	<b>146,401</b>
<b>Infrastructural assets</b>														
Roading and footpaths	381,870	(8,265)	373,605	15,970	(738)	-	-	(10,152)	-	(6,271)	18,417	390,831	-	390,831
Land under roads	84,983	-	84,983	5,419	-	-	-	-	-	-	-	90,402	-	90,402
Water supplies														
- treatment plants and facilities	12,864	(595)	12,269	9,682	(158)	-	-	(555)	-	-	-	22,388	(1,150)	21,238
- reticulation and other assets	90,705	(1,770)	88,935	7,374	(928)	-	-	(2,526)	-	-	-	97,151	(4,296)	92,855
Wastewater schemes														
- treatment plants and facilities	29,762	(625)	29,137	4,271	(151)	-	-	(956)	-	-	-	33,882	(1,581)	32,301
- reticulation and other assets	115,304	(2,079)	113,225	9,411	(371)	-	-	(2,245)	-	-	-	124,344	(4,324)	120,020
Stormwater	44,252	(634)	43,618	885	-	-	-	(694)	-	-	-	45,137	(1,328)	43,809
Stockwater	31,599	(56)	31,543	-	(1,259)	-	-	(47)	-	-	-	30,340	(103)	30,237
Solid waste	5,061	185	5,246	271	-	-	-	(237)	-	(253)	52	5,079	-	5,079
<b>Total infrastructure assets</b>	<b>796,400</b>	<b>(13,839)</b>	<b>782,561</b>	<b>51,363</b>	<b>(3,605)</b>	<b>-</b>	<b>-</b>	<b>(17,412)</b>	<b>-</b>	<b>(6,524)</b>	<b>18,469</b>	<b>839,584</b>	<b>(12,782)</b>	<b>826,772</b>
<b>Restricted assets</b>														
Land	16,723	-	16,723	-	-	-	-	-	-	-	-	16,723	-	16,723
Buildings	580	(193)	387	-	-	-	-	-	-	-	-	580	(193)	387
Parks, cemeteries and domains	24,949	(1,909)	23,040	5,768	-	-	-	(655)	-	3,984	1,720	34,701	(844)	33,857
<b>Total restricted assets</b>	<b>42,252</b>	<b>(2,102)</b>	<b>40,150</b>	<b>5,768</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(655)</b>	<b>-</b>	<b>3,984</b>	<b>1,720</b>	<b>52,004</b>	<b>(1,037)</b>	<b>50,967</b>
<b>Total</b>	<b>964,178</b>	<b>(55,599)</b>	<b>908,579</b>	<b>125,663</b>	<b>(6,533)</b>	<b>(764)</b>	<b>1,431</b>	<b>(21,887)</b>	<b>-</b>	<b>(2,540)</b>	<b>20,189</b>	<b>1,080,002</b>	<b>(55,866)</b>	<b>1,024,140</b>

\*Accumulated depreciation



Group 2024	Accumulated depreciation			Current year additions	Current year disposals	Classified as held for sale	* Accum deprec reversed on disposal	Current year depreciated	Impairment losses expensed	Revaluation increase/ (decrease) in cost	* Accum deprec reversed on reval.	Accumulated depreciation		
	Cost/fair value 01/07/23	& impairment 01/07/23	Carrying value 01/07/23									Cost/fair value 30/06/24	& impairment 30/06/24	Carrying value 30/06/24
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operational assets</b>														
Freehold land	32,985	(21)	32,964	369	(347)	(764)	-	-	-	-	-	32,243	(21)	32,222
Buildings	75,345	(23,468)	51,877	62,265	(2,295)	-	1,211	(2,527)	-	-	-	135,315	(24,784)	110,531
Plant and machinery	32,518	(20,155)	12,363	2,633	(593)	-	220	(1,774)	-	-	-	34,558	(21,709)	12,849
Equipment, furniture and fittings	9,298	(7,563)	1,735	2,252	-	-	-	(447)	-	-	-	11,550	(8,010)	3,540
Library books	4,033	(3,493)	540	141	-	-	-	(77)	-	-	-	4,174	(3,570)	604
Total operational assets	154,179	(54,700)	99,479	67,660	(3,235)	(764)	1,431	(4,825)	-	-	-	217,840	(58,094)	159,746
<b>Infrastructural assets</b>														
Roading and footpaths **	381,870	(8,265)	373,605	15,970	(738)	-	-	(10,152)	-	(6,271)	18,417	390,831	-	390,831
Land Under Roads	84,983	-	84,983	5,419	-	-	-	-	-	-	-	90,402	-	90,402
Water supplies														
- treatment plants and facilities	12,894	(595)	12,299	9,682	(158)	-	-	(555)	-	-	-	22,418	(1,150)	21,268
- reticulation and other assets	90,705	(1,770)	88,935	7,374	(928)	-	-	(2,526)	-	-	-	97,151	(4,296)	92,855
Wastewater schemes														
- treatment plants and facilities	29,762	(625)	29,137	4,271	(151)	-	-	(956)	-	-	-	33,882	(1,581)	32,301
- reticulation and other assets	115,304	(2,079)	113,225	9,411	(371)	-	-	(2,245)	-	-	-	124,344	(4,324)	120,020
Stormwater	44,252	(634)	43,618	885	-	-	-	(694)	-	-	-	45,137	(1,328)	43,809
Stockwater	31,599	(56)	31,543	-	(1,259)	-	-	(47)	-	-	-	30,340	(103)	30,237
Solid waste	5,061	185	5,246	271	-	-	-	(237)	-	(253)	52	5,079	-	5,079
Total infrastructure assets	796,430	(13,839)	782,591	51,363	(3,605)	-	-	(17,412)	-	(6,524)	18,469	839,584	(12,782)	826,802
<b>Restricted assets</b>														
Land	16,723	-	16,723	-	-	-	-	-	-	-	-	16,723	-	16,723
Buildings	580	(193)	387	-	-	-	-	-	-	-	-	580	(193)	387
Parks, cemeteries and domains	24,949	(1,909)	23,040	5,768	-	-	-	(655)	-	3,984	1,720	34,701	(844)	33,857
Total restricted assets	42,252	(2,102)	40,150	5,768	-	-	-	(655)	-	3,984	1,720	52,004	(1,037)	50,967
<b>Total</b>	<b>992,861</b>	<b>(70,641)</b>	<b>922,220</b>	<b>126,711</b>	<b>(6,840)</b>	<b>(764)</b>	<b>1,431</b>	<b>(22,892)</b>	<b>-</b>	<b>(2,540)</b>	<b>20,189</b>	<b>1,109,428</b>	<b>(71,913)</b>	<b>1,037,515</b>

\*Accumulated depreciation

<b>Council 2023</b>	<b>Cost/fair value 01/07/22</b>	<b>Accumulated depreciation &amp; impairment 01/07/22</b>	<b>Carrying value 01/07/22</b>	<b>Current year additions</b>	<b>Current year disposals</b>	<b>Classified as held for sale</b>	<b>*Accum depre reversed on disposal \$000</b>	<b>Current year depreciated</b>	<b>Impairment losses expensed</b>	<b>Net revaluation increase/ (decrease) \$000</b>	<b>*Accum deprec reversed on reval. \$000</b>	<b>Cost/fair value 30/06/23</b>	<b>Accumulated depreciation &amp; impairment 30/06/23</b>	<b>Carrying value 30/06/23</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Operational assets</b>														
Freehold land	31,461	-	31,461	210	-	(230)	-	-	-	-	-	31,441	-	31,441
Buildings	72,929	(21,329)	51,600	591	-	-	-	(2,006)	-	-	-	73,520	(23,335)	50,185
Plant and machinery	8,040	(5,745)	2,295	464	(589)	-	546	(627)	-	-	-	7,915	(5,826)	2,089
Equipment, furniture and fittings	8,269	(6,473)	1,796	348	-	-	-	(531)	-	-	-	8,617	(7,004)	1,613
Library books	3,832	(3,435)	397	201	-	-	-	(58)	-	-	-	4,033	(3,493)	540
<b>Total operational assets</b>	<b>124,531</b>	<b>(36,982)</b>	<b>87,548</b>	<b>1,814</b>	<b>(589)</b>	<b>(230)</b>	<b>546</b>	<b>(3,222)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,526</b>	<b>(39,658)</b>	<b>85,868</b>
<b>Infrastructural assets</b>														
Roading and footpaths	367,989	-	367,989	14,406	(525)	-	-	(8,265)	-	-	-	381,870	(8,265)	373,605
Land under roads	81,466	-	81,466	3,517	-	-	-	-	-	-	-	84,983	-	84,983
Water supplies														
- treatment plants and facilities	11,493	-	11,493	2,047	(676)	-	-	(595)	-	-	-	12,864	(595)	12,269
- reticulation and other assets	87,968	-	87,968	2,879	(142)	-	-	(1,770)	-	-	-	90,705	(1,770)	88,935
Wastewater schemes														
- treatment plants and facilities	29,188	-	29,188	636	(62)	-	-	(625)	-	-	-	29,762	(625)	29,137
- reticulation and other assets	110,827	-	110,827	4,572	(95)	-	-	(2,079)	-	-	-	115,304	(2,079)	113,225
Stormwater	43,069	-	43,069	1,183	-	-	-	(634)	-	-	-	44,252	(634)	43,618
Stockwater	33,563	-	33,563	-	(1,964)	-	-	(56)	-	-	-	31,599	(56)	31,543
Solid waste	4,604	-	4,604	127	(15)	-	-	(213)	-	345	398	5,061	185	5,246
<b>Total infrastructure assets</b>	<b>770,167</b>	<b>-</b>	<b>770,167</b>	<b>29,367</b>	<b>(3,479)</b>	<b>-</b>	<b>-</b>	<b>(14,237)</b>	<b>-</b>	<b>345</b>	<b>398</b>	<b>796,400</b>	<b>(13,839)</b>	<b>782,561</b>
<b>Restricted assets</b>														
Land	16,723	-	16,723	-	-	-	-	-	-	-	-	16,723	-	16,723
Buildings	580	(193)	387	-	-	-	-	-	-	-	-	580	(193)	387
Parks, cemeteries and domains	21,794	(1,275)	20,519	3,155	-	-	-	(634)	-	-	-	24,949	(1,909)	23,040
<b>Total restricted assets</b>	<b>39,097</b>	<b>(1,468)</b>	<b>37,629</b>	<b>3,155</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(634)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,252</b>	<b>(2,102)</b>	<b>40,150</b>
<b>Total</b>	<b>933,795</b>	<b>(38,450)</b>	<b>895,345</b>	<b>34,336</b>	<b>(4,068)</b>	<b>(230)</b>	<b>546</b>	<b>(18,093)</b>	<b>-</b>	<b>345</b>	<b>398</b>	<b>964,178</b>	<b>(55,599)</b>	<b>908,580</b>

\*Accumulated depreciation

Group 2023	Accumulated depreciation			Current year additions	Current year disposals	Classified as held for sale	* Accum deprec reversed on disposal	Current year depreciated	Impairment losses expensed	Net revaluation increase/ (decrease)	* Accum deprec reversed on reval.	Accumulated depreciation		
	Cost/fair value 01/07/22	& impairment 01/07/22	Carrying value 01/07/22									Cost/fair value 30/06/23	& impairment 30/06/23	Carrying value 30/06/23
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Operational assets</b>														
Freehold land	32,941	(21)	32,920	317	-	(230)	-	(17)	-	(43)	17	32,985	(21)	32,964
Buildings	74,754	(21,462)	53,292	591	-	-	-	(2,006)	-	-	-	75,345	(23,468)	51,877
Plant and machinery	31,183	(19,771)	11,412	3,971	(2,636)	-	1,381	(1,774)	9	-	-	32,518	(20,155)	12,363
Equipment, furniture and fittings	8,925	(6,993)	1,932	409	(36)	-	36	(606)	-	-	-	9,298	(7,563)	1,735
Library books	3,832	(3,435)	397	201	-	-	-	(58)	-	-	-	4,033	(3,493)	540
<b>Total operational assets</b>	<b>151,635</b>	<b>(51,682)</b>	<b>99,953</b>	<b>5,489</b>	<b>(2,672)</b>	<b>(230)</b>	<b>1,417</b>	<b>(4,461)</b>	<b>9</b>	<b>(43)</b>	<b>17</b>	<b>154,179</b>	<b>(54,700)</b>	<b>99,479</b>
<b>Infrastructural assets</b>														
Roading and footpaths **	367,989	-	367,989	14,406	(525)	-	-	(8,265)	-	-	-	381,870	(8,265)	373,605
Land Under Roads	81,466	-	81,466	3,517	-	-	-	-	-	-	-	84,983	-	84,983
Water supplies														
- treatment plants and facilities	11,493	-	11,493	2,077	(676)	-	-	(595)	-	-	-	12,894	(595)	12,299
- reticulation and other assets	87,968	-	87,968	2,879	(142)	-	-	(1,770)	-	-	-	90,705	(1,770)	88,935
Wastewater schemes														
- treatment plants and facilities	29,188	-	29,188	636	(62)	-	-	(625)	-	-	-	29,762	(625)	29,137
- reticulation and other assets	110,827	-	110,827	4,572	(95)	-	-	(2,079)	-	-	-	115,304	(2,079)	113,225
Stormwater	43,069	-	43,069	1,183	-	-	-	(634)	-	-	-	44,252	(634)	43,618
Stockwater	33,563	-	33,563	-	(1,814)	-	-	(56)	-	-	-	31,599	(56)	31,543
Solid waste	4,604	-	4,604	127	(15)	-	-	(213)	-	345	398	5,061	185	5,246
<b>Total infrastructure assets</b>	<b>770,167</b>	<b>-</b>	<b>770,167</b>	<b>29,397</b>	<b>(3,329)</b>	<b>-</b>	<b>-</b>	<b>(14,237)</b>	<b>-</b>	<b>345</b>	<b>398</b>	<b>796,430</b>	<b>(13,839)</b>	<b>782,591</b>
<b>Restricted assets</b>														
Land	16,720	-	16,723	-	-	-	-	-	-	-	-	16,723	-	16,723
Buildings	580	(193)	387	-	-	-	-	-	-	-	-	580	(193)	387
Parks, cemeteries and domains	21,794	(1,275)	20,519	3,155	-	-	-	(634)	-	-	-	24,949	(1,909)	23,040
<b>Total restricted assets</b>	<b>39,097</b>	<b>(1,468)</b>	<b>37,629</b>	<b>3,155</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(634)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,252</b>	<b>(2,102)</b>	<b>40,150</b>
<b>Total</b>	<b>960,899</b>	<b>(53,150)</b>	<b>907,749</b>	<b>38,041</b>	<b>(6,001)</b>	<b>(230)</b>	<b>1,417</b>	<b>(19,332)</b>	<b>9</b>	<b>302</b>	<b>415</b>	<b>992,861</b>	<b>(70,641)</b>	<b>922,220</b>

\*Accumulated depreciation

## RESTRICTIONS

Land and buildings in the “Restricted Assets” category 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 and buildings under a bequest or donation that restricts the purpose for which the assets can be used).

## CORE INFRASTRUCTURE ASSET DISCLOSURES

The Local Government (Financial Reporting and Prudence) Regulations 2014 requires Council to disclose additional information for core infrastructure assets. These are defined in the regulations as roading and footpaths, water supplies, wastewater schemes, stormwater and flood protection. The Council does not own any flood protection infrastructure.

### *Core asset capital expenditure*

Constructed assets refer to capital additions that have been engaged and constructed by the Council as part of the management of the network. Transferred or vested assets are assets where the construction has been engaged by a third party and when complete the ownership has been transferred to the Council, for example infrastructure assets resulting from a subdivision. This table does not include incomplete assets which remain as work in progress in the statement of financial position.

	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>Constructed</b>	<b>Transferred/ vested assets</b>	<b>Total</b>	<b>Constructed</b>	<b>Transferred/ vested assets</b>	<b>Total</b>
	<b>assets</b>	<b>assets</b>	<b>additions</b>	<b>assets</b>	<b>assets</b>	<b>additions</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Roading and footpaths	8,631	5,419	14,050	6,956	7,450	14,406
Water supplies						
- treatment plants and facilities	9,682	-	9,682	2,047	-	2,047
- reticulation and other assets	6,616	758	7,374	1,785	1,094	2,879
<b>Total water supplies</b>	<b>16,298</b>	<b>758</b>	<b>17,056</b>	<b>3,832</b>	<b>1,094</b>	<b>4,926</b>
Wastewater schemes						
- treatment plants and facilities	4,260	11	4,271	636	-	636
- reticulation and other assets	7,567	1,844	9,411	3,288	1,284	4,572
<b>Total wastewater schemes</b>	<b>11,827</b>	<b>1,855</b>	<b>13,682</b>	<b>3,924</b>	<b>1,284</b>	<b>5,208</b>
Stormwater	103	782	885	9	1,174	1,183
<b>Total core asset additions</b>	<b>36,859</b>	<b>8,814</b>	<b>45,673</b>	<b>14,721</b>	<b>11,002</b>	<b>25,723</b>

### Core asset replacement cost

Council's core infrastructure assets are revalued annually using depreciated replacement cost (DRC). DRC is referred to as the carrying value of these assets in the financial statements. DRC is the replacement cost of the asset less accumulated depreciation based on the assets age, this results in a current value given a definable remaining useful life. The following table details the carrying value and associated replacement cost for each core infrastructure category.

	<b>Replacement cost 30 Jun 24 \$000</b>	<b>Carrying value 30 Jun 24 \$000</b>	<b>Replacement cost 30 Jun 23 \$000</b>	<b>Carrying value 30 Jun 23 \$000</b>
Roading and footpaths*	640,764	390,831	574,107	373,605
Water supplies				
- treatment plants and facilities	30,279	21,238	20,958	12,269
- reticulation and other assets	163,187	92,855	154,811	88,935
<b>Total water supplies</b>	<b>193,466</b>	<b>114,093</b>	<b>175,769</b>	<b>101,204</b>
Wastewater schemes				
- treatment plants and facilities	46,190	32,301	41,954	29,137
- reticulation and other assets	198,029	120,020	187,922	113,225
<b>Total wastewater schemes</b>	<b>244,219</b>	<b>152,321</b>	<b>229,876</b>	<b>142,362</b>
Stormwater	67,348	43,809	64,525	43,618
<b>Total core asset replacement cost</b>	<b>1,145,797</b>	<b>701,054</b>	<b>1,044,277</b>	<b>660,789</b>

\* Land under roads are not included in the calculations. The prior year figures for roading have been restated.

**WORK IN PROGRESS BY CLASS OF ASSETS**

Property, plant and equipment under construction by class of asset is detailed below.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Land	-	-	-	-
Buildings	12	47,978	12	47,978
Roading and footpaths	1,653	3,419	1,653	3,419
Water supplies	9,290	10,328	9,290	10,328
Wastewater schemes	989	4,318	989	4,318
Arts and Culture	-	-	-	-
Elderly Housing	133	-	133	-
Environmental	-	444	-	444
Software	-	-	-	-
Stormwater	34	34	34	34
Stockwater	58	-	58	-
Solid waste	-	-	-	-
Parks, cemeteries and domains	67	503	67	503
Other	267	230	267	230
<b>Total work in progress</b>	<b>12,503</b>	<b>67,254</b>	<b>12,503</b>	<b>67,254</b>

## NOTE 24. TRADE AND OTHER PAYABLES

### Accounting Policy

Trade payables are stated at their amortised cost which approximates their nominal value given their short term nature.

	<b>Council 2024 \$000</b>	<b>Council 2023 \$000</b>	<b>Group 2024 \$000</b>	<b>Group 2023 \$000</b>
Trade payables	4,999	10,806	8,964	14,246
Accruals and other expenses	1,144	682	1,144	682
Amounts due to related parties	1,052	594	-	-
Revenue in advance	1,053	2,032	1,053	2,032
Amortised value of EA Networks Centre naming rights	38	42	38	42
Amortised value of EA Networks Centre naming rights – non-current	261	299	261	299
Amortised value of Museum/Art Gallery naming rights	5	5	5	5
Amortised value of Museum/Art Gallery naming rights – non-current	(3)	-	(3)	-
Retentions/bonds awaiting contract work	1,835	1,288	1,835	1,288
	<b>10,384</b>	<b>15,748</b>	<b>13,297</b>	<b>18,594</b>
Payables and deferred revenue under non-exchange transactions:				
GST/FBT payable	-	-	-	-
ACC liability	86	90	86	90
Rates/water meter charges received in advance	1,769	1,657	1,769	1,657
Environment Canterbury rates outstanding from ADC	443	179	443	179
Grant revenue received in advance	146	278	146	278
	<b>2,444</b>	<b>2,204</b>	<b>2,444</b>	<b>2,204</b>
<b>Total payables and deferred revenue</b>	<b>12,828</b>	<b>17,952</b>	<b>15,741</b>	<b>20,798</b>
This is shown in the Statement of Financial Position as:				
Current	12,529	17,652	15,442	20,499
Non-current	299	300	299	299
	<b>12,828</b>	<b>17,952</b>	<b>15,741</b>	<b>20,798</b>

Trade and other payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of trade and other payable approximate their fair value.

## NOTE 25. EMPLOYEE BENEFIT LIABILITIES

### Accounting Policy

Provision is made for annual leave, long service leave, sick leave and retiring gratuities.

The retiring gratuity liability and long service leave are assessed on an actuarial basis using future rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement. These estimated amounts are discounted to their present value using an interpolated 10 year government bond rate.

Liabilities for accumulating short-term compensated absences (e.g. annual and sick leave) are measured as the additional amount of unused entitlement accumulated at the balance date, to the extent that the Group anticipate it will be used by staff to cover those future absences.

Obligations for contributions to defined contribution superannuation plans are recognised as an expense in the surplus or deficit when they are due.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Accrued pay	373	285	373	285
Annual and long service leave	1,979	1,769	3,136	3,094
Retirement gratuities	197	175	197	175
Sick leave	5	5	5	5
	<b>2,554</b>	<b>2,234</b>	<b>3,711</b>	<b>3,559</b>

This is shown in the Statement of Financial Position as:

Current	2,308	2,018	3,413	3,280
Non-current	246	216	298	279
	<b>2,554</b>	<b>2,234</b>	<b>3,711</b>	<b>3,559</b>

Employee benefit liabilities are incurred to cover statutory and other obligations and include annual leave, long service leave, sick leave and retirement gratuities.

## NOTE 26. LANDFILL AFTERCARE LIABILITY

### Accounting Policy

The Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites in the district after closure, in some cases 35 years after closure.

To provide for the estimated costs of aftercare, an estimate is done of future annual costs and is then subject to a net present value calculation. Details of these costs are shown below.

The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to the liability.



Costs to be incurred for the districts landfills have been estimated by Council as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Ashburton	8	5
Hinds	3	2
Rakaia	5	3
Methven	5	3
Mayfield	3	2
	<b>24</b>	<b>15</b>

Maintenance and monitoring costs have been calculated using a net present value calculation of 5.30% (2023: 3.36%). The aftercare liability balance is:

	<b>Council</b>	<b>Council</b>	<b>Group</b>	<b>Group</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Opening balance	147	162	147	162
Provision used during the year	(10)	(33)	(10)	(33)
Additional provision made during the year	(15)	18	(15)	17
Closing balance	<b>122</b>	<b>147</b>	<b>122</b>	<b>147</b>

This is shown in the Statement of Financial Position as:

Current	15	15	15	15
Non-current	107	132	107	132
	<b>122</b>	<b>147</b>	<b>122</b>	<b>147</b>

## NOTE 27. BORROWINGS

### Accounting Policy

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council or group has an unconditioned right to defer settlement of the liability for at least 12 months after balance date and intends to do so.

	<b>Council</b>	<b>Council</b>	<b>Group</b>	<b>Group</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Opening balance	85,600	90,600	87,296	92,412
Loans raised during the year	69,000	12,000	69,000	12,000
Loans repaid during the year	(24,000)	(17,000)	(24,113)	(17,116)
Closing balance	<b>130,600</b>	<b>85,600</b>	<b>132,184</b>	<b>87,296</b>

This is shown in the Statement of Financial Position as:

Current	32,000	24,000	32,116	24,120
Non-current	98,600	61,600	100,068	63,177
	130,600	85,600	132,184	87,297

Loans taken out by the Council are secured over rates of the Council. These are issued at fixed and floating interest rates. ACL loans are secured over certain plant items specified in the loan agreements.

### MATURITY ANALYSIS AND EFFECTIVE INTEREST RATES

The following is a maturity analysis of the Council and Group's borrowing. There are no early repayment options.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Within one year (current)	32,000	24,000	32,116	24,120
- weighted average effective interest rates	5.9%	5.5%	6.2%	5.9%
1 to 2 years	25,000	15,000	26,468	16,577
- weighted average effective interest rates	6.2%	5.2%	6.1%	5.1%
2 to 3 years	28,000	10,000	28,000	10,000
- weighted average effective interest rates	4.3%	5.5%	4.3%	5.6%
3 to 4 years	23,600	10,000	23,600	10,000
- weighted average effective interest rates	3.3%	1.1%	3.3%	1.1%
4 to 5 years	22,000	16,600	22,000	16,600
- weighted average effective interest rates	6.0%	2.6%	0.0%	0.0%
Greater than 5 years	-	10,000	-	10,000
- weighted average effective interest rates	0.0%	5.2%	0.0%	5.2%
	130,600	85,600	132,184	87,297

### FAIR VALUE OF BORROWINGS

The carrying amounts and fair values of borrowings are as follows:

	<b>Council 2024 Book value \$000</b>	<b>Council 2024 Fair Value \$000</b>	<b>Council 2023 Book value \$000</b>	<b>Council 2023 Fair Value \$000</b>
Secured loans – Council	130,600	130,600	85,600	85,600
Secured loans – ACL	1,584	1,584	1,696	1,696
	132,184	132,184	87,296	87,296

### LIABILITY MANAGEMENT POLICY

Council manages its borrowings in accordance with its funding and financial policies, which include a Liability Management Policy. These policies have been adopted as part of the Council's Long-Term Plan. There were no significant variations or material departures from Council's Liability Management Policy. External debt limits per Council's Long-Term Plan (Financial Strategy).

	Target Council	2024 Council	2023 Council
Interest payments as a percentage of council revenue	<10%	5.1%	2.9%
Interest payments as a percentage of total rates	<25%	10.9%	7.2%

### INTERNAL BORROWING

	Balance 01/07/2023 \$000	Borrowed \$000	Repaid \$000	Balance 30/06/2024 \$000
Cemeteries	156	-	156	-
Commercial Property	16,848	5,426	16,848	5,426
Water resources	-	-	-	-
Elderly Housing	59	195	59	195
Environmental services	-	-	-	-
Footpaths	-	-	-	-
Parks	1,461	3,587	1,461	3,587
Conveniences	296	-	296	-
Roading	4,168	-	4,168	-
Stormwater	-	-	-	-
Drinking water	9,928	3,629	9,928	3,629
Wastewater	2,606	204	2,606	204
Arts and Culture	-	-	-	-
Recreation Facilities	-	-	-	-
Stockwater	114	-	114	-
Tinwald Recreation Reserve	-	40	-	40
Miscellaneous	138	150	138	150
	35,774	13,231	35,774	13,231

	Balance 01/07/2022 \$000	Borrowed \$000	Repaid \$000	Balance 30/06/2023 \$000
Cemeteries	85	71	-	156
Commercial Property	4,963	11,885	-	16,848
Water resources	-	-	-	-
Elderly Housing	-	59	-	59
Environmental services	-	-	-	-
Footpaths	-	-	-	-
Parks	709	752	-	1,461
Conveniences	-	296	-	296
Roading	4,168	-	-	4,168

	<b>Balance 01/07/2022 \$000</b>	<b>Borrowed \$000</b>	<b>Repaid \$000</b>	<b>Balance 30/06/2023 \$000</b>
Stormwater	-	-	-	-
Drinking water	1,939	7,989	-	9,928
Wastewater	709	1,897	-	2,606
Arts and Culture	-	-	-	-
Recreation Facilities	-	-	-	-
Stockwater	114	-	-	114
Tinwald Recreation Reserve	-	-	-	-
Miscellaneous	138	-	-	138
	12,825	22,949	-	35,774

Internal borrowing and internal interest are eliminated on consolidation of the activities in the Council's financial statements.

## NOTE 28. DERIVATIVE FINANCIAL INSTRUMENTS

The notional principal amounts outstanding of borrowings using fixed-to-floating interest rate swaps are:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Notional principal amount	40,000	30,000	40,000	30,000
	40,000	30,000	40,000	30,000

The non-current asset portion of the financial derivative in relation to these borrowings using the floating-to-fixed interest rate swaps is:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Interest rate swaps	386	851	386	851
	386	851	386	851

The interest rates for interest rates swaps are fixed between 2.85% to 4.75% (2023: 2.85% to 4.31%).

Fair value of interest rate swaps has been calculated based on expected future cash flows under the terms of the swaps and discounting these values to present value.

Losses of \$465,000 for the year (2023: \$434,000) are shown in Note 7.

## NOTE 29. RATEPAYERS EQUITY

### Accounting Policy

Equity is the community's interest in the Council and group and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council and group make of its accumulated surpluses.

The components of equity are:

- Ratepayers Equity
- Accumulated Operating Reserve
- Revaluation Reserves
- Special Funds and Reserves

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Balance at 1 July	521,389	494,940	540,617	511,941
Prior year adjustment	-	977	-	2,881
Reclassification of group equity	-	-	(373)	-
Surplus/(deficit) after taxation	10,762	27,879	11,344	28,202
Appropriations to/from reserves	8,834	(2,407)	8,834	(2,407)
<b>Balance at 30 June</b>	<b>540,985</b>	<b>521,389</b>	<b>560,424</b>	<b>540,617</b>

### SPECIAL FUNDS AND RESERVES

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves and special funds are those reserves and funds subject to specific terms accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when specific conditions are met.

Council-created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

**NOTE 30. OTHER RESERVES**

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<b>Revaluation reserves</b>				
Infrastructural assets				
Balance at 1 July	360,123	359,380	360,122	359,379
Revaluations	17,648	743	17,648	743
Balance at 30 June	377,771	360,123	377,770	360,122
Property, plant and equipment				
Balance at 1 July	-	-	1,677	1,719
Revaluations	-	-	124	(24)
Adjustments			(1,941)	
Deferred taxation adjustment	-	-	(20)	(18)
Balance at 30 June	-	-	(160)	1,677
Total revaluation reserves	377,771	360,123	377,610	361,799
<b>Separate reserves and special funds (refer details below)</b>				
Balance at 1 July	67,839	65,432	67,839	65,432
Plus special funds/separate reserve movements				
Operating income	39,159	38,809	39,159	38,809
Operating expenditure	(26,515)	(23,632)	(26,515)	(23,632)
Balance at 30 June	12,644	15,177	12,644	15,177
Capital income	19,694	20,247	19,694	20,247
Capital expenditure	(36,940)	(29,082)	(36,940)	(29,082)
Balance at 30 June	(17,246)	(8,835)	(17,246)	(8,835)
Transfers in	2,945	6,276	2,945	6,276
Transfers out	(7,177)	(10,211)	(7,177)	(10,211)
Balance at 30 June	(4,232)	(3,935)	(4,232)	(3,935)
Total net movement	(8,834)	2,407	(8,834)	2,407
Balance at 30 June	59,005	67,839	59,005	67,839
<b>Fair value through other comprehensive income and expense reserve</b>				
Balance at 1 July	621	571	29,484	571
Net revaluation gains/(losses)	62	50	3,084	28,913
Balance at 30 June	683	621	32,568	29,484
<b>Reclassification of capital reserves*</b>	-	-	373	-
*This represents capital gains on sale of PPE distributable tax free in event of Ashburton Contracting Limited being wound up. Eliminated on Consolidation.				
<b>Total other reserves</b>	<b>437,459</b>	<b>428,583</b>	<b>469,556</b>	<b>459,122</b>

**SEPARATE RESERVES AND SPECIAL FUNDS SUMMARY**

	Separate Reserves \$000	Special Funds \$000	Sinking Funds \$000	Trust Funds \$000	Total \$000
Balance at 1 July 2023	54,759	13,057	-	23	67,839
Operating income	38,575	583	-	1	39,159
Operating expenditure	(26,461)	(54)	-	-	26,515
Capital income	19,694	-	-	-	19,694
Capital expenditure	(36,940)	-	-	-	36,940
Transfers in	1,472	1,473	-	-	2,945
Transfers out	(5,890)	(1,287)	-	-	7,177
Balance at 30 June 2024	45,209	13,772	-	24	59,005
Balance at 1 July 2022	55,609	9,798	-	23	65,430
Operating income	38,809	-	-	-	38,809
Operating expenditure	(23,632)	-	-	-	(23,632)
Capital income	20,247	-	-	-	20,247
Capital expenditure	(29,082)	-	-	-	(29,082)
Transfers in	2,416	3,860	-	-	6,276
Transfers out	(9,609)	(602)	-	-	(10,211)
Balance at 30 June 2023	54,758	13,056	-	23	67,837

Trust fund reserves represent funds held by Council on behalf of others. These funds are only available to be used for the purposes set out in the Trust documents.

For detailed information about the purpose of each separate reserve and special fund and deposits/withdrawals of each fund refer to note 45.

## NOTE 31. RECONCILIATION OF SURPLUS / DEFICIT WITH NET CASH FLOW FROM OPERATING ACTIVITIES

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Operating surplus/(deficit) after taxation	10,762	27,879	11,344	28,202
<b>Add/(less) non-cash items:</b>				
Vested assets	(10,798)	(11,846)	(10,798)	(11,846)
Depreciation and amortisation	22,133	18,334	23,695	19,613
Impairment of property, plant and equipment	-	-	-	-
Deferred tax	77	-	331	(199)
NZ carbon credits recognised	-	-	-	-
(Gain)/loss in fair value of forestry assets	1,323	335	1,323	335
(Gain)/loss in fair value of investment property	(1,205)	(501)	(1,205)	(501)
(Gain)/loss in fair value of EA Networks naming sponsorship	(42)	(40)	(42)	(40)
(Gain)/loss in fair value of Museum/Art Gallery naming sponsorship	(3)	(3)	(3)	(3)
Increase/(decrease) in long term staff provisions	30	5	18	19
Increase/(decrease) in landfill provision	25	15	25	15
Unwind discount on borrowing	-	-	-	-
Council's share of Eastfield Investments JV offset against advance	(395)	(391)	(395)	(391)
Share of associates (surplus)/deficit	-	-	-	(1,073)
<b>Add/(less) items classified as investing or financing activities:</b>				
(Gains)/losses on property, plant and equipment disposals	632	3,037	649	3,090
(Gains)/losses on investment property disposals	-	(295)	-	(295)
<b>Add/less movements in working capital items:</b>				
(Increase)/decrease in inventories	(814)	468	8	136
(Increase)/decrease in trade & other receivables	1,221	(4,092)	1,837	(4,592)
Increase/(decrease) in trade & other payables	(1,676)	2,279	(1,031)	3,921
Increase/(decrease) in current staff provisions	289	257	133	206
Increase/(decrease) in financial derivatives	-	(434)	(386)	(851)
Increase/(decrease) in taxation payable	17	-	(728)	1,083
<b>Net cash inflow from operating activities</b>	<b>21,576</b>	<b>35,043</b>	<b>24,775</b>	<b>34,663</b>



## NOTE 32. COMMITMENTS AND OPERATING LEASES

### Accounting Policies

#### Finance leases

Leases which effectively transfer to the lessee substantially all of the risks and benefits incident to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. Lease payments are apportioned between finance charges and the lease obligations so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the surplus/deficit. The leased assets are depreciated over the period the Council is expected to benefit from their use. The Council and Group currently have no finance leases on their books.

#### Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses on a straight line basis over the term of lease.

Benefits received and receivable as an incentive to enter into an operating lease are spread on a straight line basis.

Operating and capital commitments represent expenditure contracted for at balance date but not yet incurred.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<b>Operating</b>				
Roading	3,641	4,250	3,641	4,250
Footpaths	396	664	396	664
Wastewater/stormwater/water maintenance	12,313	16,443	12,313	16,443
Solid waste management	13,232	13,580	13,232	13,580
Public Conveniences	-	-	-	-
Information Technology	3,169	895	3,169	895
Parks	-	-	-	-
Parking	-	-	-	-
EA Networks Centre - Gymnasium	92	92	92	92
Property	-	121	10,017	10,846*
<b>Total operating commitments</b>	<b>32,843</b>	<b>36,045</b>	<b>42,860</b>	<b>46,770*</b>
Less than one year	9,844	8,911	10,543	9,649*
Between one and two years	8,462	8,225	9,123	8,918*
Between two and five years	10,836	13,897	12,789	15,851*
Greater than five years	3,701	5,012	10,405	12,352*
	<b>32,843</b>	<b>36,045</b>	<b>42,860</b>	<b>46,770*</b>
<b>Capital</b>				
ACL PPE	-	-	75	729
Roading	4,725	5,222	4,725	5,222
Solid Waste	795	-	795	-
Wastewater/stormwater/water	1,595	7,222	1,595	7,222
Information Technology	-	-	-	-
Parks	1,386	3,754	1,386	3,754
Commercial property	3,602	3,358	3,602	3,358
<b>Total capital commitments</b>	<b>12,103</b>	<b>19,556</b>	<b>12,178</b>	<b>20,285</b>

\*Prior year figures are restated to include the operating commitment pertaining to ACL which is 100% owned by Council. This does not affect the previous year's Statement of Financial Position and Statement of Comprehensive Revenue & Expense.

### OPERATING LEASES AS LESSOR

Both the Council and Ashburton Contracting Limited lease out investment property under operating leases. The majority of these leases have a non-cancellable term of 36 months. The future aggregate lease payments to be collected under non-cancellable operating leases are shown below.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Non-cancellable operating leases as lessor:				
Less than one year	964	346	964	346
Between one and five years	2,702	2,678	2,702	2,678
Later than five years	2,592	2,558	2,592	2,558
	<b>6,258</b>	<b>5,582</b>	<b>6,258</b>	<b>5,582</b>

### NOTE 33. CONTINGENT ASSETS AND LIABILITIES

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Performance Bonds	-	-	-	-
Guarantees	-	-	-	-
Total contingent liabilities	-	-	-	-

### GUARANTEES OR FINANCIAL GUARANTEES

Ashburton Contracting Limited has severally guaranteed 42.03% (2023: 37.59%) of the advances to the Lake Hood Extension Project joint venture. At balance date funds drawn totalled \$0 (2023: \$0).

#### *New Zealand Local Government Funding Agency (NZLGFA)*

Ashburton District 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 and has a current credit rating from Standard and Poor's of AAA.

Ashburton District Council is one of the 78 local authority guarantors of the NZLGFA. At 30 June 2024, the Council borrowed \$133.7 million from the NZLGFA (2023: \$86 million). The Ashburton District Council is a guarantor to all of the borrowings held by NZLGFA's borrowings, together with all other guarantors. As at 30 June 2024, NZLGFA had total borrowings of \$23,030 million (2023: \$17,684 million).

Public Benefit Entity International Public Sector Accounting Standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of LGFA 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.

## **NOTE 34. FINANCIAL INSTRUMENTS**

### **Accounting Policy**

The Council and Group is party to financial instruments as part of its everyday operations. These financial instruments include bank accounts, Local Authority stocks and bonds, trade and other receivables, shares, bank overdraft facility, trade and other payables and borrowing – refer to note 16 for financial assets accounting policy. All of these are recognised in the Consolidated Statement of Financial Position, other than Ashburton Contracting Limited’s performance bonds which are included in the consolidated column in Note 33 for Contingent Liabilities.

The Council and Group’s activities expose it primarily to the financial risks of changes in interest rates.

The Council and Group uses derivative financial instruments, primarily interest rate swaps, to reduce its risks associated with interest rate movements. Significant interest rate risk arises from bank loans. The Council and Group’s policy is to convert a proportion of its fixed rate debt to floating rates.

The use of financial derivatives is governed by the Council and Group’s policies approved by either the Council or the board of directors, which provide written policies on the use of financial derivatives consistent with the Council’s risk management policy.

The Council and Group do not use derivative financial instruments for speculative purposes. Derivative financial instruments are not hedge accounted for.

Derivative financial instruments are initially measured at fair value on the contract date, and are re-measured to fair value at subsequent reporting dates.

### **FINANCIAL INSTRUMENT CATEGORIES**

The accounting policies for financial instruments have been applied to the line items below.

	<b>Council 2024 \$000</b>	<b>Council 2023 \$000</b>	<b>Group 2024 \$000</b>	<b>Group 2023 \$000</b>
Financial assets				
<i>Amortised cost</i>				
Cash and cash equivalents	15,057	7,682	18,536	10,766
Trade and other receivables	9,353	10,563	15,943	16,087
Other financial assets:				
- term deposits	-	-	-	2,000
- community loans	3,652	688	3,652	688
	28,062	18,933	38,131	29,541
<i>Fair value through other comprehensive revenue and expense</i>				
NZ Local Government Funding Agency	52	53	52	53
Local Government Funding Agency	2,965	1,795	2,965	1,795
Transwaste Canterbury Ltd	1,112	1,044	1,112	1,044
Electricity Ashburton Ltd	1	1	1	1
Ashburton Trading Society Ltd	1	1	1	1
Local authority bonds	4,055	3,157	4,055	3,157
	8,186	6,051	8,186	6,051
	<b>Council 2024 \$000</b>	<b>Council 2023 \$000</b>	<b>Group 2024 \$000</b>	<b>Group 2023 \$000</b>
Financial liabilities:				
<i>Fair value through surplus or deficit</i>				
Derivative financial instrument (asset)/liabilities				
- interest rate swaps	(386)	(851)	(386)	(851)
	(386)	(851)	(386)	(851)
<i>Financial liabilities at amortised cost</i>				
Creditors and other payables	12,828	13,985	15,740	16,831
Borrowing:				
- bank overdraft	-	-	1	1
- secured loans	130,600	85,600	132,184	87,297
	143,428	99,585	147,926	104,129

## FAIR VALUE HIERARCHY DISCLOSURES

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (Level 1) – Financial instrument with quoted prices for identical instruments in active market.
- Valuation technique using observable inputs (Level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments in inactive markets and financial instruments valued using models where all significant inputs are observable
- Valuation techniques with significant non-observable input (Level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value on the statement of financial position. There were no transfers between the different levels of the fair value hierarchy.

	<b>Total</b>	<b>Quoted market price</b>	<b>Observable inputs</b>	<b>Significant non- observable inputs</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>2024 Council and Group</b>				
<i>Financial assets</i>				
Bonds	4,055	4,055	-	-
NZ Local Government Insurance Corp	52	-	-	52
Local Government Funding Agency	2,965	-	2,965	-
Transwaste Canterbury Ltd	1,112	-	-	1,112
Electricity Ashburton Limited	1	-	-	1
Ashburton Trading Society Ltd	1	-	-	1
<i>Financial liabilities</i>				
Interest rate swaps	(386)	-	(386)	-
<b>2023 Council and Group</b>				
<i>Financial assets</i>				
Bonds	3,157	3,157	-	-
NZ Local Government Insurance Corp	53	-	-	53
Local Government Funding Agency	1,795	-	1,795	-
Transwaste Canterbury Ltd	1,044	-	-	1,044
Electricity Ashburton Limited	1	-	-	1
Ashburton Trading Society Ltd	1	-	-	1
<i>Financial liabilities</i>				
Interest rate swaps	(851)	-	(851)	-

## FINANCIAL INSTRUMENT RISKS

The Group has exposure to market, credit and liquidity risks that arise in the normal course of the Group's business.

The Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved

Treasury Liability and Investment Management policies. These policies do not allow any transactions that are speculative in nature to be entered into.

#### *Market risk*

Fair value interest rate risk – Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates exposes the Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowings that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where Council has borrowed at variable interest rates. In addition, investments at fixed interest rates expose the Council to fair value interest rate risk.

Cash flow interest rate risk – Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates. The effect of this is when floating interest rates increase over that of the fixed rate entered into; Council pays the lower rate, i.e. the swap rate. If floating market interest rates decrease and are below the level of the fixed rate Council will be locked in to the higher fixed rate i.e. the swap rate. Under the interest rate swaps, Council agrees with Westpac Bank to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

The notional principal amounts outstanding of borrowings using fixed-to-floating interest rate swaps at 30 June 2024 are:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Notional principal amount	40,000	30,000	40,000	30,000
	40,000	30,000	40,000	30,000

#### *Credit risk*

Credit risk is the risk that a third party will default on its obligations to the Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and its Investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charged over rates. Other than local authorities, the group only invests funds with those entities which have a Standard and Poor's credit rating of at least A- for both short term and long term investments. Accordingly, the group does not require any collateral or security to support these financial instruments.

The carrying amount of the Group's financial assets (Cash and cash equivalents, trade and other receivables, local authority stocks and bonds, advances and other financial assets) represents the Group's maximum exposure to credit risk.

The Council is exposed to credit risk as a guarantor of all of the NZLGFA's borrowings. Information about this exposure is explained in Note 33.

*Maximum exposure to credit risk*

The maximum exposure to credit risk at the reporting date is as follows:

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
Cash and cash equivalents	15,057	7,682	18,535	10,765
Trade and other receivables	9,353	10,563	15,943	16,087
Community loans	3,652	688	3,652	688
Term deposits greater than 90 days	-	-	-	2,000
Local authority stocks and bonds	4,055	3,157	4,055	3,157
	32,117	22,090	42,185	32,697

*Credit quality of financial assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<i>Counterparties with credit ratings:</i>				
<i>Cash at bank and term deposits</i>				
AA-	15,057	7,682	18,536	12,766
	15,057	7,682	18,536	12,766

*Local authority stocks and bonds*

AA-	-	-	-	-
A-	-	2,018	-	2,018
AA	1,030	1,139	1,030	1,139
A	3,025	-	3,025	-
	4,055	3,157	4,055	3,157

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
<i>Counterparties without credit ratings:</i>				
Community loans	3,652	688	3,652	688
	3,652	688	3,652	688

Debtors and other receivables arise mainly from the Council'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 Council 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 powers under the Local Government (Rating) Act 2002 to recover debts from ratepayers.

## LIQUIDITY RISK

### *Management of liquidity risk*

Liquidity risk is the risk that ADC will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liability risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close our market positions. ADC aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, ADC maintains a target level of investments that must mature within the next 12 months.

ADC manages its borrowing in accordance with its funding and financial policies, which includes a Treasury Liability and Investment Management policy. These policies have been adopted as part of the ADC's Long-Term Plan.

The Council is exposed to liquidity risk as a guarantor of all NZLGFA's borrowings. This guarantee becomes callable in the event of the NZLGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in Note 33.

### *Contractual maturity analysis on financial liabilities*

The table below analyses ADC's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest.

	Note	Liability carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
<b>2024 Council</b>							
Trade and other payables	24	12,827	12,827	12,827	-	-	-
Borrowings	27	130,600	147,148	37,888	29,527	79,733	-
Interest rate swaps	28	(386)	(386)	(244)	(167)	24	1
		143,041	159,589	50,471	29,360	79,757	1
<b>2024 Group</b>							
Trade and other payables	24	15,741	15,741	15,741	-	-	0
Borrowings	27	132,184	149,277	38,088	31,456	79,733	0
Interest rate swaps	28	(386)	(386)	(244)	(167)	24	1
		147,539	164,632	53,585	31,289	79,757	1
<b>2023 Council</b>							
Trade and other payables	24	13,985	13,985	13,985	-	-	-
Borrowings	27	85,600	95,208	27,217	17,383	40,106	10,502
Interest rate swaps	28	(851)	(851)	(413)	(258)	(180)	-
		98,734	108,342	40,789	17,125	39,926	10,502
<b>2023 Group</b>							
Trade and other payables	24	16,831	16,831	16,831	-	-	-
Borrowings	27	87,297	97,337	27,417	19,312	40,106	10,502
Interest rate swaps	28	(851)	(851)	(413)	(258)	(180)	-
		103,277	113,317	43,835	19,054	39,926	10,502



*Contractual maturity analysis on financial assets*

The table below analyses the Council and Group's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	<b>Note</b>	<b>Asset carrying amount \$000</b>	<b>Contractual cash flows \$000</b>	<b>Less than 1 year \$000</b>	<b>1-2 years \$000</b>	<b>2-5 years \$000</b>	<b>More than 5 years \$000</b>
<b>2024 Council</b>							
Cash and cash equivalents	12	15,057	15,057	15,057	-	-	-
Trade and other receivables	13	9,353	9,353	9,353	-	-	-
Local authority stocks & bonds	14	4,055	4,055	-	-	4,055	-
Community loans	13	3,652	3,652	3,652	-	-	-
Term Deposits		-	-	-	-	-	-
		32,117	32,117	28,062	-	4,055	-
<b>2024 Group</b>							
Cash and cash equivalents	12	18,535	18,535	18,535	-	-	-
Trade and other receivables	13	15,749	15,749	15,749	-	-	-
Local authority stocks & bonds	14	4,055	4,055	-	-	4,055	-
Community loans	13	3,652	3,652	3,652	-	-	-
Term Deposits		-	-	-	-	-	-
		41,991	41,991	37,936	-	4,055	-
<b>2023 Council</b>							
Cash and cash equivalents	12	7,682	7,682	7,682	-	-	-
Trade and other receivables	13	10,563	10,563	10,563	-	-	-
Local authority stocks & bonds	14	3,157	3,157	-	-	3,157	-
Community loans	13	688	688	688	-	-	-
Term Deposits		-	-	-	-	-	-
		22,090	22,090	18,933	-	3,157	-
<b>2023 Group</b>							
Cash and cash equivalents	12	10,765	10,765	10,765	-	-	-
Trade and other receivables	13	16,087	16,087	16,087	-	-	-
Local authority stocks & bonds	14	3,157	3,157	-	-	3,157	-
Community loans	13	688	688	688	-	-	-
Term Deposits		2,000	2,000	2,000	-	-	-
		32,697	32,697	29,540	-	3,157	-

*Sensitivity analysis for interest rate risk*

As at 30 June 2024 it was estimated that a general increase of one percentage point in interest rates would increase the surplus by \$1,410,443 (2023: \$1,184,694) for the Council and Group. This calculation is based on financial instruments that are subject to variable interest rates but excludes fixed rate financial instruments and financial instruments that are subject to variable interest but where the interest rate risk is managed through interest rate swaps.

In addition to the above, at 30 June 2024 it was estimated that a general increase of one percentage point in interest rates would reduce equity by \$116,469 (2023: \$102,858) for the Council and Group by adjustments made to the fair value of local authority stocks and bonds that are carried at fair value.

*Reconciliation of movements in liabilities arising from financing activities*

The table below provides a reconciliation between the opening and closing balance of liabilities with cash flows that were, or future cash flows that will be, classified as a financing activity in the statement of cash flows.

<b>Debentures and other loans</b>	
<b>\$000</b>	
<b>Balance at 1 July 2023</b>	85,600
Cash inflows	69,000
Cash outflows	(24,000)
Non-Cash Changes	-
<b>Balance at 30 June 2024</b>	130,600

<b>Debentures and other loans</b>	
<b>\$000</b>	
<b>Balance at 1 July 2022</b>	90,600
Cash inflows	12,000
Cash outflows	(17,000)
Non-Cash Changes	-
<b>Balance at 30 June 2023</b>	85,600

## NOTE 35. CONSTRUCTION CONTRACTS

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>	<b>Group 2024 Actual \$000</b>	<b>Group 2023 Actual \$000</b>
For construction contracts in progress at 30 June:				
Contract costs incurred	-	-	4,488	6,128
Recognised profits/losses	-	-	1,355	2,309
Progress billings	-	-	5,842	8,437
Gross amounts due from customers	-	-	(5,435)	(7,796)
Retentions included in progress billings	-	-	407	641
	-	-	282	286

The Council had no construction contracts in progress as at 30 June 2024.

## NOTE 36. RELATED PARTIES

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable the Council and group would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the Council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.

### RELATED PARTY TRANSACTIONS REQUIRED TO BE DISCLOSED

	<b>2024 Council Actual \$000</b>	<b>2023 Council Actual \$000</b>
<b>Ashburton Community Water Trust (ACWT)</b>		
ADC Administration Grant to ACWT	6	1

## NOTE 37. REMUNERATION

### Total staff numbers by remuneration band

	<b>2024 Council Actual \$000</b>	<b>2023 Council Actual \$000</b>
< \$60,000	153	153
\$60,000 - \$80,000	69	56
\$80,000 - \$100,000	43	35
\$100,000 - \$120,000	27	20
\$120,000 - \$140,000	8	7
\$140,000 - \$160,000	8	11
\$160,000 - \$180,000	6	2
\$180,000 - \$380,000	6	6
<b>Total employees</b>	<b>320</b>	<b>290</b>

Total remuneration includes non-financial benefits paid to employees. At balance date the Council employed 184 full-time employees (2023: 173). The balance of part-time staff equates to 41 full-time equivalent employees (2023: 32.20). A full-time employee is determined on the basis of a 40 hour (38 or 37.5 hours where grandfathered) working week.

**Key management personnel compensation**

	<b>2024 Council Actual \$000</b>	<b>2023 Council Actual \$000</b>
Councillors		
- Remuneration	600	563
- Number of elected Councillors	10	10
Senior management including Chief Executive		
- Remuneration	1,523	1,432
- Full-term equivalent	6	7
<b>Total management remuneration</b>	<b>2,123</b>	<b>1,995</b>

**Chief Executive Officer**

	<b>2024 Council Actual \$000</b>	<b>2023 Council Actual \$000</b>
Salary, Superannuation & Allowances	356	343
Vehicle (market value)	13	13
	<b>369</b>	<b>356</b>

**Elected representatives (Mayor and councillors)**

	<b>2024 Council Actual \$000</b>	<b>2023 Council Actual \$000</b>
<b>Mayor</b>		
N Brown	128	126
<b>Councillors</b>		
E McMillan	92	83
L Lovett	50	47
D Rawlinson	-	12
R Letham	-	23
J Falloon	-	12
L Braam	48	46
S Wilson	-	12
A McKay	-	12
C Cameron	48	46
R Ellis	48	35
P Hooper	48	34
R Wilson	48	34
T Todd	48	34
R Mackle	42	6

The above payments include allowances paid of \$25,133 (2023: 22,849).

## **NOTE 38. SEVERANCE PAYMENTS**

Section 33 of Schedule 10 of the Local Government Act 2002 requires the disclosure of the number of employees who received severance payments and the amount of each severance payment made as defined under that legislation.

For the year ended 30 June 2024, 1 severance payment of \$28,209 was made by Council (2023: \$4,545).

## **NOTE 39. ASHBURTON CONTRACTING LIMITED**

### **NATURE AND SCOPE OF ACTIVITIES**

Ashburton Contracting Limited is 100% owned by Ashburton District Council and took over the works and services operations previously performed by the Council's Works Business Unit. The company carries out construction and maintenance of drainage and water services, roads and footpaths, drives, buildings including plumbing, carpentry and painting work, and environmental services including refuse collection, landfill and recycling operations etc. The company also operates a mechanical workshop and a light engineering workshop and supplies goods, materials, services and equipment for sale or hire.

### **OBJECTIVES OF THE COMPANY**

- Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- Conduct its affairs in accordance with sound business practice; and
- Be a successful business; and
- Be a good employer.

### **BOARD OF DIRECTORS**

A S Lilley (Chairman)

A D Barlass

R A Pickworth

D R Cusack

C R Stewart (appointed 01 November 2023)

D Prendergast (Retired 31 October 2023)

### **CHIEF EXECUTIVE OFFICER**

Mr K G Casey

### **CONTACT**

Ashburton Contracting Limited

Range St

P O Box 264

Ashburton

Phone (03) 308 4039; Fax (03) 308 0288

[www.ashcon.co.nz](http://www.ashcon.co.nz)

## PERFORMANCE MEASURES

The Company's actual performance compared to targets as specified in the 2023/2024 Statement of Corporate Intent, were as follows:

- The Company budgeted for a profit before tax of \$2,500,000. The actual result was a pre-tax surplus before tax for this period of \$3,077,159.
- The Company achieved an annual rate of return based on average equity of 15.6% against a target ratio of 10%
- The ratio of shareholders' funds to total assets as at 30 June 2024 was 65.2% (target ratio to be no less than 50%).
- The Company received an unqualified Audit Report of its Financial Statements for the year ended 30 June 2024.
- The Company achieved an annual external revenue turnover of \$48,150,766 against a target budget of \$42,347,000.
- There were no breaches of the Resource Management Act during the year.
- Lost Time Injury Rate of 0.7 (target ratio to be greater than 1.3).
- The Directors propose to pay a final dividend of \$1,300,000 with no interim dividend paid during the year.

*Adjusted\* statement of comprehensive revenue and expense for the year ended 30 June 2024*

	<b>2024 Actual \$000</b>	<b>2023 Actual \$000</b>
Operating revenue	48,596	47,684
Operating and other expenses	(45,232)	(42,857)
Operating surplus before taxation	3,364	4,827
Share of joint venture surplus/(deficit)	(146)	(271)
Taxation expense	(771)	(1,283)
Net surplus/(deficit)	2,447	3,273
Other comprehensive revenue	104	(42)
Total comprehensive revenue and expense	2,551	3,231

*\*Adjusted to reflect Council's accounting policies.*

## NOTE 40. ASHBURTON COMMUNITY WATER TRUST

The Council has an interest in the Ashburton Community Water Trust. The Trust was incorporated on 13 April 2000. The Trust is created as an in-substance subsidiary and consolidated in the Council's financial statements.

### OBJECTIVES OF THE TRUST

- To coordinate a community approach to water
- The education of the community in relation to water issues
- To encourage and support the further development of the region's water resources for the benefit of the Ashburton District community
- The provision of encouragement (whether monetary or otherwise) as the trustees may deem appropriate to assist with the implementation of any developments for the better use of water in the Ashburton District
- The provision of grants and/or loans to enable feasibility studies to be undertaken in respect of water issues
- Funding and supporting research into water issues including the enhancement of the Ashburton River and resolution of other local environment issues
- The acquisition of such equipment as might be necessary to further the objects of the Trust

### PERFORMANCE MEASURES

The Council has resolved not to require six monthly reports due to the low level of activity currently being undertaken by the Trust.

*Statement of comprehensive revenue and expense for the year ended 30 June 2024*

	<b>2024 Actual \$000</b>	<b>2023 Actual \$000</b>
Operating revenue	-	-
Operating and other expenses	-	-
Operating surplus before taxation	-	-
Taxation expense	-	-
Net surplus/(deficit)	-	-

## NOTE 41. CIVIC FINANCIAL SERVICES

Ashburton District Council has a minority shareholding of 56,016 shares out of 11,249,364 shares. The other shares are held by other New Zealand territorial and regional councils.

## NOTE 42. TRANSWASTE CANTERBURY LIMITED

Ashburton District Council has a minority shareholding of 600,000 shares out of 20,000,000. The other shares are held by Waste Management NZ Limited, Christchurch City Council and Waimakariri, Selwyn and Hurunui District Councils.

## **NOTE 43. SUBSEQUENT EVENTS**

### **NEW ZEALAND MUTUAL LIABILITY RISKPOOL SCHEME**

Ashburton 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.



## NOTE 44. CAPITAL MANAGEMENT

The Council's capital is its equity (or ratepayers' funds), which comprise of 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 the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising future generations. Additionally the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure that 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 (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The LGA also sets out the factors that the Council is required to consider when determining the most appropriated sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

The Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from payers of general rates. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds can generally be approved only by the Council.

Trust and bequest reserves are set up where the Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable, and deductions are made where funds have been used for the purpose they were donated.

## NOTE 45. SEPARATE RESERVES AND SPECIAL FUNDS

The purpose of individual separate reserves and special funds are provided below. The balances and movements are summarised in note 30.

### SEPARATE RESERVES

#### *Drinking water reserves*

Each drinking water scheme retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the scheme. Each individual reserve balance is only available for use by that scheme. All drinking water reserves are part of the drinking water activity.

Supply	Balance 30/06/2023 \$000	Deposits to fund \$000	Withdrawals from funds \$000	Balance 30/06/2024 \$000
Ashburton	3,229	6,196	(7,087)	2,338
Methven	(1,483)	993	(3,670)	(4,160)
Rakaia	679	888	(1,032)	535
Fairton	(98)	576	(655)	(177)
Hakatere	(427)	183	(363)	(607)
Hinds	(528)	773	(788)	(543)
Mayfield	(349)	248	(373)	(474)
Chertsey	(97)	341	(452)	(208)
Methven/Springfield	181	227	(685)	(277)
Montalto	247	404	(392)	259
Mt Somers	(615)	6,011	(6,183)	(787)
Dromore	(254)	245	(384)	(393)
Barrhill	(2)	5	(5)	(2)
	483	17,090	(22,069)	(4,496)

Supply	Balance 30/06/2022 \$000	Deposits to fund \$000	Withdrawals from funds \$000	Balance 30/06/2023 \$000
Ashburton	3,120	4,866	(4,757)	3,229
Methven	(800)	7,432	(8,116)	(1,483)
Rakaia	633	289	(244)	679
Fairton	(118)	90	(70)	(98)
Hakatere	(366)	112	(173)	(427)
Hinds	(476)	523	(574)	(528)
Mayfield	(325)	110	(133)	(349)
Chertsey	(106)	98	(89)	(97)
Methven/Springfield	431	1,301	(1,551)	181
Montalto	171	326	(250)	247
Mt Somers	(529)	472	(558)	(615)
Dromore	(293)	140	(100)	(254)
Barrhill	(2)	5	(5)	(2)
	1,340	15,764	(16,620)	483

*Wastewater reserves*

Each waste water scheme retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the scheme. Each individual reserve balance is only available for use by that scheme.

All wastewater reserves are part of the wastewater activity.

<b>Scheme</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Ashburton	(1,553)	11,758	(14,315)	(4,110)
Methven	80	867	(832)	115
Rakaia	117	695	(891)	(79)
	(1,356)	13,320	(16,038)	(4,074)

<b>Scheme</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Ashburton	1,782	8,959	(12,294)	(1,553)
Methven	517	779	(1,216)	80
Rakaia	315	380	(578)	117
	2,614	10,118	(14,088)	(1,356)

*Footpath reserves*

Each footpath area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rating area. Each individual reserve balance is only available for use by that rating area.

All footpath reserves are part of the transportation activity.

<b>Rating area</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Ashburton	(133)	1,710	(1,281)	296
Methven	(4)	200	(195)	1
Rakaia	136	86	(87)	135
Rural	185	63	(58)	191
	184	2,059	(1,621)	623

<b>Rating area</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Ashburton	32	1,511	(1,676)	(133)
Methven	149	330	(483)	(4)
Rakaia	180	62	(106)	136
Rural	177	91	(83)	185
	538	1,994	(2,348)	184

### Stormwater reserves

Each stormwater area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rating area. Each individual reserve balance is only available for use by that rating area.

All stormwater reserves are part of stormwater activity.

<b>Rating area</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Ashburton	2,086	2,284	(1,702)	2,668
Methven	262	126	(79)	309
Rakaia	214	60	(19)	255
Hinds	25	13	(10)	28
Rural	199	65	(57)	207
	2,786	2,548	(1,860)	3,467

<b>Rating area</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Ashburton	2,006	2,012	(1,932)	2,086
Methven	269	169	(176)	262
Rakaia	197	55	(38)	214
Hinds	21	11	(7)	25
Rural	153	54	(8)	199
	2,646	2,301	(2,161)	2,786

### Refuse collection reserves

Each refuse collection area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rating area. Each individual reserve balance is only available for use by that rating area.

All refuse collection reserves are part of the refuse and recycling activity.

<b>Rating area</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Ashburton	16	3,088	(2,989)	115
	16	3,088	(2,989)	115

<b>Rating area</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Ashburton	247	2,582	(2,813)	16
	247	2,582	(2,813)	16

### Memorial hall reserves

Each memorial hall retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each hall. Each individual reserve balance is only available for use by that memorial hall.

All memorial hall reserves are part of the community facilities activity.

<b>Location</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Lagmhor/Westerfield	55	8	(39)	24
Mayfield	13	12	(14)	11
Mt Hutt	(52)	222	(240)	(70)
Rakaia	11	17	(6)	22
Tinwald	(15)	18	(13)	(10)
	12	277	(312)	(23)

<b>Location</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Lagmhor/Westerfield	37	20	(2)	55
Mayfield	10	4	(1)	13
Mt Hutt	(116)	231	(167)	(52)
Rakaia	8	6	(3)	11
Tinwald	(16)	19	(18)	(15)
	(77)	280	(191)	12

*Reserve board reserves*

Each reserve board retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each reserve board. Each individual reserve balance is only available for use by that reserve board. Please note, Lynnford and Maronan reserves have been combined with Hinds reserve.

All reserve board reserves are part of the community facilities activity.

<b>Location</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Alford Forest	5	9	(10)	4
Chertsey	12	1	(1)	12
Dorie	4	2	(1)	5
Ealing	32	2	(1)	33
Ashburton Forks	13	16	(12)	17
Highbank	9	3	(2)	10
Hinds	(35)	69	(64)	(30)
Mayfield	30	66	(37)	59
Methven	(4)	62	(63)	(5)
Mt Somers	51	116	(53)	114
Pendarves	1	-	-	1
Rakaia	84	89	(88)	85
Ruapuna	57	20	(5)	72
Seafield	7	1	(1)	7
Tinwald	53	826	(822)	57
	319	1,282	(1,160)	441

<b>Location</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Alford Forest	5	1	(1)	5
Chertsey	12	1	(1)	12
Dorie	4	3	(3)	4
Ealing	35	-	(3)	32
Ashburton Forks	11	4	(2)	13
Highbank	10	2	(3)	9
Hinds	(49)	29	(24)	(44)
Lynnford	(2)	-	-	(2)
Maronan	10	1	-	11
Mayfield	11	25	(6)	30
Methven	8	23	(35)	(4)
Mt Somers	23	87	(59)	51
Pendarves	1	-	-	1
Rakaia	95	6	(17)	84
Ruapuna	31	34	(8)	57
Seafield	10	1	(4)	7
Tinwald	(88)	754	(613)	53
	127	971	(779)	319

*Parks and beautification reserves*

Each beautification area (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of each targeted rating area. Each individual reserve balance is only available for use by that rating area. All parks and beautification reserves are part of the parks and open spaces activity.

<b>Beautification area</b>	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Ashburton Domain and gardens	(1,413)	1,744	(2,371)	(2,040)
Baring Square East	(271)	2,869	(2,997)	(399)
Baring Square West	18	67	(43)	42
Ashburton town centre	(142)	817	(863)	(188)
Methven	(144)	306	(346)	(184)
Rakaia	30	157	(149)	38
Urban	(104)	1,290	(1,537)	(351)
Rural	392	319	(381)	330
State Highway 1	92	119	(112)	99
Neighbourhood grounds	(350)	500	(556)	(406)
Ashburton Domain sportsgrounds	93	287	(373)	7
Other sports fields	6	327	(201)	132
Ashburton Business Estate	429	316	(177)	568
	(1,364)	9,118	(10,106)	(2,352)

<b>Beautification area</b>	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Ashburton Domain and gardens	(1,036)	1,274	(1,651)	(1,413)
Baring Square East	(95)	401	(577)	(271)
Baring Square West	9	67	(58)	18
Ashburton town centre	(432)	3,007	(2,717)	(142)
Methven	(110)	233	(267)	(144)
Rakaia	40	151	(161)	30
Urban	27	1,184	(1,315)	(104)
Rural	457	161	(226)	392
State Highway 1	118	111	(137)	92
Neighbourhood grounds	(315)	520	(555)	(350)
Ashburton Domain sportsgrounds	160	608	(675)	93
Other sports fields	(5)	184	(173)	6
Ashburton Business Estate	342	225	(138)	429
	(840)	8,126	(8,650)	(1,364)

### *Other separate reserves*

Separate reserves also include the following:

- Stockwater reserve – Stockwater (for which targeted rates are levied) retains its own annual surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the targeted rating areas. The reserve balance is only available for use by the stockwater rating areas. The stockwater reserve is part of the economic development activity.
- Forestry reserve – the net surplus from the Council’s forestry operations are held in this reserve. Each year a transfer from this reserve is made to offset the general rate and uniform annual general charge. The forestry reserve is part of the economic development activity.
- Dividend account – the proceeds from the sale of the Council’s Lyttleton Port Company Ltd shareholding some years ago. The balance is not restricted in its use and can be used for purposes approved by Council. The dividend account is part of the miscellaneous activity.
- Property reserve – the proceeds of any property sales is held and utilised to fund property purchases and development. The property reserve is part of the economic development activity.
- Youth council reserve – the council provides funds to support the activities of the youth council. These funds are retained in a separate reserve, the balance of which is only available for this activity. The youth council reserve is part of the democracy and governance activity. The fund was closed on 1 July 2017.
- Parking reserve – Council’s parking enforcement activity retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the activity. The balance is only available for use by that activity. The parking reserve is part of the regulatory services activity.
- Festive lighting reserve – this reserve is funded from rates and contributions. The reserve retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the activity. The balance is only available for use by that activity. The festive lighting reserve is part of the parks and open spaces activity.
- Animal control reserve – Council’s animal control enforcement activity retains its own surplus or deficit (including capital income and expenditure) which accumulates over the lifetime of the activity. The balance is only available for use by that activity. The animal control reserve is part of the regulatory services activity.
- Elderly person housing reserve – Council provides elderly persons units for rent. The activity is required to be self-funding with no rate input. The annual surplus or deficit (including capital income and expenditure) is retained in this reserve. The balance can only be used for this activity. The elderly person housing reserve is part of the community facilities and support activity.
- Arts and culture reserve – the arts and culture activity will no longer retains activity’s surplus/deficit (including capital income and expenditure) The balance is only available for use by that activity, and once the balance is spent this reserve will be closed.



	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Stockwater	(1,546)	1,091	(1,368)	(1,823)
Forestry	8,504	1,155	(1,072)	8,587
Dividend account	12,873	761	(1,325)	12,309
Property	33,066	3,583	(4,864)	31,785
Youth council	45	17	(7)	55
Rural fire	-	-	(1)	(1)
Parking	-	405	(333)	72
Festive lighting	(66)	135	(159)	(90)
Animal control	(219)	518	(526)	(227)
Elderly persons housing	348	937	(1,013)	272
Arts and culture	670	2,355	(2,455)	570
	53,675	10,957	(13,123)	51,509

	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Stockwater	(1,120)	930	(1,356)	(1,546)
Forestry	9,704	1,274	(2,474)	8,504
Dividend account	12,447	3,505	(3,079)	12,873
Property	27,280	9,843	(4,057)	33,066
Youth council	38	15	(8)	45
Rural fire	-	-	-	-
Parking	(62)	385	(323)	-
Festive lighting	(59)	51	(58)	(66)
Animal control	(201)	472	(490)	(219)
Elderly persons housing	406	677	(735)	348
Arts and culture	582	2,182	(2,094)	670
	49,015	19,334	(14,674)	53,675

### SPECIAL FUNDS

Special funds have been set up for specific purposes. Their use is restricted to the purpose for which they were set up. They retain their surplus or deficit but are used to meet the costs that comply with their purpose. Many of these funds were inherited from Ashburton County and Ashburton Borough Councils' at the time of amalgamation in 1989.

These funds are included in the miscellaneous activity.

Special funds include the following reserves:

- Roading bridges reserve – to fund the costs associated with maintaining or upgrading Council bridges.
- Road reserves – to meet the costs of maintaining roads in the district.
- Town centre beautification reserve – to meet development costs incurred in the upgrade of the Ashburton town centre.
- Access Trust reserve – this fund was set up with money received from government employment assistance in past years and is used to fund projects that are similar in purpose to those Access programmes of the past.
- Reserve contributions reserve – this reserve is funded from financial contributions levied on subdivisions under the Resource Management Act. Its use is governed by the Act.
- Heritage grant funding – this reserve holds any unspent annual heritage grants funding. It is used when the annual heritage grants accepted exceed the budgeted amount.

- Biodiversity grant funding – this reserve holds any unspent annual biodiversity grants funding. It is used when the annual biodiversity grants accepted exceed the budgeted amount.
- Disaster insurance reserve – Council retains a cash reserve as part of its insurance provisions. This reserve along with its normal insurances and LAPP insurance should ensure that the Government meets its contribution towards any major disaster. This fund meets the annual cost of Council's membership of LAPP.
- Capital services reserve – community development contributions are reflected in this account and are applied when required for the purpose the contribution was initially taken.
- Contingency reserve – a fund set up to meet unforeseen expenditure of any nature.

	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
Roading bridges	721	34	-	755
Roads	175	8	-	183
IS Equipment Reserve	604	-	(604)	-
Town centre beautification	225	11	-	236
Reserve contributions	6,405	947	(15)	7,337
Heritage grant funding	54	3	-	57
Biodiversity funding	55	3	-	58
Disaster insurance	1,229	57	(721)	565
Capital services	3,571	992	-	4,563
Contingency	18	1	-	19
	13,057	2,056	(1,340)	13,773

	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
Roading bridges	721	-	-	721
Roads	175	-	-	175
IS Equipment Reserve	437	167	-	604
Town centre beautification	225	-	-	225
Reserve contributions	4,374	2,514	(483)	6,405
Heritage grant funding	54	-	-	54
Biodiversity funding	55	-	-	55
Disaster insurance	1,349	-	(120)	1,229
Capital services	2,391	1,180	-	3,571
Contingency	18	-	-	18
	9,799	3,861	(603)	13,057

### TRUST AND BEQUEST FUNDS

This fund is subject to specific conditions accepted as binding by the Council, such as bequests or operations in trust under specific Acts, and which may not be revised by the Council without reference to the courts or a third party. Transfers from these reserves may only be made for certain specific purposes or when specific conditions are met.

John Grigg statue trust fund – this trust fund is for a bequest to Council to maintain the John Grigg statue in Baring Square West and educational grants.

	<b>Balance 30/06/2023 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2024 \$000</b>
John Grigg statue trust fund	23	1	-	24
	23	1	-	24

	<b>Balance 30/06/2022 \$000</b>	<b>Deposits to fund \$000</b>	<b>Withdrawals from funds \$000</b>	<b>Balance 30/06/2023 \$000</b>
John Grigg statue trust fund	23	-	-	23
	23	-	-	23

## NOTE 46. CAPITAL EXPENDITURE AND STATEMENT OF ACQUISITIONS AND REPLACEMENTS

	<b>Council 2024 Actual \$000</b>	<b>Council 2023 Actual \$000</b>
Roading	16,383	17,985
Footpaths	952	1,759
Drinking Water	15,983	11,912
Wastewater	10,352	8,932
Stormwater	870	1,183
Solid Waste Management	304	100
Solid Waste Collection	1	8
Arts and Culture	51	78
Library	151	198
Recreation Facilities and Services	615	367
Elderly Persons Housing	313	157
Memorial Halls	51	4
Emergency Management	-	-
Public Conveniences	1,057	682
District Water Management	-	-
Commercial Property	15,403	20,204
Stockwater	37	21
Parks and Recreation	4,437	1,708
Cemeteries	67	255
Reserves and Camping Grounds	19	848
Reserve Boards	329	19
Methven Community Board	-	-
District Planning	-	-
Parking	-	-
Animal Control	-	-
Other operations	1,434	471
	<b>68,811</b>	<b>66,890</b>

## NOTE 47. MAJOR BUDGET VARIATIONS

Explanations for major variations (>\$1 million) from the Council's budget figures in its Annual Plan 2023/24 are as follows:

### REVENUE VARIANCES

*Rates revenue is \$1.6 million above budget*

Increase is due to higher number of rateable properties and increase in rates per rateable property.

*Subsidies and grants are \$6.4 million above budget*

Increased government subsidies received towards severe weather events recovery and sealed pavement rehabilitation.

Better Off Funding totalling \$4.1 million has been received from the Department of Internal Affairs (DIA) of which a contribution was made towards the Fairfield Freight Hub \$2.3 million and footpaths were extended in the Ashburton and Methven townships \$0.9 million.

*Finance income is \$1.1 million above budget*

Income received from dividends and interest earned on cash deposits were higher than budgeted.

*Other gains variance \$3.1 million above budget*

Relates to the gain on disposal of Property, Plant and Equipment and assets held for sale, and any fair value adjustments for financial instruments.

### EXPENDITURE VARIANCES

*Depreciation and amortisation is \$5.2 million higher than budget.*

Depreciation was higher than budget due to the capitalisation of significant water projects brought forward and roading assets reconstructed as a result of the severe weather events.

*Other expenses are \$6.7 million above budget.*

The Increased costs are due to the unbudgeted works on the severe weather events recovery, sealed pavement rehabilitation that included footpath extensions and the contribution to the Fairfield Freight Hub. Better Off Funding received from the Department of Internal Affairs (DIA) shown under Revenue covers this expenditure.

*Other losses \$5.45 million above budget*

Relates to the loss on disposal of water assets and loss in changes in fair value adjustments for financial instruments.

*Gain (loss) on infrastructure revaluation are \$5.58 million under budget.*

Actual revaluation gains of Roding's bridges and Park's assets were less than budgeted

### BALANCE SHEET VARIANCES GREATER THAN \$5 MILLION

*Cash and cash equivalents \$22.2 million below budget*

Lower than budget as some cash held was converted into short term investments in August 2023.

*Receivables were \$6.0 million higher than budget.*

Rates and sundry receivables are slightly higher than planned due to the due to timing of invoicing and receipts and the Community Loans receivable is unbudgeted.

*Local Authority stocks and bonds were \$2.1 million higher than budget.*

Due to a combination of revaluation increases and additional investments made during the year.

*Investment in associates and joint ventures were \$1.1 million less than budget.*

Due to the unbudgeted movement in the operating results of associate and joint ventures during the year.

*Property, plant and equipment and work in progress*

These totals need to be combined and result in an overall variance of \$31.6 million below budget.

Due to lower than anticipated valuation movements and higher depreciation in the current year.

*Trade payables and deferred revenue is \$2.1 million higher than budget.*

*Due to income received in advance and retentions held at balance date being higher than expected.*

*Total borrowings are \$18.2 million lower than budgeted*

Due to the under delivery of debt-funded capital delivery programme. Some projects that were to be funded by external loans had not been completed or had not commenced at year end therefore less borrowing was required than planned.

[Photo page 17]

# AUDITOR'S REPORT



## Independent Auditor's Report

### To the readers of Ashburton District Council's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of Ashburton District Council (the District Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Dereck Ollsson, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 30 October 2024. This is the date on which we give our report.

### Opinion on the audited information

In our opinion:

- the financial statements on pages 132 to 229:
  - present fairly, in all material respects:
    - the District Council and Group's financial position as at 30 June 2024;
    - the results of the operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards; and

- the funding impact statement on page 143, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council’s annual plan;
- the Activities and services on pages 32 to 121:
  - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2024, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 41 to 121, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s long-term plan; and
- the funding impact statement for each group of activities on pages 40 to 120, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council’s long-term plan.

## **Report on the disclosure requirements**

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 125 to 129, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s and Group’s audited information and, where applicable, the District Council’s long-term plan and annual plans.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

## **Basis for our opinion on the audited information**

We carried out our audit 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. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

## **Responsibilities of the Council for the audited information**

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council and the Group or there is no realistic alternative but to do so.

## **Responsibilities of the auditor for the audited information**

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the Activities and services, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## **Other Information**

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 4 to 31 and 130 to 131, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independence**

We are independent of the District Council and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* (including International Independence Standards) (New Zealand) (PES 1), issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out an audit on the District Council's long-term plan 2024-34 and a limited assurance engagement related to the District Council's debenture trust deed. These engagements are compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the District Council or its subsidiaries and controlled entities.



Dereck Ollsson  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand