



Te pūronga ā-tau  
whakarāpopotonga  
**Summary  
Annual Report**

For the year ending  
30 June 2024



**Western  
Bay of Plenty**  
District Council

## Ngā rārangi upoko

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# Disclaimer

The specific disclosures in this financial summary have been extracted from the full financial report dated 18 February 2025. It has been prepared in accordance with FRS 43: Summary Financial Reports.

The summary financial statements have been extracted from the full financial statements. This summary cannot be expected to provide as complete an understanding as provided by the full financial report of the financial and service performance, financial position and cash flows of the Western Bay of Plenty District Council.

The summary has been examined by the auditor for consistency with the full financial report and audited by Audit New Zealand on behalf of the Office of the Auditor General. An unqualified audit opinion was issued on 18 February 2025.

A copy of the Western Bay of Plenty District Council 2023/24 Annual Report is available to view from Council's Head Office, Barkes Corner, Greerton, Tauranga or Council's website: [www.westernbay.govt.nz](http://www.westernbay.govt.nz)

This document is a summary of the full Annual Report which was adopted by the Council on 18 February 2025.

The full Annual Report is available from Council offices or can be downloaded at: [www.westernbay.govt.nz/annual-reports](http://www.westernbay.govt.nz/annual-reports)



# Role of this Annual Report

This Annual Report is provided to compare Western Bay of Plenty District Council's actual performance for the year against what was forecast in the Long Term Plan or Annual Plan.

## Planning and reporting framework

Under the Local Government Act 2002, a Local Authority must prepare and adopt the following documents:

### Long Term Plan (LTP)

Section 93 of the Local Government Act 2002 identifies Western Bay of Plenty District Council's plans for the Western Bay over a 10 year period. It is reviewed every three years. Council's latest LTP was agreed in 2021-31 and came into effect on 1 July 2021.

### Annual Plan

Section 95 of the Local Government Act 2002 is produced in the two intervening years between each LTP. It outlines any significant changes Council has made to the LTP and contains the annual budget.

### Annual Report

Section 98 of the Local Government Act provides details of Council's actual performance for all activities against the plans for a specific year of the LTP or Annual Plan.

### Summary Annual Report

Section 98 (4)(b) of the Local Government Act provides a summary of information contained in Council's Annual Report.

## Bringing the planning process together

### Community Outcomes

How the community wants the District to be.

### Long Term Plan

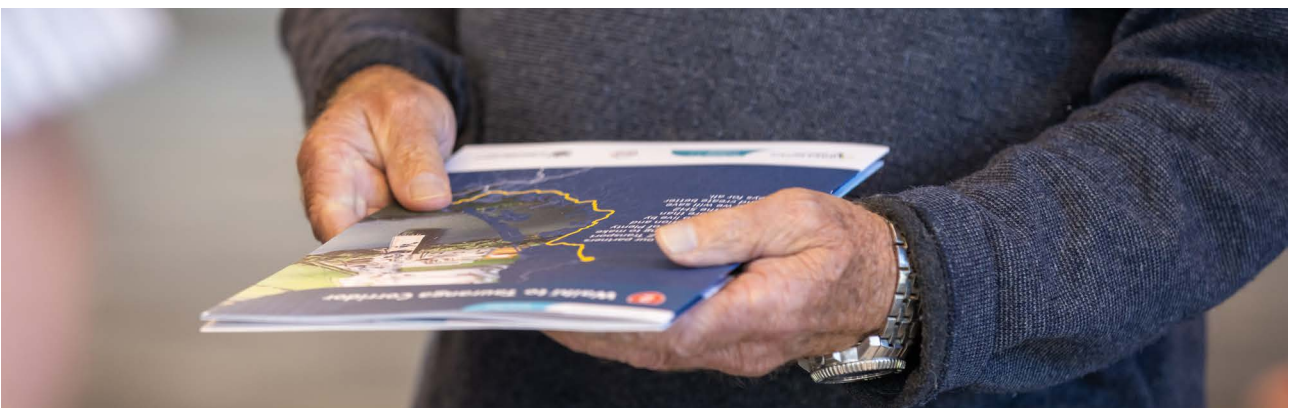
How Council will go about achieving the Community Outcomes.

### Annual Report

What was achieved.

### Annual Plan

Annual Budget.



# Statement of compliance and responsibility

For the year ended  
30 June 2024

Council confirms meeting all the statutory requirements in relation to the Annual Report, as outlined in Schedule 10 of the Local Government Act 2002.

## Responsibility

The Council and management of Western Bay of Plenty District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.

The Council and management of Western Bay of Plenty District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and the management of Western Bay of Plenty District Council, the annual financial statements for the year ended 30 June 2024 fairly reflect the financial position, operations and service performance of Western Bay of Plenty District Council.



**James Denyer**  
Mayor



**John Holyoake**  
Chief Executive Officer



# 2023-24 Annual Report – Mayor’s Message

## From Mayor James Denyer

Tēnā koutou,

We are pleased to present Western Bay of Plenty District Council’s Annual Report for 2023-24.

As we reflect on the past year, the importance of implementing a shared vision with our community was key to the successful outcomes we have achieved.

Our mahi is more than just maintaining a collection of services and infrastructure, important as they are. We want to build a place where people can truly flourish, where social wellbeing, cultural richness, and community vitality are at the forefront of everything we do.

### Working together on the big challenges

The economic conditions continued to be challenging over the last year, with high inflation, increased interest costs, and a reduction in our fees and charges being received from our activities. These unfavourable conditions resulted in a net rating deficit for the year and we intend to make savings during the next financial year to recover the shortfall.

This year has reminded us of the strength and resilience of our community, particularly in the face of the 29 May 2023 floods in Waihi Beach. We continue to work in partnership with local iwi, community leaders, and residents to implement long-term stormwater solutions.

The establishment of a community-led liaison group has been key in tackling flood management, developing sustainable stormwater solutions that reflect both our practical needs and our shared commitment to a safer, more sustainable environment.

Showing how much we can achieve when we come together.

### Small actions, big impact

While large projects often grab the headlines, it’s the everyday essentials that help our communities thrive.

From clean drinking water to rubbish collection, safe roads, and well-maintained parks and libraries, we take pride in delivering the services that people rely on.

However, communities are more than just infrastructure – they’re places where people live, connect, and grow.

This year, we made a start on the redevelopment of our elder housing in Katikati, which once completed will see 26 modern, purpose-built, accessible units. This project is a big step towards ensuring our seniors stay connected and supported in our community.

We’ve also increased our kerbside waste collection service to nearly 20,000 households.

As a result, we have successfully diverted 3625 tonnes (40 per cent) of waste from ending up in landfill, including 539 tonnes of food scraps, 1349 tonnes of glass, and 1737 tonnes of mixed recycling. However, 5307 tonnes still had to be sent to landfill.



These small but meaningful steps help ensure that our District remains a place where everyone can lead fulfilling lives.

### Investing in the future

As our District continues to grow, we’ve maintained a strong focus on ensuring our infrastructure supports both current and future needs.

Major transport projects, such as the State Highway 2 Ōmokoroa Road intersection upgrade, are improving safety and accessibility across our rohe.

We’re particularly proud of our work on the Prole Road transformation, which is creating safer spaces for pedestrians and cyclists while enhancing our roading network.

In addition to transport, we’re making progress on essential community facilities, including the new Waihi Beach Library, Service Centre and Community Hub. With detailed design work completed and funding secured, this project will provide a valuable resource for our growing community.

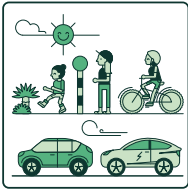
But we’re also thinking beyond roads and buildings.

Through our Long Term Plan 2024-34, informed by feedback from many of you, we’re ensuring that our future investments reflect the diverse needs and aspirations of our community. Whether it’s enhancing our transport networks or supporting cultural and environmental initiatives, we’re ensuring that our District’s future is one where everyone can thrive.

Ngā mihi nui,

**James Denyer**  
Mayor

# Highlights



## Transport

50km of roads were resealed.



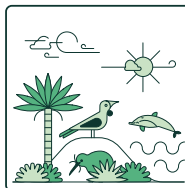
## Community

45 projects successfully funded across the district by the Community Matching Fund.



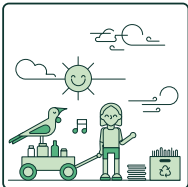
## Libraries and Service Centres

272,000 visits to our libraries and service centres, up by 7% on last year.



## Environmental education

13 schools participated in the conservation education programme learning about dunes, estuaries and freshwater, and the students planted over 7,000 native plants.



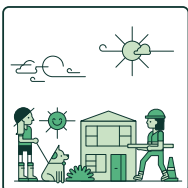
## Waste

Kerbside collections diverted 3,625 tonnes (40%) from landfill. The recycle centre diverted 557 tonnes of recyclables and 844 tonnes of green waste.



## Animal services

Approximately 3000 people and their dogs enjoyed the Doggy Day Out and Wander Dog series events.



## Building

We processed 1050 building consents.



## Resource consents

We approved a range of developments including a 100-lot residential development in Ōmokoroa, seasonal worker accommodation facilities, elder housing and residential developments in Katikati and Te Puke, Papakāinga developments, seawall for Marae protection, and a number of small rural subdivisions.

# Our District - key facts

## Katikati-Waihi Beach Ward

- Population of **16,377** (Census 2023), an increase of 1161 people or **8%** from 2018.
- Lower number of children at **15%**, and higher number of people aged over 65 at **32%**.
- European ethnicity is still highest at **84%** yet Māori has grown to **17%** and Asian has grown to **6%** of the population.
- **67%** of people own or partly own their home, and **33%** rent.
- Median personal income is lower at **\$32,000** per year.

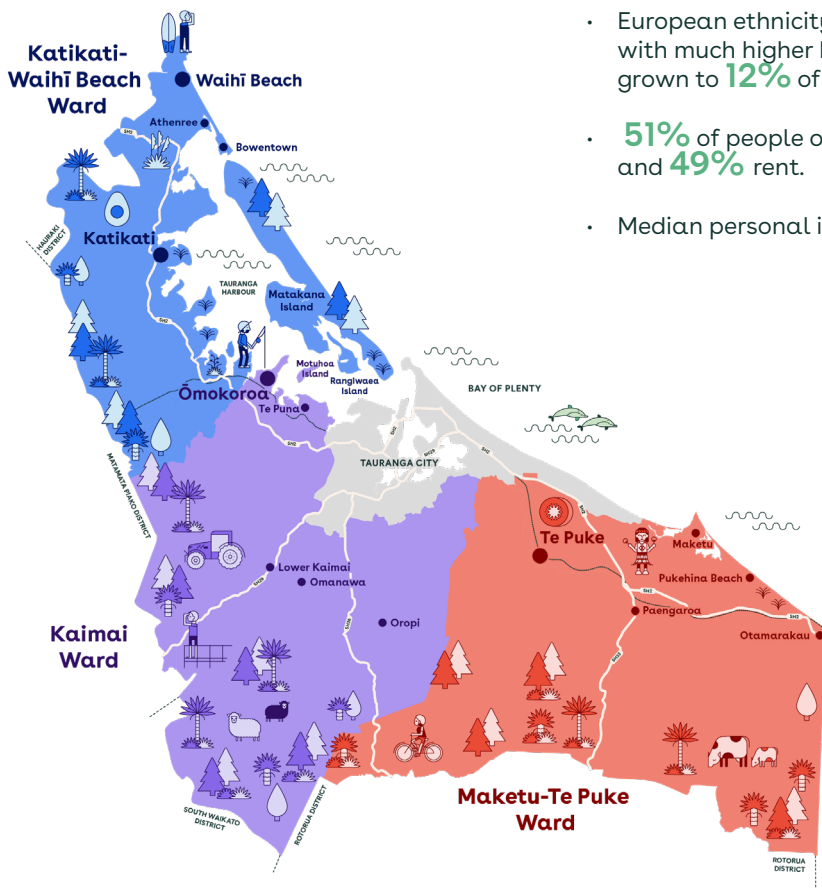
## Kaimai Ward

- Population of **20,226** (Census 2023), which is an increase of 2955 people or **17%** from 2018.
- Age distribution is fairly evenly spread with higher number of children at **19%**.
- European ethnicity dominates at **88%** with Māori at **17%** and Asian ethnicity only **3%** of the population.
- **65%** of people own or partly own their home, and **35%** rent.
- Median personal income is higher at **\$41,900** per year.

## Te Puke-Maketu Ward

- Population of **19,578** (Census 2023), an increase of 1161 people or **6%** from 2018.
- Higher number of children at **20%** and young adults at **18%** with much lower number of people aged over 65 at **17%**.
- European ethnicity is relatively low at **68%**, with much higher Māori at **31%** and Asian has grown to **12%** of the population.
- **51%** of people own or partly own their home, and **49%** rent.
- Median personal income is **\$39,100** per year.

### Te Kaunihera a rohe mai i Ngā Kuri-a-Whare ki Otamarakau ki te Uru



Source: Stats NZ, Census 2023



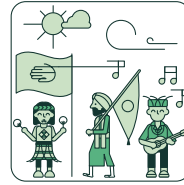
# Key statistics

Source:  
Stats NZ, Census 2023



## The District's size

Covers 195,000 hectares of land, 202 kilometres of harbour, and 55 kilometres of ocean coastline.



## Ethnicity

- 80% European
- 22% Māori
- 7% Asian
- 3% Pacific

Some of our community identify as multiple ethnicities.



## Geographic communities

- 54% rural
- 46% urban



## Population

Population of the Western Bay of Plenty has grown 10% in the five years to 2023 to reach a total of 56,184 people.



## Our elders

23% of residents in the District are 65-years or older, higher than the national average of 16%.



## Climate

The District has a warm, sunny climate with an average of 2,346 sunshine hours per year.



## Our young

18% of residents in the District are aged under 15 years, on par with the national average of 18%.



## Rainfall

The District has a moderate rainfall of 1200-2400mm per year.



## Our Māori population

22% of the District's population identify themselves as Māori, higher than the national average of 18%.



## Agriculture and horticulture

These are the main economic drivers of the Western Bay of Plenty District and the greater Tauranga and Western Bay sub-region.



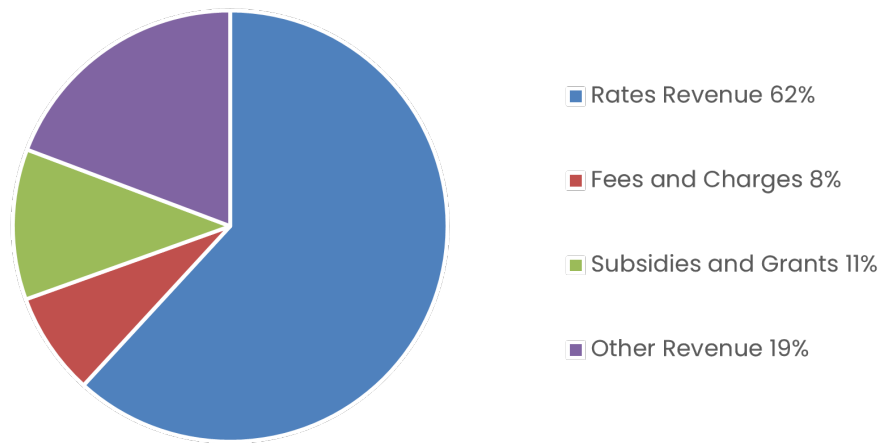
## Tangata Whenua

- 11 Iwi groups
- Over 50 Hapū
- 23 Marae

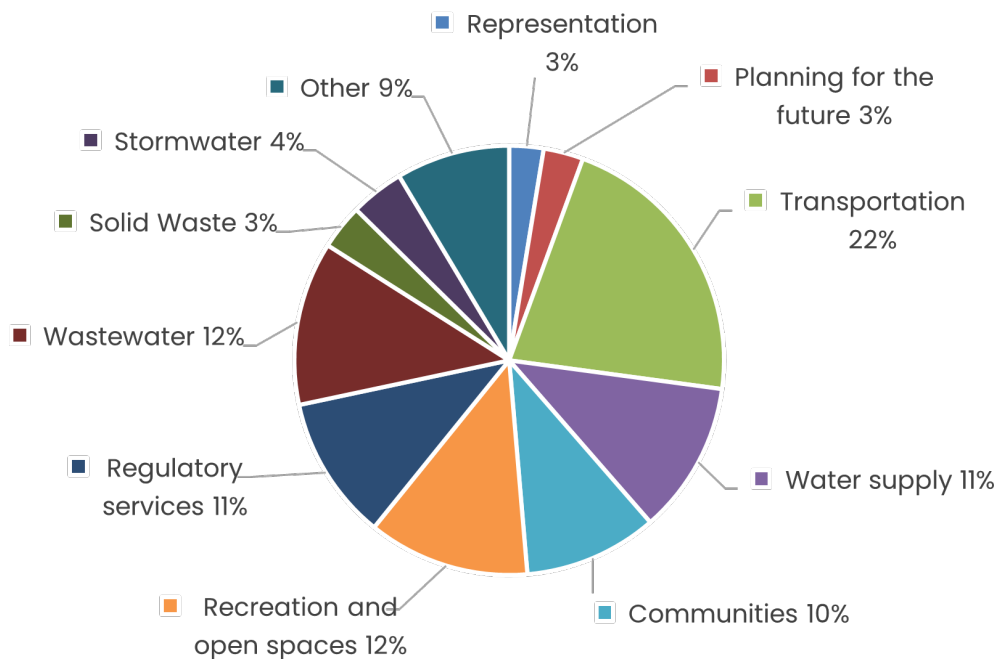
# Finance summary overview

Western Bay of Plenty District Council has reported a net deficit of \$5.5 million compared with a budgeted operating surplus of \$32.1 million.

**Graph 1**  
Council Revenue 2023/24 \$144 million



**Graph 2**  
Council Operating Expenditure 2023/24 \$149.4 million



# The Council



## Currently owns \$1.95 billion

worth of assets as at 30 June 2024, compared to \$1.92 billion as at 30 June 2023.



## Net debt is \$104 million

as at 30 June 2024, compared to \$74.9 million as at 30 June 2023.



## Overall the District has equity of \$1.79 billion

as at 30 June 2024, compared to \$1.80 billion as at 30 June 2023.



## \$58 million of capital expenditure was spent on infrastructure and assets

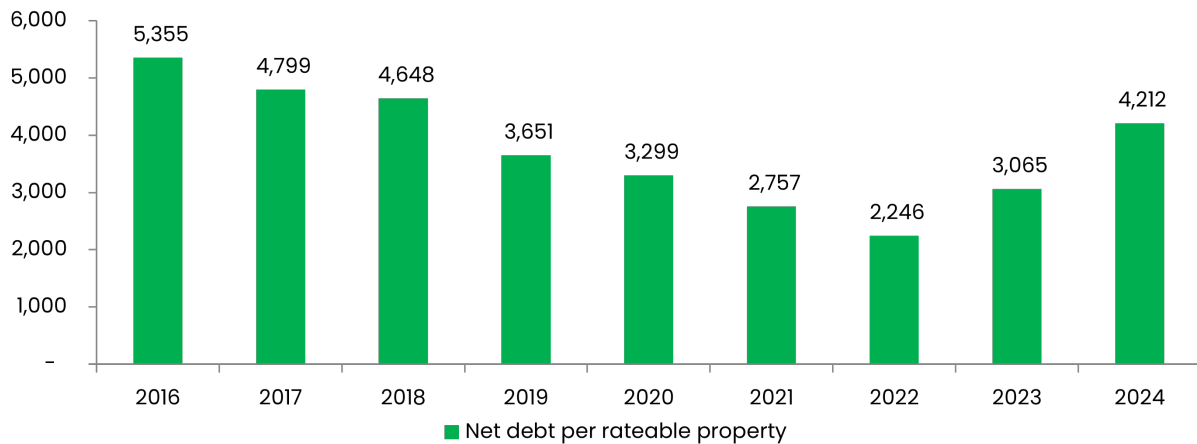
in 2023/24, compared to \$43 million in 2022/23.



## \$144 million of total income generated in 2023/24

compared to \$140 million in 2022/23.

**Net debt per rateable property**

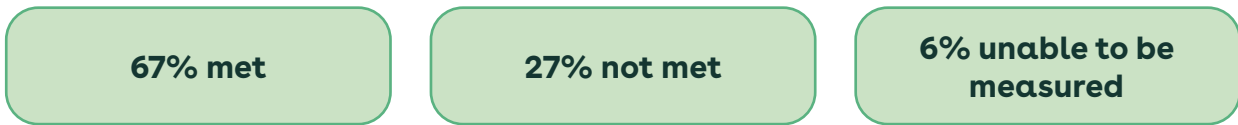


# Summary of our performance

The Long Term Plan 2021-31 identifies performance measures and targets for each activity. These measures reflect the diversity of the activities and were developed from a range of sources. Opportunities to benchmark Western Bay Council activities with other local authorities or external agencies have been used where data is available.

We have 153 targets listed in our Long-Term Plan 2021-2031. Out of which we have met 103, not met 41 and were unable to measure 9.

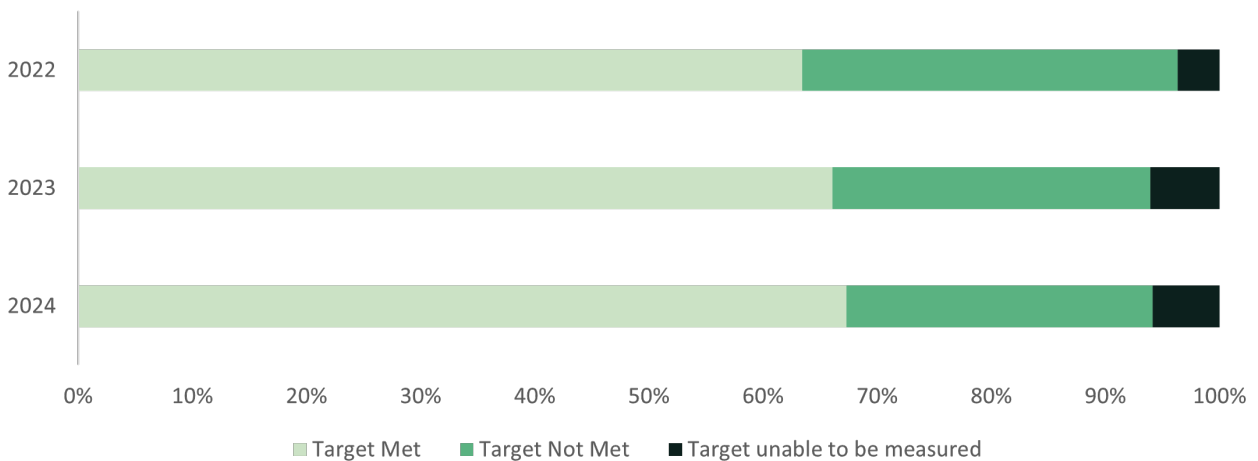
Below is the snapshot of our results for 2023/2024:



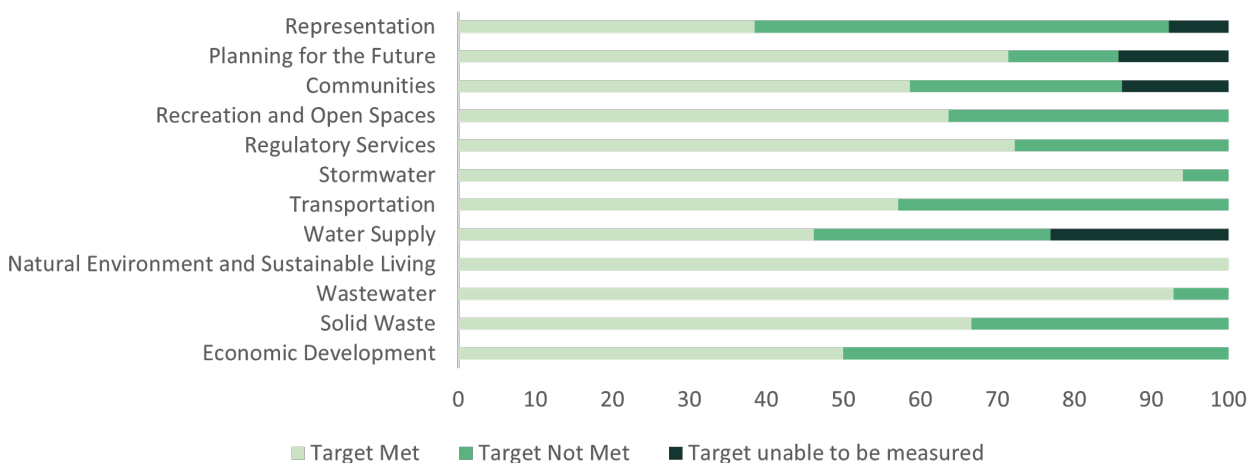
## Overall service performance

The following graphs provide a summary of our performance by year and by activity. We have provided further explanations on how each activity has performed throughout the year and narratives in cases where we have not met the targets in the full Annual Report.

Overall service performance by year (%)



Overall service performance by activity (%)



# Report on development of Māori capacity to contribute to decision making 2023/24

The Local Government Act places a responsibility on Councils to develop the capacity of Māori to contribute to Councils decision making. Western Bay of Plenty District Council recognises the importance of this responsibility and the unique place of Tangata Whenua in our nation. Recently Council adopted as one of its key strategic priorities a commitment to growing authentic Te Tiriti based relationships.

To meet this commitment we aim to have effective, enduring and trusted partnerships with iwi, hapū and whānau. We already have a number of examples of how we are doing this:

## Te Waka Kai Uru – Western Bay of Plenty District Council’s Māori Ward

In 2023, Council resolved to establish a Māori Ward for the 2025 Local Government Elections, a decision that was reaffirmed and saw the final adoption of a Māori ward as part of Council’s representation review completed in 2024. The name of the Māori Ward will be Waka Kai Uru, which was developed alongside Tangata Whenua representatives and represents a waka that unites us all, navigating the winds of challenge and opportunity.

## He Rauru – Western Bay of Plenty District Council’s Kaupapa Māori Framework

He Rauru is a framework that supports Council’s commitment to growing authentic Te Tiriti based relationships. It has the story of Tangata Whenua in our rohe, and contains Council’s operational guidelines for working with them.

## Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o te Waka o Te Arawa

These two forums bring together representatives of iwi and hapū in our rohe and the Mayor and Councillors of Western Bay of Plenty District Council. The forums meet quarterly to progress the things that they have collectively agreed as issues of significance and they also discuss key projects and matters that are being worked on by Council.

The forums have an agreed work programme and an annual operating budget.

## Partnership agreements

Entering partnership agreements with iwi and hapū enables Council to understand the aspirations of iwi and hapū and how we can work together to achieve them. It also outlines how we partner on projects, policies or other matters that Council is progressing. We currently have one agreement in place and have more under development. These agreements have seen some key projects delivered by Council in partnership with Māori.

## Te Haumi – Western Bay of Plenty District Council’s Kaupapa Māori Team

Council has a kaupapa Māori team currently made up of seven staff. The team works with staff and Elected Members to support the mahi that we do alongside iwi, hapū and whānau and to build our organisation’s capacity to do so. The team also works alongside iwi, hapū and whānau to understand and support them to realise their aspirations.

## He Rangapū – Tangata Whenua Partnership Protocol

He Rangapū is Council’s approach to the way in which it engages with Tangata Whenua. It provides guidance to staff on the extent of engagement with Tangata Whenua that is needed and who they should engage with. The protocol aims to ensure that iwi and hapū are appropriately involved in the mahi that we do with Māori.





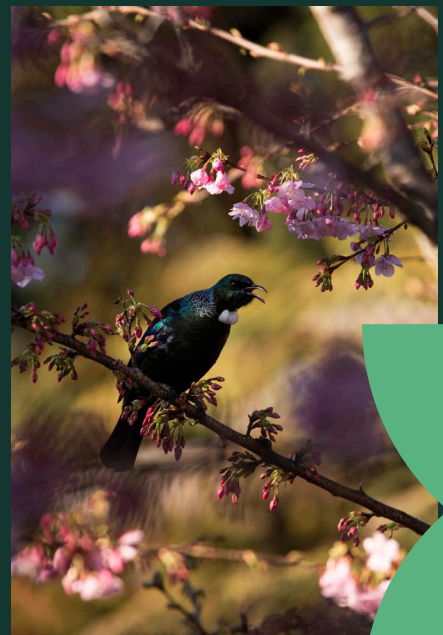
The Centre - Pātuki Manawa, Katikati



Waitekohekohe Recreational Park, Katikati



Town Centre, Te Puke



# Summary Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

			Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated* \$'000
<b>Revenue</b>					
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*
<b>Revenue Total</b>			<b>143,983</b>	<b>158,800</b>	<b>140,040</b>
<b>Expenditure</b>					
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)*
<b>Expenditure total</b>			<b>(149,354)</b>	<b>(126,680)</b>	<b>(123,429)</b>
Share of associate's surplus/(deficit)			(84)	0	224
<b>Net Surplus/(deficit)</b>			<b>(5,455)</b>	<b>32,120</b>	<b>16,835</b>
<b>Other comprehensive revenue and expense</b>					
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
<b>Total other comprehensive revenue and expense for the year</b>			<b>1,841</b>	<b>5,324</b>	<b>149,140</b>
<b>Total comprehensive revenue and expense</b>			<b>(3,614)</b>	<b>37,444</b>	<b>165,975</b>

\*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.



# Summary Statement of Financial Position

As at 30 June 2024

		Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated*
<b>Assets</b>	<b>Note</b>			
Current assets		36,210	50,765	34,320
Non-current assets		1,913,133	1,797,725	1,883,738
<b>Total assets</b>		<b>1,949,344</b>	<b>1,848,490</b>	<b>1,918,058</b>
<b>Liabilities</b>				
Current liabilities		75,919	34,021	45,241
Non-current liabilities		80,285	148,115	75,281
<b>Total liabilities</b>		<b>156,204</b>	<b>182,136</b>	<b>120,522</b>
<b>Net assets</b>		<b>1,793,140</b>	<b>1,666,354</b>	<b>1,797,537</b>
<b>Equity</b>				
Accumulated funds		985,739	1,015,282	988,013*
Reserves		807,398	651,072	809,523*
<b>Total equity</b>		<b>1,793,140</b>	<b>1,666,354</b>	<b>1,797,537</b>

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

# Summary Statement of Changes in Net Assets/Equity

For the year ended 30 June 2024

		Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 Restated*
	<b>Note</b>			
<b>Balance at 1 July restated</b>		<b>1,797,537</b>	<b>1,626,369</b>	<b>1,629,725</b>
Net surplus/(deficit)		(5,455)	32,120	16,835
Other comprehensive revenue and expense		1,841	5,324	149,140*
Transfers to/(from) Reserves		(783)	2,543	1,837
<b>Balance at 30 June</b>	<b>28</b>	<b>1,793,140</b>	<b>1,666,354</b>	<b>1,797,537</b>

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 of the Annual Report.

# Summary Statement of Cash Flows

For the year ended 30 June 2024

		Actual 2024 \$'000	Budget 2024 \$'000	Actual 2023 \$'000
	<b>Note</b>			
Net cashflow from operating activities		30,019	58,769	34,295
Net cashflow from investing activities		(59,184)	(104,367)	(54,696)
Net cashflow from financing activities		25,000	38,353	10,000
<b>Net increase / (decrease) in cash equivalents, and bank overdrafts</b>		<b>(4,166)</b>	<b>(7,245)</b>	<b>(10,401)</b>
Cash, cash equivalents, and bank overdrafts at the beginning of the year		15,140	47,359	25,541
<b>Cash, cash equivalents, and bank overdrafts at the end of the year</b>	<b>12</b>	<b>10,975</b>	<b>40,114</b>	<b>15,140</b>

# 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
<b>Statement of comprehensive revenue and expense</b>			
Gain on LGFA share revaluation	0	107	107
Gain/(loss) on Carbon Credit revaluation	0	(1,181)	(1,181)
<b>Statement of financial position</b>			
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.

<b>LGFA Adjustment</b>			
Reserve as at 1 July 2022	0	6,812	6,812
Reserve as at 30 June 2023	0	6,919	6,919
<b>Carbon Credit Adjustment</b>			
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.



# 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	Explanation
	\$'000	
<b>Revenue variances</b>		
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.
<b>Total revenue variances</b>	<b>(14,817)</b>	
<b>Expenditure variances</b>		
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.
<b>Total expenditure variances</b>	<b>22,674</b>	
<b>Statement of financial position variances</b>		
	Variances	Explanation
	\$'000	
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.

# Statement of cost of services

<b>Income</b>	<b>Actual 2024 \$'000</b>	<b>Actual 2023 \$'000</b>
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
<b>Total operating income by activity</b>	<b>143,983</b>	<b>140,041</b>
<b>Expenditure</b>		
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
<b>Total operating expenditure by activity</b>	<b>149,354</b>	<b>123,429</b>

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

# Statement of Commitments

## 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.

	<b>Actual 2024 \$'000</b>	<b>Actual 2023 \$'000</b>
<b>Capital commitments</b>		
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
<b>Total capital commitments</b>	<b>31,812</b>	<b>38,010</b>

### 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 non-cancellable operating leases are as noted below:

	<b>Actual 2024 \$'000</b>	<b>Actual 2023 \$'000</b>
<b>Operating leases</b>		
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
<b>Total non-cancellable operating leases</b>	<b>2,275</b>	<b>2,161</b>

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)

## 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.

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.

## 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.

<b>Transactions with Councillors and key management personnel compensation</b>	<b>Actual 2024 \$'000</b>	<b>Actual 2023 \$'000</b>
<b>Councillors</b>		
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.		
<b>Senior Management Team, including the Chief Executive</b>	<b>Actual 2024 \$'000</b>	<b>Actual 2023 \$'000</b>
Full-time equivalent members	5	5
Salaries and other short-term employee benefits	1,558	1,449
<b>Total full-time equivalent personnel</b>	<b>16</b>	<b>17</b>
<b>Total Councillors and senior management remuneration</b>	<b>2,238</b>	<b>2,171</b>

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.

## 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.



# Independent Auditor's Report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## Independent Auditor's Report

### To the readers of Western Bay of Plenty District Council's summary of the annual report for the year ended 30 June 2024

The summary of the annual report was derived from the annual report of the Western Bay of Plenty District Council (the District Council) for the year ended 30 June 2024.

The summary of the annual report comprises the following information on pages 12, 15 to 23:

- the summary statement of financial position as at 30 June 2024;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended 30 June 2024;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the service performance measures.

## Opinion

In our opinion:

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

## Summary of the annual report

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

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

## **The full annual report and our audit report thereon**

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2024 in our auditor's report dated 18 February 2025.

## **Council's responsibility for the summary of the annual report**

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

## **Auditor's responsibility**

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

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

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



Leon Pieterse  
Audit New Zealand  
On behalf of the Auditor-General  
Tauranga, New Zealand  
14 March 2025





Huhuruia Park, Whakamārama



New bridge for No. 4 Road, Te Puke



The Centre - Pātuki Manawa, Katikati



Public art in Te Puke





**Western  
Bay of Plenty**  
District Council

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Te Kaunihera a rohe mai i  
Ngā Kuri-a-Whārei ki  
Otamarakau ki te Uru

[westernbay.govt.nz](http://westernbay.govt.nz)