

Ngā pūtea

Financials

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Statement of comprehensive revenue and expense

For the year ended 30 June 2024

Revenue	Note	Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated* \$'000
Rates revenue	4	89,024	92,163	88,203*
Subsidies and grants	6	16,237	38,561	21,765
Finance revenue	8	1,902	278	1,979
Financial Contributions	7	10,801	12,011	10,629
Fees and Charges	7	11,074	11,289	9,894
Other revenue	7	14,945	4,498	7,570*
Revenue Total		143,983	158,800	140,040
Expenditure				
Personnel Costs	10	(31,218)	(31,513)	(29,130)*
Depreciation and amortisation expense	9	(28,787)	(26,754)	(23,740)
Finance costs	8	(5,241)	(5,886)	(4,145)
Other expenses	11	(84,108)	(62,527)	(66,414)*
Expenditure total		(149,354)	(126,680)	(123,429)
Share of associate's surplus/(deficit)		(84)	0	224
Net Surplus/(deficit)		(5,455)	32,120	16,835
Other comprehensive revenue and expense				
Gain on LGFA share revaluation	28	609	0	107*
Gains/(losses) on carbon credit revaluations	28	320	0	(1,181)*
Gains/(losses) on asset revaluations	28	911	5,324	150,214
Total other comprehensive revenue and expense for the year		1,841	5,324	149,140
Total comprehensive revenue and expense		(3,614)	37,444	165,975

*Certain amounts have been reclassified to improve presentation, and the comparatives have been restated to be consistent, with no net change to the net surplus/deficit. In addition, the comparative amount for certain amounts in other comprehensive revenue and expense have been restated to correct a prior period error. Refer to note 2.1 for further details.

Statement of financial position

As at 30 June 2024

Assets	Note	Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated* \$'000
Current assets				
Cash and cash equivalents	12	10,975	40,114	15,140
Receivables	13	22,957	10,155	18,303
Prepayments	14	2,224	496	877
Derivative financial instruments	15	54	0	0
Total current assets		36,210	50,765	34,320
Non-current assets				
Derivative financial instruments	15	1,965	0	2,580
Other financial assets	17	13,940	12,542	12,965
Investments in associates	18	429	330	512
Property, plant and equipment	20	1,877,315	1,765,557	1,845,232
Intangible assets	22	3,715	6,022	3,885
Forestry assets	23	4,159	8,938	8,266
Investment in CCO's and other similar entities	19	11,610	4,336	10,298*
Total non-current assets		1,913,133	1,797,725	1,883,738
Total assets		1,949,344	1,848,490	1,918,058

*Comparative balances have been restated to reflect a correction of prior period error. Refer to basis of preparation section in note 2.1.

Statement of financial position

As at 30 June 2024

Liabilities	Note	Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated* \$'000
Current liabilities				
Payables	24	35,337	29,881	25,781
Employee entitlements	26	3,679	3,032	4,147
Provisions	27	1,903	313	313
Borrowings and other financial liabilities	25	35,000	0	15,000
Derivative financial instruments	15	0	795	0
Total current liabilities		75,919	34,021	45,241
Non-current liabilities				
Employee entitlements	26	13	19	19
Provisions	27	272	265	262
Borrowings and other financial liabilities	25	80,000	141,353	75,000
Derivative financial instruments	15	0	6,478	0
Total non-current liabilities		80,285	148,115	75,281
Total liabilities		156,204	182,136	120,522
Net assets		1,793,140	1,666,354	1,797,537
Equity				
Accumulated funds	28	985,739	1,015,282	988,013*
Reserves	28	807,398	651,072	809,523*
Total equity		1,793,140	1,666,354	1,797,537

*Comparative balances have been restated to reflect a correction of prior period error. Refer to basis of preparation section in note 2.1.

Statement of changes in net assets/equity

For the year ended 30 June 2024

	Note	Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated* \$'000
Balance at 1 July		1,797,537	1,626,369	1,622,913
Restatement		0	0	6,812*
Balance at 1 July restated		1,797,537	1,626,369	1,629,725
Net surplus/(deficit)		(5,455)	32,120	16,835
Other comprehensive revenue and expense		1,841	5,324	149,140*
Total comprehensive revenue and expense		(3,614)	37,444	165,975
Transfers to/(from) Reserves		(783)	2,543	1,837
Balance at 30 June	28	1,793,140	1,666,354	1,797,537

Two prior period adjustments have been made to Equity of \$6,919,000 and \$1,028,000. Refer to Basis of Preparation note 2.1 on page 118.

Statement of cash flows

For the year ended 30 June 2024

	Note	Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 \$'000
Cash flows from operating activities				
Receipts from rates revenue		86,742	91,645	85,902
Subsidies and grants received		16,237	38,561	21,765
Development and financial contributions received		10,802	12,010	10,629
Fees and charges received		11,073	10,566	5,864
Interest received		949	278	410
Dividends received		150	0	245
Receipts from other revenue		10,535	3,120	(726)
Total operating cash provided		136,488	156,180	124,089
Payments to suppliers		(66,005)	(59,366)	(55,725)
Payments to employees		(31,692)	(32,159)	(29,940)
Interest paid		(5,241)	(5,886)	(4,144)
GST (net)		(3,531)	0	15
Total operating cashflow applied		(106,469)	(97,411)	(89,794)
Net cash flow from operating activities		30,019	58,769	34,295
Cash flows from investing activities				
Receipts from sale of property, plant, and equipment		(948)	90	(1,549)
Total investing cash provided		(948)	90	(1,549)
Purchase of property, plant and equipment		(57,814)	(103,682)	(52,260)
Acquisition of investments		(422)	(775)	(887)
Total investing cash applied		(58,236)	(104,457)	(53,147)
Net cash flow from investing activities		(59,184)	(104,367)	(54,696)
Cash flows from financing activities				
Proceeds from borrowings		40,000	38,353	25,000
Repayment of borrowings		(15,000)	0	(15,000)
Net cash flow from financing activities		25,000	38,353	10,000
Net increase / (decrease) in cash equivalents, and bank overdrafts		(4,166)	(7,245)	(10,401)
Cash, cash equivalents, and bank overdrafts at the beginning of the year		15,140	47,359	25,541
Cash, cash equivalents, and bank overdrafts at the end of the year	12	10,975	40,114	15,140

Reconciliation of net surplus/(deficit) after tax to net cash flow from operating activities

	Actual 2024 \$'000	Actual 2023 \$'000
Surplus/(deficit) after tax	(5,455)	16,835
Add/(less) non-cash items		
Share of associate's surplus	84	(224)
Depreciation and amortisation expense	28,787	23,740
Property, plant, and equipment impairment	0	255
Vested assets	(5,378)	(2,397)
Vesting of built wastewater assets to Marae	0	1,822
Gain on disposal	(54)	(1,054)
(Gains)/losses in fair value of forestry assets	426	0
Unrealised interest on other financial assets at fair value through profit and loss	(804)	(422)
Change in fair value of loans	48	0
Change in fair value of shares	(36)	0
(Gains)/losses on derivative financial instruments	561	(902)
Other items	(4)	0
Total non-cash items	23,628	20,818
Add/(less) items classified as investing or financing activities		
(Gains)/losses on disposal of property, plant, and equipment	6,232	866
(Gains)/losses on disposal of investments classified as fair value through other comprehensive revenue and expense	0	(60)
Total items classified as investing or financing activities	6,232	806
Add/(less) movements in working capital items		
(Increase)/Decrease in receivables	(4,652)	(8,149)
(Increase)/Decrease in prepayments	(1,347)	(381)
Increase/(Decrease) in payables	9,555	3,252
Increase/(Decrease) in provisions	1,590	(3)
Increase/(Decrease) in employee entitlements	468	1,115
Net movement in working capital items	5,614	(4,166)
Net cash inflow/(outflow) from operating activities	30,019	34,294

Reconciliation of movements in liabilities arising from financing activities

	Cash movements \$'000	Non cash movements \$'000	Total \$'000
2023			
Balance as at 1 July 2022	80,000	0	80,000
Proceeds from borrowings	25,000	0	25,000
Repayment of borrowings	(15,000)	0	(15,000)
Balance as at 30 June 2023	90,000	0	90,000
2024			
Balance as at 1 July 2023	90,000	0	90,000
Proceeds from borrowings	40,000	0	40,000
Repayment of borrowings	(15,000)	0	(15,000)
Balance at as 30 June 2024	115,000	0	115,000

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Funding impact statement for 30 June 2024

Representation

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	2,779	3,015	3,484
Targeted rates	0	0	485
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	11
Internal charges and overheads recovered	1,068	1,117	1,034
Local authorities for fuel tax, fines, infringement fees, and other receipts	77	0	0
Total sources of operating funding	3,924	4,132	5,014
Applications of operating funding			
Payments to staff and suppliers	(1,730)	(1,834)	(2,267)
Finance costs	0	0	0
Internal charges and overheads applied	(2,150)	(2,249)	(2,602)
Other operating funding applications	0	0	0
Total applications of operating funding	(3,880)	(4,083)	(4,869)
Surplus / (deficit) of operating funding	44	49	145
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase / (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	0	0
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	0	0	0
- To improve the level of service	(36)	(37)	0
- To replace existing assets	0	0	0
Increase / (decrease) in reserves	(8)	(12)	(145)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(44)	(49)	(145)
Surplus / (deficit) of capital funding	(44)	(49)	(145)
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Planning for the future

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,180	4,337	4,481
Targeted rates	13	13	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	0	0	27
Total sources of operating funding	4,193	4,350	4,508
Applications of operating funding			
Payments to staff and suppliers	(3,193)	(3,295)	(3,255)
Finance costs	0	0	0
Internal charges and overheads applied	(987)	(1,042)	(1,226)
Other operating funding applications	0	0	0
Total applications of operating funding	(4,180)	(4,337)	(4,481)
Surplus / (deficit) of operating funding	13	13	27
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase / (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	0	0
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	0	0	0
- To improve the level of service	0	0	0
- To replace existing assets	0	0	0
Increase / (decrease) in reserves	(13)	(13)	(27)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(13)	(13)	(27)
Surplus / (deficit) of capital funding	(13)	(13)	(27)
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Communities

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	5,811	6,298	7,376
Targeted rates	3,245	3,298	3,526
Subsidies and grants for operating purposes	0	0	23
Fees and charges	82	84	326
Internal charges and overheads recovered	481	512	1,414
Local authorities for fuel tax, fines, infringement fees, and other receipts	518	535	1,080
Total sources of operating funding	10,137	10,727	13,745
Applications of operating funding			
Payments to staff and suppliers	(6,358)	(6,456)	(8,780)
Finance costs	0	0	(101)
Internal charges and overheads applied	(3,417)	(3,607)	(3,846)
Other operating funding applications	0	0	0
Total applications of operating funding	(9,775)	(10,063)	(12,727)
Surplus / (deficit) of operating funding	362	664	1,018
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	3,441
Development and financial contributions	0	0	0
Increase / (decrease) in debt	(229)	(85)	1,528
Gross proceeds from sale of assets	0	0	40
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	(229)	(85)	5,009
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(53)	(547)	(266)
- To improve the level of service	(51)	(53)	(21)
- To replace existing assets	(1,049)	(453)	(1,665)
Increase / (decrease) in reserves	1,020	474	(4,075)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(133)	(579)	(6,027)
Surplus / (deficit) of capital funding	(362)	(664)	(1,018)
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Recreation and open spaces

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	8,100	9,144	8,766
Targeted rates	432	444	5
Subsidies and grants for operating purposes	82	866	300
Fees and charges	21	21	105
Internal charges and overheads recovered	1,858	1,935	1,413
Local authorities for fuel tax, fines, infringement fees, and other receipts	1,166	829	6,023
Total sources of operating funding	11,659	13,239	16,612
Applications of operating funding			
Payments to staff and suppliers	(6,387)	(6,415)	(9,113)
Finance costs	0	0	(130)
Internal charges and overheads applied	(3,075)	(3,218)	(3,043)
Other operating funding applications	0	0	0
Total applications of operating funding	(9,462)	(9,634)	(12,286)
Surplus / (deficit) of operating funding	2,197	3,605	4,327
Sources of capital funding			
Subsidies and grants for capital expenditure	1,122	722	140
Development and financial contributions	4,613	4,558	1,930
Increase / (decrease) in debt	1,600	5,121	739
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	7,335	10,401	2,809
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(2,303)	(6,490)	(1,675)
- To improve the level of service	(2,855)	(7,098)	(787)
- To replace existing assets	(4,379)	(4,881)	(1,306)
Increase / (decrease) in reserves	5	4,463	(3,370)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(9,532)	(14,006)	(7,137)
Surplus / (deficit) of capital funding	(2,197)	(3,605)	(4,327)
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Regulatory services

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,866	5,188	8,191
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	7,424	7,614	7,875
Internal charges and overheads recovered	1,218	1,280	1,053
Local authorities for fuel tax, fines, infringement fees, and other receipts	280	287	188
Total sources of operating funding	13,789	14,370	17,307
Applications of operating funding			
Payments to staff and suppliers	(8,778)	(9,130)	(11,059)
Finance costs	0	0	0
Internal charges and overheads applied	(4,913)	(5,195)	(6,124)
Other operating funding applications	0	0	0
Total applications of operating funding	(13,691)	(14,325)	(17,183)
Surplus / (deficit) of operating funding	98	45	124
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase / (decrease) in debt	0	0	45
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	0	45
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	0	0	(8)
- To improve the level of service	(31)	0	(39)
- To replace existing assets	0	0	0
Increase / (decrease) in reserves	(67)	(45)	(123)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(98)	(45)	(169)
Surplus / (deficit) of capital funding	(98)	(45)	(124)
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Stormwater

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	718	736	767
Targeted rates	4,765	4,914	4,858
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	7
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	0	0	459
Total sources of operating funding	5,483	5,650	6,092
Applications of operating funding			
Payments to staff and suppliers	(1,259)	(1,328)	(2,286)
Finance costs	0	0	(1,010)
Internal charges and overheads applied	(804)	(840)	(752)
Other operating funding applications	0	0	0
Total applications of operating funding	(2,063)	(2,168)	(4,048)
Surplus / (deficit) of operating funding	3,420	3,482	2,043
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	1,676	1,637	672
Increase / (decrease) in debt	6,409	4,214	(17,055)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	310	320	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	8,395	6,171	(16,383)
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(4,132)	(2,136)	(4,860)
- To improve the level of service	(1,337)	(3,185)	(4)
- To replace existing assets	(3,643)	(3,580)	(2,188)
Increase / (decrease) in reserves	(2,702)	(752)	21,391
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(11,815)	(9,653)	14,340
Surplus / (deficit) of capital funding	(3,420)	(3,482)	(2,043)
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Transportation

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	52	53	48
Targeted rates	16,072	16,678	17,671
Subsidies and grants for operating purposes	10,324	9,557	11,263
Fees and charges	10	11	1,775
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	270	438	364
Total sources of operating funding	26,728	26,737	31,121
Applications of operating funding			
Payments to staff and suppliers	(13,395)	(14,022)	(18,419)
Finance costs	0	0	(16)
Internal charges and overheads applied	(1,415)	(1,487)	(2,112)
Other operating funding applications	0	0	0
Total applications of operating funding	(14,810)	(15,509)	(20,547)
Surplus / (deficit) of operating funding	11,918	11,228	10,574
Sources of capital funding			
Subsidies and grants for capital expenditure	4,334	3,809	0
Development and financial contributions	3,663	4,245	5,226
Increase / (decrease) in debt	1,697	1,496	1,023
Gross proceeds from sale of assets	0	0	9
Lump sum contributions	1,445	1,490	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	11,140	11,039	6,258
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(19,033)	(14,527)	(18,606)
- To improve the level of service	(8,469)	(9,310)	(2,594)
- To replace existing assets	(4,294)	(4,316)	(17)
Increase / (decrease) in reserves	8,738	5,886	4,385
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(23,058)	(22,267)	(16,832)
Surplus / (deficit) of capital funding	(11,918)	(11,228)	(10,574)
Funding balance	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Water Supply

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	0	0	71
Targeted rates	12,041	12,342	10,355
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	177
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	42	43	(393)
Total sources of operating funding	12,082	12,385	10,211
Applications of operating funding			
Payments to staff and suppliers	(6,775)	(7,281)	(8,181)
Finance costs	0	0	(831)
Internal charges and overheads applied	(2,478)	(2,578)	(2,643)
Other operating funding applications	0	0	0
Total applications of operating funding	(9,253)	(9,859)	(11,656)
Surplus / (deficit) of	2,829	2,526	(1,445)
Sources of capital funding			
Subsidies and grants for capital expenditure	468	5,020	0
Development and financial contributions	2,122	1,886	1,394
Increase / (decrease) in debt	3,881	1,917	(8,755)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	207	214	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	6,678	9,037	(7,361)
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(4,726)	(7,690)	(5,348)
- To improve the level of service	(805)	(609)	(439)
- To replace existing assets	(2,960)	(2,702)	(4,810)
Increase / (decrease) in reserves	(1,016)	(563)	19,403
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(9,507)	(11,563)	8,806
Surplus / (deficit) of capital funding	(2,829)	(2,526)	1,445
Funding balance	0	0	0

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Funding impact statement for 30 June 2024

Natural environment and sustainable living

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	382	398	723
Targeted rates	592	612	766
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	0	0	64
Total sources of operating funding	974	1,010	1,553
Applications of operating funding			
Payments to staff and suppliers	(1,204)	(1,299)	(1,406)
Finance costs	0	0	0
Internal charges and overheads applied	(80)	(84)	(112)
Other operating funding applications	0	0	0
Total applications of operating funding	(1,284)	(1,384)	(1,519)
Surplus / (deficit) of operating funding	(310)	(374)	34
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	126
Increase / (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	0	126
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	0	0	0
- To improve the level of service	0	0	0
- To replace existing assets	0	0	0
Increase / (decrease) in reserves	310	374	(160)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	310	374	(160)
Surplus / (deficit) of capital funding	310	374	(34)
Funding balance	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Wastewater

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	12,041	12,439	13,063
Subsidies and grants for operating purposes	0	0	0
Fees and charges	2	2	108
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	49	51	1,843
Total sources of operating funding	12,092	12,492	15,014
Applications of operating funding			
Payments to staff and suppliers	(5,885)	(6,168)	(9,320)
Finance costs	0	0	(1,540)
Internal charges and overheads applied	(2,208)	(2,291)	(2,192)
Other operating funding applications	0	0	0
Total applications of operating funding	(8,093)	(8,459)	(13,052)
Surplus / (deficit) of operating funding	3,999	4,033	1,962
Sources of capital funding			
Subsidies and grants for capital expenditure	1,034	1,068	100
Development and financial contributions	1,960	1,802	1,454
Increase / (decrease) in debt	5,475	1,237	(22,057)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	351	363	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	8,820	4,470	(20,503)
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(6,577)	(1,695)	(2,151)
- To improve the level of service	(10)	(64)	(223)
- To replace existing assets	(7,178)	(7,854)	(4,778)
Increase / (decrease) in reserves	946	1,110	25,692
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(12,819)	(8,503)	18,541
Surplus / (deficit) of capital funding	(3,999)	(4,033)	(1,962)
Funding balance	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Solid waste

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	134	147	46
Targeted rates	3,629	3,608	3,404
Subsidies and grants for operating purposes	179	185	870
Fees and charges	798	753	616
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	37	3	301
Total sources of operating funding	4,777	4,696	5,237
Applications of operating funding			
Payments to staff and suppliers	(4,816)	(4,575)	(4,166)
Finance costs	0	0	0
Internal charges and overheads applied	(669)	(690)	(858)
Other operating funding applications	0	0	0
Total applications of operating funding	(5,485)	(5,265)	(5,024)
Surplus / (deficit) of operating funding	(708)	(569)	213
Sources of capital funding			
Subsidies and grants for capital expenditure	981	0	0
Development and financial contributions	0	0	0
Increase / (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	981	0	0
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	0	0	0
- To improve the level of service	(981)	0	0
- To replace existing assets	0	0	0
Increase / (decrease) in reserves	708	569	(213)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(273)	569	(213)
Surplus / (deficit) of capital funding	708	569	(213)
Funding balance	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Economic development

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	753	780	636
Targeted rates	379	392	366
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities for fuel tax, fines, infringement fees, and other receipts	0	0	69
Total sources of operating funding	1,132	1,172	1,071
Applications of operating funding			
Payments to staff and suppliers	(760)	(786)	(610)
Finance costs	0	0	0
Internal charges and overheads applied	(57)	(61)	(111)
Other operating funding applications	0	0	0
Total applications of operating funding	(817)	(847)	(720)
Surplus / (deficit) of operating funding	315	325	351
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase / (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	0	0
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(479)	(864)	(17)
- To improve the level of service	0	0	0
- To replace existing assets	0	0	0
Increase / (decrease) in reserves	164	539	(334)
Increase / (decrease) of investments	0	0	0
Total applications of capital funding	(315)	(325)	(351)
Surplus / (deficit) of capital funding	(315)	(325)	(351)
Funding balance	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Support Services

	Long-term Plan 2023 \$'000	Long-term Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	5,187	5,671	(1,807)
Targeted rates	1,474	1,474	1,746
Subsidies and grants for operating purposes	0	0	0
Fees and charges	320	329	74
Internal charges and overheads recovered	20,796	21,824	24,199
Local authorities for fuel tax, fines, infringement fees, and other receipts	1,014	1,044	1,389
Total sources of operating funding	28,791	30,343	25,601
Applications of operating funding			
Payments to staff and suppliers	(23,139)	(23,865)	(25,224)
Finance costs	(4,651)	(6,057)	(1,614)
Internal charges and overheads applied	(3,167)	(3,327)	(3,495)
Other operating funding applications	0	0	0
Total applications of operating funding	(30,957)	(33,249)	(30,333)
Surplus / (deficit) of operating funding	(2,166)	(2,906)	(4,732)
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	100
Development and financial contributions	0	0	0
Increase / (decrease) in debt	19,167	22,099	69,531
Gross proceeds from sale of assets	0	0	(769)
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	19,167	22,099	68,862
Applications of capital funding			
Capital expenditure:			
- To meet additional demand	(225)	(761)	(5,314)
- To improve the level of service	(822)	(846)	(866)
- To replace existing assets	(2,099)	(1,683)	(408)
Increase / (decrease) in reserves	(9,725)	(10,871)	(55,547)
Increase / (decrease) of investments	(4,131)	(5,031)	(1,994)
Total applications of capital funding	(17,001)	(19,193)	(64,130)
Surplus / (deficit) of capital funding	2,166	2,906	4,732
Funding balance	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Whole of Council

	Annual Plan 2023 \$'000	Annual Report 2023 \$'000	Annual Plan 2024 \$'000	Annual Report 2024 \$'000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	32,303	31,408	33,804	32,780
Targeted rates	55,044	56,842	58,359	56,244
Subsidies and grants for operating purposes	11,178	21,565	12,888	12,456
Fees and charges	8,749	9,893	11,289	11,073
Interest and Dividends from Investments	270	1,979	278	1,903
Local authorities for fuel tax, fines, infringement fees, and other receipts	3,184	3,156	3,111	9,513
Total sources of operating funding	110,728	124,842	119,729	123,970
Applications of operating funding				
Payments to staff and suppliers	(83,651)	(92,608)	(94,041)	(104,088)
Finance costs	(4,005)	(4,144)	(5,885)	(5,241)
Other operating funding applications	0	0	0	0
Total applications of operating funding	(87,656)	(96,752)	(99,926)	(109,329)
Surplus / (deficit) of operating funding	23,072	28,090	19,803	14,641
Sources of capital funding				
Subsidies and grants for capital expenditure	4,053	200	25,673	3,780
Development and financial contributions	14,035	10,629	12,011	10,802
Increase / (decrease) in debt	31,500	10,299	38,353	25,000
Gross proceeds from sale of assets	0	460	880	(720)
Lump sum contributions	2,313	2,397	2,428	0
Other dedicated capital funding	0	0	0	0
Total sources of capital funding	51,901	23,985	79,345	38,862
Applications of capital funding				
Capital expenditure:				
- To meet additional demand	(27,949)	(25,418)	(79,080)	(38,244)
- To improve the level of service	(26,855)	(6,808)	(26,748)	(4,972)
- To replace existing assets	(14,474)	(10,770)	(14,523)	(15,171)
Increase / (decrease) in reserves	(2,349)	(9,302)	25,581	6,879
Increase / (decrease) of investments	(3,346)	223	(4,378)	(1,994)
Total applications of capital funding	(74,973)	(52,075)	(99,148)	(53,503)
Surplus / (deficit) of capital funding	(23,072)	(28,090)	(19,803)	(14,641)
Funding balance	0	0	0	0

Western Bay of Plenty District Council

Funding impact statement for 30 June 2024

Whole of Council - Reconciliation of summary funding impact statement to statement of comprehensive income and expense

	Actual 2024 \$'000	Actual 2023 \$'000
Total sources of operating funding per Funding Impact Statement	123,970	124,843
Add: Subsidies and grants for capital expenditure	3,781	200
Add: Financial contributions	10,802	10,629
Total	138,552	135,672
Total revenue per Statement of Comprehensive Revenue and Expense	143,984	139,182
Less: Gain on disposal and revaluation gains	(54)	(1,115)
Less: Financial assets at fair value through other comprehensive revenue	0	904
Less: Vested and found assets revenue	(5,378)	(2,397)
Less: Fair value movement in derivative financial instruments	0	(902)
Total	138,552	135,672
Total applications of operation funding per Funding Impact Statement	109,329	(96,753)
Total expenditure per Statement of Comprehensive Revenue and Expense	149,354	(122,570)
Less: Depreciation and amortisation	(28,787)	23,740
Less: Provision for doubtful debts	(45)	0
Less: Unrealised hedging movement on interest rate swaps	(561)	0
Less: Change in fair value of shares	(36)	0
Less: Change in fair value of loans	(48)	0
Less: Asset revaluation losses	(3,890)	0
Less: Forestry revaluation losses	(426)	0
Less: Loss on disposal of property, plant and equipment	(6,232)	0
Less: Vested assets expenditure	0	1,822
Less: Other adjustments	0	255
Total	109,329	(96,753)
Net variance	0	0

Notes to the financial statements

Basis of reporting

This section contains the significant accounting policies of the Council and the group that relate to the financial statements as a whole.

Significant accounting policies are also included in the related note disclosures.

1. Statement of accounting policies for the year ended 30 June 2024

1.1 Reporting entity

Western Bay of Plenty District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Council's principal address is 1484 Cameron Road, Greerton, Tauranga.

The Council provides local infrastructure, local public services, and regulatory functions for the community.

The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity (PBE) for reporting purposes and applies Tier 1 PBE accounting standards. These standards are based on International Public Sector Accounting Standards (IPSAS) with amendments for the New Zealand environment.

The financial statements of the Council are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 18 February 2025.

1.2 Adoption date

Under section 47(2) of part 8 of schedule 1AA of the Local Government Act, the annual report must be completed and adopted, by 31 December 2024. The Council has not complied with this requirement and is in breach of the Act. This is a result of an extended review of the financial statements to ensure full compliance with accounting standards. Council adopted the annual report on 18 February 2025.

2. Summary of significant accounting policies

2.1 Basis of preparation

Significant accounting policies that do not relate to a specific note are outlined below.

Correction of prior period error

During the year, it was identified that the Council's shareholding in the Local Government Funding Agency had not been revalued at fair value as per Council's accounting policies, rather it had been recognised at the initial cost of the shareholding. Council has now recognised the fair value of its shareholding in the Local Government Funding Agency.

It was also identified that the Council's revaluation of Carbon Credits should be transferred to a separate revaluation reserve which is reported within equity.

Opening balances in the statement of financial position as at 1 July 2023, as well as prior year comparatives were restated to improve the year-on-year comparability of the financial statements.

Details of the adjustments and the periods impacts are outlined in the table below, and the relevant notes have been updated to reflect this restatement.

	Reported 2023 \$'000	Adjustments 2023 \$'000	Restated 2023 \$'000
Statement of comprehensive revenue and expense			
Gain on LGFA share revaluation	0	107	107
Gain/(loss) on Carbon Credit revaluation	0	(1,181)	(1,181)
Statement of financial position			
Investments in CCO's and other similar entities	3,379	6,919	10,298
Accumulated Funds	989,023	(1,010)	988,013
Other reserves	801,575	7,947	809,523

The correction of this error also required a restatement of the fair value through the LGFA shares and carbon credits revaluation reserve opening and closing balances as shown in note 28.

LGFA Adjustment			
Reserve as at 1 July 2022	0	6,812	6,812
Reserve as at 30 June 2023	0	6,919	6,919
Carbon Credit Adjustment			
Reserve as at 1 July 2022	0	2,209	2,209
Reserve as at 30 June 2023	0	1,028	1,028

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 financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

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

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all value are rounded to the nearest thousand dollars (\$000), other than the remuneration and the severance payment disclosures in Note 34 and Note 35. The remuneration and severance payments are rounded to the nearest dollar.

Measurement base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets, and certain financial instruments (including derivative instruments).

Budget figures

The budget figures are those approved by Council in its 2023-2024 Annual Plan. The budget figures have been prepared in accordance with GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

Goods and services tax

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST- inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The net amount of GST recoverable from the IRD, including the GST relating to investing and financing activities, is classified as operating cashflow in the statement of cashflows. Commitments and contingencies are disclosed exclusive of GST.

Cost allocation

The cost of service for each significant activity of the Council has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be attributed to a specific significant activity in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity or usage information. Depreciation is charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each significant activity. Other indirect costs are assigned to significant activities based on the proportion of direct staff costs for each significant activity.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

Standards and amendments issued that have been applied

Critical accounting estimates

In preparing these financial statements, estimates and assumptions have been made concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

- Estimating the fair value of land and buildings, and infrastructural assets – Note 20
- Estimating the fair value of forestry assets – Note 23
- Estimating the retirement and long service leave obligations – Note 26
- Estimating the landfill aftercare provision – Note 27

Critical judgments in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Donated or vested land and buildings with use or return conditions

The Council has received land and buildings from non-exchange transactions that contain use or return conditions. If revenue is not recognised immediately for such assets when received, there is the possibility that a liability would be recognised in perpetuity and no revenue would ever be recognised for the asset received. The Council considers that an acceptable and more appropriate accounting treatment under PBE IPSAS 23 is to recognise revenue immediately for such transfers and a liability is not recognised until such time as it is expected that the condition will be breached.

Classification of property

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 are part of Council's social housing policy. The properties are therefore accounted for as property, plant, and equipment rather than investment property.

Treatment of airport land

The airport land consists of some 225 hectares of land of which some 86 hectares is jointly owned by Tauranga City Council (TCC) and Western Bay of Plenty District Council. TCC are the legal owners of the land and Western Bay of Plenty District Council are the beneficial or equitable owners of the jointly owned land. The jointly acquired land is held by TCC on trust for itself and Western Bay of Plenty District Council. As the legal owner TCC must exercise its rights of ownership in terms of the trust and for the benefit of the trustees.

The terms of the trust are that TCC may use the jointly acquired land rent free provided the land is used as an airport. In the event that the jointly own airport land is sold and the principal use of the land is no longer an airport then a liability to Western Bay of Plenty District Council is created for the sale price of the jointly owned land at that point.

2.2 Foreign currency transactions

Foreign currency transactions (including those subject to forward exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

2.3 Water services reform programme

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

The Government has recently enacted the Local Government (Water Services Preliminary Arrangements) Act 2024. The new legislation requires Council to deliver a Water Services Delivery Plan (WSDP) to the Secretary for Local Government by 3 September 2025. The plan must include the anticipated or proposed model or arrangements and implementation plan for delivering water services. Council will not know what the model or arrangements are likely to be until the WSDP is approved by the Secretary. The new legislation has not had an impact on the 30 June 2024 financial statements or performance information.

3. Summary income and expenditure for group of activities

	Actual 2024 \$'000	Actual 2023 \$'000
Income		
Representation	3,979	4,069
Planning for the future	4,508	4,316
Transportation	36,395	42,343
Water supply	12,793	16,569
Communities	15,803	10,193
Recreation and open spaces	17,341	13,175
Regulatory services	16,294	15,523
Wastewater	18,080	15,716
Solid Waste	5,237	4,561
Stormwater	9,512	6,796
Natural environment and sustainable living	1,679	1,212
Economic development	1,071	626
Support services	1,291	4,943
Total operating income by activity	143,983	140,041
Expenditure		
Representation	3,846	4,010
Planning for the future	4,481	4,161
Transportation	32,197	28,686
Water supply	17,121	15,074
Communities	15,007	9,980
Recreation and open spaces	18,426	11,655
Regulatory services	16,204	15,440
Wastewater	17,950	14,391
Solid Waste	5,062	4,206
Stormwater	6,047	4,442
Natural environment and sustainable living	1,519	1,390
Economic development	720	774
Support services	10,776	9,219
Total operating expenditure by activity	149,354	123,429

Each significant activity is stated gross of internal costs and revenues, and includes general and targeted rates attributable to activities (refer to Note 4).

4. Rates revenue

Accounting policy

Rates revenue is classified as non-exchange revenue and is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

Rates Revenue

Rates are set annually by a resolution from Council and relate to a financial year. All customers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due.

The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

	Actual 2024 \$'000	Actual 2023 \$'000
General rates	33,240	29,761
Targeted rates		
Promotion	400	354
Libraries	3,102	2,749
Community Board	485	468
Community Halls	533	517
Solid Waste	3,540	3,285
Sewerage	12,682	12,352
Water Supply	6,852	6,692
Stormwater	4,858	4,724
Roading	17,671	16,450
Environment	2,381	2,246
Museum	73	61
Total targeted rates	52,577	49,898
Metered water charges	3,524	7,141
Rates remissions	(1,032)	(45)
Rating penalties	715	1,448
Total rates	89,024	88,203

Rates

Rates remission

Under the Council's remissions policies, remissions are allowed for re-zoned land, land used for sport and games, covenanted land, contiguous land, natural disasters and emergencies, Māori freehold land in multiple ownership and in undeveloped state, water leaks and penalties in certain situations and at Council's discretion.

Non-rateable land

Under the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. These non-rateable properties may be subject to targeted rates in respect of sewerage and water. Non-rateable land does not constitute a remission.

5. Rating Base information

Rating units, capital value and land value

Rates revenue is the main source of funding for Western Bay of Plenty District Council.

The total number of rating units for 2024 was 24,697 compared with 24,428 for 2023.

The total capital and land valuations for the district are as follows.

	Actual 2024 \$millions	Actual 2023 \$millions
Capital value	41,795	42,127
Land value	22,481	23,240

6. Subsidies and grants

Accounting policy

NZ Transport Agency Waka Kotahi roading subsidies	The Council receives funding assistance from the NZ Transport Agency Waka Kotahi, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.
Grants	Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

	Actual 2024 \$'000	Actual 2023 \$'000
Ministry for the Environment	1,345	512
Bay of Plenty Regional Council	100	0
Crown Infrastructure Partners	2,326	3,021
NZ Transport Agency Waka Kotahi	11,036	17,982
TECT	100	0
Ministry of Business, Innovation and Employment	440	0
Other	890	250
Total subsidies and grants	16,237	21,765

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2023 nil).
New Zealand Transport Agency/Waka Kotahi subsidies were lower due to the operating and capital programme not being fully delivered during the year.

7. Financial contributions, fees and charges, and other revenue

Accounting policy

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

Financial Contributions

Financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees

Entrance fees are fees charged to users of the Council's local facilities, such as pools. Revenue from entrance fees is recognised upon entry to such facilities.

Landfill fees

Fees for disposing of waste at the Council's landfill are recognised upon waste being disposed by users.

Provision of commercially based services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date. Generally, this is determined by the proportion of costs incurred to date bearing to the estimated total costs of providing the service.

Sales of goods

Revenue from the sale of goods is recognised when a product is sold to the customer.

Infringement fees and fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2-year period.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

Donated and bequeathed financial assets

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

7. Financial contributions, fees and charges, and other revenue

	Actual 2024 \$'000	Actual 2023 \$'000
Financial Contributions		
Recreation and open spaces	1,930	2,973
Transportation	5,225	3,454
Water Supply	1,394	1,656
Stormwater	672	712
Natural Environment	126	146
Wastewater	1,454	1,688
Total financial contributions	10,801	10,629
Fees and charges		
Building and resource consent charges	6,538	5,987
Animal services	757	723
Regulatory compliance	359	283
Swimming pool fees	76	88
Waste and refuse	597	469
Other fees and charges income	1,502	1,813
Water and wastewater	1,245	531
Total fees and charges	11,074	9,894
Other revenue		
Petrol tax	447	459
Sale of goods and services	5,448	823
Cost recoveries	2,282	428
Rental revenue	1,196	1,330
Fines	140	117
Unrealised hedging movement on derivatives	0	902
Gain on disposal	54	1,115
Vested assets	5,378	2,397
Total other revenue	14,945	7,570

8. Finance revenue and costs

Accounting policy

Interest and dividends

Interest revenue is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery part of the cost of the investment.

Borrowing costs

Borrowing costs are expensed in the financial year in which they are incurred.

	Actual 2024 \$'000	Actual 2023 \$'000
Finance Income		
Interest income	1,727	1,720
Dividends	150	245
Rates postponement scheme	25	14
Total finance income	1,902	1,979
Finance Costs		
Interest on bank borrowings	(6,105)	(4,135)
Interest paid/(received) on derivatives	864	(10)
Total finance costs	(5,241)	(4,145)
Net finance income	(3,339)	(2,166)

9. Depreciation and amortisation expense by group of activity - LG(FRP)R 5(4)

	Actual 2024 \$'000	Actual 2023 \$'000
Directly attributable depreciation and amortisation expense by group of activity		
Leadership	0	0
Representation	18	17
Planning for the future	0	0
Building communities	0	0
Communities	894	494
Recreation and open spaces	2,502	2,204
Regulatory services	115	79
Stormwater	1,999	1,826
Transportation	11,644	10,748
Water supply	5,465	3,889
Protecting the environment	0	0
Natural environment and sustainable living	0	0
Wastewater	4,898	3,447
Solid waste	39	25
Supporting our economy	0	0
Economic development	0	0
Total directly attributable depreciation and amortisation by group of activity	27,574	22,729
Depreciation and amortisation not directly related to group of activities	1,213	1,011
Total depreciation and amortisation expense	28,787	23,740

10. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

Defined benefit schemes

The Council makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund (NPF). The scheme is a multi employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus/deficit in the plan will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Further information on this scheme is disclosed in Note 26.

	Actual 2024 \$'000	Actual 2023 \$'000
Salaries and wages	30,865	28,871
Employer contributions to health insurance scheme	353	259
Total personnel costs	31,218	29,130

11. Other expenses

Accounting policy

Operating leases

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

Grant expenditure

The Council's grants awarded have no substantive conditions attached.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as an expense when approved by the Council and the approval has been communicated to the applicant.

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as an expense when an application that meets the specified criteria for the grant has been received.

Tax

Council does not pay income tax as Section CW39 of the Income Tax Act 2007 specifically exempts income that is derived by a local authority from income tax, unless that income is derived from a Council Controlled Organisation, a port related undertaking, or as a trustee.

Other expenses

Other expenses are recognised as goods and services are received.

	Actual 2024 \$'000	Actual 2023 \$'000
Fees to auditors		
- Audit fees to Audit New Zealand for financial statements audit	250	214
- Audit fees to Audit New Zealand for 2023 financial statements audit - additional cost	65	0
- Audit fees to Audit New Zealand for Long Term Plan audit	134	0
- Audit fees to Audit New Zealand for debenture trust	10	9
Consultant and legal fees	4,719	5,147
Community board members remuneration	115	110
Elected members remuneration	680	628
Computer software, internet and phones	3,482	2,221
Cost of forest harvest sales	2,137	0
Electricity	2,437	2,013
Grants and assets vested to the community	3,392	3,468
Impairment of receivables	503	2,006
Insurance premiums	1,456	1,076
Maintenance	38,086	36,915
Projects to improve service levels	9,454	6,614
Valuation fees	403	461
Asset impairment	0	255
Asset revaluation losses	3,890	0
Change in fair value of shares	36	113
Change in fair value of loans	48	791
Loss on sale of property, plant and equipment	6,232	886
Loss on revaluation of forest	426	0
Unrealised interest swap	561	0
Other expenditure	5,592	3,487
Total other expenses	84,108	66,414

12. Cash and cash equivalents

Accounting policy

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

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

	Actual 2024 \$'000	Actual 2023 \$'000
Cash at bank and in hand	10,972	5,138
Petty Cash	3	2
Term deposits with maturities less than 3 months	0	10,000
Total cash and cash equivalents	10,975	15,140
Weighted average effective interest rate	4.84%	5.71%

13. Receivables

Accounting policy

Receivables are recorded at the amount due, less an allowance for Expected Credit Loss (ECL).

Council applies the simplified ECL model of recognising lifetime ECL for receivables.

The ECL allowance has been calculated based on a review of specific overdue receivables and a collective assessment. The collective allowance is based on an analysis of past collection history and debt write offs. Individual allowance has been determined based on the significant financial difficulties and circumstances being experienced by the debtor.

Rates are "written-off":

when remitted in accordance with the Council's rates remission policy; and in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government Act 2022.

Other rates are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

A receivable is considered uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

	Actual 2024 \$'000	Actual 2023 \$'000
Rates debtors	8,563	5,929
Metered water debtors	2,480	3,391
Sundry debtors	2,567	5,851
Other trade debtors	8,995	6,267
GST Receivables	4,426	894
Debtors and other receivables prior to impairment	27,031	22,332
Less Provision for impairment of receivables	(4,074)	(4,029)
Net receivables	22,957	18,303

a) Expected credit loss

30 June 2024		Receivable days past due			
Council	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected credit loss rate	0%	2.8%	0.3%	30.5%	9.8%
Gross carrying amount(\$'000)	3,734	1,384	1,122	2,755	8,995
Lifetime expected credit loss(\$'000)	0	38	3	836	877

01 July 2023		Receivable days past due			
Council	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected credit loss rate	0%	0%	0%	0%	
Gross carrying amount(\$'000)	2,564	193	1,425	2,084	6,266
Lifetime expected credit loss(\$'000)	0	0	0	0	0

13. Receivables

	Actual 2024 \$'000	Actual 2023 \$'000
Movements in the allowance for credit losses are as follows:		
Opening balance as at 1 July	4,029	3,718
Additional allowance made during the year	4,074	1,829
Allowance reversed during the year	(4,029)	0
Receivables written-off during the year	0	(1,518)
At 30 June	4,074	4,029

Local government disclosures:

The Chief Executive approved the write-off of rates receivable during the year under the Local Government (Rating) Act 2002, as follows (in whole \$ numbers):

- Section 90A: \$245,557 (2023: \$81,157)
- Section 90B: \$4,925 (2023: Nil)

14. Prepayments

	Actual 2024 \$'000	Actual 2023 \$'000
Prepayments	2,224	877

*Expenditure paid related to future periods.

15. Derivative financial instruments

Accounting policy

Derivative financial instruments are used to manage exposure to interest rate and foreign exchange risks arising from Council's operational activities and risk arising from Council's financing and investing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

Council has elected not to hedge account. Financial instrument risk is detailed in Note 37.

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

	Actual 2024 \$'000	Actual 2023 \$'000
Current asset portion		
Interest rate swaps - fair value hedges	54	0
Total current asset portion	54	0
Non-current asset portion		
Interest rate swaps - fair value hedges	1,965	2,580
Total non-current asset portion	1,965	2,580
Total derivative financial instruments	2,019	2,580
Movement	(561)	902

Interest Rate Swaps

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

At 30 June 2024, the fixed interest rates of cash flow hedge interest rate swaps vary from 1.95% to 5.41% (2023: 1.95% to 5.41%). The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as noncurrent.

15. Derivative financial instruments

Timing of nominal principal amounts and average fixed rates of interest rate swaps

Council 2024	Less than 1 year	1-2 years	3-5 years	5+ years	Total
Interest rate swaps - not hedge accounted					
Nominal amount (\$000)	26,500	14,000	26,000	5,000	71,500
Average fixed rate	4.84%	3.67%	3.11%	3.96%	3.92%

The notional principal amounts of the current outstanding interest rate swap contracts were \$71.5 million (2023 \$71.5 million)

16. Non-current assets held for sale

Western Bay Council held no non-current assets for sale as at 30 June 2024.

17. Other financial assets

Accounting policy

Classification

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 recognised in surplus or deficit.

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

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

A financial asset is classified as subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a 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, Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Subsequent measurement

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL).

Where applicable, interest accrued is added to the investment balance.

Instruments in this category include term deposits, community loans and loans to subsidiaries and associates.

Subsequent measure 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 exchange gains and losses are recognised in surplus or deficit.

17. Other financial assets

When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus or deficit. Instruments in this category include Council listed bonds.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity.

The Council designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

	Actual 2024 \$'000	Actual 2023 \$'000
Non-current portion		
Non-current assets available for sale are:		
Zespri Group Limited	119	154
Seeka Kiwifruit Industries Limited	27	29
Total non-current assets available for sale	146	183
Loans and receivables		
Te Tumu investment (Note 37)	13,585	12,782
Unbilled recharges for TECT	209	0
Total loans and receivables	13,794	12,782
Total non-current other financial assets	13,940	12,965
Total other financial assets	13,940	12,965
Movement in other financial assets	975	422
Represented by:		
Change in fair value of shares	(37)	(113)
Change in fair value of loans	162	(791)
Change in fair value of other Financial Assets	125	(904)
Unrealised interest movement in Te Tumu	850	1,326
Total	975	422

18. Investments in associates

Accounting policy

An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint arrangement.

The Council's associate investment is accounted for in the financial statements using the equity method. The investment in an associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the Council's share of the 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 Council's financial statements.

If the share of deficits of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further deficits.

After the Council's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that 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.

	Actual 2024 \$'000	Actual 2023 \$'000
Share in associates		
Western Bay of Plenty Tourism and Visitors' Trust (50%)	429	512
Total share in associates	429	512
Movement	(83)	224

19. Investments in CCO's and other similar entities

	Actual 2024 \$'000	Actual 2023 \$'000
Bay of Plenty Local Authority Shared Services Limited BOPLASS Limited 9.7% share (2023 - 9.7%)	14	14
Waikato Local Authority Shared Services Limited (CO-Lab) 1 share of 2,186,581 shares	0	0
Civic Financial Services Limited 28,142 shares (2023 - no change) with a market value as at 30 June 2024 of \$0.93 per share (2023 - \$0.90)	26	25
Local Government Funding Agency Limited 3,731,958 shares 8.3% (2023 - 8.3%)	9,395	8,785*
Local Government Funding Agency Borrower Notes	2,175	1,474
Total Investment in Council Controlled Organisations (CCO's) and other similar entities	11,610	10,298

*Local Government Funding Agency shares were previously listed at book value and not fair value. These have now been restated to reflect their value.

*Refer to Note 2.

20. 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.

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

Infrastructure assets – Infrastructure assets are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at cost less accumulated depreciation and impairment losses. If the share of deficits of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further deficits.

After the Council's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that 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.

Revaluation

Land and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

Revaluation movements are accounted for on a class-of-asset basis.

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

Additions

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

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

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

Disposals

Gains and losses on disposals 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 those assets are transferred to accumulated funds.

Subsequent costs

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

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

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land, at rates that will write-off the cost (or valuation) of the assets 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:

20. Property, plant and equipment

Class of PP&E	Estimated useful life	Depreciation rates
Land and buildings		
Buildings	20 - 100 years	Straight line
Land	-	Not depreciated

Other operational assets	Estimated useful life	Depreciation rates
Plant and equipment	4 - 10 years	Diminishing value
Office equipment and furnishings	4 - 10 years	Diminishing value
Computer systems	2 - 5 years	Diminishing value
Motor vehicles	4 - 5 years	Diminishing value
Library books	10 - 15 years	Diminishing value

Infrastructural assets	Estimated useful life	Depreciation rates
Roading network		
Top surface (seal)	5 - 60 years	Straight line
Pavement (base course):		
Sealed	5 - 60 years	Straight line
Unsealed	3 - 5 years	Straight line
Other	5 - 70 years	Straight line
Formation	-	Not depreciated
Bridges	50 - 100 years	Straight line
Reticulation		
Water	15 - 80 years	Straight line
Sewerage	40 - 100 years	Straight line
Stormwater	70 - 120 years	Straight line
Treatment plants and equipment	5 - 80 years	Straight line

Other infrastructural assets	Estimated useful life	Depreciation rates
Reservoirs	80 - 100 years	Straight line
Dams	100 years	Straight line
Bores	100 years	Straight line
Coastal structures	5 - 75 years	Straight line

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

20. Property, plant and equipment

Impairment

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and 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 its value in use.

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

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

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at revalued amount, the reversal of an impairment loss is recognised in surplus or deficit.

2024	Operational assets				Infrastructure Assets				Restricted assets				
	Cost / revaluation 1 Jul 2023 \$'000	Accumulated depreciation and impairment charges 1 Jul 2023 \$'000	Carrying amount 1 Jul 2023 \$'000	Current year additions \$'000	Current year disposals \$'000	Current year transfers \$'000s	Current year vested \$'000	Current year impairment charges \$'000	Current year depreciation \$'000	Revaluation surplus \$'000	Cost / revaluation 30 Jun 2024 \$'000	Accumulated depreciation and impairment charges 30 Jun 2024 \$'000	Carrying amount 30 Jun 2024 \$'000
	61,602	0	61,602	0	0	(3,259)	0	0	0	0	58,343	0	58,343
Buildings	33,199	(443)	32,756	2,623	(2,824)	0	0	(585)	0	33,035	(1,065)	31,970	
Coastal marine	22,622	0	22,622	228	(3)	0	0	(832)	0	22,847	(832)	22,015	
Libraries	1,428	0	1,428	359	0	0	0	(127)	(245)	1,425	(11)	1,414	
Office equipment	10,804	(7,351)	3,453	956	(5)	0	0	(682)	0	11,754	(8,032)	3,721	
Plant and equipment	235	(180)	55	223	0	0	194	(12)	0	653	(192)	461	
Vehicles	3,206	(1,822)	1,384	700	(53)	0	0	(525)	0	3,469	(1,962)	1,507	
Total	133,096	(9,796)	123,299	5,090	(2,886)	(3,259)	194	(2,764)	(245)	131,526	(12,095)	119,431	
	38,090	0	38,090	3,690	(5,000)	0	0	0	0	36,780	0	36,780	
Buildings	4,342	(71)	4,271	0	0	0	0	(74)	0	4,342	(145)	4,197	
Water	166,361	(60)	166,301	5,869	0	0	922	(5,416)	0	173,152	(5,476)	167,676	
Stormwater	130,561	(234)	130,327	4,701	0	0	2,749	(1,859)	0	138,011	(2,093)	135,918	
Wastewater	184,755	(34)	184,721	878	0	0	1,513	(4,795)	0	187,145	(4,828)	182,317	
Land under roads	262,345	0	262,345	0	0	0	0	0	0	262,345	0	262,345	
Roading surface	631,283	(163)	631,120	10,003	0	0	0	(7,912)	(0)	640,499	(8,075)	632,424	
Roading other	98,255	(684)	97,572	1,988	0	0	0	(3,327)	0	100,243	(4,010)	96,233	
Total	1,515,992	(1,246)	1,514,747	27,128	(5,000)	0	5,183	(23,381)	(0)	1,542,516	(24,627)	1,517,890	
	137,657	0	137,657	825	(1,037)	0	0	0	0	137,445	0	137,445	
Buildings	29,739	1	29,741	5,185	(11)	0	0	(1,729)	1,156	35,708	(1,367)	34,342	
Improvements	9,708	(226)	9,481	800	(111)	0	0	(249)	0	10,394	(473)	9,921	
Total	177,104	(225)	176,879	6,810	(1,159)	0	0	(1,978)	1,156	183,547	(1,839)	181,708	
Work in progress	30,306	0	30,306	71,635	0	(43,655)	0	0	0	58,286	0	58,286	
Total	1,856,498	(11,267)	1,845,231	110,663	(9,045)	(46,914)	5,378	(28,123)	911	1,915,875	(38,561)	1,877,315	

2023	Accumulated depreciation and impairment charges		Carrying amount 1 Jul 2022 \$'000	Current year additions \$'000	Current year disposals \$'000	Current year transfers \$'000s	Current year vested \$'000	Current year impairment charges \$'000	Current year depreciation \$'000	Revaluation surplus \$'000	Cost / revaluation 30 Jun 2023 \$'000	Accumulated depreciation and impairment charges	
	1 Jul 2022 \$'000	1 Jul 2022 \$'000										30 Jun 2023 \$'000	30 Jun 2023 \$'000
Operational assets													
Land	61,602	0	61,602	0	0	0	0	0	0	0	61,602	0	61,602
Buildings	30,568	(40)	30,528	2,666	(29)	0	0	0	(463)	53	33,199	(443)	32,756
Coastal marine	18,075	(1,244)	16,831	205	0	0	0	0	(668)	6,255	22,622	0	22,622
Libraries	1,904	(405)	1,499	356	0	0	0	0	(168)	(260)	1,427	0	1,427
Office equipment	8,572	(7,020)	1,552	2,232	0	0	0	0	(331)	0	10,804	(7,351)	3,453
Plant and equipment	235	(174)	61	0	0	0	0	0	(5)	0	235	(180)	55
Vehicles	3,059	(1,751)	1,308	581	(74)	0	0	0	(431)	0	3,206	(1,822)	1,384
Total	124,015	(10,634)	113,380	6,040	(103)	0	0	0	(2,066)	6,048	133,095	(9,796)	123,299
Infrastructure Assets													
Land	36,645	0	36,645	1,445	0	0	0	0	0	0	38,090	0	38,090
Buildings	3,623	(2)	3,621	291	0	0	0	0	(72)	430	4,434	(71)	4,272
Water	122,348	(7,474)	114,874	4,476	0	0	389	0	(3,861)	50,424	166,362	(60)	166,302
Stormwater	124,092	(3,275)	120,817	1,713	0	0	649	0	(1,731)	8,880	130,561	(234)	130,327
Wastewater	143,061	(6,767)	136,294	503	0	0	413	0	(3,354)	50,864	184,754	(34)	184,720
Land under roads	262,345	0	262,345	0	0	0	0	0	0	0	262,345	0	262,345
Roading surface	596,987	(110)	596,877	17,835	0	0	483	0	(7,548)	23,474	631,283	(163)	631,120
Roading other	92,908	(468)	92,441	5,995	0	0	463	0	(3,156)	1,829	98,256	(684)	97,572
Total	1,382,009	(18,096)	1,363,913	32,258	0	0	2,397	0	(19,722)	135,901	1,515,994	(1,246)	1,514,748
Restricted assets													
Land	133,880	0	133,880	3,089	(330)	0	0	0	0	1,020	137,657	0	137,657
Buildings	23,050	(2,089)	20,961	1,016	0	0	0	0	(1,287)	9,050	29,739	1	29,741
Improvements	8,816	0	8,816	892	0	0	0	0	(226)	0	9,708	(226)	9,482
Total	165,745	(2,089)	163,656	4,995	(330)	0	0	0	(1,513)	10,070	177,104	(225)	176,879
Work in progress	20,558	0	20,558	53,870	0	(44,122)	0	0	0	0	30,306	0	30,306
Total	1,692,327	(30,819)	1,661,507	97,163	(433)	(44,122)	2,397	0	(23,301)	152,019	1,856,499	(11,267)	1,845,232

20. Property, plant and equipment

Core infrastructure asset disclosures - LG(FRP)R 6

Included within the Council infrastructure assets above are the following core assets:

	Carrying amount 30 June 2024	Additions: Constructed by Council	Additions: Transferred to Council	Carrying amount 30 June 2023
Water Supply - Treatment Plants and Facilities	36,685	3,364	135	34,601
Water Supply - Reticulation and other assets	130,991	2,505	787	131,700
Waterwater - Treatment Plants and Facilities	53,242	623	133	54,795
Waterwater - Reticulation and other assets	129,075	256	1,380	129,926
Stormwater	135,918	4,701	2,749	130,327
Roads and footpaths	728,657	11,991	0	728,692
	1,214,568	23,440	5,184	1,210,041

	Carrying amount 30 June 2023	Additions: Constructed by Council	Additions: Transferred to Council	Carrying amount 30 June 2022
Water Supply - Treatment Plants and Facilities	34,601	22	0	22,102
Water Supply - Reticulation and other assets	131,700	4,454	389	92,772
Waterwater - Treatment Plants and Facilities	54,795	473	0	35,166
Waterwater - Reticulation and other assets	129,926	30	413	101,128
Stormwater	130,327	1,713	649	120,817
Roads and footpaths	728,692	23,830	946	689,317
	1,210,041	30,521	2,397	1,061,302

20. Property, plant and equipment

Note disclosure

Property, plant, and equipment notes

- There were no assets lost or given up during the year
- Council has not pledged any property, plant or equipment as security for liabilities.

Land and buildings in the "Restricted Asset" 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 or buildings under a bequest or donation that restricts the purpose for which the assets can be used).

A 600m section of Te Puna Station Road valued at \$787,416 is not available for use and is impaired - writing down the asset to \$nil as at 1 July 2023.

Valuations

Operational and restricted land and buildings

At fair value, as determined from market based evidence assessed by an independent valuer (Opteon Solutions) as at 30 June 2024 and identified that a full revaluation was not required. The most recent full valuation was performed by Opteon was effective as at 30 June 2022.

Coastal and Marine Structures

At fair value determined on a depreciated replacement cost basis. Unit rates were reviewed by an Xyst, an independent consultant that specialises in these types of assets as at 30 June 2024. It was identified that a full revaluation was not required.

Infrastructural asset classes

Land

At fair value, as determined from market based evidence assessed by Opteon, an independent valuer as at June 2024 and identified that a full revaluation was not required. The most recent valuation was performed by Opteon Solutions and the valuation is effective as at 30 June 2022.

Wastewater

At fair value determined from market based evidence assessed by AECOM, an independent valuer as at 30 June 2024 and identified that a full revaluation was not required. The most recent valuation was performed by AECOM and the valuation is effective as at 30 June 2023.

Stormwater

At fair value determined from market based evidence assessed by AECOM, an independent valuer as at 30 June 2024 and identified that a full revaluation was not required. The most recent valuation was performed by AECOM and the valuation is effective as at 30 June 2023.

Water

At fair value determined from market based evidence assessed by AECOM, an independent valuer as at 30 June 2024 and identified that a full revaluation was not required. The most recent valuation was performed by AECOM and the valuation is effective as at 30 June 2023.

Roading

At fair value determined from market based evidence assessed by WSP, an independent valuer as at 30 June 2024 and identified that a full revaluation was not required. The most recent valuation was performed by WSP and the valuation is effective as at 30 June 2023.

Land and under roads

Land under roads was valued based on average land values of the comparable surrounding land within wards by Opteon Solutions, effective 1 July 2014. On transition to NZ IFRS Western Bay Council elected to use the fair value of land under roads as at 1 July 2017 as deemed cost. Land under roads is no longer revalued. Subsequent additions have been recorded at cost.

Vested infrastructural assets

Valued based on the actual quantities of infrastructural components vested and the current in-ground cost of providing identical services. Assets vested to Western Bay Council are recognised in the statement of comprehensive income as revenue and in the statement of financial position as property, plant and equipment.

21. Insurance of Assets

	Carry Amount 2024 \$'000	Insured Amount 2024 \$'000
Category A insurance contracts		
Water	167,676	346,880
Wastewater	182,317	296,339
Stormwater	135,918	201,002
Mobile plant and vehicles	1,507	2,429
Forestry	4,159	4,159
Total category A insurance contracts	491,577	850,809
Material damage cover		
Buildings	71,334	98,971
Parks and reserves	9,921	0
Coastal marine	22,015	0
Libraries	1,414	0
Office equipment	3,728	15,401
Plant and equipment	455	0
Total material drainage cover	108,867	114,372
Total category A insurance contracts	491,577	850,809
Total material damage contracts	108,867	114,372
Category A Total	600,444	965,181

	Carry Amount 2024 \$'000	Carry Amount 2023 \$'000
Category C self-insured assets		
Disaster Contingency Reserve	9,262	0
Land under roads	262,345	262,345
Roading - Other	96,233	93,124
Roading - Surfaces	632,424	599,024
Land	235,001	237,349
Category C Total	1,235,265	1,191,842

22. Intangible assets

There are no restrictions over the title of Western Bay's intangible assets, nor are any intangible assets pledged as security for liabilities.

Accounting policy

Purchased intangible assets are initially recognised at cost. For internally generated intangible assets, the cost includes direct employee costs, a reasonable portion of overhead and other direct costs that are incurred in the development phase of the asset.

Intangible assets acquired at no cost are initially recognised at fair value where they can be reliably measured. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses, if any.

Computer software

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs directly associated with the development of identifiable and unique software products are recognised as an asset.

Costs for the development of software code that enhances or modifies, or creates additional capability to existing onpremise systems are recognized as intangible software assets and amortised over the useful life of the software on a straight-line basis.

Software as a service (SaaS)

Costs incurred to configure or customize software in a cloud computing i.e. software-as-a-service (SaaS) arrangement are recognised as an expense when incurred.

Costs incurred to develop customisations to software that exists in a cloud environment may be recognized as an intangible asset only if sufficient recognition criteria are met, indicators of which include that the

Council controls the asset, the asset is identifiable and separable from the software and environment, and in the event that the asset may be made available to other users of the software then Council would be entitled to a share of revenue proceeds.

Staff training costs

Staff training costs are recognised as an expense when incurred.

Resource Consent

Costs incurred in obtaining resource consents are capitalised and classified as intangible assets. Costs are amortised on a straight line basis over the term granted by the resource consent and are stated at cost less accumulated amortisation and impairment losses.

Easements

Easements are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

22. Intangible assets

Amortisation

The carrying value of an intangible asset with a finite life is amortised based the Diminishing Value method over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. re derecognised when they are used to satisfy carbon emission obligations.

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

Class of intangible asset	Estimated useful life	Amortisation rates
Computer software	3 - 5 years	20% - 33.3%
Resource consents	Life of the asset	5%
Property subdivision rights	19 years	3% - 5%
Emissions trading scheme	-	Not amortised

Impairment of intangible assets

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

For further details, refer to the policy for impairment of property, plant, and equipment. The same approach applies to the impairment of intangible assets.

22. Intangible assets

Breakdown of intangible assets and further information

Movements in the carrying value for each class of intangible asset are as follows:

	Computer Software \$'000	Resource consents \$'000	Carbon Credits \$'000	Easements \$'000	Total \$'000
Balance at 1 July					
Cost	5,985	1,778	714	199	8,676
Valuation	0	0	1,850	1	1,851
Accumulated amortisation and impairment	(5,237)	(396)	0	0	(5,633)
Net book amount	748	1,382	2,564	200	4,894
Year ended 30 June 2023					
Opening net book amount	748	1,383	2,564	200	4,895
Additions	612	0	0	0	612
Impairment charge ***	0	0	0	0	0
Amortisation charge **	(377)	(65)	0	0	(442)
Gain/Loss	0	0	(1,181)	0	(1,181)
Disposal	0	0	0	0	0
Closing net book amount	983	1,318	1,383	200	3,884
At 30 June 2023					
Cost	6,597	1,778	714	199	9,288
Valuation	0	0	669	1	670
Accumulated amortisation and impairment	(5,614)	(460)	0	0	(6,074)
Net book amount	983	1,318	1,383	200	3,885
Year ended 30 June 2024					
Opening net book amount	983	1,318	1,383	200	3,885
Additions	191	0	0	0	191
Impairment charge	0	0	0	0	0
Amortisation charge	(600)	(64)	0	0	(664)
Gain/Loss	0	0	320	0	320
Disposal	0	0	0	(18)	(18)
Closing net book amount	574	1,254	1,703	182	3,714
At 30 June 2024					
Cost	6,788	1,778	714	181	9,461
Valuation	0	0	989	1	990
Accumulated amortisation and impairment	(6,212)	(524)	0	0	(6,736)
Net book amount	574	1,254	1,703	182	3,715

22. Intangible assets

Impairment

Easements

Easements are not cash-generating in nature as they give the Entity the right to access private property where infrastructural assets are located. As such, impairment of an easement is determined by considering the future service potential of the easement. No impairment losses have been recognised for easements, as they all have ongoing service potential.

Easements have been assessed as having an indefinite useful life because they provide the Entity with access to infrastructural assets for an indefinite time period.

Carbon credits

The Council considers that there is no impairment of carbon credits held, as they are expected to be fully utilised in satisfying carbon obligations from its forestry operations.

Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit for as long as the Emissions Trading Scheme is in place.

23. Forestry assets

Accounting policy

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle.

Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in surplus or deficit.

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

TECT Park Forest

TECT Park total forest stocked area is 456.4 ha across 39 stands. A further 288 ha (15 stands) are subject to forestry rights where the tree crop is not owned by Council.

Of the total forest stocked area owned by Council: 383 ha is in Pinus radiata, 26.4 ha is in Douglas fir and remaining 46.8 ha in other mixed species. Tree crop ages range from 1 to 30 years, with a weighted age of 14.7 years old.

After harvesting and revaluation in 2024, the total value for this forest is \$6.4m; which Council own 50% \$3.2m.

Matakana Island Forest

Council owns 48.9 ha of Pinus Radiata forest which are in two stands aged 13 and 21 years old with an weighted average age of 15 years.

After harvest and revaluation in 2024, the total value of this forest is \$464,661.

Lund Road Forest

Council owns 58.2 ha of Pinus Radiata forest which are in two stands aged 9 and 11 years old with an weighted average age of 9.4 years.

After harvest and revaluation in 2024, the total value of this forest is \$513,434.

Critical accounting estimates and assumptions

Independent registered valuer, Interpine Group Limited, valued Councils forestry assets as at 30 June 2024. This valuation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silviculture costs. It takes into consideration environmental, operational and market restrictions. The following significant valuation assumptions have been adopted in determining the fair value of forestry assets:

- Forests have been valued on a going concern basis and only includes the value of the existing crops on a single rotation basis.
- Costs applied are current average costs for established stands for immature stands costs are compounded at 3.4% (2023: 3.6%).
- Notional land rental costs have been included for freehold land.
- No allowance for inflation has been provided.
- No allowance has been made for cost improvements in future operations.
- Log prices are based on a twelve quarter rolling average to June 2024, and there are no restrictions on title.

A discount rate of 7.8% (2023: 7.3%) has been used to calculate the present value of expected cash flows.

23. Forestry assets

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, no measures have been taken to manage the risks of a decline in timber prices. The Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

Securities

There are no restrictions over the title of Western Bay Council's forestry assets, nor are any forestry assets pledged as security for liabilities.

	Actual 2024 \$'000	Actual 2023 \$'000
Balance at 1 July	8,266	8,938
Increase due to purchases	0	0
Gain/(losses) arising from changes in fair value attributable to:		
- physical changes	749	(498)
- price changes	(1,175)	404
Net gains/(losses)	(426)	(94)
Decreases due to sales	0	0
Decreases due to harvest	(3,681)	(578)
Balance at 30 June	4,159	8,266

24. Payables

Accounting policy

Short-term creditors and other payables are measured at the amount payable.

	Actual 2024 \$'000	Actual 2023 \$'000
Current		
Payables and accrued expenses	25,335	15,868
Bonds and deposits	1,763	1,990
Bay of Plenty Regional Council rates	561	557
Rates in advance	5,354	5,021
Other income in advance	1,901	1,580
Sundry payables	423	765
Total creditors and other payables	35,337	25,781
Exchange		
Trade payables	25,334	15,868
Other income in advance	1,901	1,580
Other payables	423	765
Total creditors and other payables from exchange transactions	27,658	18,213
Non-exchange		
Deposits and bonds	1,763	1,990
Bay of Plenty Regional Council rates	561	557
Rates in advance	5,355	5,021
Total creditors and other payables from non-exchange transactions	7,679	7,568
Total current creditors and other payables from exchange and non-exchange transactions	35,337	25,781

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

25. Borrowings and other financial liabilities

Accounting policy

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

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

	Actual 2024 \$'000	Actual 2023 \$'000
Current portion		
Secured		
Secured loans - fixed	10,000	10,000
Secured loans - floating	25,000	5,000
Total current secured loans	35,000	15,000
Total current borrowings	35,000	15,000
Non-current portion		
Secured		
Secured loans - fixed	15,000	0
Secured loans - floating	65,000	75,000
Total non-current secured loans	80,000	75,000
Total non-current borrowings	80,000	75,000
Total public debt	115,000	90,000

Interest terms and security for secured loans

Western Bay Council's secured debt of \$115.0m (2023: \$90.0m) is mostly issued at floating rates of interest, with interest rates reset quarterly based on the 90-day bank bill rate plus a margin for credit risk. This is converted to fixed rates through the use of interest rate swaps in line with Western Bay Council's adopted treasury policy.

Western Bay Council's secured floating debt of \$90m (2023: \$80m) is issued at an average margin of 61bps (2023: 58bps) above bank wholesale rates BKBM.

Council loans are secured over either separate or general rates of the District.

25. Borrowings and other financial liabilities

Fair values

Due to interest rates on floating rate debt resetting to the market rate every three months, the carrying amounts of secured loans approximate their fair value.

Maturity analysis and effective interest rate

Repayment Terms	Actual 2024 \$'000	Actual 2023 \$'000
Less than one year	35,000	15,000
Weighted average effective interest rate	6.02%	5.89%
Later than one year but no more than 5 years	70,000	75,000
Weighted average effective interest rate	6.23%	6.18%
Later than five years	10,000	0
Weighted average effective interest rate	5.28%	0%
	115,000	90,000
Interest rates		
Secured loans and debentures	6.09%	6.13%

Western Bay Council has elected not to hedge account for its derivative financial investments.

Western Bay Council manages its borrowings in accordance with its funding and financial policies, which includes a Borrowings Management Policy. These policies have been adopted as part of the Long Term Plan.

Credit standby arrangements

Council has a secured Bank overdraft facility. The maximum amount that can be drawn down against the overdraft facility is \$600,000 (2023: \$600,000). There are no restrictions on the use of this facility.

As at 30 June 2024 Western Bay Council had \$30.0 million of undrawn cash facilities available (2023: \$30.0 million).

Credit Rating

Western Bay of Plenty's credit rating is AA (long-term) and A-1+ (short-term) with a stable outlook. During the year Council received indication that a negative outlook may result at the next review.

26. Employee entitlements

Accounting policy

Short-term employee entitlements

Employee benefits that are expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

	Actual 2024 \$'000	Actual 2023 \$'000
Current portion		
Accrued Pay	611	903
Annual leave and accrued entitlements	3,212	3,328
Sick pay	(144)	(84)
Total current portion	3,679	4,147
Non-current portion		
Retirement gratuities	13	19
Total non-current portion	13	19
Total employee entitlements	3,692	4,166

27. Provisions

Accounting policy

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 or service potential 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 and

- discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash flows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs”.

	Actual 2024 \$'000	Actual 2023 \$'000
Current portion		
Landfill aftercare provision	(4)	15
Weatheright Homes Resolution Service	298	298
Legal claims	1,609	0
Total current portion	1,903	313
Non-current portion		
Landfill aftercare provision	272	262
Total non-current portion	272	262
Total provisions	2,175	575

Movements for each class of provision are as follows:

Council 2023	Landfill \$'000	Weatherightness \$'000	Legal Claims \$'000	Total \$'000
Balance at 1 July 2022	280	298	0	578
Additional provisions made	0	0	0	0
Amounts used	(3)	0	0	(3)
Balance at 30 June 2023	277	298	0	575

Council 2024	Employee benefits \$'000	Warranty \$'000	Legal Claims \$'000	Total \$'000
Balance at 1 July 2023	277	298	0	575
Additional provisions	26	0	1,609	1,635
Amounts used	(35)	0	0	(35)
Balance at 30 June 2024	268	298	1,609	2,175

Landfill aftercare costs

Western Bay Council gained resource consents to operate the Te Puke and Athenree landfills. Western Bay Council has a responsibility under the resource consents for closure of the landfills and to provide ongoing

maintenance and monitoring of the landfills after the sites are closed. The Te Puke landfill was closed in 1999 and the Athenree landfill in 2003.

27. Provisions

Western Bay Council's responsibilities include:

- closure costs
- final cover application and investigation
- incremental drainage control features
- facilities for leachate collection and monitoring
- facilities for water quality monitoring obligation.

Post closure costs include:

- treatment and monitoring of leachate
- groundwater surface monitoring
- implementation of remedial measures as needed for cover and control systems
- on-going life maintenance of drainage systems, final cover and vegetation

The estimated remaining liability for closure and post-closure of Athenree is \$158k (2023: \$151k) and for post-closure of Te Puke of \$0.11 million (2023: \$0.11 million) over the remaining life (Athenree 11 years, Te Puke 8 years) of the resource consents. This liability has been discounted back to a current value of \$0.28million (2023: \$0.28 million) using a discount rate of 5% (2023: 7%).

Weathertight Homes Resolution Services

Note 31 on pages 174-175 provides additional information regarding this provision.

28. Equity

Accounting policy

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into the following components:

- Accumulated funds
- Restricted reserves
- Property revaluation reserve
- Fair value through other comprehensive revenue and expense reserve

Restricted reserves

Restricted 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 the Council.

Restricted reserves include those subject to specific conditions 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 certain specified conditions are met. Also included in restricted reserves are reserves restricted 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 the Council.

Property revaluation reserves

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the effective portion of the cumulative net change in the fair value of assets classified through other comprehensive revenue and expense.

28. Equity

	Actual 2024 \$'000	Actual 2023 \$'000
Retained earnings	985,739	988,014
Reserves	807,398	809,523
Balance at 30 June	1,793,140	1,797,537

Retained earnings		
Balance at 1 July	988,014	961,220
Surplus/(deficit) for the year	(5,455)	16,836
Prior year adjustment	(788)	14
Net (decrease)/increase in reserves	(1,045)	9,489
Equity adjustment - asset reval	0	455
Transfer from asset revaluation reserve on asset disposal	5,013	0
Balance 30 June	985,739	988,014

(a) Reserves includes		
Asset revaluation reserves	774,341	778,443
Council created reserves	23,853	22,807
Restricted reserves	326	326
Other reserves - LGFA shares revaluation	7,529	6,919
Other reserves - carbon credits revaluation	1,349	1,028
Total reserves	807,398	809,523

The movements in each type of reserve are disclosed as follows:

Asset revaluation reserves		
Balance at 1 July	778,442	627,048
Change in asset value	911	151,408
Transfer to retained earnings on disposal of property	(5,013)	(14)
Balance at 30 June	774,341	778,442

This covers all assets that are revalued except for investment properties, carbon credits and LGFA shares.

28. Equity

Property revaluation reserves for each asset class consist of:

	Actual 2024 \$'000	Actual 2023 \$'000
Operational assets:		
- land	27,431	27,431
- buildings	9,136	10,360
- coastal marine	18,648	18,650
- library books	509	754
Infrastructural assets:		
- land	12,804	15,184
- buildings	2,566	2,566
- wastewater	112,382	112,382
- water supply	109,066	109,066
- stormwater	67,772	67,772
- roading reserves	68,500	68,500
- roading surface	235,407	236,195
- other roading	39,405	39,405
Restricted assets:		
- land	51,866	52,483
- buildings	6,589	6,588
- improvements	12,260	11,109
Total Property Revaluation Reserves	774,341	778,443
Council created reserves		
Balance at 1 July	22,807	32,129
Transfers from: Accumulated funds	8,612	8,409
Transfers to: Accumulated funds	(7,566)	(17,731)
Balance at 30 June	23,853	22,807
Restricted reserves		
Balance at 1 July	326	306
Transfers to: Accumulated funds	0	0
Transfers from: Accumulated funds	0	20
Balance at 30 June	326	326
Other reserves - LFGA shares revaluation		
Balance at 1 July	6,919	6,813
Fair value gains/(losses)	609	107
Balance at 30 June	7,529	6,919
Other reserves - carbon credits revaluation		
Balance at 1 July	1,028	2,209
Fair value gains/(losses)	320	(1,181)
Balance at 30 June	1,348	1,028

29. Reserve funds

Restricted reserves

Restricted reserves have been established from public bequests and are only able to be spent in the manner specified by the donor.

Reserve Name 2024	Purpose	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
Hunter Estate	Established from bequest made in the late 1980s. The funds can only be spent on capital expenditure in Katikati as detailed in our Reserve Management Plans.	44	0	0	44
l'Anson Park Trust	The accumulated interest is available for both operational and capital expenditure undertaken in the Te Puna area.	10	0	0	10
Hastie Bequest	The principle settlement amount of \$100,000 is maintained and the interest can be used for TePuke area library purchases.	262	0	0	262
CE Millar Estate	The interest on the capital of \$9,763 is available for the beautification of Katikati.	10	0	0	10
		326	0	0	326

Reserve Name 2023	Purpose	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
Hunter Estate	Established from bequest made in the late 1980s. The funds can only be spent on capital expenditure in Katikati as detailed in our Reserve Management Plans.	44	0	0	44
l'Anson Park Trust	The accumulated interest is available for both operational and capital expenditure undertaken in the Te Puna area.	10	0	0	10
Hastie Bequest	The principle settlement amount of \$100,000 is maintained and the interest can be used for TePuke area library purchases.	242	19	0	262
CE Millar Estate	The interest on the capital of \$9,763 is available for the beautification of Katikati.	10	0	0	10
		306	19	0	326

29. Reserve funds

Council created reserves

We have five community boards but not all of our District is covered by these boards. The Community Board rate is a Fixed amount for their community board area of benefit. The level of rating is determined based on the expected expenditure of the Board and may vary between Boards. Any unspent money at year end is transferred to the respective community board reserve account. Reserve funds can only be used for capital, one-off, or non-recurring expenditure items or grants.

Other Community reserves

General approach

These reserves have been established to accumulate sufficient funds to allow for planned expenditure (per the Long Term Plan) in particular areas, often for town centre development. The funding is provided by way of targeted rates.

Reserve Name 2024	Opening balance	Transfers in	Transfers out	Closing balance
	1 July 2023 \$'000	2023/24 \$'000	2023/24 \$'000	30 June 2024 \$'000
Waihi Beach Community Board	148	20	(4)	164
Katikati Community Board	69	31	0	100
Ōmokoroa Community Board	221	32	0	253
Te Puke Community Board	133	31	0	164
Maketu Community Board	157	14	0	171
Total Community Board reserves	728	128	(4)	852

29. Reserve funds

Reserve Name 2024	Purpose	Activity	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
Katikati Development Fund	Set up several years ago in anticipation of the Katikati By-pass impacts on the town and to provide funding for main street improvements and encourage business development in Katikati.	Planning for the future	17	1	0	18
Waihi Beach Town Centre Development	For town centre development	Economic Development	465	28	(9)	484
Katikati Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise	Economic Development	474	146	0	620
Ōmokoroa Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise.	Economic Development	119	7	(8)	118
Te Puke Town Centre Development	For town centre development	Economic Development	88	5	(13)	80
Pukehina Beach Development	Pukehina ratepayers are paying an annual rate of \$20 as a contribution towards a potential future sewerage scheme for the area.	Planning for the future	528	26	0	554
Pukehina Beach Protection Reserve	Beach nourishment and protection.	Planning for the future	254	41	0	295
General Town Centre Development Reserve	For town centre development	Planning for the future	225	176	(1)	402
Total other Community reserves			2,172	430	(31)	2,571
Total other community reserves b/down			2,172	430	(31)	2,571
Total community board reserves b/down			728	128	(3)	853
Total Community Board and other Community reserves			2,900	558	(34)	3,424

29. Reserve funds

Reserve Name 2023	Opening balance	Transfers in	Transfers out	Closing balance
	1 July 2022 \$'000	2022/23 \$'000	2022/23 \$'000	30 June 2023 \$'000
Waihi Beach Community Board	137	17	(6)	148
Katikati Community Board	78	21	(30)	69
Ōmokoroa Community Board	184	37	0	221
Te Puke Community Board	100	36	(3)	133
Maketu Community Board	184	56	(83)	157
Total Community Board reserves	683	167	(122)	728

29. Reserve funds

Reserve Name 2023	Purpose	Activity	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
Katikati Development Fund	Set up several years ago in anticipation of the Katikati By-pass impacts on the town and to provide funding for main street improvements and encourage business development in Katikati.	Planning for the future	17	1	0	18
Waihi Beach Town Centre Development	For town centre development	Economic Development	440	25	0	465
Katikati Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise	Economic Development	514	15	(55)	474
Ōmokoroa Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise.	Economic Development	339	4	(224)	119
Te Puke Town Centre Development	For town centre development	Economic Development	19	69	0	88
Pukehina Beach Development	Pukehina ratepayers are paying an annual rate of \$20 as a contribution towards a potential future sewerage scheme for the area.	Planning for the future	512	16	0	528
Pukehina Beach Protection Reserve	Beach nourishment and protection.	Planning for the future	282	10	(38)	254
General Town Centre Development Reserve	For town centre development	Economic Development	0	226	0	226
Total other Community reserves			2,123	366	(317)	2,172
Total other community reserves b/down			2,123	366	(317)	2,172
Total community board reserves b/down			683	167	(122)	728
Total Community Board and other Community reserves			2,806	533	(439)	2,900

29. Reserve funds

Financial Contribution reserves

These are specific reserves that must be applied for a particular purpose and under specific criteria or qualifying conditions. These reserves are not cash reserves.

Reserve Name 2024	Purpose	Activity	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
Ecological financial contributions - capital	Financial contributions split into capital and operational components that are to be spent based on Council's annually approved ecological education programme. Capital expenditure must be by Council resolution and satisfy criteria for privately owned land. Operational expenditure is based on the prior year's closing operations balance available.	Natural Environment and Sustainable Living	306	0	0	306
Ecological financial contributions - operational	As above	Natural Environment and Sustainable Living	701	126	0	827
Parks and Community financial contributions	To provide for teaching and public education/awareness raising purposes.	Recreation and OpenSpace	3,391	1,974	(1,463)	3,902
Parking space financial contributions	Provided from financial contributions from developers in the urban areas where they cannot provide public car parks themselves.	Regulatory	50	0	0	50
Lynley Park wastewater remedial	Established from money received from Durham Properties Limited, to be used to fund any infrastructure failures in the Lynley Park Development.	Wastewater	427	0	0	427
Total Financial Contribution reserves			4,875	2,100	(1,463)	5,512

29. Reserve funds

Reserve Name 2023	Purpose	Activity	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
Ecological financial contributions - capital	Financial contributions split into capital and operational components that are to be spent based on Council's annually approved ecological education programme. Capital expenditure must be by Council resolution and satisfy criteria for privately owned land. Operational expenditure is based on the prior year's closing operations balance available.	Natural Environment and Sustainable Living	306	0	0	306
Ecological financial contributions - operational	As above	Natural Environment and Sustainable Living	738	211	(247)	702
Parks and Community financial contributions	To provide for teaching and public education/awareness raising purposes.	Recreation and OpenSpace	6,142	3,175	(5,927)	3,390
Parking space financial contributions	Provided from financial contributions from developers in the urban areas where they cannot provide public car parks themselves.	Regulatory	50	0	0	50
Lynley Park wastewater remedial	Established from money received from Durham Properties Limited, to be used to fund any infrastructure failures in the Lynley Park Development.	Wastewater	414	13	0	427
Total Financial Contribution reserves			7,650	3,399	(6,174)	4,875

29. Reserve funds

General reserves

These are reserves established for specific purposes.

Reserve Name 2024	Purpose	Activity	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
Community Discretionary	For any under spent expenditure at year end.	Communities	14	0	0	14
General Rate	For the accumulation of any net surplus arising from accounts that are general rate funded each year. Deficits are not permitted in this reserve.	All	1,885	5,087	(6,234)	738
Re-budgeted Reserve	To allow for the adjustment of timing and cost to Council's capital work programme.	All	0	180	(247)	(67)
Environmental Protection Rate	For the accumulation of any net surplus arising from the Environmental Protection Rate account Deficits are not permitted in this reserve.	All	103	0	(133)	(30)
Traffic and parking general	Holds the percentage balance of Council-issued infringement notice fines that were not payable to the Government as part of the legislation during the 1980s. Correspondence has not resolved whether the balance is still payable to the Government. No cash is held.	Regulatory	186	0	0	186
Total general reserves			2,188	5,267	(6,614)	841

29. Reserve funds

Reserve Name 2023	Purpose	Activity	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
Community Discretionary	For any under spent expenditure at year end.	Communities	14	0	0	14
General Rate	For the accumulation of any net surplus arising from accounts that are general rate funded each year. Deficits are not permitted in this reserve.	All	4,924	1,461	(4,500)	1,885
Re-budgeted Reserve	To allow for the adjustment of timing and cost to Council's capital work programme.	All	1,237	0	(1,237)	0
Environmental Protection Rate	For the accumulation of any net surplus arising from the Environmental Protection Rate account. Deficits are not permitted in this reserve.	All	696	0	(593)	103
Traffic and parking general	Holds the percentage balance of Council-issued infringement notice fines that were not payable to the Government as part of the legislation during the 1980s. Correspondence has not resolved whether the balance is still payable to the Government. No cash is held.	Regulatory	186	0	0	186
Total general reserves			7,057	1,461	(6,330)	2,188

29. Reserve funds

Special reserves

Reserve Name 2024	Purpose	Activity	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
Special reserves - disaster contingency	Council's infrastructure self-insurance fund provided from the sale of power company shares in the 1990s. Council's policy is to self insure based on the premise that commercial infrastructure insurance is not available. <?>Major infrastructure, apart from District roading is geographically dispersed throughout our District (primarily stand-alone sewerage and water schemes) and the likelihood of failure of this entire infrastructure at once is assessed as very low	Communities	9,263	0	0	9,263
Matakana Island Trust Reserve	Funds available to be used for the improvements to the Matakana Island community	Planning for the Future	259	0	0	259
Corporate and property assets	For any surplus arising from the corporate property/land purchase account.	Support services	603	282	(446)	439
Weatheright homes	To settle potential weathertightness claims that may arise.	Regulatory	260	0	0	260
Panepane Point	For reserves improvements to planting and forestry including roads, carparks and barge access.	Reserves	246	0	(12)	234
Te Tawa ki Tahataharoa Reserve	For improvements to wetland restoration and associated infrastructure in conjunction with Pirirakau hapu.	Reserves	150	0	0	150
Waihi Beach Dam Forestry Reserve	For funding Waihi Beach trail costs.		107	0	0	107
Total Special reserves			10,888	282	(458)	10,712

29. Reserve funds

Reserve Name 2023	Purpose	Activity	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
Special reserves - disaster contingency	Council's infrastructure self-insurance fund provided from the sale of power company shares in the 1990s. Council's policy is to self insure based on the premise that commercial infrastructure insurance is not available. <?>Major infrastructure, apart from District roading is geographically dispersed throughout our District (primarily stand-alone sewerage and water schemes) and the likelihood of failure of this entire infrastructure at once is assessed as very low	Communities	9,263	0	0	9,263
Matakana Island Trust Reserve	Funds available to be used for the improvements to the Matakana Island community.	Planning for the Future	259	0	0	259
Corporate and property assets	For any surplus arising from the corporate property/land purchase account.	Support services	603	0	0	603
Weathertight homes	To settle potential weathertightness claims that may arise.	Regulatory	251	9	0	260
Panepane Point	For reserves improvements to planting and forestry including roads, carparks and barge access.	Reserves	283	9	(46)	246
Te Tawa ki Tahataharoa Reserve	For improvements to wetland restoration and associated infrastructure in conjunction with Pirirakau hapu.	Reserves	156	5	(11)	150
Waihi Beach Dam Forestry Reserve	For funding Waihi Beach trail costs.		0	107	0	107
Total Special reserves			10,815	130	(57)	10,888

29. Reserve funds

Asset replacement reserves

General approach

Depreciation charged is transferred to the specified reserves detailed below and accumulated so that the interest earned on the reserves capital is available for asset replacement/renewals. The replacement/renewals programme is based on the renewals planned in our asset management plans. The reserves are not held as cash reserves.

Reserve Name 2024	Activity	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
Asset Replacement - computers	Support Services	(1,873)	982	(408)	(1,299)
District Reserves	Support Services	2,172	1,229	(620)	2,781
Huharua Sub Regional Park	Recreation and Open Space	289	15	0	304
TECT Park	Recreation and Open Space	1,410	263	(377)	1,294
Asset Replacement - office buildings	Recreation and Open Space	(902)	485	(545)	(962)
Asset Replacement - vehicles	Support Services	(1,005)	658	(822)	(1,169)
Asset Replacement - civil defence - vehicle	Communities	138	45	0	183
Asset replacement - telemetry	Communities	56	0	0	56
Asset replacement - swimming pool	Recreation and Open Space	28	951	(286)	693
Asset replacement - library books	Communities	2,196	187	(369)	2,014
Asset replacement - cemetery	Communities	341	12	0	353
Asset replacement - Coastal Marine	Recreation and Open Space	(893)	0	0	(893)
Total Asset Replacement reserves		1,957	4,827	(3,429)	3,355

29. Reserve funds

Reserve Name 2023	Activity	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
Asset Replacement - computers	Support Services	(594)	308	(1,587)	(1,873)
District Reserves	Support Services	2,039	704	(571)	2,172
Huharua Sub Regional Park	Recreation and Open Space	266	22	0	289
TECT Park	Recreation and Open Space	1,274	135	0	1,410
Asset Replacement - office buildings	Recreation and Open Space	(185)	451	(1,167)	(902)
Asset Replacement - vehicles	Support Services	(799)	410	(616)	(1,005)
Asset Replacement - civil defence - vehicle	Communities	134	4	0	138
Asset replacement - telemetry	Communities	97	4	(45)	56
Asset replacement - swimming pool	Recreation and Open Space	(73)	101	0	28
Asset replacement - library books	Communities	2,271	256	(331)	2,196
Asset replacement - cemetery	Communities	316	25	0	341
Asset replacement - Coastal Marine	Recreation and Open Space	(947)	466	(413)	(893)
Total Asset Replacement reserves		3,801	2,886	(4,730)	1,957

29. Reserve funds

Total Council created reserves

	Opening balance 1 July 2023 \$'000	Transfers in 2023/24 \$'000	Transfers out 2023/24 \$'000	Closing balance 30 June 2024 \$'000
2024				
Community Board and other Community reserves	2,900	558	(34)	3,424
Financial Contribution reserves	4,875	2,100	(1,463)	5,512
General reserves	2,188	4,529	(6,614)	103
Current accounts	0	0	0	0
Special reserves	10,888	282	(458)	10,712
Asset Replacement reserves	1,957	4,827	(3,429)	3,355
Total Council Created reserves - 2024	22,808	12,296	(11,998)	23,106
	Opening balance 1 July 2022 \$'000	Transfers in 2022/23 \$'000	Transfers out 2022/23 \$'000	Closing balance 30 June 2023 \$'000
2023				
Community Board and other Community reserves	2,806	533	(439)	2,900
Financial Contribution reserves	7,650	3,399	(6,174)	4,875
General reserves	7,057	1,461	(6,330)	2,188
Special reserves	10,815	130	(57)	10,888
Asset Replacement reserves	3,801	2,886	(4,730)	1,957
Total Council Created reserves - 2023	32,129	8,409	(17,730)	22,808

30. Capital commitments and operating leases

Accounting policy

Finance leases

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

At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

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

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

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Capital commitments

Capital commitments represent capital expenditure contracted for at balance date, but not yet incurred.

	Actual 2024 \$'000	Actual 2023 \$'000
Capital commitments		
Buildings	6,277	985
Coastal marine	128	0
Water	1,337	208
Wastewater	7,045	3,120
Stormwater	2,271	2,668
Roading	14,754	31,029
Total capital commitments	31,812	38,010

Operating leases as lessee

Western Bay Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months.

The future aggregate minimum lease payments payable under noncancellable operating leases are as noted below:

	Actual 2024 \$'000	Actual 2023 \$'000
Operating leases		
Not later than one year	116	60
Later than one year and not later than two years	95	56
Later than two years and not later than five years	244	169
Later than five years	1,820	1,876
Total non-cancellable operating leases	2,275	2,161

30. Capital commitments and operating leases

Leases can be renewed at Western Bay Council's option, with rents set by reference to current market rates for items of equivalent age and condition.

There are no restrictions placed on the Western Bay of Plenty District Council by any of the leasing arrangements.

No contingent rents have been recognised during the year (2023: nil)

In July 2021 Western Bay Council entered into a five year contract with Envirowaste Ltd for the provision of kerbside waste services. The value of the contract as of 30 June 2024 is \$26.14 million.

As part of these contracts there is ongoing performance and condition monitoring to ensure compliance with the key deliverables and performance of the contract. Failure to meet the deliverables and performance required can lead to termination of the contract.

Other Commitments - roading network and utilities maintenance contracts

In July 2021, Western Bay Council entered into a five year contract with Downer Ltd for the provision of maintenance and professional services to the utilities network. The value of the contract as of 30 June 2024 is \$40.00 million.

31. Contingencies

Contingent liabilities

Contingent liabilities include those items where a liability may be incurred if certain events or outcomes occur, or where a present obligation exists but the extent of the liability cannot be measured reliably for recognition in the financial statements.

	Actual 2024 \$'000	Actual 2023 \$'000
Building Act claims	0	3,000
Weathertight Homes Resolution Service (WHRS)	0	0
Total contingent liabilities	0	3,000

Building Act claims

The Building Act 2004 imposes certain obligations and liabilities on local authorities with respect to the issue of building consent and inspection of work done. At the date of this report there is a no claims with potential liabilities (2023: 3,000,000) under the Act indicating.

Bay of Plenty District Council as well as other parties. There are a total of two claims that are still open as at balance date (2023: 3).

The costs of any successful claims against Western Bay with a claim date of 30 June 2009 or earlier are expected to be substantially covered under Western Bay's insurance policies, subject to an excess of \$50,000 per claim.

Unquantified claims

There were no additional claims lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2024 (2023: Nil). There are two claims relating to weather-tightness issues of homes in the Western Bay of Plenty District area and name Western

Any costs associated with a successful claim received after 1 July 2009 will be entirely met by Western Bay.

31. Contingencies

Share of associates' contingent liability

There are no shared contingent liabilities associated with any associates of Council.

New Zealand Local Government Funding Agency (LGFA)

Western Bay of Plenty District Council is a shareholder of The New Zealand Local Government Funding Agency Limited. Refer to Note 19. This entity was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. Standard and Poors have given the entity a credit rating of AA+ which is equal to the New Zealand Government sovereign rating.

As at 30 June 2024 there were 31 (2023: 31) shareholders made up of 30 local authorities and the Crown.

All 30 local authority shareholders have uncalled capital equal to their individual shareholding totalling \$20 million in aggregate which can be called on if an imminent default is identified. At year end, New Zealand Local Government Funding Agency had liabilities totalling \$23bil (2023: \$18bil).

Riskpool

Western Bay of Plenty 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.

32. Prior year adjustments

There was a prior period adjustment of \$6.9m to reflect the fair value of Council's investment in the Local Government Funding Agency. Refer Basis of preparation note on page 118 for details.

33. Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship and are on terms and conditions no more or less favourable than those that it is reasonable to expect the Western Bay Council would have adopted in dealing with the party at arm's length in the same circumstances.

	Actual 2024 \$'000	Actual 2023 \$'000
Transactions with Councillors and key management personnel compensation		
Councillors		
Full-time equivalent members	11	12
Salaries and other short-term employee benefits	680	722
Council also pays \$52,000 in communication and travel allowances to the Councillors which is separate to their remuneration.		
Senior Management Team, including the Chief Executive		
Full-time equivalent members	5	5
Salaries and other short-term employee benefits	1,558	1,449
Total full-time equivalent personnel	16	17
Total Councillors and senior management remuneration	2,238	2,171

Key management personnel include the Chief Executive Officer and other senior management personnel. Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors. An analysis of Councillor remuneration and further information on Chief Executive remuneration is provided in Note 34.

34. Remuneration

Chief Executive

The Chief Executive of Western Bay of Plenty District Council under section 42 of the Local Government Act 2002 received a salary of \$374,042 (2023: \$356,412).

In terms of the contract, the Chief Executive also received the following additional benefits:

	2024 Actual \$	2023 Actual \$
Salary	374,042	356,412
Employer contributions to KS superannuation	11,221	10,692
Vehicle (market value plus FBT)	12,245	22,937
Other benefits (including medical insurance)	4,197	0
Total remuneration	401,705	390,041

Councillors	2024 Actual \$	2023 Actual \$
Coxhead, Tracey	45,322	28,700
Crawford, Richard	36,606	32,184
Dally, Grant Ronald	45,322	41,397
Dean, Mark	0	13,766
Denyer, James Edward	142,613	112,499
Grainger, Murray	53,094	44,087
Gray, Monique Anne (previously Lints, Monique Anne)	0	12,697
Henry, Anne Moreen	45,322	41,397
Joyce, Rodney Laurence	45,322	28,700
Marsh, Kevin Alexander	0	13,766
Murray-Benge, Margaret Elizabeth	53,094	44,087
Scrimgeour, John Robert	70,020	56,237
Sole, Allan	45,322	41,397
Thwaites, Donald Alan	53,094	46,581
Webber, Garry John	0	41,619
Wichers, Andrew Albertus	45,322	28,700
Councillors total	680,453	627,814

Council also pays \$52,000 in communication and travel allowances to the Councillors which is separate to their remuneration.

34. Remuneration

Community Board	Actual 2024 \$	Actual 2023 \$
Anaru, William Ra	0	922
Beech, Shane William	0	1,844
Bell, Benjamin Trevor	4,250	2,845
Chauhan, Neena	4,305	0
Clements, John Richard	11,713	9,150
Corbett, Phillip Rewi	3,101	2,076
Earl, Andrew Stuart	5,856	3,922
Ellis, Kassie Dawn	11,713	9,150
Evans, John Graeme	0	1,264
Goudie, Ross	9,646	8,969
Guptill, Heather Marie	4,822	3,230
Haray, Neil Bronte	0	1,742
Hopping, Tippianny Anne	3,101	2,076
Hughes, Allan Dennis	4,250	2,845
Hulme, Robert Leigh	0	1,434
Kurtovich, Alan	717	3,230
Mayo, Norman	5,856	3,922
Neilsomn, Greig Antony	3,427	2,845
Paudel, Anish	0	3,922
Presland, Peter John	8,498	6,638
Rae, Laura Andrea	6,200	4,843
Roberts, Marilyn Kathleen	0	1,434
Rolleston, Tupaea James	0	1,742
Ryan, Donald Clement	0	1,434
Sage, Derek Keith	0	1,264
Sage, Teresa	5,856	6,449
Simpson, Danielle	4,822	3,230
Simpson, Stephan	0	922
Snell, Dale	5,856	5,664
Stevenson, Wayne	2,239	0
Summerhays, Karen Mary	5,856	3,922
Sutherland, Katherine Netta	0	1,742
Walters, Donna-Marie Rangimarie	3,101	2,076
Warren, Benjamin Christian	0	3,484
Community Board total	115,185	110,232

34. Remuneration

Remuneration Scale	Actual 2024	Actual 2023
<\$60,000	43	42
\$60,000 - \$79,999	76	94
\$80,000 - \$99,999	79	77
\$100,000 - \$119,999	67	48
\$120,000 - \$139,999	36	24
\$140,000 - \$159,999	18	12
\$160,000 - \$179,999	6	6
\$180,000 - \$299,000	8	8
\$400,000 - \$499,000	1	1
Total employees	334	312

Total remuneration includes non-financial benefits provided to employees.

At balance date, the Council employed 267 (2023: 253) full-time employees, with the balance of 67 staff representing 41.8 (2023: 59) full-time equivalent employees.

A full-time employee is determined on the basis of a 40-hour working week.

35. Severance payments

For the year ended 30 June 2024 Western Bay of Plenty District Council made one (2023: one) severance payment to employees totalling \$35,000 (2023: \$12,000).

36. Events occurring after the balance date

There were no events which have caused significant impacts on the essential services of the organisation since balance date.

37. Financial instruments

The Council's activities expose it to a variety of financial risks (market risk, liquidity risk and credit risk). The Council's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council. The Council uses derivative financial instruments such as interest rate swaps and forward foreign exchange contracts to hedge certain risk exposures.

Te Tumu Financial Instruments

In 2007, Western Bay of Plenty District Council and Tauranga City Council (TCC) together acquired a block of land referred to as Te Tumu. This land was purchased with the condition of providing the vendor the option to acquire it sometime from December 2016 to December 2026. The rationale for the councils purchasing the land was to ensure development of this land was consistent with the SmartGrowth strategy. With this purchase of land, the vendor has the right to use the land in its undeveloped state until December 2016 (extendable annually for a further ten years). As Western Bay Council does not have the right to use this land over this period, it is not recognised as a traditional land purchase in the Western Bay Council's accounts.

Instead, this transaction gives rise to the creation of a financial asset where Western Bay Council has a right to receive cash when the vendor exercises their option to repurchase the property. This asset is recognised as an interest free loan. If the vendor does not exercise their right, the land reverts to Western Bay Council and will be recognised as land in Western Bay Council's accounts.

In the 2013 financial year, the value of the loan was determined based on the underlying "fair value" of the land. Western Bay Council assumed that due to the general slowdown in growth at that time,

the option would not be exercised in 2016. The Western Bay Council extended its assumptions and the exercise of the option to the end of the 10-year period.

However, in December 2016, the vendor indicated that they would exercise the option prior to 2026.

In addition, a property subdivision right has been recognised. This represents the right the Western Bay Council has obtained in ensuring development of this land is consistent with SmartGrowth. The initial impairment of the loan has been recognised as the amount payable for the right to use the land in its undeveloped state, which in turn created a "Property Subdivision Right" asset. The subdivision right was recognised as an intangible asset and amortised over the period the vendor was expected to exercise their option to repurchase the property. Refer Note 22 Intangible Assets.

This intangible asset was measured as the difference between the amount paid by the Western Bay Council for this land and the present value of the future cash flow discounted on the option if exercised, at the difference in rate between the investment finance rate of 11.5% and the agreed rate of 7.5%.

During December 2020 Council entered into an unconditional agreement to dispose of its interest in Te Tumu to Tauranga City Council. This sale is backed by a registered loan, which requires Tauranga City Council to settle the full value of the loan by December 2026.

37. Financial instruments

a. Fair value estimation

Fair value hierarchy

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 instruments with quoted prices for identical instruments in active markets.
- 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 valued using models where all significant inputs are observable.

- Valuation techniques with significant non-observable inputs (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 in the statement of financial position:

30 June 2024	Total \$'000	Quoted market price \$'000	Observable inputs \$'000	Significant non-observable inputs \$'000
Financial assets				
Te Tumu investment	13,585	0	0	13,585
NZ Local Government Funding Agency Limited	9,395	0	9,395	0
Local authority stock	40	40	0	0
Shares	146	146	0	0
Derivatives	2,019	0	2,019	0
Total financial assets	25,185	186	11,414	13,585

30 June 2023	Total \$'000	Quoted market price \$'000	Observable inputs \$'000	Significant non-observable inputs \$'000
Financial assets				
Te Tumu investment	12,782	0	0	12,782
NZ Local Government Funding Agency Limited	8,785	0	8,785	0
Local authority stock	39	39	0	0
Shares	183	183	0	0
Derivatives	2,580	0	2,580	0
Total financial assets	24,369	222	11,365	12,782

37. Financial instruments

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	2024 \$'000	2023 \$'000
Balance at 1 July	12,782	12,249
Gain and losses recognised in the surplus or deficit	803	533
Reversal of impairment	0	0
Balance at 30 June	13,585	12,782

b. Financial instrument risk

Western Bay Council has a series of policies to manage the risks associated with financial instruments. Western Bay Council is risk averse and seeks to minimise exposure from its treasury activities. Western Bay Council has established Council approved liability management and investment policies. These policies do not allow any transactions to be entered into that are speculative in nature.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Western Bay Council is exposed to equity securities price risk on its investments. This price risk arises due to market movements in listed securities. This price risk is managed by diversification of Western Bay Council's investment portfolio in accordance with the limits set out in Western Bay Council's investment policy.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Western Bay Council purchases plant and equipment associated with the construction of certain infrastructural assets from overseas, which require it to enter into transactions denominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

It is the Western Bay Council's policy to manage foreign currency risks arising from contractual commitments and liabilities that are above \$100,000 by entering into forward foreign exchange contracts to manage the foreign currency risk exposure. This means the Western Bay Council is able to fix the New Zealand dollar amount payable prior to delivery of the plant and equipment from overseas.

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. Borrowings and investments issued at fixed rates of interest expose the Western Bay Council to fair value interest rate risk. Western Bay Council's liability management policy is to maintain a certain level of its borrowings in fixed rate instruments. Interest rate swaps are entered into to hedge the fair value interest rate risk arising from Western Bay Council's borrowings to ensure they remain within these limits.

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 Western Bay Council to cash flow interest rate risk.

Generally, Western Bay Council raises long-term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cashflow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if Western Bay Council borrowed at fixed rates directly. Under the interest rate swaps, Western Bay Council agrees with other parties 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.

37. Financial instruments

Credit risk

Credit risk is the risk that a third party will default on its obligation to Western Bay Council, causing Western Bay Council to incur a loss. Due to the timing of its cash inflows and outflows, Western Bay Council invests surplus cash into term deposits and local authority stock which gives rise to credit risk. Western Bay Council's investment policy limits the amount of credit exposure to anyone financial institution or organisation. Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the Western Bay Council only invests funds with entities that have a Standard and Poor's or Moody's credit rating of A- or above for long-term investments.

Western Bay Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk.

Maximum exposure to credit risk

The maximum credit risk exposure for each class of financial instrument is as follows:

	2024	2023
	\$'000	\$'000
Cash at bank and term deposits	10,975	15,140
Debtors and other receivables	18,531	17,409
Local authority, CCO's (or similar) and shares	186	222
New Zealand Local Government Funding Agency - borrower notes	2,175	1,474
Derivative financial instruments	2,019	2,580
Financial instruments	13,585	12,782
Total credit risk	47,471	49,607

37. Financial instruments

Credit quality of financial assets

	2024 \$'000	2023 \$'000
COUNTERPARTIES WITH CREDIT RATINGS		
Cash at bank and term deposits		
A-1+	10,975	15,140
Total cash at bank and term deposits	10,975	15,140
Local authority and government stock		
AA+	2,175	1,474
A	26	25
Total local authority and government stock	2,201	1,499
Derivative financial instruments		
AA-	2,019	2,580
Total derivative financial instruments	2,019	2,580
Financial instrument assets		
No rating	13,585	12,782
Total financial instrument assets	13,585	12,782
COUNTERPARTIES WITHOUT CREDIT RATINGS		
Existing assets with no defaults in the past		
Existing assets with no defaults in the past	160	197
Total existing assets with no defaults in the past	160	197
Receivables		
Existing counterparty with no defaults in the past	18,531	17,409
Total credit risk	47,471	49,607

Debtors and other receivables mainly arise from Western Bay 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. Western Bay 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 Western Bay Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Western Bay Council will encounter difficulty raising liquid funds to meet commitments as they fall due.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Western Bay Council aims to maintain flexibility in funding by keeping committed credit lines available.

Western Bay 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 Western Bay Council's Long Term Plan. Western Bay Council has a maximum amount that can be drawn down against its overdraft facility of \$600,000 (2023: \$600,000).

There are no restrictions on the use of this facility.

37. Financial instruments

Contractual maturity analysis of financial liabilities

The table below analyses Western Bay Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	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
Council 2024						
Creditors and other payables	29,983	29,983	29,983	0	0	0
Secured loans	115,000	132,161	36,281	27,749	55,028	13,103
Total	144,983	162,144	66,264	27,749	55,028	13,103
Council 2023						
Creditors and other payables	20,760	20,760	20,760	0	0	0
Secured loans	90,000	104,432	15,729	27,705	60,998	0
Total	110,760	125,191	36,489	27,705	60,998	0

Contractual maturity analysis of financial assets

	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
Council 2024						
Cash and cash equivalents	10,975	10,975	10,975	0	0	0
Debtors and other receivables	18,531	18,531	18,531	0	0	0
Net settled financial instruments	13,585	13,585	0	0	13,585	0
Net settled derivatives	2,019	2,019	54	0	1,745	220
Other financial assets:						
- Term deposits with original maturities of greater than 3 months and remaining maturities of less than 12 months	0	0	0	0	0	0
- Local authority and government stock	11,610	11,610	0	0	0	11,610
Total	56,720	56,720	29,560	0	15,330	11,830
Council 2023						
Cash and cash equivalents	15,140	15,140	15,140	0	0	0
Debtors and other receivables	17,409	17,409	17,409	0	0	0
Net settled financial instruments	12,782	12,782	0	0	12,782	0
Net settled derivatives	2,580	2,580	0	280	593	1,707
Other financial assets:						
- Term deposits with original maturities of greater than 3 months and remaining maturities of less than 12 months	0	0	0	0	0	0
- Local authority and government stock	10,298	10,298	0	0	0	10,298
Total	58,209	58,209	32,549	280	13,375	12,005

37. Financial instruments

Sensitivity analysis

The tables below illustrate the potential effect on the surplus or deficit and equity (excluding accumulated funds) for reasonably possible market movements, with all other variables held constant, based on the Western Bay Council's financial instrument exposures at balance date.

2024	-100bps Surplus \$'000	-100bps Other equity \$'000	+100bps Surplus \$'000	+100bps Other equity \$'000
INTEREST RATE RISK				
Financial assets				
Cash and cash equivalents	(110)	0	110	0
Financial instruments	(136)	0	136	0
Derivatives - interest rate swaps	451	0	3,529	0
Other financial assets:				
- Local authority stock	0	(22)	0	22
Financial liabilities				
Borrowings:				
- debentures	(900)	0	900	0
Total sensitivity to interest rate risk	(695)	(22)	4,675	22

2023	-100bps Surplus \$'000	-100bps Other equity \$'000	+100bps Surplus \$'000	+100bps Other equity \$'000
INTEREST RATE RISK				
Financial assets				
Cash and cash equivalents	(151)	0	151	0
Financial instruments	(128)	0	128	0
Derivatives - interest rate swaps	629	0	4,448	0
Other financial assets:				
- Local authority stock	0	(15)	0	15
Financial liabilities				
Borrowings:				
- debentures	(800)	0	800	0
Total sensitivity to interest rate risk	(450)	(15)	5,527	15

37. Financial instruments

2024	-10% Surplus \$'000	-10% Other equity \$'000	10% Surplus \$'000	10% Other equity \$'000
EQUITY PRICE RISK				
Financial assets				
Other financial assets:				
- Quoted share investments	0	(3)	0	3
Total sensitivity	0	(3)	0	3
<hr/>				
2023	-10% Surplus \$'000	-10% Other equity \$'000	10% Surplus \$'000	10% Other equity \$'000
EQUITY PRICE RISK				
Financial assets				
Other financial assets:				
- Quoted share investments	0	(3)	0	3
Total sensitivity	0	(3)	0	3

Explanation of sensitivity analysis

Cash and Cash equivalents

Cash and cash equivalents include deposits on call totalling \$10,975,000 (2023: \$15,140,226) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$100,975 (2023: \$151,402).

Financial instruments

Financial instruments include Te Tumu land purchase totalling \$13.59m (2023: \$12.78m). A movement in interest rates of 1.0% has an effect of \$135,855 (2023: \$127,800) on the unrealised value of the financial instruments.

Local authority stocks

A total of \$2,175,000 (2023: \$1,474,000) of investments in local authority stock are classified at fair value through equity. A movement in interest rates of plus or minus 1.0% has an effect of \$21,750 (2023: \$14,740) on the fair value through other comprehensive income reserve.

Financial assets

Derivative financial assets not hedge accounted includes interest rate swaps with a fair value totalling \$2.02m (2023: \$2.58m). A movement in interest rates of plus 1.0% has an effect of increasing the swap value to \$3.529m (2023: \$4.448m). A movement in interest rates of minus 1.0% has an effect of reducing the swap value by \$1.568m (2023: \$1.951m).

Debentures - secured loans

Council has floating rate debt with a principal amount totalling \$90.0 million (2023: \$80.0m). A movement in interest rates of plus or minus 1.0% has an effect on interest expense of \$900,000 (2023: \$800,000). A movement in market interest rates on fixed rate debt does not have any impact because secured loans are accounted for at amortised cost using the effective interest method.

Listed shares

Western Bay holds equity instruments in Zespri Group Limited valued at \$119,000 (2023: \$154,000) and Seeka Kiwifruit Industries Limited valued at \$26,500 (2023: \$29,000). Zespri shares are not publicly traded, however Seeka shares are publicly traded. If there was a movement of plus or minus 10% in the share price the effect would be a movement in the fair value through other comprehensive income reserve of \$2,650 (2023: \$2,900).

Creditors and other payables

Trade payables do not include any foreign currency denominated payables in relation to plant and equipment purchases. Therefore there is no currency price risk and no movement under sensitivity analysis.

37. Financial instruments

c. Financial instrument categories

The accounting policies for financial instruments have been applied to the line items below:

	2024 \$'000	2023 \$'000
FINANCIAL ASSETS		
Fair value through other comprehensive revenue and expense		
Derivatives that are not hedge accounted		
Derivative financial instrument assets	2,019	2,580
Total derivatives that are not hedge accounted	2,019	2,580
Loans and receivables		
Cash and cash equivalents	10,975	15,140
Debtors and other receivables	18,531	17,409
Other financial assets:		
Te Tumu investment	13,585	12,782
LGFA Borrower Notes	2,175	1,474
Total loans and receivables	45,266	46,805
Fair value through other comprehensive revenue and expense		
Other financial assets:		
Local authority stock	40	39
Listed shares	146	183
New Zealand Local Government Funding Agency	9,395	8,785
Total fair value through other comprehensive revenue and expense	9,581	9007
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Creditors and other payables	29,983	20,760
Borrowings:		
Secured loans	115,000	90,000
Total financial liabilities at amortised cost	144,983	110,760

38. Capital management

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

The Local Government Act 2002 (the Act) requires the Western Bay 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 Act and applied by the Western Bay Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Western Bay Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Western Bay Council has in place asset management plans for all major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Western Bay 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 Act sets out the factors that the Western Bay Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the LTP.

Western Bay 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 generally can only be approved by Western Bay Council.

Trust and bequest reserves are set up where Western Bay 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 for which they were donated.

39. Explanation of major variances against budget

Explanations for major variations from Western Bay Council's estimated figures in the Annual Plan 2023/24 and 2024 actuals are as follows:

Statement of Comprehensive Income

Actual 2024 deficit of (\$5.5) million versus budget surplus of \$32.1 million. An unfavourable variance of \$37.7 million.

Total revenue was \$14.9 million less than budget. Total expenditure was \$22.7 million higher than budget.

The major contributors to the variance are noted as follows:

	Variances \$'000	Explanation
Revenue variances		
Fees and charges	(215)	Fees and charges were lower than budget due to slowing down of building activities specifically with a decrease of 32% in building consents, 60% in R1 building consents, and 19% decrease in resource consents. These were offset by an insurance recover of \$1.8m. Increased revenue was seen across Waste fees and Refuse Tag income compared to budget.
Rates revenue	(3,139)	Rates revenue is lower than budget due to an over accrual in the prior year, lower than planned penalties due to the late setting of rates in the prior year, and rates remissions.
Financial contributions	(1,210)	Financial contributions were lower than budget due to slowing down of resource consent activities resulting in only 90% of budget being achieved.
Subsidies and grants	(22,324)	Subsidies and grant income was lower than budget due to timing of key capital project including milestones for Waka Kotahi NZ Transport Agency subsidies.
Finance revenue	1,624	Finance revenue was higher than budget due to higher than planned interest income as a result of higher interest rates.
Other revenue	10,447	Other revenue was higher than budget mainly due to higher than planned vested assets and gains on asset disposals and revaluation gains.
Total revenue variances	(14,817)	
Expenditure variances		
Other expenditure	21,581	Other expenses were higher than budget due to higher costs associated with delivering operational contracts and service level improvement costs, at inflation driven higher costs. Specifically including loss on sale of property, loss on revaluation of forest, cost of harvest, and asset impairment.
Personnel costs	(295)	Personnel costs was higher than budget as a result of increased workloads through new initiatives and new services which were not budgeted.
Depreciation and amortisation	2,033	Depreciation and amortisation costs were higher with impairment costs recognised for the Te Puke No. 4 Bridge, which were not budgeted.
Finance costs	(645)	This is a result of lower than expected borrowing.
Total expenditure variances	22,674	
Statement of financial position variances		
Current Assets variances	(14,555)	Collections have been slower than budgeted resulting in increased debtors and lower cash balances.
Non-Current Assets variances	115,408	Property, plant and equipment has been impacted by favourable revaluations plus additions resulting from completed projects.
Current Liabilities variances	41,898	Accounts Payable were higher than budget at year end with recent completion of projects. Borrowings net of cash were \$104m against budget or \$101m, however classifications of \$35m of borrowings to Current lifted this area of the Statement.
Non-Current Liabilities variances	(67,830)	Borrowings net of cash were \$104m against budget or \$101m, however classifications of \$35m of borrowings to Current reduced Non-Current Borrowings to \$80m against budget of \$141m.
Equity variances	126,786	Actual net equity was slightly higher at \$1.8 billion in 2024 compared to budget of \$1.7 billion.

Council controlled organisations

Council controlled organisation - Bay of Plenty Local Authority Shared Services Limited (BOPLASS Limited)

The Council controlled organisation was formally established in January 2008. The company was set up by the eight local authorities in the Bay of Plenty region to foster collaboration between councils in the delivery of services particularly back office or support services. Gisborne District Council joined BOPLASS Limited during the 2009/10 financial year.

	Actual 2024 \$'000	Actual 2023 \$'000
Financial performance for the year ended 30 June 2024		
Revenue	2,461	1,927
Expenditure	(2,462)	(1,951)
Surplus/(deficit) before tax	(1)	(24)
Net surplus/(deficit) year	(1)	(24)
Total assets	1,609	2,704
Total liabilities	1,581	2,691

As a Council Controlled Organisation, Bay of Plenty Local Authority Shared Services Limited (BOPLASS Limited) is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The company is governed by a Board of Directors being the Chief Executives of the constituent local authorities.

Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2023-2026 and associated budget formally adopted by the directors by resolution.

From pages 192-197 is a report of performance against targets set in the Statement of Intent for 2023/26.

Council controlled organisations

BOPLASS Performance targets for 2023/2024

Outcomes	Measures	Result
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	<p>Achieved</p>	<p>Contracts negotiated and/or renewed for:</p> <p>VertiGIS Studio - Contracts for Geocortex Essentials and Analytics were renewed as the newly rebranded product VertiGIS Studio. BOPLASS councils continue to benefit for the renewed collective contract through reduced pricing and collective training.</p> <p>Aerial Imagery - Two BOPLASS tenders were awarded to Aerial Surveys Ltd for rural orthophotography covering Taup6, Rotorua and Western Bay of Plenty regions, and urban imagery for the Gisborne region.</p> <p>The Tauranga City interim flying programme was awarded to Woolpert NZ Ltd, including specific requirements for the capture of high growth areas.</p> <p>Inter-Council Network (ICN)- Following the expiry of the initial 24-month agreement for ICN services with Kordia, BOPLASS renegotiated the agreement for a further 12 months, achieving a reduction in cost of approximately 19% for these services. The Kordia service covers the primary connectivity to the ICN for councils. Councils are currently investigating using the ICN for CCTV services between councils as part of the BOPLASS CCTV project.</p> <p>Zoom Video Conferencing Services (VC)- BOPLASS has managed a Zoom video conference service for councils for several years. This was renegotiated and renewed by BOPLASS this year on behalf of the councils. While Microsoft Teams appears to be becoming the primary VC platform for most councils' internal communications, many use Zoom for their councillors and governance teams.</p> <p>Health & Safety Management Software- BOPLASS renegotiated the collective contract with Damstra (ex-Vault) as H&S management software provider for the BOPLASS and Waikato councils.</p> <p>GIS software and services -</p> <ul style="list-style-type: none"> • NZ Archaeological Association • FME Software • ESRI Enterprise Licensing Agreement <p>Contracts renegotiated and renewed - no alternative suppliers.</p> <p>My Everyday Wellbeing- BOPLASS renewed the agreement for the staff online wellbeing platform. Discounted pricing is provided to BOPLASS as a single entity, allowing all participating councils to benefit for the associated savings. Increased participation from MW LASS, CO-Lab and BOPLASS councils has resulted in further financial savings for the collective.</p> <p>Media Copyright Agency (MCA)-A collective contract providing savings for all BOPLASS councils has been renewed with MCA (originally PMCA) for councils' print and media copyright services.</p> <p>Sole NZ provider for print and media copyright services.</p>

Council controlled organisations

BOPLASS Performance targets for 2023/2024

Outcomes	Measures	Result
<p>Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.</p> <p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated.</p> <p>Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>	<p>Achieved</p>	<p>Cyber Insurance - BOPLASS was able to facilitate the renewal of councils' cyber insurance policies on favourable terms with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated through the collective approach.</p> <p>Cyber cover is an annual agreement the requires going to market every year.</p> <p>n3- Collective purchasing group membership negotiated by BOPLASS. Councils achieve significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same discounted rates.</p> <p>Sole NZ provider.</p> <p>Standards NZ - BOPLASS has renewed the agreement with Standards NZ for discounted access to the full Standards catalogue at significantly reduced pricing for all BOPLASS councils.</p> <p>No alternative provider in NZ.</p> <p>NAMS+ Subscription- BOPLASS renewed the collective NAMS+ agreement with discounted rates for BOPLASS councils.</p> <p>No alternative provider in NZ.</p> <p>IPWEA Membership-The institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2023 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at a heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements.</p> <p>No alternative provider in NZ.</p> <p>GIS Training - BOPLASS coordinated specialized GIS training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p> <p>The new procurement initiatives which have been investigated during the year are as follows:</p> <p>Internal Audits- BOPLASS completed a review of councils' internal audit services requirements with the intention of undertaking a collective procurement process on behalf of BOPLASS councils. Through the procurement process, BOPLASS identified that the Ministry of Business Innovation and Employment (MBIE) has an All of Government (AoG) panel contract available to Local Authorities that covers most councils' requirements. BOPLASS recommended that councils give consideration to the AoG Consultancy Services contract for the provision of the internal audit services. Given the variations of councils' internal audit requirements, the diversity of the AoG panel and the ease of take up of the contract was suitable for most councils' requirements.</p>

Council controlled organisations

BOPLASS Performance targets for 2023/2024

Outcomes	Measures	Result
		<p>Schedule of Values (SOVs)- Data Enhancement - BOPLASS has been investigating options for improving councils' SOVs. Accurate schedules are demanded by insurance underwriters and directly reflect on the premiums councils will be charged. They are also essential in avoiding potential exposure to shortfalls or losses at the time of an insurance claim. Working with our brokers, we have engaged Harmonic Analytics to develop a methodology to produce accurate SOVs. This project is being underwritten by Aon as a pilot for two councils. The project will save BOPLASS councils significant time, reduce costs, improve data quality, and reduce the likelihood of assets being missed off schedules.</p> <p>Above Ground Earthquake Loss Modelling- The existing BOPLASS Material Damage placement does not have an overarching loss limit, making it less attractive to underwriters. BOPLASS engaged Aon to undertake a high-level loss modelling exercise to determine and set appropriate loss limits for the region and for the BOPLASS councils.</p> <p>Business Continuity Planning - BOPLASS councils are working together to further improve business interruption processes from a technology perspective. The catalyst for this work was the learnings from Cyclone Gabrielle, with this invaluable information shared within IT Managers Group to assist all councils.</p> <p>Project still underway.</p> <p>Protected Disclosures - With many councils reviewing their Protected Disclosures policies and processes, BOPLASS is coordinating a workgroup to share information and help develop best practice.</p> <p>Project still underway.</p> <p>GIS Technical Advisory Group (GIS TAG) - GIS team leaders recognised the benefit in GIS technical staff establishing a forum to develop opportunities and share learnings at a practitioner level. In addition to sharing expertise and learnings, the technical group have investigated the development of further system commonality across councils. While common platforms support improved sharing opportunities and joint procurement of software, they also help enable councils to provide GIS support to each other in civil defence events.</p> <p>CCTV monitoring - BOPLASS secured \$1M co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the installation of CCTV cameras and monitoring services as a key initiative to help reduce retail crime and create safer communities. This project has been completed in conjunction with NZ Police, with improved CCTV cameras and monitoring achieved for all Bay of Plenty councils.</p>

Council controlled organisations

BOPLASS Performance targets for 2023/2024

Outcomes	Measures	Result
		<p>Waste Operator and Licensing Data System - Information Management System - BOPLASS facilitated an extensive tender for an Information Management System (IMS), with Water Outlook appointed as the provider for the delivery of the IMS. Water Outlook provides existing water services to many BOPLASS and Waikato councils and their proposal allows for an extension of the existing software into waste services requirements.</p> <p>The single shared service provides standardization across all regions, improved waste data, and savings through a centralized service.</p> <p>The project covers all BOPLASS and Co-Lab councils. However, strong interest has been expressed from councils outside the LASS councils with further growth expected with the established service.</p> <p>Waste Operator and Licensing Data System (WOLDS) - Administration Service - BOPLASS is investigating options for the delivery of the Administration Service. The Administration Service will streamline and centralise waste operators, and significantly reduce much of the workloads for councils, while ensuring councils still retain control over the service.</p> <p>Project is currently underway.</p> <p>Infrastructure Insurance - Placements for BOPLASS councils' infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils' infrastructure insurance were undertaken in late 2023 through direct engagement with the international markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Given the continued global increase in natural disaster events, underwriters remain very risk adverse and demanding in the level of data and information they require. Through providing up to date and accurate information, and being able to leverage off our established relationships, very good outcomes were achieved for all BOPLASS councils, in both insurance rates and the level of cover achieved. Insurers continue to demonstrate support for the BOPLASS programme; however, councils are encouraged to continue reviewing alternate risk transfer options.</p> <p>Media Monitoring Services - BOPLASS facilitated a secondary procurement process for media monitoring services and social listening services. Fuseworks were awarded the contract and appointed as Preferred Supplier to BOPLASS councils. The collective contract provides significant savings and a range of new services for all participants. Social listening services require specific tools for identifying and analysing online conversations to help better understand sentiments within council communities.</p>

Council controlled organisations

BOPLASS Performance targets for 2023/2024

Outcomes	Measures	Result
<p>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</p> <p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration. Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>	<p>Achieved</p>	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision to utilise these opportunities to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> • Debt Management • Archives • Building Consent services • Health and Safety Training <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> • Waste Operator and Licensing Data System • H&S management system • Staff wellbeing portal • Regional contractor database • Rates collections • Inter-council secondments • Insurance Markets Joint Communications • Occupational Health Services <p>Managing Conflict & Aggression - Addressing aggressive behaviour continues to be a challenge for councils and for the BOPLASS Health & Safety Advisory Group. Working in collaboration with Waikato councils and other Council-Controlled Organisations (CCOs) has allowed the group to share resources between regions ensuring best practice is shared and developed to the benefit of all parties.</p> <p>Motor Vehicle Monitoring - MW LASS identified four vehicle monitoring providers used across their LASS and extended an invitation for the BOPLASS and Waikato councils to participate in presentations from these organisations.</p> <p>LGOIMA Requests - BOPLASS councils have collaborated to draft appropriate responses to LGOIMA requests to reduce duplication of effort and ensure best practice is established and shared. This project is to be extended across the other two LASS and possibly more widely within local government.</p> <p>Health and Safety Training - BOPLASS and Co-Lab have established aligned contracts with H&S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it has agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils.</p>

Council controlled organisations

BOPLASS Performance targets for 2023/2024

Outcomes	Measures	Result
<p>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of Listed projects to increase by 5% per year.</p> <p>Number of active users to increase by 5% per year.</p>	<p>Achieved</p>	<p>Insurance Forum - BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by councils from throughout the upper and central North Island.</p> <p>Engagement with other LG Collaborative Groups - BOPLASS continues to offer support to other local government collaborative groups looking to leverage benefits from working collectively.</p> <p>Collaborative projects continue to be added to the MahiTahi LG Collaboration Portal, along with several specific Teams or Channels established for confidential projects being run outside of the main Portal.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 5% increase in registered users with users increasing from 485 to 507.</p> <p>On-boarding and training material has been developed for creating a smooth transition for any new members.</p> <p>The Te Uru Kahika hub (regional and unitary councils) has continued to grow and is hosted within the same environment as the MahiTahi Collaboration Portal.</p> <p>There are now over 2,800 users within the wider portal.</p>
<p>Communicate with each shareholding council at appropriate Levels.</p> <p>Meeting with members of Executive Leadership Team.</p> <p>At Least one meeting per year.</p>	<p>Achieved</p>	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p> <p>In addition, BOPLASS chairs and coordinates meetings and activities for specific council advisory groups that manage or lead new collaborative initiatives. These groups generally comprise of managers from each council.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	<p>Achieved</p>	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2024: (\$1,323) deficit.</p>

Council controlled organisations

New Zealand Local Government Funding Agency Limited (LGFA)

The Council controlled organisation was formally established in December 2011. The company was set up by the eighteen local authorities and the Crown to provide debt funding to local authorities in New Zealand.

As a Council Controlled Organisation, New Zealand Local Government Funding Agency Limited (LGFA) is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The company is governed by a Board of Directors.

	Actual 2024 \$'000	Actual 2023 \$'000
Financial performance for the year ended 30 June 2024		
Revenue	21,803	11,642
Expenditure	(11,753)	(9,138)
Surplus/(deficit)	10,050	2,504
Total assets	23,507,816	18,175,645
Total liabilities	23,394,625	18,068,797

Statement of Intent and Performance

The Statement of Intent is prepared in accordance with section 64(1) of the Local Government Act 2002 (LGA) and is for the three-year period 1 July 2023 to 30 June 2026.

On pages 199-200 is a report of performance against targets set in the Statement of Intent for 2023/24.

Council controlled organisations

LGFA Performance targets for 2023/2024

Outcomes	Measures	Result
Comply with the Shareholder Foundation Policies and the Board approved Treasury Policy at all times.	No breaches.	LGFA has met this performance measure for 2023/24.
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.	LGFA has met this performance measure for 2023/24. LGFA's ratings remain equivalent to the New Zealand Government for both S&P Global Ratings and Fitch Ratings. Fitch Ratings affirmed our long-term domestic and foreign currency credit rating as AA+ in October 2023. S&P Global Ratings affirmed their domestic currency credit rating at AAA and foreign currency rating at AA+ in February 2024.
LGFA's total operating income for the period to 30 June 2024.	> \$20.6 million	LGFA has met this performance measure for 2023/24. LGFA's total operating income was \$20.9 million as at 30 June 2024, excluding unrealized gains/losses on hedged foreign currency issuance.
LGFA's total operating expenses for the period to 30 June 2024.	< \$10.0 million.	LGFA has not met this performance measure for 2023/24. LGFA's Operating expenses were \$11.8 million at 30 June 2024. The significant contributor was Approved Issuer Levy (AIL) payments totalling \$1.98 million (2023: \$0.56 million). The significant increase in AIL is due to out insurance of AUD bonds and USD Euro Commercial Paper (ECP).
Share of aggregate long-term debt funding to the Local Government sector.	> 80%	LGFA has met this performance measure for 2023/24. LGFA had 90% share of the Local Government Sector as at 30 June 2024.
Total lending to Participating Borrowers	> \$17,870 million	LGFA has met this performance measure for 2023/24. LGFA had \$20,549 million in total lending as at 30 June 2024.
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score	LGFA has met this performance measure for 2023/24. LGFA had 93% satisfaction score in August 2023 Stakeholder Survey.
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%	LGFA has met this performance measure for 2023/24.
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%	LGFA has met this performance measure for 2023/24.
Review each Participating Borrower's financial position.	100%	LGFA has met this performance measure for 2023/24.
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%	LGFA has met this performance measure for 2023/24.
Comply with the Health and Safety at Work Act 2015.	No breaches	LGFA has met this performance measure for 2023/24. LGFA has not had any breaches.
Maintain Toitū Carbon Zero certification.	Carbon-zero certification maintained.	LGFA has met this performance measure for 2023/24. Toitū Net Carbon-zero recertification approved in August 2024.

Council controlled organisations

LGFA Performance targets for 2023/2024

Outcomes	Measures	Result
Meet reduction targets outlined in our carbon reduction management plan.	Reduction targets met.	LGFA has met this performance measure for 2023/24. GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions from different gases. GHG emissions against targets are reported in the 2024 LGFA Climate-Related Disclosures, which are available on the LGFA website.
Increase their GSS lending book and Climate Action.	Two new GSS loans undertaken. Three new borrowers approved for CAL.	LGFA has not met this performance measure for 2023/24. LGFA have only undertaken one new GSS loan. LGFA has met this performance measure for 2023/24. LGFA have four new borrowers approved for CAL.
Ensure Annual Report is prepared in compliance with applicable GRI Standards	100%	Target superseded. Commencing with the 2024 Annual Report, LGFA is required to meet the requirements of the XRB Climate-Related Disclosure (CRD) standards. Given the significance of the CRD standards, we have replaced reporting under the GRI standards with compliance with the CRD standards
Met all mandatory climate reporting standards	100%	LGFA has met this performance measure for 2023/24.

Council controlled organisations

Western Bay of Plenty Tourism and Visitors Trust (Tourism Bay of Plenty)

Tourism Bay of Plenty is a Council Controlled Organisation of both the Tauranga City Council (TCC) and Western Bay of Plenty District Council and was formally established in July 2002.

As a Council Controlled Organisation, Tourism Bay of Plenty is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The Trust is governed by a Board of Trustees.

	Actual 2024 \$'000	Actual 2023 \$'000
Financial performance for the year ended 30 June 2023		
Revenue	3,524	4,430
Expenditure	(3,697)	(4,020)
Net surplus/(deficit) for the year	(174)	410
Total assets	1,694	1,731
Total liabilities	836	706

Statement of Intent and Performance

The Trust has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2023/26 and associated budget formally adopted by the company. On page 202 is a report of performance against targets set in the Statement of Intent for 2023/24.

Council controlled organisations

Tourism Bay of Plenty Performance targets for 2023/2024

Outcomes	Measures	Result
Economic		
Growing the economic value of the tourism industry.	Monitor and report on changes in visitor spend to YE June 2023 and use the information to set new goals for future years.	Achieved. In the YE June 2023, visitor spend in Te Moananui ā Toi the Coastal Bay of Plenty was up 8% compared to YE June 2022, and up 17% compared to the YE June 2019 (pre-COVID-19). Goals to continue to grow domestic and international visitor spend have been set for the next financial year.
Environmental		
Improving the environmental wellbeing of the region through environmental sustainability and regeneration projects.	A total of 40 tourism or hospitality businesses to complete The Green Room programme during the year.	Achieved. A total of 51 tourism and hospitality businesses participated in The Green RoomTe Ruma Kākāriki programme during the YE June 2023.
Cultural		
Improving the cultural wellbeing of the community through tourism.	Managed online gallery and associated ambassador app content, integrating cultural narrative with key destination messaging.	Achieved. TBOP worked in partnership with Tauranga City Council to develop a cultural intelligence app. This digital platform includes regional history, stories, key information, experiences, significant sites and more. The app has been developed and is undergoing beta testing as of June 2023. The plan is to launch the app during Te Wiki o te Reo Māori in September 2023.
Social		
Enhancing the value tourism brings to the community (according to the community).	Implemented actions identified from TBOP's community perceptions survey to help enhance the perceived value of tourism to the community. Measured by 68% or more residents agreeing that tourism has a positive impact on the community.	Not Achieved. Tauranga City Council: 64% agree. Down 4% compared to the Jul-Dec 2021 result and compared to the goal of 68%. Western Bay of Plenty District Council: 71% agree. Up 9% compared to Jul-Dec 2021 and exceeded goal of 68%. Whakato.ne District Council: 72% agree. Up 3% compared to YE Dec 2021 result.
TBOP team		
Enhancing the value tourism brings to the community (according to the community).	Employee Engagement score: at least 70% of employees are 'happy' or 'very happy' working at TBOP.	Achieved. Employee Engagement score: 77% of the team are 'happy' or 'very happy' working at TBOP. Target exceeded by 7%.
Destination Management		
Elevate the region's cycling offering.	Promoted the Flavours of Plenty Festival to help sell 80% of festival event tickets.	Not Achieved. Over 4,000 Flavours of Plenty Festival event tickets were sold. This equates to 56% of overall tickets available, shy of the targeted 80%. This was primarily due to Large events that are difficult to sell out, such as First We Eat, choosing to come under the Flavours of Plenty Festival banner. More than 5,000 people attended Festival events (both ticketed and un-ticketed).
Promote the destination to our target markets (outdoor adventurers, surf and beach Lovers, cultural explorers, and eco-travellers)	Identify effective channels for marketing to international and domestic audiences to ensure value for money.	Achieved. TBOP has consistently reviewed reach, engagement (quantity and quality), and EAV (where possible) of various marketing channels, both domestically and internationally. This has resulted in a more targeted approach for international marketing and trade, a stronger focus on digital channels, and the ability to selectively pursue media opportunities that have a worthwhile potential return on the investment.

Council controlled organisations

Waikato Local Authority Shared Services Limited (CO-Lab)

Local Authority Shared Services Limited was incorporated in December 2005, and changed its name to Waikato Local Authority Shared Services Limited (WLASS) in April 2016. WLASS is owned by 12 local authorities. WLASS provides a legal entity, representative of all the shareholding councils, which can enter into contracts and agreements with external suppliers and provide value to the shareholders by reducing costs.

WLASS contracts are available to be joined by any shareholder that so chooses.

Western Bay District Council became a shareholder in 2023.

	Actual 2024 \$'000	Actual 2023 \$'000
Financial performance for the year ended 30 June 2024		
Revenue	9,845	9,101
Expenditure	(10,564)	(8,595)
Surplus/(deficit) before tax	(720)	505
Net surplus/(deficit) for the year	(720)	505
Total assets	5,299	5,600
Total liabilities	3,523	3,103

Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2023/24 and associated budget formally adopted by the company.

From pages 204-205 is a report of performance against targets set in the Statement of Intent for 2023/24.

Council controlled organisations

CO-Lab Performance targets for 2023/2024

Outcomes	Measures	Result
<p>Priorise and develop business cases for opportunities that, if implemented, add value to councils by achieving one or more of our objectives.</p>		
Business cases will include measurable benefits linked to one or more of the outcomes sought.	Projected savings to councils of \$300K+	<p>Unable to currently measure. Co-Lab advanced various opportunities during the period:</p> <p>Proposal delivered to councils:</p> <ul style="list-style-type: none"> RATA Spaces & Places (service subsequently established) Project Management shared service (project closed with no service established) <p>Project closed before proposal or business case:</p> <ul style="list-style-type: none"> Parking enforcement shared service <p>Ongoing at 30/06/2024:</p> <ul style="list-style-type: none"> Right People Right Place EV charging opportunity Waikato Waters Done Well Food & Alcohol Licensing Shared Service <p>No business cases were presented to The Board but there were various discovery reports, progress reports and the significant Right People, Right Place report.</p> <p>Opportunities only become services when participating councils are confident the service will deliver benefit. This has tended to mean that councils treat the opportunity as a procurement. Accordingly, Co-Lab has focused on delivering proposals rather than business cases. A business case assumes that the strategic decision has been made and then presents a range of options to the decision makers.</p> <p>Co-Lab's new benefits framework highlights that some of our opportunities will deliver value that is not specifically aligned with 'projected savings/increased revenue'. This is reflected in all communications with councils.</p>
Opportunity assessments are supported by councils (evidenced by Board minutes).	75% of councils	<p>Average (across 2 initiatives) is 30%.</p> <p>5 (45%) councils (out of 11 possible councils) have agreed to participate in the Project Management Shared Service pilot. Ultimately the pilot did not proceed.</p>
<p>Develop opportunities and deliver projects within agreed budget and timelines.</p>		
Opportunities/projects are developed/delivered within agreed timelines.	80%	<p>44% (4/9) for the 12 months to 30/06/2024 Within timeline</p> <ol style="list-style-type: none"> Future Proof Data Analytics Right People, Right Place Project Ohu Round Waikato Waters Done Well Modelling <p>Not completed as per plan were:</p> <ol style="list-style-type: none"> AMCE (now RATA Spaces & Places) Opportunity Assessment (slow council response) Project Wakanda Round 1 (delayed to allocate effort to another project) WRTM restructure Wakanda Round 2 (reports 2 weeks late to Steering Group) Voltaqe - No timeline set
Opportunities/projects are developed/delivered, within approved budget.	90%	<p>80% (8/10) for the 12 months to 30/06/2024.</p> <p>80%: Eight of the Ten projects were completed within budget. The exceptions were 1) Future Proof Data project where actual cost was \$2k over the plan. 2) Wakanda Round 2 which continued over the stage estimate (but was still well within the funds The Board allocated to the initiative).</p>
Overall, Company Management/Support functions will be undertaken within budget, unless additional expenditure has The Board pre- approval.		<p>Company Management & Support expenditure was less than budget largely due to the LAPP insurance costs, which is recovered from councils, included in the budget no longer being required by councils.</p>

Council controlled organisations

CO-Lab Performance targets for 2023/2024

Outcomes	Measures	Result
Ensure projects realise their expected benefits		
Measurable benefits are actively monitored and reported against.	Six-monthly	Management presented one "Project Benefit Assessment" to the Audit & Risk Committee (ARC) in FY24. The assessment covered Waikato OneView. Following the completion of the Waikato OneView benefits assessment, this practice was discontinued with approval from the Audit and Risk Committee. The Co-Lab Benefits framework is now being used as the vehicle to report project and service benefits.
Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment whether projected benefits have been realised).	For \$200k+ projects (based on cost of opportunity development and ongoing investment within 15 months). 90% of projected quantifiable benefits are realised.	No result.
Ensure existing services are meeting the needs of councils.		
The services we provide are considered by councils who use that service to meet or exceed their expectations (evidenced by an annual survey).	80% of councils	84% of survey respondents for shared services said we met or exceeded their expectations. Based on our annual survey of councils, the target of 80% has been met. 84% of Shared Service survey respondents said that the services met or exceeded expectations. The survey response rate was 41% (310 were invited to participate with 128 responses received).
Foster and promote cross-council collaboration and networking to share ideas on improving efficiencies and best practice.		
Across these groups, ideas for future consideration and/or initiatives are identified each year.	Four per annum	No ideas were received through our website in the last 12 months to 30/06/2024. Project Wakanda is a Board directive to search for ideas by looking for shared-service success stories (internationally and in other sectors). The investigation report in December 2023 listed 55 shared service examples which provide Co-Lab with ideas for further consideration.



Alan Carter captured this image of the boats moored in the Western Channel near Ōmokoroa.



Sunrise from the top of Lindemann Road near Katikati. Image taken by Chris Riley.



The Beach Trig and Loop Track at Waihi Beach. Image taken by Jo Cameron.



Seagull at Waihi Beach captured by Peter Drix.



Image of Raparapahoe Falls in Te Puke taken by Kiara Alley Jay.

My Day in the Bay

Photo Competition