

# Pūrongo ā-Tau Annual Report 2024/25



*making this place home*

## Mihi

E ngā mana, e ngā reo, e ngā rau  
rangatira mā o te rohe o Rangitīkei,  
tēnā koutou katoa.

Mihi mahana tēnei o te Kaunihera  
o Rangitīkei kia tātou katoa e noho  
ana ki roto i te rohe nei, nau mai,  
whakatau mai rā.

Whakataka te hau ki te uru,  
Whakataka te hau ki te tonga,  
Kia mākinakina ki uta,  
Kia mātaratara ki tai,  
E hī ake ana te atakura,  
He tio, he huka, he hau hū,  
Tihei Mauriora!

The Rangitīkei District Council  
acknowledges all those  
who live within our District.

We send a warm welcome to  
you all.

Cease the winds from the west  
Cease the winds from the south  
Let the breeze blow over the land  
Let the breeze blow over the ocean  
Let the red-tipped dawn come with  
a sharpened air  
A touch of frost, a promise of a  
glorious day!



# Contents

<b>Section 1: Introduction</b>	<b>1</b>
Executive Summary	2
Independent Auditor's Report	4
Who Are We?	8
Mission Statement	9
Council Operations	10
Statement of Compliance and Responsibility	11
<b>Section 2: Significant Activities – Service Performance Information</b>	<b>13</b>
Community Outcomes	14
Performance Reporting	16
Community Leadership <sup>1</sup>	18
Roading and Footpaths	22
Water Supply	27
Wastewater and Sewage Disposal	36
Stormwater Drainage	41
Parks and Reserves <sup>2</sup>	45
Community <sup>3</sup>	49
Rubbish and Recycling	55
Environment and Regulatory Services	59
<b>Section 3: Financial Statements and Policy Reports</b>	<b>65</b>
Funding Impact Statement For the Year - Whole of Council	66
Statement of Comprehensive Revenue and Expense	67
Statement of Changes in Net Assets/Equity	67
Statement of Financial Position	68
Statement of Cash Flows	69
Council-Controlled Organisations (CCO)	70
Notes to the Financial Statements	71
Benchmarks Disclosure Statement	112
<b>Section 4: Other Information</b>	<b>117</b>
Your Elected Members	118
Your Representatives	119

<sup>1</sup> Community Leadership now includes the sub function of District Planning, previously part of Environmental and Regulatory function.

<sup>2</sup> Parks and Reserves is a new Parent Activity for the 2024-34 LTP. It is made up of three sub activities, Domains, Forestry and Cemeteries which were all previously part of Community

<sup>3</sup> Community is a new Parent Activity for the 2024-34 LTP. It is the amalgamation of the previous Community and Leisure Activity and the previous Community Wellbeing Activity which included the sub functions of Community Awards, Information Centres and District Promotions



*Section 1:*

# Introduction



# Executive Summary

## The Annual Report

The Annual Report is an essential accountability document.

It sets out to explain the Council's performance in year one of the 2024-34 Long Term Plan and against the various legislative and accounting requirements under which the Council is required to operate.

This Annual Report is prepared according to Sections 98 and 99 and Part 3 of Schedule 10 of the Local Government Act 2002. The Annual Report measures the Council's performance for the period 1 July 2024 to 30 June 2025.

As well as financial results, the Annual Report includes results of the performance measures set out in the 2024-34 Long Term Plan.

## Financial Performance

The Statement of Comprehensive Revenue and Expense shows income levels decreased by \$1.17m on the previous year and \$4.85m below budget. NZTA subsidy (capital and operational) subsidy was lower than 2024 and significantly less than the 2025 budget, due to the timing of NZTA confirming their funding for the three-year programme. In addition, there was no vested assets budgeted or received in 2025.

The Statement of Comprehensive Revenue and Expense shows that Operating Expenditure increased by \$3.4m year on year and \$2.9m above budget. Depreciation and Finance costs increased compared to 2024, however Finance costs remained lower than budget due to a lower level of debt required in the 2025 year. Losses arose in this financial year primarily due to a movement between work in progress to operating expenditure due to the Marton Hub project not continuing to plan. More detailed analysis of variances is presented in note 27 of the financial statements.

## Financial Position

Council net assets have increased from \$755m to \$815m, largely the result of a significant increase brought about by the revaluation of Roding infrastructure.

Council's liquidity position has changed with current assets now exceeding current liabilities by \$1.3m. This is due to current liabilities as at 30 June 2025 including \$10m of short term commercial paper borrowing which was planned for in the LTP as longer term debt.

## Opportunities for Māori to contribute to Council decision-making

Council continues to have our iwi advisory board, Te Rōpū Ahi Kā, as an integral part of the organisation.

The role and responsibilities of Te Rōpū Ahi Kā are set out in their terms of reference. Members of Te Rōpū Ahi Kā sit on Council's Standing Committees, with voting and speaking rights, which is another opportunity for Māori and iwi to contribute to the decision making of Council.

A budget is allocated for the Māori Community Development Programme and is to be distributed by Te Rōpū Ahi Kā in accordance with its own processes. This programme is designed to increase the capacity of Māori to contribute to local decision-making and strengthen relationships between iwi organisations/marae and Council.

Council introduced two Māori Wards for 2022 Local Government Elections to represent Tiikeitia ki Uta (Inland) Māori Ward and Tiikeitia ki Tai (Coastal) Māori ward by one councillor each. Māori wards are a mechanism through which Council can ensure that Māori communities are represented on council and, in doing so, both achieve better representation of Māori in council decision-making and improve the visibility of Māori issues within council thinking and processes.



## Sponsorship, Funding and Grants

### Community & Leisure

- Department of Internal Affairs (\$50,000) for Survivor Support and Recognition Fund - to remember and honour those who died in state care and are buried in unmarked graves.
- JSB Dudding Trust (\$40,000) for Library resources

### Community Wellbeing

- JSB Dudding Trust (\$40,000) for Sensory Play
- Tu Manawa (\$10,000) for Active Play hours
- Tu Manawa (\$12,598) for the Learn to Ride Programme
- MBIE Regional Events Promotion Fund (\$10,000) for the Marton Country Music Festival and Rangitikei Adventure Race

### Schemes and Funding for community support

- Mayors Taskforce For Jobs (\$280,000)
- Event Support Scheme - \$19,508
- Community Initiatives Fund - \$22,677
- Sport NZ - \$9,500

**Andy Watson**

Mayor  
30 October 2025

**Carol Gordon**

Chief Executive  
30 October 2025

# Independent Auditor's Report

## To the readers of Rangitikei District Council's annual report for the year ended 30 June 2025

The Auditor-General is the auditor of Rangitikei District Council (the Council). The Auditor-General has appointed me, Fiona Elkington, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf.

We have audited the information in the annual report of the Council that we are required to audit in accordance with the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as "the disclosure requirements" in our report.

## Opinion on the audited information

In our opinion:

- The financial statements of the Council on pages 67 to 69 and 71 to 110:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2025; and
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The Council's significant activities – service performance information (service performance information) for the year ended 30 June 2025 on pages 8 to 9, 14 to 63:
  - provides an appropriate and meaningful basis to enable readers to assess the Council's actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
  - fairly presents, in all material respects, the Council's actual levels of service for each group of activities, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- The statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025 on pages 21 to 63, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act.
- The funding impact statement for each group of activities of the Council for the year ended 30 June 2025 on pages 21 to 63 has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act.
- The funding impact statement of the Council for the year ended 30 June 2025 on page 66, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.



## Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 to the Act for the year ended 30 June 2025; and
- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2025 are complete and accurate.

## Date

We completed our work on 30 October 2025. This is the date on which we give our opinion on the audited information and our report on the disclosure requirements.

## Emphasis of matter – Future of water delivery

Without modifying our opinion, we draw attention to note 24 on page 104 which outlines that in response to the Government's Local Water Done Well reforms, the Council has decided to establish a multi-owned water organisation with Palmerston North City Council and Horowhenua District Council to deliver water wastewater and stormwater services from 1 July 2027.

The financial impact of this decision is unknown because details of the exact arrangements are still being considered. In addition, there is some uncertainty as the proposal is yet to be accepted by the Secretary for Local Government.

## Basis for our opinion on the audited information and the disclosure requirements

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor for the audited information and the disclosure requirements section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information and our report on the disclosure requirements.

## Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing its ability to continue as a going concern.

## Responsibilities of the auditor for the audited information and the disclosure requirements

### Responsibilities for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council's long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate whether the service performance information includes all groups of activities that we consider are likely to be material to the readers of the annual report.
- We evaluate whether the measures selected and included in the service performance information for groups of activities present an appropriate and meaningful basis that will enable readers to assess the Council's actual performance. We make our evaluation by reference to generally accepted accounting practice in New Zealand.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of Schedule 10 to the Act and Part 2 of the Regulations; and
- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the Council's audited information and, where applicable, the Council's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Public Audit Act 2001.

## Other information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Council in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out an engagement on the debenture trust deed which is compatible with those independence requirements. Other than this engagement we have no relationship with or interests in the District Council.



**Fiona Elkington**

Audit New Zealand

On behalf of the Auditor-General  
Wellington, New Zealand

Fiona Elkington  
Audit New Zealand

On behalf of the Auditor-General  
Wellington, New Zealand

# Who Are We?

## District Profile

The Rangitikei District comprises 4,500 square kilometres of mainly lush, rural land. It is a diverse district, ranging from the sand plains on the south coast – which stretch inland almost as far as Bulls – to the magnificent hill country of the upper Rangitikei. The District is characterised by its hills, which comprise 50% of the land.

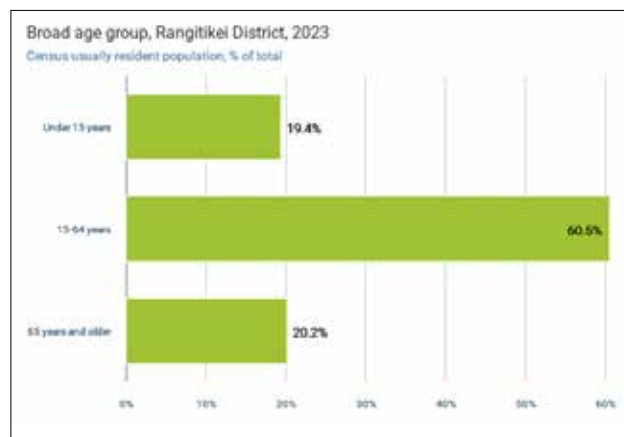
The Rangitikei River is one of New Zealand's longest rivers, starting in the Kaimanawa Ranges and flowing out to the Tasman Sea.

## Demographic and Social Features

The most recent estimated population for the District, as at June 2023, is 16,300 an increase of 1.2% from a year earlier.

### Census 2023

- Dwellings: 7,041
- Māori: 4,550, which is 28.2% of the population.
- Ages: 60.5% of the population is between the ages of 15-64 years.
- Median age: 41.1



## Rangitikei District Council

The Rangitikei District Council is a territorial authority governed by the Local Government Act 2002.

The Council was formed in 1989 by the amalgamation of the Rangitikei County Council, Marton Borough Council and Taihape Borough Council, along with parts of the KIWITEA and Taupō County Councils.





# Mission Statement

## Council's Role

The Rangitikei District Council undertakes services for the residents and ratepayers of the Rangitikei. In everything it does, the Council has regard for the principles of equity and the principles of the Treaty of Waitangi.

The Local Government Act 2002 defines the purpose of local government is to:

“... enable democratic local decision-making and action by, and on behalf of communities and;

... promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

### The role of a local authority is to:

- give effect, in relation to its district or region, to the purpose of local government and;
- perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment”

(Sections 10 and 11 of the Local Government Act 2002)

To give effect to this role, the Council has allocated its services between nine Groups of Activities, which describe the services (and levels of service) the Council provides:



**Community Leadership**



**Roding**



**Water Supply**



**Wastewater and Sewage Disposal**



**Stormwater Drainage**



**Parks and Reserves \***



**Community \***



**Rubbish and Recycling**



**Environmental and Regulatory Services\***

All of the Council's day-to-day business and long-term planning is centred on these activities and the budget requirements to keep them operational. Often sub-activities will fall out from the main activity and complement, in one way or another, the central activity.

\* Revised Council Activity for 2024/25

## Council Operations

The Council appoints a Chief Executive to be in charge of the Council operations and delegates certain powers of management to her as required under Section 42 of the Local Government Act 2002.

The Chief Executive appoints staff to carry out all of the Council’s significant activities.

### Division of Responsibility between the Council and Management

A key to the efficient running of the Council is that there is a clear division between the role of the Council and that of Management. The Council of the Rangitikei District concentrates on setting policy and strategy, and then reviews progress. Management is concerned with implementing the Council policy and strategy.

The Council’s most recent Representation Review was completed in April 2022. The key change was the implementation of two Māori Wards and resulted in the following representation arrangement.

- Mayor plus 11 councillors elected from 5 wards.
- The two Community Boards (Rātana and Taihape) were also unchanged.

Ward	Number of Councillors per Ward
Northern General	2
Central General	5
Southern General	2
Tiiketia ki Uta (Inland)	1
Tiiketia ki Tai (Coastal)	1

While many of the Council’s functions have been delegated, the overall responsibility for achieving the mission statement of the Council and the purposes of local government rests with the Council. The Council maintains effective systems of internal control, which includes the policies, systems and procedures established to provide measurable assurance that specific objectives of the Council will be achieved.

# Statement of Compliance and Responsibility

## Compliance

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

## Responsibility

The Council and Management of the Rangitikei District Council accept responsibility for the preparation of the annual Financial Statements and of the Statement of Service Performance, and the judgements used in them.

The Council and Management of the Rangitikei 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 Management of the Rangitikei District Council, the annual Financial Statements for the year ended 30 June 2025 fairly reflect the financial position and operations of the Rangitikei District Council.



**Andy Watson**

Mayor  
30 October 2025



**Carol Gordon**

Chief Executive  
30 October 2025





# *Section 2:* **Significant Activities – Service Performance Information**

Including Funding Impact Statements by Significant Activity  
and other information in accordance with PBE FRS-48

## Community Outcomes

Community outcomes are the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

As part of developing the 2021-31 Long Term Plan, Council reviewed its outcomes; they are described below.

Community Outcomes	
 <p><b>A trusted partner with iwi</b></p>	<p><b>A district leading collaboration with tangata whenua.</b></p> <p>Our goal is to have a high level of trust and collaboration with iwi across the district and to be working together to promote the wellbeing of our communities.</p>
 <p><b>Economic Wellbeing</b></p>	<p><b>A district where people want to live and do business.</b></p> <p>Our goal is for Rangitikei to be the place of choice for new and existing businesses to come and grow, with a desirable lifestyle and affordable housing.</p>
 <p><b>Social Wellbeing</b></p>	<p><b>A district where people thrive.</b></p> <p>Our goal is to build relationships with the community and agencies and provide services and spaces that enhance community wellbeing.</p>
 <p><b>Cultural Wellbeing</b></p>	<p><b>A district with diverse unique communities where people have a strong sense of belonging.</b></p> <p>Our goal is to provide spaces where our community can connect, promote the diversity of our cultures, and develop relationships that support community-led initiatives.</p>
 <p><b>Environmental Wellbeing</b></p>	<p><b>A district that has high-quality built environments and healthy natural environments.</b></p> <p>Our goal is to ensure our infrastructure, relationships, and regulatory framework support the ongoing development of high quality built environments and improvement in the natural environment.</p>

The table below illustrates how each of the community outcomes relates to the groups of activities.

Group of activities	Community outcomes				
	A trusted partner with iwi	Economic Wellbeing	Social Wellbeing	Cultural Wellbeing	Environmental Wellbeing
Community Leadership	●	●	●	●	●
Roading	●	●	●		●
Water Supply	●	●	●		●
Wastewater and Sewage Disposal	●	●		●	●
Stormwater Drainage	●	●			●
Parks and Reserves	●	●	●	●	●
Community	●	●	●	●	●
Rubbish and Recycling			●		●
Regulatory		●	●	●	●

Council has not undertaken any specific measurement during the year of progress towards the achievement of those outcomes.

## Identified effects of activities on the social, economic, environmental or cultural well-being of the community

The provision of a safe, convenient and well-maintained network of roads and footpaths contributes to (particularly) economic well-being by facilitating access by those conducting business within the District; it also contributes to social well-being by allowing people to connect easily with one another.

However, road deaths, noise, vibrations and emissions to air from road traffic are negative impacts on social and environmental well-being.

The provision of a reliable, safe water supply contributes particularly to social well-being; the ability to provide commercial quantities of water and stock water contribute to the community's economic well-being. Malfunctioning plants impact negatively on these well-beings.

Treatment and disposal of wastewater contributes to environmental well-being by minimising impacts on aquatic life and social well-being by ensuring disposal does not impact on residents' health. Malfunctioning treatment plants and broken or blocked reticulation impact negatively on social and environmental well-being,

Parks and reserves, libraries, and swimming pools contribute to the community's social well-being by providing recreational and educational opportunities.

Well-managed and accessible waste transfer stations reduce the likelihood of fly-tipping and this contributes to environmental well-being.

Animal control, building control and planning control contribute to personal and public health and safety, i.e. social well-being.

The youth development activity contributes to social well-being by providing opportunities for youth to collaborate with others and engage in meaningful dialogue with the Council.

The hui in Te Roopuu Ahi Kaa and representation from that Komiti on Council's standing committees contribute to the community's cultural well-being by promoting dialogue and understanding.

# Performance Reporting

The overall purpose of Council's performance framework is to:

- Allow residents to make a judgement on whether or not the Council action being measured is worth funding through rates or fees.
- Allow Council to take corrective actions if the expected results are not being achieved.

The Long Term Plan pulls together Council's strategies and plans, and the long term plan activities align with these plans. Hence Council's long term plan KPI's are part of its overall strategic monitoring framework.

Service performance measures in the long term plan are mostly process and output based as they can be more closely linked to Council actions.

Council publicly reports the long term plan measures as part of Section 2: Significant Activities – Service Performance Information in the Annual Report. Residents need to look at these reports to get an understanding of how well Council is performing.

## Performance reporting

Council records a number of performance indicators, these include:

- Happy or Not reporting is used at four locations to measure real-time customer experiences of Council services. Council uses this data to make continual improvements to facilities and services. Limitations of this system includes misuse of the machines to capture data, where if someone is unhappy they can press the button multiple times, although if this occurs the system blocks someone from using it for 30 seconds.
- Council also has online feedback systems, where a request for service (RFS) can be lodged; or via a Korero Mai - feedback form where a customer can scan a QR code and it takes them to a feedback page on Council's website.
- Monthly performance reports are provided to the Finance / Performance Committee on each of the performance systems.

Another way the community can provide feedback to Council is through the public consultation process. The purpose of public consultation is to seek community feedback on council-related issues such as the development of new strategies, policies, bylaws, plans and projects. It can be part of a formal council consultation process or an informal community conversation to get indication of how people feel about a particular issue or topic. When we run a formal consultation, every response is reviewed by Council staff. Submission answers and comments are collated and analysed before being presented back to councillors so they can make informed decisions. When we are doing a formal consultation on a policy or a bylaw, all submissions are brought together into and are published on our website.

Council monitors its customer service requests and records data trends, as well as service uptake changes such as the number of building consents, dog registrations, or when legislative timeframes are met.

## Rationale for Long Term Plan measures

The Department of Internal Affairs sets some mandatory KPIs that all Councils need to include in their long term plans. These are marked as mandatory measures.

Other KPIs are set by Council and aim to report against key activities and programmes council is delivering for each group of activities. These measures were reviewed by management and Council in the development of the 2024-34 Long Term Plan.

## Other Key Judgements

The performance measure for the 'percentage of real water loss from the reticulation network' is measured in accordance with DIA calculation guidelines.



## Cost allocation

Note 1 to Council's Annual Financial Statements includes a summary of how Council allocates costs across its different activities. The note states that the Council has determined the cost of significant activities 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 identified in an economically feasible manner with a specific activity.
- Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage based on time, staff number and floor area.

In the Activities that follow, performance reporting against the **Target (or Intended Level of Service)** is detailed as follows:

### ● Achieved

Required actions have been completed

Or where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service

### ● Not achieved

None of the required actions have been undertaken

Or the result for the year is less than half of the intended level of service

Or where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service

### ● Not measured

A measure which Council is required to report upon, but did not undertake relevant activities, so cannot report results

\* In the levels of service statements which follow, denotes a mandatory measure prescribed by the Secretary of Internal Affairs under section 261B of the Local Government Act 2002.

Page 8 to 9, 18 to 55 and 72 (financial links) constitute Council's Statement of Service Performance in accordance with PBE FRS 48.

## Statement of Compliance

The service performance information in this report is compliant with New Zealand generally accepted accounting practice (NZ GAAP).

## Community Leadership

This activity focuses on the governance functions of Council, in particular leadership and planning and is concerned with local democratic decision-making.

A major focus is getting the 'right' information to the community, clearly and concisely, so that people have an opportunity to understand the Council's view on the critical issues and decisions for the District.



**Council submitted to 16 external consultations during the year.**



**Communication team produced and distributed 95 media releases.**








**A plan for the streetscape upgrade for Marton was commenced.**







### Highlights for 2024/25

- **Annual Plan 2025/2026** – Council adopted the annual plan at the end of June 2025. The Annual Plan sets out the activities and funding for the 2025/26 year.
- **Sectional District Plan Review** – Work commenced on the sectional review of the Rangitikei District Plan. The initial focus of the review is on the Urban Growth Plan Change which aims to provide for future residential growth across the district. The Commercial Zone efficiency and effectiveness report was also completed.
- **Advocacy** – Council submitted to 16 external consultations during the year. These included topics such as local water reform, electoral reform, wastewater standards, emergency management legislation, treaty principles and regulatory standards.
- **Policy and bylaw reviews** – Council completed the development of its Smokefree and Vapefree Policy. It also completed the review of the Signs and Public Places Bylaw. Council's Community Housing Policy was reviewed. Council reviewed, consulted on, and adopted its TAB and Class 4 Gambling Policies. The Dangerous, Affected and Insanitary Building Policy was reviewed, consulted on, and adopted. A review of the Water Related Services Bylaw 2020 was completed and this Bylaw is to be amended and got out for consultation in 2025/26.
- **Preparation of Order Papers** – Order Papers for Council, Committees, Boards, Community Committees, and other meetings have continued to be delivered to ensure that decision-making was compliant and useful.
- **Strategy Development** – Council commenced development of a new Economic Strategy for the Rangitikei District.
- **Plan Development** – A plan for the streetscape upgrade for Marton was commenced.
- **Elections** – Officers commenced work on the local body elections scheduled for October 2025.
- **Mayors Taskforce for Jobs** – Council continued to participate in the Mayor's Taskforce for Jobs programme and delivered over 120 employment outcomes in the district. The most successful programme in the country.
- **Climate Change** – Council continued to work regionally as part of the climate action joint committee.
- **Communications** –
  - 95 media releases produced and distributed.
  - 92 council updates delivered across community newsletters, local newspapers and electronic direct mail.
  - Rangitikei District Council social media following (across all channels) grew 32% in 2024/25. The industry standard is 9.21%. Rangitikei District Council is ranked second in the country for Local Government follower growth in the year 2024.
  - We joined TikTok in August 2024 to try capture a more diverse audience. In the last year we've reached 85,000 people.

## Level of Service

**Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through.**

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/2024 RESULT	NARRATIVE
<i>Council's intended level of service is to: Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community</i>					
On-time completion of, or substantially undertaken annual plan actions		90% or more Annual Plan Actions completed	62%	66.68%	This result has been impacted by the number of roading projects pending reprioritisation due to NZTA declining funding.
Completion of capital programme		85% or more of the planned capital programme	38.90%	59.5%	<p>The underspend is high due to carrying over \$16M of projects that had not been completed in 2023/24. This lifted our capital projects revised budget to \$52.4M, of which we expensed \$20.4M, being 38.9%. The following project delays and changes to the capital programme have contributed to the underspend.</p> <ul style="list-style-type: none"> <li>The Taihape Town Hall and library redevelopment, along with the Taihape Grandstand have experienced delays as the community and staff worked through the design in these two projects. This created an underspend of \$2.8M which should be completed in 2025/26.</li> <li>The Marton building Design and Construction is still in the design phase and will not be completed until 2026/27. This created a \$2.7M underspend.</li> <li>Roading appears well under-spent by \$9M, primarily due to NZTA reducing the funding post LTP adoption and also due to a change in the split between OPEX and CAPEX, placing a higher level of work into the maintenance programme as opposed to Capital post 30 June 2025.</li> <li>The biggest savings are across waste water (\$5.1M) being the Wastewater key projects are Marton to Bulls Centralisation Project, Taihape Wastewater Treatment Plan and the Ratana upgrade. The delays in the wastewater projects are due to the proposed national wastewater standards being finalised. These new standards could have a material impact on the final wastewater solutions.</li> <li>The delay in capital spend in the District Water activities (\$8.2M) are due to delays in the delivery of the new Marton Water Treatment Plant. Testing of the technology on the two water bores has taken longer than anticipated. The Marton WTP will be completed in the 25/26 financial year.</li> </ul>
 Achieved  Not achieved  Not measured					

PERFORMANCE MEASURE		OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/2024 RESULT	NARRATIVE
<b>Māori responsiveness framework:</b>  Satisfaction ratings from each member of Te Rōpū Ahi Kā about the effectiveness of each framework outcome area.	Governance and relationships		80% or more overall satisfaction	75%	50%	A low survey response rate may have affected the overall outcome. This result may also reflect that there have been new Te Roopū Ahi Kā members, and the framework is scheduled for review to ensure it remains fit for purpose and supports effective performance reporting.
	Culture and identity			50%	75%	
	Prosperity and well-being			25%	50%	
	Resources and infrastructure			50%	50%	
Council's intended level of service is to: Provide a high customer experience that satisfies the needs of the community						
Customer views of their experience (both the customer service and service provided) with Council.  HappyOrNot system			Number of Responses:  4,000 or above	3,462 responses	4,905 responses	Due to a recall of the Happy or Not Tablets, data was not collected for December and January. December & January are normally the highest data collection months due to the holiday season and travelers through our District. As Te Matapihi & Taihape were not collecting data during this time, we have seen a decline in data collection affecting the overall outcome.
			Customer Satisfaction Index:  Improvement on previous year	90%	0% percentage point change in happy index	Customer Satisfaction target met.

\* *Mandatory*



# Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025

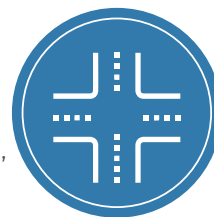
## Community Leadership

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	2,024	2,323	2,323
Targeted rates	92	104	104
Subsidies and grants for operating purposes	502	-	-
Fees and charges			
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts			
<b>Total operating funding ( A )</b>	<b>2,618</b>	<b>2,428</b>	<b>2,427</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	1,770	1,090	1,122
Finance costs			
Other operating funding applications			
Internal charges and overheads applied	1,321	1,355	1,540
<b>Total applications of operating funding ( B )</b>	<b>3,091</b>	<b>2,445</b>	<b>2,662</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>(473)</b>	<b>(18)</b>	<b>(235)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase (decrease) in debt	473	18	-
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>473</b>	<b>18</b>	<b>-</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			
- to improve the level of service			
- to replace existing assets			
Increase (decrease) in reserves			
Increase (decrease) Investments	-	-	(235)
<b>Total applications of capital funding ( D )</b>	<b>-</b>	<b>-</b>	<b>(235)</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>473</b>	<b>18</b>	<b>235</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	2	-	-

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Roading and Footpaths

This activity covers management of the assets located within the Council's roading network (including road pavements, surfaces, bridges, footpaths, kerb and channel, drainage, retaining walls, signs and streetlights).



It is important for Council to provide a safe roading network for the transport of goods and people throughout the district (including motorists, cyclists, pedestrians and mobility scooter users). The cost for this activity attracts a subsidy from central government, with a Financial Assistance Rate (FAR) of 66%. The Roads and Footpath activity is the most significant component of our rates expenditure.



**Two new council-owned roading depots were established in Marton and Taihape.**



**A 5-year road maintenance contract was awarded to Downer NZ Ltd.**



**60.7 lane kilometres of road was resealed.**

### Highlights for 2024/25:





- **Road Maintenance Contract** - Procurement for our Road Maintenance and Services Contract was undertaken and a 5-year contract was awarded to Downer NZ Ltd. This is a completely new type of collaborative contract which integrates Downer systems, skills, expertise and knowledge with Rangitikei District Council. The contract is under-pinned by a set of performance measures which will drive higher efficiency and improved value for money. A key requirement of the new contract will allow Rangitikei District Council to build on our own internal Asset Management and contract management capability.
- **Council Owned Roothing Depots** - Establishment of council owned roading depots – the flexibility of the new Road Maintenance and Services Contract has allowed us to establish our own depot facilities in Marton and Taihape. This will secure Council's position into the future giving greater control on how road maintenance services are delivered.
- **2024-27 National Land Transport Plan (NLTP)** - Budgets for Maintenance, Operations and Renewal (MOR) were approved as submitted apart from the footpath activity budgets which were subject to a 75% reduction. MOR budgets cover our core business as usual activities.
- **2024-27 Improvement Projects** - Council submitted a request for funding to cover a three-year programme of network improvement projects. Apart from funds required to complete work in progress from the previous NLTP, this entire funding application was declined due to changing central government priorities. Within the three months following this NZTA released three separate funding streams which we applied to for projects that met the new government priorities of Network Resilience, Increasing Productivity, Reducing Whole of Life costs and also costs to complete variable speed signage upgrades around schools. We had limited success with a low number of submitted projects receiving approval for subsidised funding.
- **Ruapehu Mill Closures** - During late 2024, the Ruapehu timber and pulp mill closures had a brief but severe impact on the condition of the Taihape Napier Road, as after the closures the logs that would have been processed in those mills were sent by road to the Port of Napier. A short-term contract was put in place to transport the logs by rail, however, we are at the mercy of commercially driven decisions that could see the return of this traffic on the route. We applied to NZTA for specific funding to address issues on the Taihape Napier Road but this was declined.

### Completed Work

- A right turn bay was constructed at Makirikiri Rd / Goldings Line intersection.
- Mangatipona Road and Turakina Valley Road 2 intersection was widened to improve sight distances.
- Bridge abutment protection was undertaken at Brandon Hall Rd Bridge.
- New footpaths and associated drainage assets were constructed on Wellington Road, Marton and SH1 Turakina.
- Area wide pavement rehabilitation was carried out on a section of Pukepapa Road between Makirikiri Road and Whales Line.
- A seal extension was undertaken on Turakina Valley Road 4.
- 9000 cubic metres of aggregate was spread on unsealed roads.
- 60.7 lane kilometres of road was resealed. 648m of culvert pipes were renewed/installed.
- 148m of kerb and channel was renewed. 416 signs renewed/installed.
- Six retaining walls constructed on Taihape Napier Road 1, Turakina Valley Road 2 and 3, Swan Street and Waimutu Road (total length 105m).

## Level of Service

**Provide a sustainable network which is maintained in accordance with each road's significance for local communications and the local economy, taking into account the One Roding Network Classification and funding subsidies.**

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Provide a sustainable roading network that is maintained in accordance with each road's significance for local communications and the local economy, taking into account the One Network Road Classification (ONRC) and funding subsidies</i>					
<b>*Road condition</b> The average quality of ride on a sealed local road network measured by smooth travel exposure		90% or more	93%	94%	Road condition target met.
<b>*Road maintenance</b> The percentage of the sealed road network that is resurfaced		6% or more	4%	3.4%	Some sites were deferred to 2025/26, due to the temperature not being suitable to complete planned resealing work.
The volume of metal placed on the unsealed road network during the year		12,000m <sup>3</sup> or more	9113m <sup>3</sup>	11,463m <sup>3</sup>	Target not met due to increased maintenance contract rates.
<b>*Footpaths</b> The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths that is set out in the Council's relevant document (such as its Annual Plan, Activity Management Plan, Asset Management Plan, Annual Works Programme or Long Term Plan)		90% of footpaths make up category 1 or 2 <sup>1</sup>	94% Grade 1 and 2 condition rating	94% Grade 1 and 2 condition rating	Condition rating last occurred in March 2023 and is not scheduled until 2025/26.

<sup>1</sup> 1. Excellent, 2. Good, 3. Fair, 4. Poor, 5. Very Poor









Achieved



Not achieved




Not measured


PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE	
<b>*Road safety</b> The change from the previous financial year in the number of fatalities and serious injury <sup>2</sup> crashes on the local road network expressed as a number		A reduction of 1 fatal crash per year until zero	0 fatal crashes	0 fatal crashes	There were no fatal crashes on the Council road network.	
		One less serious injury crash than the previous year until there is 10 or less serious injury crashed on the Council roading network	8 serious injury crashes	13	RDC and the Contractors staff proactively manage safety related maintenance issues to minimise risk to road users. Deficiencies requiring major intervention or capital investment have been managed through the National Land Transport Programme including the Road to Zero initiative.	
Council's intended level of service is to: Be responsive to community expectations over the roading network and requests for service						
<b>*Response to service requests</b> The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the Long Term Plan. Results will be presented as the median.	After hours callouts		95% responded to in 12 hours	68%	84%	Response times were impacted by staff capacity. This has been rectified through the new roading contract.
	Working hours callouts		95% responded to in 6 hours	71%	68%	Response times were impacted by staff capacity. This has been rectified through the new roading contract.
	Resolution		85% of callouts resolved within one month of the request	59%	69%	Response times were impacted by staff capacity. This has been rectified through the new roading contract.
	Requests concerning potholes		Potholes 85% of all callouts resolved within one month of the request	80%	79%	Response times were impacted by staff capacity. This has been rectified through the new roading contract.

\*Mandatory

<sup>2</sup> "Serious injury" is not defined in the Rules or associated guidance from the Department of Internal Affairs. At a minimum it is likely to cover all injuries requiring admission to hospital for treatment.

 Achieved

 Not achieved

 Not measured

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025

### Roading and Footpaths

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	179	-	-
Targeted rates	8,365	9,820	9,862
Subsidies and grants for operating purposes	4,261	5,267	5,659
Fees and charges	7	20	20
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts	149	155	121
<b>Total operating funding ( A )</b>	<b>12,961</b>	<b>15,262</b>	<b>15,662</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	6,913	8,517	9,340
Finance costs	231	487	684
Internal Charges and Overheads Applied	2,528	4,116	4,292
<b>Total applications of operating funding ( B )</b>	<b>9,672</b>	<b>13,120</b>	<b>14,317</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>3,289</b>	<b>2,142</b>	<b>1,345</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	4,190	10,661	4,599
Development and financial contributions			
Increase (decrease) in debt	(372)	2,336	-
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>3,818</b>	<b>12,997</b>	<b>4,599</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	214	2,848	-
- to improve the level of service	3,068	-	-
- to replace existing assets	3,824	12,291	7,136
Increase (decrease) in reserves	-	-	(1,192)
Increase (decrease) Investments			
<b>Total applications of capital funding ( D )</b>	<b>7,107</b>	<b>15,139</b>	<b>5,944</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(3,289)</b>	<b>(2,142)</b>	<b>(1,345)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	<i>9,194</i>	<i>10,722</i>	<i>11,357</i>

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

The Council does not fully fund depreciation on roading. This is because a subsidy is received on capital renewals from Waka Kotahi (New Zealand Transport Agency) which is used to reduce the cost to the Council.

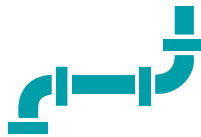
## Rangitikei District Council - Capital Works Roading and Footpaths

Category	Designated projects for 2024/25	2025 LTP Y1 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
District	Unsealed Road Metaling & Rehabilitation (211)	478	535
District	Sealed Road Pavement Rehabilitation (214)	1,637	1,909
District	Drainage Renewals (213)	985	877
District	Structures Components Replacements (215)	842	193
District	Traffic Services Renewals (222)	262	250
District	Sealed Road Surfacing (212)	2,405	1,832
District	Improvements- Low Cost Low Risk (341)	3,472	1,053
District	Public Transport Facilities O&M Renewals (514)	6	-
District	Renewal Footpath (225)	534	127
District	Walking Facilities Renewals (415)	615	-
District	Road to Zero (341)	326	-
District	Urban Reconstructions	150	-
District	Paths and Structures	200	138
District	Subdivisional Roads - Construction	100	42
District	Mitigation Sealing	280	101
District	Calico Line Footpath	-	18
District	Mokai Rd Retreat	-	55
District	Waiaruhe Rd Slope Removal and Drainage Improvements	-	5
<b>Total renewals</b>		<b>12,291</b>	<b>7,135</b>
<b>CAPITAL</b>	<b>(to improve level of service)</b>		
District	Marton Rail Hub	2,848	-
<b>Total Level of Service</b>		<b>2,848</b>	<b>-</b>
<b>Total capital</b>		<b>15,139</b>	<b>7,135</b>
<b>Borrowing</b>			
For the year ended 30 June 2025			
Balance of borrowing at start of year		-	14,406
Funds borrowed during the year		-	-
Funds repaid during the year		-	(576)
<b>Balance of borrowing at end of year</b>		<b>-</b>	<b>13,830</b>
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.			
<b>Proportion of internal borrowing to all borrowing at 30 June</b>		<b>-</b>	<b>17</b>
<b>Portion of finance costs attributable to internal borrowing</b>		<b>-</b>	<b>17%</b>

## Water Supply

This activity ensures the District's towns of Taihape, Mangaweka, Hunterville, Marton, Bulls and Rātana have a reticulated drinking water supply.

Council also administers rural water schemes on behalf of subscriber/owner committees in Hunterville, Erewhon, Omatane and Pūtōrino



**Replacement of 1.5km of watermain for Calico Line.**



**Construction of the new Bulls reservoir pump station is complete.**

### Highlights for 2024/25:

- **Calico Line Watermain Replacement** – 1.5km of replacement is being installed in conjunction with the new walkway, driving efficiencies and cost savings.
- **Marton Water Strategy** – The consent for water abstraction was approved by Horizons Regional Council. The pilot Nanofiltration test plant has been operating at the Reservoir site since late July and is in the midst of collecting information for a 12-week period. This will determine the design of the new Treatment Plant.
- **Bulls Reservoir Pump Station** – Construction of the new Bulls reservoir pump station is complete. The pump is currently being commissioned and when complete will make the existing reservoirs redundant and able to be decommissioned.



## Level of Service

### Provide a safe and compliant supply of drinking water

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Provide a safe and compliant supply of drinking water</i>					
<b>*Safety of drinking water</b> The extent to which the Council's drinking water supply complies with:	Water supplied is compliant with the DWQA Rules in the Distribution System (Bacteria compliance)	No Incidents of non-compliance with bacteria compliance criteria for each water supply	Compliant (0/6)	Compliant (5/6)	Rātana** Services population of 345, reporting against: T3 Bacterial Rules = All Not met D3.29 Microbiological Monitoring Rule = Not Met.  Mangaweka Services population of 150, reporting against: T2 Treatment Monitoring Rules = Not Met T2 Chlorine Rules = Not Met D2.1 Distribution System Rule = Met  Hunterville** Services population of 480, reporting against: T3 Bacterial Rules = All Not Met D3.29 Microbiological Monitoring Rule = Not Met  Taihape Services population of 1584, reporting against: T3 Bacterial Rules = All Not Met D3.29 Microbiological Monitoring Rule = Not Met  Marton Services population of 4764, reporting against: T3 Bacterial Rules = All Not Met D3.29 Microbiological Monitoring Rule = Not Met  Bulls Services population of 1419, reporting against: T3 Bacterial Rules = All Not Met D3.29 Microbiological Monitoring Rule = Not Met  Refer to table on page 32 for further detail on the instances of non-compliance.

\*\*Despite Rātana and Hunterville having populations between 101-500, Rangitikei District Council has elected to have these water supply networks reported on using the level 3 rules, rather than the level 2 rules as allowed by the Drinking Water Quality Assurance Rules 2022 (DWQAR).



Achieved



Not achieved



Not measured

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<b>*Safety of drinking water</b> The extent to which the Council's drinking water supply complies with:	Water supplied is compliant with the DWQA Rules in the Treatment System (Protozoal compliance)	No Incidents of non-compliance with protozoa compliance criteria for each water supply	Compliant (0/6)	Compliant (2/6)	Rātana** Services population of 345, reporting against: T3 Protozoal Rules = Not Met Mangaweka Services population of 150, reporting against: T2 Treatment Monitoring Rules = Not Met T2 Filtration Rules = Not Met T2 UV Rules = Not Met Hunterville** Services population of 480, reporting against: T3 Protozoal Rules = Not Met Taihape Services population of 1584, reporting against: T3 Protozoal Rules = Not Met Marton Services population of 4764, reporting against: T3 Protozoal Rules = Not Met Bulls Services population of 1419, reporting against: T3 Protozoal Rules = Not Met Refer to table on page 33 for further detail on the instances of non-compliance.
Council's intended level of service is to: Provide reliable and efficient urban water supplies					
<b>*Maintenance of the reticulation network</b> The percentage of real water loss from Council's networked urban reticulation system		Less than 40%	49%	56%	Work on the Bulls Water Treatment Plant likely impacted the result.
<b>*Demand Management</b> The average consumption of drinking water per day per resident within the District		600 litres per resident per day	469	543	Consumption of drinking water target achieved.

\*\*Despite Rātana and Hunterville having populations between 101-500, Rangitikei District Council has elected to have these water supply networks reported on using the level 3 rules, rather than the level 2 rules as allowed by the Drinking Water Quality Assurance Rules 2022 (DWQAR).






Achieved




Not achieved



Not measured

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Be responsive to reported faults and complaints*</i>					
<b>* Fault response time</b> Where the Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median times are measured.	Attendance for urgent call outs from the time that the Council receives notification to the time that service personnel reach the site	0.5 hours	0.14 hours	0.15 hours	Attendance target met.
	Resolution of urgent call outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption	24 hours	1.69 hours	0.7 hours	Resolution target met.
	Attendance for non-urgent call outs: from the time that the Council receives notification to the time that service personnel reach the site	24 hours	0.75 hours	0.98 hours	Attendance target met.
	Resolution of non-urgent call outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption	96 hours	2.68 hours	4.41 hours	Resolution target met.
<div>  Achieved            Not achieved            Not measured         </div>					

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<b>*Customer satisfaction</b> The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council <sup>1</sup>		No more than 20 complaints per 1000 connections	71.64	58.48	The occurrence of geosmin over the summer months in the Marton water supply has meant that complaints increased.
Council's intended level of service is to: Maintain compliant, reliable and efficient rural water supplies					
Where the Council attends a call out in response to a fault or unplanned interruption to its water supply for rural water schemes, the following median times are measured:	Attendance time: from the time that the Council receives notification to the time that service personnel reach the site	48 hours	0.5 hours	1.25 hours	Attendance target met.
	Resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption	96 hours	1.84 hours	3.07 hours	Resolution target met.

\* Mandatory.      Urgent: Callouts are considered urgent where there is full loss of water supply.  
 Normal: Callouts are considered normal for all other matters where there is no full loss of water supply.

<sup>1</sup> a. drinking water clarity, b. drinking water taste, c. drinking water odour, d. drinking water pressure or flow, e. continuity of supply, and f. The Council's response to any of these issues



Achieved



Not achieved



Not measured

**Table: Water supplied is compliant with the DWQA Rules in the Distribution System (Bacteria compliance)**

Name	Explanation
<b>Rātana</b>	<ul style="list-style-type: none"> <li>For eight days across the period, continuous monitoring data used to demonstrate compliance with the T3 bacterial and protozoal rules was lost for more than 5% of the day.</li> <li>For one day across the period, chlorination performance at the WTP did not meet requirements.</li> <li>For five weeks across the period, microbiological monitoring within the distribution zone was not undertaken at the required frequencies.</li> </ul> <p>Although data gaps occurred, chlorine disinfection remained in place throughout, and there was no evidence that the water was unsafe.</p>
<b>Mangaweka</b>	<ul style="list-style-type: none"> <li>For two months across the period, sufficient monitoring of turbidity, FAC, and pH at the WTP was not demonstrated, chlorination performance at the WTP did not meet requirements.</li> </ul> <p>These were monitoring and performance data issues rather than contamination events. Chlorine was maintained and no unsafe water was detected.</p>
<b>Hunterville</b>	<ul style="list-style-type: none"> <li>For four days across the period, continuous monitoring data used to demonstrate compliance with the T3 bacterial rules was lost for more than 5% of the day.</li> <li>For three days across the period, the T3 bacterial chlorination performance at the WTP did not meet requirements due to elevated turbidity.</li> <li>For two weeks across the period, microbiological monitoring within the distribution zone was not undertaken at the required frequencies.</li> </ul> <p>Despite brief monitoring losses, treatment barriers were maintained and there were no E. coli detections or evidence of unsafe water.</p>
<b>Taihape</b>	<ul style="list-style-type: none"> <li>For four days across the period, continuous monitoring data used to demonstrate compliance with the T3 bacterial rules was lost for more than 15 consecutive minutes of the day.</li> <li>For four weeks across the period, microbiological monitoring within the distribution zone was not undertaken at the required frequencies.</li> </ul> <p>Temporary data gaps did not indicate unsafe water. Continuous chlorination was maintained and consumers were not at risk.</p>
<b>Marton</b>	<ul style="list-style-type: none"> <li>For two days across the period, continuous monitoring data used to demonstrate compliance with the T3 bacterial rules was lost for more than 5% of the day or 15 consecutive minutes.</li> <li>For three weeks across the period, microbiological monitoring within the distribution zone was not undertaken at the required frequencies.</li> </ul> <p>These short data losses did not reflect a health risk. Chlorine disinfection was maintained and no contamination was detected.</p>
<b>Bulls</b>	<ul style="list-style-type: none"> <li>For three days across the period, continuous monitoring data used to demonstrate compliance with the T3 bacterial rules was lost for more than 5% of the day.</li> <li>For four days across the period, chlorination performance at the WTP did not meet requirements.</li> <li>For five weeks across the period, microbiological monitoring within the distribution zone was not undertaken at the required frequencies.</li> </ul> <p>Monitoring gaps and minor performance issues occurred but water safety was not compromised. No contamination events were recorded.</p>

**Table: Water supplied is compliant with the DWQA Rules in the Treatment System (Protozoal compliance)**

Name	Explanation
<b>Rātana</b>	<ul style="list-style-type: none"> <li>For eight days across the period, continuous monitoring data used to demonstrate compliance with the protozoal rules was lost for more than 5% of the day.</li> <li>Across the whole period, a T3 protozoal treatment barrier that is able to achieve 3-log protozoal treatment was not in-place at the WTP.</li> </ul> <p>While the treatment system did not meet full protozoal compliance, the supply was protected by residual disinfection, and there was no evidence of unsafe water.</p>
<b>Mangaweka</b>	<ul style="list-style-type: none"> <li>For two months across the period, sufficient monitoring of turbidity, FAC, and pH at the WTP was not demonstrated, therefore treatment monitoring, UV disinfection, and filtration performance at the WTP did not meet requirements.</li> <li>For the whole period, flow monitoring data was unable to be assessed within the time period to complete the audit, therefore UV disinfection and filtration performance at the WTP did not meet requirements.</li> <li>For two months across the period, UV dose was not continuously monitored at the WTP, therefore UV disinfection performance at the WTP did not meet requirements.</li> </ul> <p>These were monitoring and data logging issues rather than treatment failures. Chlorination remained in place and water remained safe to drink.</p>
<b>Hunterville</b>	<ul style="list-style-type: none"> <li>For four days across the period, continuous monitoring data used to demonstrate compliance with the protozoal rules was lost for more than 5% of the day.</li> <li>For three days across the period, the T3 protozoal conventional filtration, cartridge filtration, and UV disinfection performance at the WTP did not meet requirements due to elevated turbidity. In addition, for two days across the period, the T3 protozoal conventional filtration and cartridge filtration performance at the WTP did not meet requirements due to elevated turbidity.</li> <li>Across the whole period, the continuous monitoring of UVT at the WTP was not demonstrated.</li> </ul> <p>Although protozoal compliance was not achieved on paper, chlorine disinfection was maintained and no unsafe water was supplied.</p>
<b>Taihape</b>	<ul style="list-style-type: none"> <li>For four days across the period, continuous monitoring data used to demonstrate compliance with the protozoal rules was lost for more than 15 consecutive minutes of the day.</li> <li>For 54 days across the period, UV disinfection flow data was unable to be assessed due to an error in the monitoring data, therefore UV disinfection performance at the WTP was unable to be demonstrated.</li> <li>Across the whole period, the continuous monitoring of UVT at the WTP was not demonstrated.</li> </ul> <p>These were data and equipment issues rather than contamination events. Chlorination was maintained and water remained safe.</p>
<b>Marton</b>	<ul style="list-style-type: none"> <li>For two days across the period, continuous monitoring data used to demonstrate compliance with the protozoal rules was lost for more than 5% of the day or 15 consecutive minutes.</li> <li>Across the whole period, the continuous monitoring of UVT at the WTP was not demonstrated.</li> </ul> <p>Despite monitoring gaps, chlorination continued to provide protection and there was no evidence the water was unsafe.</p>
<b>Bulls</b>	<ul style="list-style-type: none"> <li>For three days across the period, continuous monitoring data used to demonstrate compliance with the protozoal rules was lost for more than 5% of the day.</li> <li>For one day across the period, direct filtration performance at the WTP did not meet requirements.</li> <li>Across the whole period, the continuous monitoring of UVT at the WTP was not demonstrated.</li> <li>For two weeks across the period, residual disinfection monitoring within the distribution zone was not undertaken at the required frequencies.</li> </ul> <p>Although filtration and monitoring performance did not meet every requirement, chlorine disinfection and operational checks were maintained. The water was considered safe to drink.</p>

For further information on the water safety requirements that DIA require Councils to report on and the methodology refer to DIA [www.dia.govt.nz](http://www.dia.govt.nz) and Taumata Arowai monitoring and reporting The Water Services Authority - Taumata Arowai [www.taumataarowai.govt.nz](http://www.taumataarowai.govt.nz)

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025

### Water Supply

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	-	2	9
Targeted rates	6,551	7,319	7,222
Subsidies and grants for operating purposes			
Fees and charges	61	43	29
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts			
<b>Total operating funding ( A )</b>	<b>6,612</b>	<b>7,364</b>	<b>7,260</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	2,409	3,356	3,465
Finance costs	516	980	842
Internal Charges and Overheads Applied	1,265	1,621	2,017
<b>Total applications of operating funding ( B )</b>	<b>4,190</b>	<b>5,957</b>	<b>6,325</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>2,422</b>	<b>1,407</b>	<b>935</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase (decrease) in debt	3,417	4,290	(55)
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>3,417</b>	<b>4,290</b>	<b>(55)</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			
- to improve the level of service	5,190	2,700	962
- to replace existing assets	649	2,998	1,446
Increase (decrease) in reserves	-	-	947
Increase (decrease) Investments	-	-	(2,475)
<b>Total applications of capital funding ( D )</b>	<b>5,839</b>	<b>5,698</b>	<b>880</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(2,422)</b>	<b>(1,407)</b>	<b>(935)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>0</b>
<i>Depreciation</i>	<i>2,179</i>	<i>2,179</i>	<i>2,288</i>

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014



## Rangitikei District Council - Capital Works

### Water Supply

Category	Designated projects for 2024/25	2025 LTP Y1 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
District	Bulls Water Pump Station / Rising Main	392	435
District	Water Supply Renewals	2,144	747
Hunternville Urban Water Scheme	Hunternville Treatment - Contractor	27	-
Erewhon Rural Water Scheme	Erewhon Reticulation - contractor	378	5
Hunternville Rural Water Scheme	HRWS Reticulation - Contractor	27	24
Hunternville Rural Water Scheme	HRWS Treatment - Contractor	22	26
Omatane Rural Water Scheme	Omatane Rural Water Retic renewals	7	1
District	Ren Water District	-	48
District	Ren Tment O & M	-	26
District	Ren WTP Crit Assets	-	43
District	Taihapa falling main replacement	-	90
<b>Total renewals</b>		<b>2,998</b>	<b>1,446</b>
<b>CAPITAL</b>	<b>(to improve level of service)</b>		
District	Marton Water Strategy	2,450	877
District	Security Fence Marton WTP	100	-
District	Raw Water Turbidity Meter Taihapa WTP	150	-
District	New Plant	-	40
District	LOS Tment Minor Works Urban WTP	-	26
District	RDC Water Asset Management Strategy	-	19
<b>Total capital</b>		<b>2,700</b>	<b>962</b>
<b>TOTAL</b>		<b>5,698</b>	<b>2,408</b>

#### Borrowing

For the year ended 30 June 2025

Balance of borrowing at start of year	-	18,655
Funds borrowed during the year	-	962
Funds repaid during the year	-	(1,017)
<b>Balance of borrowing at end of year</b>	<b>-</b>	<b>18,600</b>

All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.

<b>Proportion of internal borrowing to all borrowing at 30 June</b>	<b>-</b>	<b>73%</b>
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<b>Portion of finance costs attributable to internal borrowing</b>	<b>-</b>	<b>72%</b>
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# Sewerage and the Treatment and Disposal of Sewage



This activity provides a reticulated wastewater disposal service for the towns of Taihape, Mangaweka, Hunterville, Marton, Bulls, Rātana and Koitiata.

It includes the reticulation, treatment and disposal of wastewater.



**Inflow and infiltration programme continues for the Taihape Wastewater system**



**Construction of the Papakai Pump Station has been completed**









## Highlights for 2024/25:






- **Taihape inflow and infiltration programme** – This is in progress and involves smoke testing and manhole inspections to determine any stormwater inflows and infiltration into the wastewater system.
- **Papakai Pump Station** – Construction of the pump station is complete, and the station is fully operational. This improves the level of service to protect the Hautapu River from unwanted overflows during heavy rain events.
- **Marton to Bulls Wastewater Centralisation** – Discharge to land is currently being investigated as part of five other options due to the new proposed Taumata Arowai Discharge Standards. The options being investigated are:
  - **100% Discharge to land:** treatment plant at the RDC owned site.
  - **100% Discharge to land:** With inflow and infiltration reduction in the networks.
  - **Combined discharge to land and river.**
  - **100% Discharge to river:** standards as per the draft Wastewater Discharge standards (moderate dilution environment).
  - **100% Discharge to river:** discharge requirements as per the Horizon One Plan.
  - **100% Discharge to river:** With an inflow and infiltration reduction programme.

A preferred option will be finalised when the Taumata Arowai Discharge Standards are finalised.

## Level of Service

**Provide a reliable reticulated disposal system that does not cause harm or create pollution within existing urban areas.**

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Provide a reliable, reticulated disposal system that does not cause harm or create pollution within existing urban areas</i>					
<b>*Discharge compliance</b> Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of a) abatement notices b) infringement notices c) enforcement orders, and d) convictions		No abatement notices	2	3	Abatement notice 1480 issued for Hunterville due to high concentration of dissolved reactive phosphorous (DRP) and E.Coli to the Porewa Stream. Abatement notice 1481 issued for Mangaweka due to maintenance needed on the UV disinfection unit. A new UV system was installed at both Hunterville and Mangaweka Wastewater Treatment Plants.
		No infringement notices	10	10	5 Infringement Notices (1163, 1188, 1215, 1216, 1217) for Hunterville WWTP issued August 2024, October 2024, and February 2025 due to exceeding the maximum discharge volume on one day, and high concentration of dissolved reactive phosphorous and E.Coli. A new UV system unit has been installed at the Hunterville Wastewater Treatment Plant. 3 Infringement Notices (1185, 1189, 1186) for Marton issued October 2024 due to exceedance of turbidity and ammonia downstream, and non-compliance with monitoring requirements. This was rectified when wastewater service operations moved back in house. 2 Infringement Notice (1167, 1207) for Mangaweka issued September 2024, February 2025 due to excess E.Coli. A new UV system unit has been installed at the Mangaweka Wastewater Treatment Plant.
		No enforcement orders	0	0	No enforcement orders received.
		No convictions	0	0	No convictions received.
		Fewer overflows than 3 per 1000 connections	0.46/1000	1.92/1000	Dry weather sewerage overflow target achieved.
<b>*System and adequacy</b> The number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system					
 Achieved  Not achieved  Not measured					


PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Be responsive to reported faults and complaints</i>					
<b>* Fault response time</b> Where the Council attends to sewage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median times are measured: a. attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and b. resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption	              	Attendance urgent 0.5 hours          Attendance non-urgent 24 hours  Resolution urgent 24 hours  Resolution non-urgent 96 hours	0.66 hours          0.83 hours  1.70 hours  2.22 hours	0.35 hours          0.83 hours  2.02 hours  1.76 hours	The average attendance time for urgent call outs is slightly above average due to disruptions during the period when the shared service arrangement with Manawatu District Council ended, and the wastewater operations moved back in house. This performance target was more difficult to meet after experiencing delays due to the tight (half hour) target.          Average attendance target achieved.  Average urgent resolution target achieved.  Average resolution target achieved.
<b>*Customer satisfaction</b> The total number of complaints received by the Council about any of the following: a. sewage odour b. sewerage system faults c. sewerage system blockages, and d. the Council's response to issues with its sewerage system Expressed per 1000 connections to the Council's sewerage system.		Fewer requests than 6 per 1000 connections	8.67/1000	18.22/1000	Proactive work is ongoing in identified areas to address inflows and infiltration and support achievement of target performance levels.


*\* Mandatory*

*Urgent: Callouts are considered urgent where sewage is evident.*

*Non-urgent: Callouts are considered non-urgent for all other matters where sewage is not evident.*

 Achieved

 Not achieved

 Not measured

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025

### Wastewater and Sewage Disposal

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	(300)	-	-
Targeted rates	3,091	3,295	3,671
Subsidies and grants for operating purposes			
Fees and charges	106	8	30
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	489
<b>Total operating funding ( A )</b>	<b>2,897</b>	<b>3,303</b>	<b>4,189</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	826	1,014	1,050
Finance costs	418	548	861
Other operating funding applications			-
Internal Charges and Overheads Applied	212	521	897
<b>Total applications of operating funding ( B )</b>	<b>1,456</b>	<b>2,083</b>	<b>2,808</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>1,442</b>	<b>1,219</b>	<b>1,381</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			-
Development and financial contributions			-
Increase (decrease) in debt	7,402	1,311	4,827
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>7,402</b>	<b>1,311</b>	<b>4,827</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	1,250	1,205
- to improve the level of service	8,211	440	5,107
- to replace existing assets	632	840	439
Increase (decrease) in reserves	-	-	(543)
Increase (decrease) Investments			
<b>Total applications of capital funding ( D )</b>	<b>8,843</b>	<b>2,530</b>	<b>6,208</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(1,442)</b>	<b>(1,219)</b>	<b>(1,381)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	<i>1,688</i>	<i>1,550</i>	<i>1,314</i>

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Rangitikei District Council - Capital Works

### Sewerage and the Treatment and Disposal of Sewage

Category	Designated projects for 2024/25	2025 LTP Y1 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
Sewerage District	Wastewater Reticulation	750	423
Sewerage District	Bulls Waveband Renewal	50	0
Sewerage District	WWTP Minor Upgrades	40	7
Sewerage District	Wastewater Reticulation - New Works	-	9
<b>Total renewals</b>		<b>840</b>	<b>439</b>
<b>CAPITAL</b>	<b>(to improve level of service)</b>		
Sewerage District	Wastewater Reticulation - O & M	40	-
Sewerage District	Marton WWTP Upgrades (Outlet Structure Improv	-	2
Sewerage District	Marton WWTP Upgrades (Outlet Structure Improv	100	-
Sewerage District	Huntermville WWTP Upgrades (New UV)	300	61
Sewerage District	Land Purchase - Marton to Bulls Centralisation Project	-	4,178
Sewerage District	RDC Waste Water Asset Mgt Strategy	-	163
Sewerage District	Taihape / Papakai Wastewater Pump Station	-	427
Sewerage District	Ratana Complete Upgrade	-	91
Sewerage District	Ratana WWTP - Second Land Purchase	-	184
<b>Total Level of Service</b>		<b>440</b>	<b>5,107</b>
<b>CAPITAL</b>	<b>Growth</b>		
Sewerage District	Marton to Bulls Centralisation Project	1,250	1,079
Sewerage District	Taihape Wastewater Treatment Plant Consent	-	126
<b>Total Growth</b>		<b>1,250</b>	<b>1,205</b>
<b>Total Capital</b>		<b>2,530</b>	<b>6,751</b>
<b>Borrowing</b>			
For the year ended 30 June 2025			
Balance of borrowing at start of year		-	18,124
Funds borrowed during the year		-	7,312
Funds repaid during the year		-	(725)
<b>Balance of borrowing at end of year</b>		<b>-</b>	<b>24,711</b>
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.			
<b>Proportion of internal borrowing to all borrowing at 30 June</b>		<b>-</b>	<b>2%</b>
<b>Portion of finance costs attributable to internal borrowing</b>		<b>-</b>	<b>2</b>

## Stormwater Drainage

This activity provides for the disposal of storm water in Taihape, Mangaweka, Hunterville, Marton, Bulls, and Rātana.



**The design phase for Skerman Street Stormwater Pipe is underway to help reduce flooding in the area.**



**The design for Hunterville Stormwater Upgrade has been completed**








### Highlights for 2024/25:

- **Skerman Street Stormwater Pipe** – This is in the detailed design phase and will help reduce flooding issues over private properties along Skerman and Grey Streets.
- **Hunterville Stormwater Upgrade** – The detailed design has been completed, and the project is in the tender process. This will involve new pipe being installed to divert flow from Milne Street.
- **Annual Stormwater maintenance** – Several open drains across the district received maintenance cleaning and clearing.
- **Bredins Line Stormwater outfall** – The design for the new pipe and outfall structure has been completed and the project is in the tender process. Construction will be completed in the next financial year.
- **Bulls Stormwater upgrade** – Construction for this project has been completed.



## Level of Service

**Provide a reliable collection and disposal system to each property during normal rainfall.**

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2025/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Provide a reliable collection and disposal system to each property during normal rainfall</i>					
<b>*Discharge compliance</b> Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of: a. abatement notices b. infringement notices c. enforcement orders, and d. convictions Received by the Council in relation to those resource consents.		No abatement notices	Not Measured	Not Measured	Discharge compliance is a mandatory measure set by the Department of Internal Affairs therefore must be reported on. However, as Council has no stormwater consents this target cannot be measured.
		No infringement notices	Not Measured	Not Measured	
		No enforcement orders	Not Measured	Not Measured	
		No convictions	Not Measured	Not Measured	
<b>*System adequacy</b> The number of flooding events <sup>1</sup> that occurred in the District. For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the Council's stormwater system). Note: This is a District-wide assessment		Fewer requests than 5 per 1000 connected properties	0	0	No flooding events during this period.
<i>Council's intended level of service is to: Be responsive to reported faults and complaints</i>					
<b>*Customer satisfaction</b> The number of complaints received by the Council about the performance of its stormwater system, expressed per 1000 properties connected to the Council's stormwater system.		Fewer requests than 5 per 1000 connected properties	6.48/1000	4.9/1000	Following a dry summer, light rainfall led to an increased likelihood of surface water accumulation on properties, which contributed to a rise in related inquiries.
<b>*Response time</b> The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.		Two hours or less	Not measured	Not measured	No flooding events during this period.

\*Mandatory

<sup>1</sup> The rules for the mandatory measures define a 'flooding event' as an overflow from a territorial authority's stormwater system that enters a habitable floor



Achieved



Not achieved



Not measured

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025

### Stormwater Drainage

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties			
Targeted rates	725	846	858
Subsidies and grants for operating purposes			
Fees and charges	16	6	-
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts			
<b>Total operating funding ( A )</b>	<b>741</b>	<b>852</b>	<b>858</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	101	169	158
Finance costs	50	54	80
Finance Costs External			
Finance Costs Internal	-	-	80
Other operating funding applications			
Internal Charges and Overheads Applied	154	248	606
<b>Total applications of operating funding ( B )</b>	<b>305</b>	<b>471</b>	<b>844</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>436</b>	<b>381</b>	<b>13</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase (decrease) in debt	94	440	-
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>94</b>	<b>440</b>	<b>-</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			
- to improve the level of service	423	710	387
- to replace existing assets	107	111	88
Increase (decrease) in reserves	-	-	(462)
Increase (decrease) Investments			
<b>Total applications of capital funding ( D )</b>	<b>530</b>	<b>821</b>	<b>13</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(436)</b>	<b>(381)</b>	<b>(13)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	435	666	573

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Rangitikei District Council - Capital Works

### Stormwater Drainage

Category	Designated projects for 2024/25	2025 LTP Y1 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
District	Open Drain Renewals	111	52
District	Renewals Reticulation	0	11
District	George Street Stormwater Renewal	0	24
<b>Total renewals</b>		<b>111</b>	<b>88</b>
<b>CAPITAL</b>	<b>(to improve level of service)</b>		
District	Bredins Line New Outfall	500	6
District	Bulls Domain Mitigation	100	16
District	LOS Storm Water Reticulation	110	56
District	Bulls Stormwater Upgrades	-	240
District	RDC Storm Water Asset Strategy	-	69
<b>Total Level of Service</b>		<b>710</b>	<b>387</b>
<b>Total capital</b>		<b>821</b>	<b>475</b>
<b>Borrowing</b>			
For the year ended 30 June 2025			
Balance of borrowing at start of year		-	1,676
Funds borrowed during the year		-	387
Funds repaid during the year		-	(67)
<b>Balance of borrowing at end of year</b>		<b>-</b>	<b>1,996</b>
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.			
<b>Proportion of internal borrowing to all borrowing at 30 June</b>		<b>-</b>	<b>80%</b>
<b>Portion of finance costs attributable to internal borrowing</b>		<b>-</b>	<b>100%</b>

## Parks and Reserves

This activity includes Council's parks and reserves assets – parks and reserves, sports grounds, playgrounds, skateparks, walkways and cemeteries.



This group of activities provides opportunities for passive and active recreational amenities within the Rangitikei District.



**Two pedestrian bridges were constructed across the Hautapu River in Taihape**



**A flying fox was installed within the playground at Sir James Wilson Park**

### Highlights for 2024/25:

#### Parks and Reserves

- The Taihape Gumboot sculpture gardens have been upgraded.
- Marton Park rose garden pathway resurfacing (stage 2) was completed.
- Bulls cream-can litter bins have also been refurbished.

#### Playgrounds

- A flying fox was installed within the playground at Sir James Wilson Park.

#### Walkways

- Two pedestrian bridges were constructed across the Hautapu River in Taihape.

#### Cemeteries

- A number of additional burial berms were installed within the Mt View and Rātana Pā cemeteries.
- Refurbishment of the Mt View Cemetery entranceway fence was undertaken.

Council is also supporting a number of community-led projects throughout the district - Tūtaenui Restoration Society; restoration of the Tūtaenui Reservoir, Koitiata Wetland Restoration project and the Friends of Taihape – Hautapu River Parks reserve walkway development.

## Level of Service

Provide parks and sports fields that are fit for purpose.

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2025/25 RESULT	2023/24 RESULT	NARRATIVE
Councils intended level of service is to: Compliance with relevant standards					
Playground compliance with NZ Standards	<div></div>	Maintain accreditation	100% compliance	95% compliance	All playgrounds comply with NZ standards.
Customer ratings of parks and sports fields	<div></div>	90% Happy or Somewhat Happy	100%	Not measured	100% of responses are Happy.

Achieved

Not achieved

Not measured

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025 Parks and Reserves

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	110	597	597
Targeted rates			
Subsidies and grants for operating purposes	2	2	-
Fees and charges	90	93	78
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts			
<b>Total operating funding ( A )</b>	<b>203</b>	<b>692</b>	<b>674</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	315	359	395
Finance costs	4	-	6
Finance Costs External			
Finance Costs Internal	-	-	6
Other operating funding applications			
Internal Charges and Overheads Applied	71	227	233
<b>Total applications of operating funding ( B )</b>	<b>390</b>	<b>586</b>	<b>634</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>(187)</b>	<b>106</b>	<b>40</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase (decrease) in debt	221	76	(5)
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>221</b>	<b>76</b>	<b>(5)</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			
- to improve the level of service	-	25	-
- to replace existing assets	34	157	149
Increase (decrease) in reserves			
Increase (decrease) Investments	-	-	(114)
<b>Total applications of capital funding ( D )</b>	<b>34</b>	<b>182</b>	<b>35</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>187</b>	<b>(106)</b>	<b>(40)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>0</b>
<i>Depreciation</i>	<i>11</i>	<i>30</i>	<i>1</i>

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Rangitikei District Council - Capital Works Parks and Reserves

Category	Designated projects for 2024/25	2025 LTP Y1 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
District	Parks and Reserves Renewals	127	-
District	Taihapa Artificial Cricket Pitch	10	-
District	Marton Duck Pond Redevelopment	20	-
District	Parks and Reserves Renewals	-	127
District	Wilson Park Fence	-	22
<b>Total renewals</b>		<b>157</b>	<b>149</b>
<b>CAPITAL</b>	<b>(to replace existing assets)</b>		
District	Wilson Park New Fence	15	-
District	Lawn Scarifier	10	-
<b>Total capital</b>		<b>25</b>	<b>-</b>
<b>Total renewals</b>		<b>182</b>	<b>149</b>
<b>Borrowing</b>			
For the year ended 30 June 2025			
Balance of borrowing at start of year		-	136
Funds borrowed during the year		-	-
Funds repaid during the year		-	(5)
<b>Balance of borrowing at end of year</b>		<b>-</b>	<b>131</b>
<b>Proportion of internal borrowing to all borrowing at 30 June</b>		<b>-</b>	<b>100</b>
<b>Portion of finance costs attributable to internal borrowing</b>		<b>-</b>	<b>100%</b>

All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.



## Community

This activity includes Council's community places (community hubs, swimming pools, community housing, public toilets, property, rural halls) and wellbeing services, programs and events (learning centres, funding support, culture and heritage, district promotion, youth development, emergency management and partnerships).

This group of activities aims to deliver improvements to community wellbeing through partnerships and the provision of community facilities and services.



**Community Hubs ran over 40 programmes per month across the three hub sites.**



**We received \$10,000 of funding in the Events Promotion Fund.**



**Installation of the new 'Welcome To The Rangitikei' billboards throughout the district.**





### Highlights for 2024/25:

- **Marton Market Day and the Marton Harvest Festival** – continued to grow in attendance.
- **Do-a-Duathlon** – growth of the event to 85 registered participants.
- **Bikes in schools programme** – Council received external funding to deliver the Bikes in Schools programme. In partnership with Sport Whanganui a fleet of bikes were purchased and bike education was delivered to over 600 tamariki.
- **Funding** – We received \$10,000 of funding in the Events Promotion Fund through MBIE.
- **District Promotion** – successful installation of the new 'Welcome To The Rangitikei' billboards throughout the district.
- **Community Hubs** – continued to build programmes and continue to run over 40 programmes per month across the three hub sites, plus over 100 school holiday programmes throughout the year.
- **Youth development programmes** – a wide range of youth development programmes were delivered which included YHQ in Marton and The Lobby in Taihape, skills and confidence development programmes (e.g. golf, hunting) and participation in the Youth Council.
- **Partnerships** – Council continued a range of partnership activities including with Bulls Community District Trust and Taihape Community Development Trust, Marton ICT Hub, Business Rangitikei, Sport Whanganui.
- **Shop Local campaign** – Council led a Shop Local campaign across the district to encourage shoppers to think locally before going out of town for their shopping. Retailers took advantage of the promotion around this campaign and eight lucky shoppers were rewarded with a prize at the end of each week for spending locally.

- **Community Housing** – Independent ‘Healthy Homes’ assessments of all units were undertaken. Ongoing renovations and improvements included exterior painting - Weka Street units, Painting of roof – Cuba Street, fencing and driveway renewal at Hammond Street, replacement of heat pumps and ventilation work at various units. Interior renovations were undertaken at various units.
- **Swim Centres** – Taihape Swim Centre maintained PoolSafe Accreditation. The Marton Swim Centre was closed for the 2024/25 season due to a roof beam failure. With the generosity of Rangitikei College, recreational swimming was available at their swim centre during January 2025. In June 2025, Council confirmed the scope for the Marton Pool repairs to include the replacement of the roof with like for like with the addition of a ETFE liner for improved insulation and to allow more daylight into the facility.
- **Halls** – New vinyl in the bathrooms and kitchen for Mangaweka Hall; New chairs and tables for Marton RSA & Citizens Memorial Hall.
- **Marton Emergency Operations Centre, Offices, and Community Hub** – A Design & Build Contract was signed with Maycroft Construction. Preliminary site investigations undertaken.
- **Taihape Town Hall** – Maycroft Construction was engaged for the design and construction for the building redevelopment. Preliminary site investigations were completed.
- **Taihape Grandstand** - A seismic design proposal was completed. Community engagement was carried out to understand the community’s intention for underneath the grandstand, as a community-led project.

## Level of Service

Provide a fit for purpose range of community and leisure assets.

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
Council's intended level of service is to: Compliance with relevant standards					
All swimming pools have poolsafe accreditation		Maintain accreditation	Taihape Swim Centre achieved Pool Safe Accreditation.	100%	Marton Swim Centre on hold due to the building being closed.
Council complies with criteria in rental warrant of fitness programme for community housing		All units achieve at least 95% compliance	All units measured (70) achieved 98.8%.	98.6%	Two units were not measured as they are currently being renovated.
New public toilet buildings are well designed, safe and visible and Compliance with SNZ4241:1999 and CPTED (safer design guidelines) for new or refurbished toilets		100% compliance	Not measured	100% compliance	No new or refurbished public toilets in 2024/25.
Council's intended level of service is to: Library services are welcoming and provide a space for social interaction and learning					
Customer rating of library facilitates		Customer Satisfaction Index (provided via the HappyOrNot system): 90%	90% overall.  This consists of: 89% of 373 responses at Te Matapihi 93% of 1005 responses at Taihape 85% of 1,778 responses at Marton Community Hub	91% overall. This consists of: 90% of 729 responses at Te Matapihi 93% of 928 responses at Taihape 89% of 2,718 responses at Marton Library	Customer satisfaction at library facilities was 90% overall, meeting the target.




Achieved





Not achieved



Not measured


PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
The number of library outreach activities and events delivered		5 programs per month per Community Hub site	Marton Community Hub: 20 Programmes per month Te Matapihi-Bulls Community Hub: 12 Programmes per month Taihape Community Hub: 10 Programmes per month School Holiday Programmes: Marton: 65 Programmes Te Matapihi: 50 Programmes Taihape: 25 Programmes	Marton Community Hub: 20 Programmes per month Te Matapihi - Bulls Community Hub: 16 Programmes per month Taihape Community Hub: 8 Programmes per month School Holiday Programmes: Marton: 60 Programmes Te Matapihi: 40 Programmes Taihape: 20 Programmes	Increased engagement by Rangatahi/Youth in the community hubs has resulted in an increase in programmes, particularly during the school holiday period.


*Councils intended level of service is to: Ensure competency in discharging Civil Defence responsibilities*

Timing of self-assessment when the Emergency Operations Centre is activated and of continued civil defence training exercises		Self-assessment undertaken and responded to within four months of Emergency Operations Centre Activation	Not measured	Not measured	No EOC activations occurred.
a) Self-assessment of responsiveness and recovery following activation of the Emergency Operations Centre b) Number of civil defence exercises undertaken		At least one exercise undertaken each year	Achieved	Achieved	Three exercises were undertaken, one full day immersion, and 2, 1 hour deep dives into specific activities.

\* *Mandatory*

 Achieved

 Not achieved

 Not measured

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025 Community

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	5,632	6,062	6,062
Targeted rates			
Subsidies and grants for operating purposes	218	100	1,098
Fees and charges	753	54	143
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts	5	769	652
<b>Total operating funding ( A )</b>	<b>6,608</b>	<b>6,985</b>	<b>7,955</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	3,506	3,520	2,613
Finance costs	856	784	764
Other operating funding applications			
Internal Charges and Overheads Applied	1,930	1,976	2,028
<b>Total applications of operating funding ( B )</b>	<b>6,292</b>	<b>6,280</b>	<b>5,406</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>315</b>	<b>705</b>	<b>2,550</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	2,778	250	148
Development and financial contributions			
Increase (decrease) in debt	840	9,378	(31)
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>3,618</b>	<b>9,628</b>	<b>117</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			-
- to improve the level of service	2,497	9,020	630
- to replace existing assets	1,436	1,315	1,166
Increase (decrease) in reserves	-	-	87
Increase (decrease) Investments	-	-	784
<b>Total applications of capital funding ( D )</b>	<b>3,933</b>	<b>10,335</b>	<b>2,666</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(315)</b>	<b>(706)</b>	<b>(2,550)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	<i>2,183</i>	<i>2,640</i>	<i>2,528</i>

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Rangitikei District Council - Capital Works Community

Category	Designated projects for 2024/25	2025 LTP Y1 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
	Side by Side Replacement	20	29
	Civil Defence Renewals	10	-
	Furniture and Fittings	15	8
	Library Book Purchases	73	56
	Plant & Equipment Renewals	99	-
	Housing Renovations and Compliance	170	273
	Kokako Street Hall	60	55
	Former Bulls Library Re-Roof	67	17
	Taihape Grandstand	650	63
	Taihape Playground	50	-
	Town Centre Regeneration	100	98
	District Billboards	-	11
	Upgrades and Replacements	-	4
	Community Housing	-	3
	Marton Old Library Building	-	2
	Bulls Community Centre	-	81
	Furniture Bulls Civic Centre	-	3
	Taihape Amenities Detailed Design Construction	-	11
	Hautapu River Parks Project	-	216
	Security Gate at King Street	-	14
	Wall Stabilisation - Cnr Broadway and Hight St	-	1
	New Roof and insulation for MSC	-	209
	Northern Rugby Whanganui Sub Union	-	8
	Koitiata Development	-	2
	Furniture and Fittings	15	-
<b>Total renewals</b>		<b>1,315</b>	<b>1,166</b>
<b>CAPITAL</b>	<b>(to improve level of service)</b>		
	Generator Purchase	20	-
	Taihape Town Hall and Library Redevelopment	4,000	286
	Marton Building Design & Construction	5,000	303
	Community Bikes, Trailer and Storage	-	17
	Bulls Bus Lane and Hub	-	24
<b>Total Level of Service</b>		<b>9,020</b>	<b>630</b>
<b>Total capital</b>		<b>10,335</b>	<b>1,796</b>
<b>Borrowing</b>			
For the year ended 30 June 2025			
Balance of borrowing at start of year		-	16,217
Funds borrowed during the year		-	613
Funds repaid during the year		-	(644)
<b>Balance of borrowing at end of year</b>		<b>-</b>	<b>16,186</b>
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.			
<b>Proportion of internal borrowing to all borrowing at 30 June</b>		<b>-</b>	<b>25%</b>
<b>Portion of finance costs attributable to internal borrowing</b>		<b>-</b>	<b>32</b>

## Rubbish and Recycling

This group of activities is focused on the appropriate disposal of refuse in the District, an activity where central government is increasingly determining national standards that Council must meet.

Council only collects and removes rubbish from public litter bins. The collection and disposal of rubbish within the district is handled by independent businesses. Council owns a network of waste transfer stations, whose operation is contracted out.



**Taihape and Bulls adopted a new weighbridge system.**






**RDC complied with regulatory requirements by adopting its Waste Management and Minimisation Plan 2025-2031.**

### Highlights for 2024/25:

- Waste transfer stations in Taihape and Bulls adopted a new weighbridge system.
- New operation system – Bulls, Marton and Taihape waste transfer stations have been updated with upgraded software and are consistent with the revised fees and charges.
- Council approves its Waste Management and Minimisation Plan 2025-2031 (WMMP) in July 2025 - in compliance with the Ministry of Environmental Waste Minimisation Levy Council, which requires the plan to be reviewed every six years.


## Level of Service


**Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics, textiles, greenwaste and for electronics (e-waste). Council intends to continue the operation (under contract) of existing urban waste transfer stations – Rātana, Bulls, Marton, Hunterville, Mangaweka and Taihape.**

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
Council's intended level of service is to: Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics, textiles and green waste. special occasions for electronics (e-waste). Council intends to continue the operation (under contract) of existing urban waste transfer stations – Rātana, Bulls, Marton, Hunterville, Mangaweka, and Taihape.					
Waste to landfill (tonnage)		Less than 5,500 tonnes to landfill	5,624 tonnes	5,862 tonnes	The target was close to being achieved. Recently weighbridges have been installed and extensive community education has taken place with the aim of meeting the target for the next financial year.
Recycling available at Waste Transfer Stations throughout the District.		Bulls, Marton, Taihape, Hunterville, Rātana, all provide facilities for recycling of: <ul style="list-style-type: none"> <li>• Glass</li> <li>• Metal</li> <li>• Paper</li> <li>• Plastics (1-5)</li> <li>• cans/tins</li> </ul>	Outcome met	Outcome met	All six waste transfer stations offer a free drop-off service.
Percent of waste diverted from the landfill (includes paper, plastics, metals, glass, tyres, e-waste, Greenwaste)		Increased percent diverted from the previous year	20.7%	Not measured (20.1%)	Tyres, green waste, metal, E- waste and paper and cardboard recycling at all transfer stations has been growing. This is a new performance measure.

\*Mandatory

 Achieved

 Not achieved

 Not measured



## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025

### Rubbish and Recycling

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	161	152	152
Targeted rates	1,066	1,243	1,261
Subsidies and grants for operating purposes	-	-	306
Fees and charges	689	1,635	1,162
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts			
<b>Total operating funding ( A )</b>	<b>1,916</b>	<b>3,030</b>	<b>2,881</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	1,542	2,490	2,388
Finance costs	1	11	3
Internal Charges and Overheads Applied	307	501	526
<b>Total applications of operating funding ( B )</b>	<b>1,850</b>	<b>3,002</b>	<b>2,916</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>66</b>	<b>28</b>	<b>(36)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase (decrease) in debt	(66)	(13)	11
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>(66)</b>	<b>(13)</b>	<b>11</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			
- to improve the level of service	-	-	315
- to replace existing assets	-	15	-
Increase (decrease) in reserves	-	-	(340)
Increase (decrease) Investments			
<b>Total applications of capital funding ( D )</b>	<b>-</b>	<b>15</b>	<b>(25)</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(66)</b>	<b>(28)</b>	<b>36</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	66	65	79

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Rangitikei District Council - Capital Works Rubbish and Recycling

Category	Designated projects for 2024/25	2025 LTP Y2 (\$000)	2025 Actual (\$000)
<b>RENEWALS</b>	<b>(to replace existing assets)</b>		
Ratana	Drainage renewals	15	
<b>Total renewals</b>		<b>15</b>	<b>-</b>
<b>CAPITAL</b>	<b>(to improve level of service)</b>		
Taihape	Taihape Weigh Bridge	-	306
District	New Plant (Trailer)	-	9
<b>Total Level of Service</b>		<b>-</b>	<b>315</b>
<b>Total capital</b>		<b>15</b>	<b>315</b>
<b>Borrowing</b>			
For the year ended 30 June 2025			
Balance of borrowing at start of year		-	56
Funds borrowed during the year		-	315
Funds repaid during the year		-	(2)
<b>Balance of borrowing at end of year</b>		<b>-</b>	<b>369</b>
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.			
<b>Proportion of internal borrowing to all borrowing at 30 June</b>		<b>-</b>	<b>13%</b>
<b>Portion of finance costs attributable to internal borrowing</b>		<b>-</b>	<b>100%</b>

# Environmental and Regulatory Services



This group of activities covers areas where Council ensures compliance with statutory requirements in the areas of animal Control, building Control, environmental Health, alcohol licensing, compliance and enforcement and resource consent planning.

During the year, there has been continued collaboration with neighbouring Councils (both at a regional level and within a central New Zealand cluster associated with the Ministry of Business, Innovation and Employment <sup>1</sup>) over common approaches in managing Building Control Authority functions.

1 This Ministry includes the former Department of Building and Housing.



**Animal Control Services launches successful rehoming program for unclaimed dogs.**



**The Planning Team granted 100 resource consents during the year.**



**The Building Consent Authority remains accredited and will be re-audited in February 2027.**

## Highlights for 2024/25:

### Animal Control

- Animal Control has continued its dedicated service to both the Rangitikei and Manawātū Districts by providing 24/7 coverage, ensuring prompt responses to animal-related complaints and emergencies. A significant achievement has been the successful launch of a rehoming program for both districts, giving unclaimed dogs a second chance at a forever home. The team has also been actively engaged with the community, participating in local events to promote responsible dog ownership and interact with residents. This includes a notable presence at the "Dogs in Togs" event at the Makino Aquatic Centre in Feilding, a popular event where dogs get to enjoy the pool after the public season ends. Through these efforts, Animal Control is fostering a stronger connection to the community, offering opportunities to demonstrate what they do.

### Building Control

- The building team continued to deliver both Territorial and Building Consent Authority functions across the District, and has maintained building accreditation with the next audit scheduled for February 2027.
  - Total number of building consents issued: **211**
  - Total inspections undertaken: **1697**
  - Timeliness of processing building consents: **99.53%**  
*Of the 211 building consents processed, 210 were processed on time, 1 was not processed on time due to staff workload*
  - Swimming pool inspections **60**
  - Building warrant of fitness audits **32**
  - Building warrant of fitness renewals/ re-issued **160**







## Highlights for 2024/25:


### Planning


- The Planning Team has experienced another busy year with consent volumes increasing from the 2023/24 year. A total of 100 resource consents were granted during the 2024/25 year, which is an increase from 71 granted during the 2023/24. Alongside processing resource consents, the team continued to focus on process improvements with the aim of improving customer experience.
  - The government has continued to implement changes to the country's resource management system during the 2024/25 year, including targeted amendments to the Resource Management Act 1991 (RMA), the package of changes to national planning documents and the proposed replacement of the RMA. The team have continued to stay on top of these changes and undertaken training as necessary.
  - Public enquiries on land development opportunities and in relation to planning regulatory matters remain high, with the team responding to 730 enquiries during and 87 Land information memorandum issued for the 2024/25 year.
- Key consents in process and processed during the financial year included:
  - Another two land-based solar farms in Marton (one processed by the Council and the other processed by the EPA under the COVID-19 Recovery (Fast-track Consenting) Act 2020)
  - A new motel on Criterion Street, Bulls
  - A commemorative centre to be used as a dedicated World War 1 memorial site at a property on High Street, Bulls
  - A redevelopment of Taihape Area School
  - A Notice of Requirement for a new substation on Pukepapa Road, Marton
  - Various multi-unit residential developments in Marton & Bulls
  - Titles have been issued for 58 new residential lots in Marton (Hendersons Line)


## Level of Service

### Provide a legally compliant service.

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<i>Council's intended level of service is to: Provide a legally compliant service</i>					
Timeliness of processing building consents and resource consents	Building consents	 100% processed within statutory timeframes	99.57%	99.15%	One building consent took longer than 20 days to process due to workload pressure and staff absence.
	Resource consents	 100% processed within statutory timeframes	Land use consents 100% Subdivision consents 100%	Land use consents: 100% Subdivision consents: 98%	All resource consents were processed within statutory timeframes.
<i>Council's intended level of service is to: Provide regulatory compliance officers to address enforcement call outs</i>					
<b>Animal Control</b> -Timeliness of response (i.e the Request for Service has been acknowledged) and completion (i.e the Request for Service has been signed off by officers). Results will be presented as the median •Priority 1's = Any Dog Attack / Found Dog / Rushing Dog / Wandering Stock •Priority 2's = Animal Welfare Concern / Barking Dog / Property Inspection / General Enquiry / Lost Animal / Microchip Dog / Multi-dog Inspection / Roaming Dog / Animal Control Bylaw Matter	Response to Priority 1 call outs	 90% responded within 0.5 hours	94%	99%	Priority 1 Response target met.
	Completion of Priority 1 call outs	 90% completed within 20 working days	95%	97%	Priority 1 completion target achieved.
	Response to Priority 2 call outs	 90% responded within 24 hours	86%	88%	This was not met due to staff having to prioritise duties.
	Completion of Priority 2 call outs	 90% completed within 20 working days	92%	93%	Priority 2 completion target met.

 Achieved


 Not achieved


 Not measured

PERFORMANCE MEASURE	OUTCOME	2024/25 TARGET	2024/25 RESULT	2023/24 RESULT	NARRATIVE
<b>Environmental health</b> Timeliness of response (i.e the site has been attended) and completion (i.e the Request for Service has been signed off by officers). Results will be presented as the median.	Response to Noise Control call outs	90% responded to in 1.5 hours	93%	97.47%	Response target achieved.
	Completion of Noise Control call outs	90% completed in 2 hours	71%	97.47%	Target not met due to process issues which have since been resolved.
	Response to Food Premises call outs	Food premises – 90% responded to in 24 hours	20%	89%	This has been rectified by a new contractor that is available three days per week.
	Completion of Food Premises call outs	90% completed in 72 hours	40%	78%	This has been rectified by a new contractor that is available three days per week.

\*Mandatory

 Achieved

 Not achieved

 Not measured

## Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2025 Environmental and Regulatory Services

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>			
General rates, uniform annual general charge, rates penalties	918	1,077	1,077
Targeted rates			
Subsidies and grants for operating purposes			
Fees and charges	1,548	1,794	1,723
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees, and other receipts	373	460	(4)
<b>Total operating funding ( A )</b>	<b>2,839</b>	<b>3,331</b>	<b>2,797</b>
<b>Applications of operating funding</b>			
Payment to staff and suppliers	1,542	2,189	1,637
Finance costs			
Internal Charges and Overheads Applied	1,321	1,324	1,427
<b>Total applications of operating funding ( B )</b>	<b>2,863</b>	<b>3,512</b>	<b>3,064</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>(24)</b>	<b>(181)</b>	<b>(267)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure			
Development and financial contributions			
Increase (decrease) in debt	24	181	-
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
<b>Total sources of capital funding ( C )</b>	<b>24</b>	<b>181</b>	<b>-</b>
<b>Application of capital funding</b>			
Capital expenditure			
- to meet additional demand			
- to improve the level of service			
- to replace existing assets			
Increase (decrease) in reserves			
Increase (decrease) Investments	-	-	(267)
<b>Total applications of capital funding ( D )</b>	<b>-</b>	<b>-</b>	<b>(267)</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>24</b>	<b>181</b>	<b>267</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>(0)</b>
<i>Depreciation</i>	-	-	2

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014





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*Section 3:*

# **Financial Statements and Policy Reports**

## Funding Impact Statement - Whole of Council

For the Year Ended 30 June 2025

	2024 Annual Plan (\$000)	2024 Actual (\$000)	2025 Annual Plan (\$000)	2025 Actual (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charge, rates penalties	8,582	8,478	10,315	9,778
Targeted rates	20,420	20,412	22,627	22,613
Subsidies and grants for operating purposes	5,245	10,192	5,370	7,063
Fees and charges	4,758	2,816	3,652	3,186
Interest and dividends from investments	265	607	459	536
Local authorities fuel tax, fines, infringement fees, and other receipts	150	896	1,399	1,263
<b>Total operating funding ( A )</b>	<b>39,420</b>	<b>43,401</b>	<b>43,823</b>	<b>44,439</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	31,027	36,470	35,078	35,199
Finance costs	1,926	1,495	2,864	2,161
Other operating funding applications				-
<b>Total applications of operating funding ( B )</b>	<b>32,953</b>	<b>37,965</b>	<b>37,943</b>	<b>37,359</b>
<b>Surplus (deficit) of operating funding ( A - B )</b>	<b>6,467</b>	<b>5,437</b>	<b>5,881</b>	<b>7,080</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	7,706	5,541	10,911	4,747
Development and financial contributions				-
Increase (decrease) in debt	21,538	12,984	23,052	9,984
Gross proceeds from sale of assets	-	133	356	144
Lump sum contributions				-
Other dedicated capital funding				-
<b>Total sources of capital funding ( C )</b>	<b>29,244</b>	<b>18,658</b>	<b>34,319</b>	<b>14,875</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	4,098	1,205
- to improve the level of service	13,451	13,141	13,750	8,025
- to replace existing assets	22,260	10,049	18,851	11,042
Increase (decrease) in reserves	-	1,757	-	915
Increase (decrease) Investments	-	(852)	3,500	766
<b>Total applications of capital funding ( D )</b>	<b>35,711</b>	<b>24,094</b>	<b>40,200</b>	<b>21,953</b>
<b>Surplus (deficit) of capital funding ( C - D )</b>	<b>(6,467)</b>	<b>(5,437)</b>	<b>(5,881)</b>	<b>(7,079)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Depreciation</i>	<i>17,274</i>	<i>17,384</i>	<i>18,474</i>	<i>18,867</i>

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

## Statement of Comprehensive Revenue and Expense

For the year ending 30 June 2025

	Notes	2025 Actual (\$000)	2025 Budget (\$000)	2024 Actual (\$000)
<b>Revenue</b>				
Rates	3	32,392	32,363	28,890
Subsidies and Grants	4A	11,810	16,282	15,733
Other revenue	4B	4,448	5,051	3,712
Finance revenue		536	459	607
Vested and discovered assets		-	-	1,564
Gains		273	156	122
<b>Total operating revenue</b>		<b>49,459</b>	<b>54,311</b>	<b>50,627</b>
<b>Expenditure</b>				
Depreciation and amortisation expense	11,12	18,867	18,474	17,384
Personnel costs	5	11,538	9,270	8,830
Finance costs		2,161	2,864	1,495
Losses		2,528	-	13
Other expenses	6	23,661	25,228	27,639
<b>Total operating expenditure</b>		<b>58,755</b>	<b>55,836</b>	<b>55,361</b>
<b>Operating surplus (deficit) before tax</b>		<b>(9,295)</b>	<b>(1,525)</b>	<b>(4,733)</b>
Income tax expense	7	-	-	-
<b>Operating surplus (deficit) after tax</b>		<b>(9,295)</b>	<b>(1,525)</b>	<b>(4,733)</b>
Other comprehensive revenue and expense				
Items that could be reclassified to surplus(deficit)				
Financial assets at fair value through other comprehensive revenue and expense			-	-
Items that will not be reclassified to surplus(deficit)			-	-
Gain / (Loss) on revaluation of infrastructure assets	11	68,668	84,953	-
Gain / (Loss) on revaluation of property, plant and equipment	11	-	-	(7,016)
<b>Total other comprehensive revenue and expense</b>		<b>68,668</b>	<b>84,953</b>	<b>(7,016)</b>
<b>Total comprehensive revenue and expense</b>		<b>59,373</b>	<b>83,428</b>	<b>(11,750)</b>

Explanations of major variances against budget are provided in Note 27.

The accompanying notes form part of these financial statements.

## Statement of Changes in Net Assets/Equity

For the year ending 30 June 2025

	Notes	2025 Actual (\$000)	2025 Budget (\$000)	2024 Actual (\$000)
<b>Balance as at 1 July</b>		<b>755,541</b>	<b>758,098</b>	<b>767,287</b>
Total comprehensive revenue and expense for the year		59,445	83,428	(11,750)
Transfer to/from Special Reserves				
Other Adjustments		(85)		
<b>Balance as at 30 June</b>	<b>17</b>	<b>814,901</b>	<b>841,526</b>	<b>755,541</b>

Explanations of major variances against budget are provided in Note 27.

The accompanying notes form part of these financial statements

## Statement of Financial Position

For the year ending 30 June 2025

	Notes	2025 Actual (\$000)	2025 Budget (\$000)	2024 Actual (\$000)
<b>Assets</b>				
Current Assets				
Cash and cash equivalents	8	11,854	11,000	11,087
Debtors and Other Receivables	9	4,571	3,193	4,545
Prepayments		424	252	429
<b>Total current assets</b>		<b>16,849</b>	<b>14,445</b>	<b>16,061</b>
<b>Non-current assets</b>				
Plant, property and equipment	11	854,272	904,516	788,133
Intangible assets	12	2,187	666	717
Forestry assets		56	61	61
Other financial assets				
Corporate bonds	10	1,179	1,378	1,131
Investment in CCOs and other similar entities	10	51	51	51
<b>Total non-current assets</b>		<b>857,744</b>	<b>906,672</b>	<b>790,093</b>
<b>Total assets</b>		<b>874,593</b>	<b>921,117</b>	<b>806,154</b>
<b>Liabilities</b>				
Current Liabilities				
Creditors and other payables	13	3,178	4,220	4,150
Employee entitlements	15	1,377	856	1,050
Income in advance	13A	1,009	1,286	1,217
Borrowings	14	10,016	16	16
Other Financial Liabilities				
<b>Total current liabilities</b>		<b>15,580</b>	<b>6,378</b>	<b>6,432</b>
Non-current liabilities				
Employee entitlements	15		9	
Provisions	16	95	153	149
Borrowings	14	44,016	73,052	44,032
<b>Total non-current liabilities</b>		<b>44,111</b>	<b>73,214</b>	<b>44,181</b>
<b>Total liabilities</b>		<b>59,691</b>	<b>79,592</b>	<b>50,613</b>
<b>Net Assets</b>		<b>814,901</b>	<b>841,526</b>	<b>755,541</b>
<b>Equity</b>				
Accumulated funds	17	450,096	459,545	460,477
Special and restricted reserves	17	5,672	4,588	4,640
Other reserves	17	359,133	377,393	290,424
<b>Total equity</b>		<b>814,901</b>	<b>841,526</b>	<b>755,541</b>

Explanations of major variances against budget are provided in Note 27.

*The accompanying notes form part of these financial statements*

## Statement of Cash Flows

For the year ending 30 June 2025

	Notes	2025 Actual (\$000)	2025 Budget (\$000)	2024 Actual (\$000)
<b>Cash flows from operating activities</b>				
Receipts from rates revenue		32,158	33,755	28,280
Receipts from other revenue		16,318	21,333	19,445
Interest received		489	459	574
Payments to suppliers and employees		(35,892)	(35,890)	(37,031)
Interest paid		(2,161)	(2,864)	(1,495)
Goods and services tax (net)				(222)
<b>Net cash inflows (outflows) from operating activities</b>	<b>18</b>	<b>10,912</b>	<b>16,792</b>	<b>9,551</b>
<b>Cash flows from investing activities</b>				
Receipts from sale of property, plant and equipment		144	356	133
Receipts from sale of investments				
Acquisition of investments			(500)	
Purchases of property, plant and equipment	11	(18,733)	(36,700)	(23,018)
Purchases of intangible assets	12	(1,539)	-	(172)
Purchase of Biological Assets		-	-	-
<b>Net cash inflows (outflows) from investing activities</b>		<b>(20,128)</b>	<b>(36,844)</b>	<b>(23,057)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings		9,984	23,052	12,654
Repayment of borrowings				-
<b>Net cash inflows (outflows) from financing activities</b>		<b>9,984</b>	<b>23,052</b>	<b>12,654</b>
Net increase (decrease) in cash, and cash equivalents		767	3,000	(852)
Cash and cash equivalents at the beginning of the year		11,087	8,000	11,939
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>11,854</b>	<b>11,000</b>	<b>11,087</b>

The accompanying notes form part of these financial statements

## Council-Controlled Organisations (CCO)

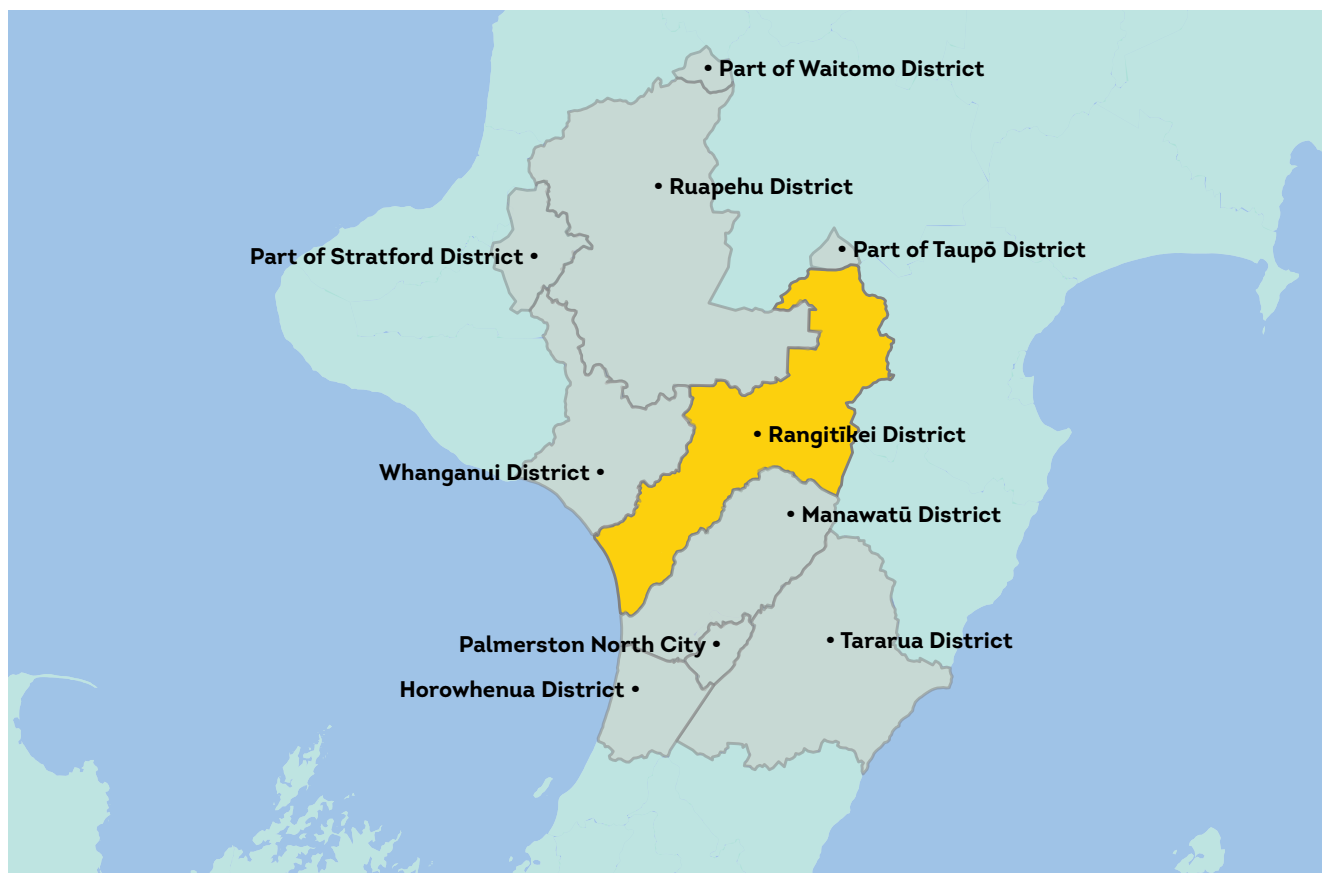
### Manawatū-Whanganui LASS Limited

This company was set up in 2008 by seven local Councils to investigate the possibilities of economies of scale by joint procurement.

Rangitikei District Council owns one seventh or 14% of this company and has a \$16,000 share capital.

The company is treated as a CCO under the Local Government Act 2002 but in March 2013 Rangitikei District Council resolved that it is exempt for the purposes of section 6(4)(i) of that Act until 30 June 2019.

Other member Councils passed similar resolutions. As per 29 May 2025 Council meeting this was extended for three more years until 30 June 2028.



### MW Regional Disaster Relief Fund Trust

After the Manawatū-Whanganui Regional Disaster Relief Fund Trust was established in March 2004, each of the eight local authorities appointing trustees passed a resolution exempting the Trust from status as a Council-Controlled organisation.

In 2015, the administration of the Trust was transferred to Horizons Regional Council, and resolutions passed by participating Councils to exempt it for the purposes of section 6(4)(i) of the Local Government Act 2002. At its meeting on 30 August 2018, Rangitikei District Council resolved that this exemption continue for a further three years, i.e. to 30 June 2021.

At its meeting on 29 May 2025, Council resolved that this exemption continue until 30 June 2028.

# Notes to the Financial Statements

## Note 1: Summary of Significant Accounting Policies

### Reporting Entity

The Rangitikei District Council (the Council) is a territorial authority established under 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 provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity for financial reporting purposes.

The financial statements of the Council and, where appropriate, service performance information are for the year ended 30 June 2025. The financial statements were authorised for issue by the Council on 30 October 2025.

### Basis of Preparation

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

### Statement of compliance

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

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

These financial statements comply with PBE standards.

### Presentation currency and rounding

The financial report is presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

### New or amended standards adopted

#### Disclosure of Fees for Audit Firms' Services

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1) has been adopted in the preparation of these financial statements. The amendment changes the required disclosures for fees for services provided by the audit or review provider,

including a requirement to disaggregate the fees into specified categories. This disclosure is included in Note 6.

### Other changes in accounting policies

There have been no other changes in Council's accounting policies.

#### 2024 Omnibus Amendments to PBE Standards (amendments to PBE IPSAS 1)

This amendment clarifies the principles for classifying a liability as current or noncurrent, particularly in relation to loan covenants. The amendment is effective for the year ended 30 June 2027. The Council has not yet assessed in detail the impact of these amendments. These amendments are not expected to have a significant impact.

#### PBE IFRS 17 Insurance Contracts

This establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts and will replace PBE IFRS 4. This standard is effective for the year ended 30 June 2027. The Council has not yet assessed in detail the impact of this standard. This standard is not expected to have a significant impact.

## Summary of Significant Accounting Policies

### Revenue

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

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

### Revenue from non-exchange transactions

#### General and targeted rates

General and targeted rates are set annually and invoiced within the year. The Council recognises revenue from rates when the Council has set the rates and provided the rates assessment. The Council considers the 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.

Rates remissions are recognised as a reduction in rates revenue when the Council has received an application that satisfies its rates remission policy.

### **Waka Kotahi (NZ Transport Agency) roading subsidies**

The Council receives funding assistance from the New Zealand Transport Agency, 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.

### **Other grants received**

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.

### **Vested assets**

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income unless there is a use or return condition attached to the asset.

### **Direct charges – subsidised Rendering of services – subsidised**

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service (such as building consents, dog licensing etc.), and where the shortfall is subsidised by income from other activities, such as rates. Generally there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised when the Council issues the invoice or bill for the service. Revenue is recognised as the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council) if the service is not completed.

### **Sale of goods – subsidised**

A sale of goods at a price that is not approximately equal to the value of the goods provided by the Council is considered a non-exchange transaction. This includes sales of goods where the price does not allow the Council to fully recover the cost of producing the goods (such as the supply of bulk water), and where the shortfall is subsidised by income from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

### **Revenue from exchange transactions**

#### **Direct charges – full cost recovery Sale of goods – full cost recovery**

Revenue from the sale of goods (such as recyclable materials) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Council.

### **Interest and dividends**

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the costs of the investment.

### **Expenses**

Expenses are measured at the fair value of the consideration paid or payable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific accounting policies for significant expense items are explained below.

### **Borrowing costs**

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Council incurs in connection with the borrowing of funds. The Council has chosen not to capitalise borrowing costs directly attributable to the acquisition, construction, or production of assets.

### **Deferred Expenses**

Deferred expenses are costs incurred in the current financial that will provide benefits in future years. These costs are initially recorded as assets and subsequently expensed as their benefits are realised.

### **Salary and wages**

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



## Grants

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

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

## Income tax

Income tax expense includes current and deferred tax.

Current tax is the income tax payable on the taxable surplus for the year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates (and tax laws) that have been enacted or substantively enacted by balance date.

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

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

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

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting surplus nor the taxable surplus.

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

## Operating leases

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

## Cash and cash equivalents

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.

## Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

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

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

Rates are "written -off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (In relation to Māori freehold land) of the official Government (Rating) Act 2002.

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

## Financial Instruments

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 management model for managing them.

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

A financial asset is classified and 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, the Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

#### **Initial recognition of concessionary loans**

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense.

#### **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 measurement of financial assets at FVTOCRE<sup>1</sup>**

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. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. Debt instruments in this category are the Council's 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 and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

#### **Subsequent measurement of financial assets at FVTSD**

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

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

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

#### **Expected credit loss allowance (ECL)**

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

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

<sup>1</sup> There is a difference in treatment of cumulative gains or losses previously recognised for financial assets at FVTOCRE. The treatment depends on whether the financial asset is a debt instrument or an equity instrument. If the financial asset is a debt instrument, the cumulative gains or losses previously recognised in other comprehensive revenue and expense is reclassified to surplus or deficit. If the financial asset is an equity instrument, the cumulative gains or losses previously recognised in other comprehensive revenue and expense is not reclassified to surplus or deficit; instead, it is transferred to accumulated funds.

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

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

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

#### **Shares in subsidiaries (at cost)**

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

#### **Financial assets at fair value through surplus or deficit**

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified current assets.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit.

#### **Non-current assets held for sale**

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

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate distribution in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the sale will be withdrawn. The Council must be committed to the distribution expected within one year from the date of classification.

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

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

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

#### **Property, plant and equipment**

Property, plant and equipment consist of:

**Operational assets** – These include land, buildings, library books, plant and equipment, motor vehicles, office equipment and computer hardware.

**Infrastructural assets** – Infrastructural 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, wastewater and other assets includes reticulation piping and sewer pumps.

**Restricted assets** - Restricted assets are parks and reserves that provide benefit to the community and cannot be disposed of because of legal or other restrictions.

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

#### **Revaluation**

Land and buildings (operational and restricted) 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. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the asset's fair values. If there is a material difference, then the off-cycle asset classes are revalued.

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

The net revaluation results are credited or debited to other comprehensive revenue and 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 revenue and expense 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.

Computer hardware	Up to 5 years
Library books	Up to 10 years

### Infrastructural assets

#### Roading network

Top surface (seal)	3-20 years
Pavement sealed (base course)	60-67 years
Pavement unsealed (base course)	50-60 years
Formation	Not depreciated
Culverts	8-100 years
Footpaths	25-75 years
Drainage facilities	80-100 years
Traffic facilities and miscellaneous items	10-80 years
Street lights	25-70 years
Bridges	50-120 years

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 purchase.

#### Water

Pipes	30-90 years
Pump stations	5-100 years
Pipe fittings	25-100 years acquisition.

### Disposals

Gains or losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of 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 Council and the cost of the item can be measured reliably.

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

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and road formation, 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 of major classes of assets have been estimated as follows:

### Operational and restricted assets

#### Buildings

Structure	50-170 years
Roof	Up to 40 years
Services	40-65 years
Internal fit out	5-35 years
Plant	Up to 30 years
Earthquake strengthening	4 years
Motor vehicles	5-6 years
Office equipment	Up to 10 years

#### Wastewater

Pipes	5-100 years
Manholes	Up to 100 years
Treatment plant	5-100 years
Stormwater	
Pipes	50-90 years
Manholes, cesspits	Up to 90 years
Waste transfer stations	Up to 50 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

### Service concession arrangements

The Council may acquire infrastructural assets by entering into a service concession arrangement (SCA) with a private operator to build, finance, and operate an asset over a specified period.

Assets acquired through a SCA are initially recognised at their fair value, with a corresponding liability. The asset is subsequently measured following the accounting policies above for property, plant, and equipment.

The Council currently has not entered into any such SCA where a private operator has built and financed an asset.

The Council has only entered into SCAs where the Council itself owns the asset and any charges for services provided by the operator are recognised as an expense in the year to which it relates.

## Intangible assets

### Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software.

Staff training costs are recognised in the surplus or deficit when incurred.

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

### Easements

Easements are not considered material and any costs incurred are recognised in the surplus or deficit in the year in which they are incurred.

### Carbon credits

Carbon credit purchases are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

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.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis 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 period is recognised in the surplus or deficit.

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

Computer software	3-5 years
-------------------	-----------

## Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets subsequently measured at cost that have a finite useful life, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

If an asset's carrying amount exceeds its recoverable

service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset.

Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. 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 the surplus or deficit a reversal of the impairment loss is also recognised in the surplus or deficit.

### Value in use for non-cash-generating assets

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

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

### Value in use for cash-generating assets

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

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

## Forestry assets

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

Gains or losses arising from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

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



## Payables

Short-term payables are recorded at their face value.

## Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

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

## Employee benefits

### Short-term employee entitlements

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salary and wages, and holiday pay.

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

### Long-term employee entitlements

Long-term employee entitlements consists of long service leave that is payable beyond 12 months and have been calculated on the likely future entitlements accruing to staff, based on the years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and current salary. As there are few staff members that are actually entitled to long service leave, the total accrual is not considered to be material and no actuarial basis has been used.

### Presentation of employee entitlements

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

## Superannuation schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

## Provisions

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

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

### Landfill aftercare

The Council has a legal obligation to provide on-going maintenance and monitoring service of its closed landfills.

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

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

## Equity

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

- accumulated surplus/(deficit);
- special and restricted reserve funds;
- property revaluation reserves; and
- fair value through other comprehensive revenue and expense reserve.

### Special reserve funds

Special reserve funds are reserves created by the Council for special purposes. The Council may alter them without reference to any third party or the Courts, and transfers to and from these reserves are at the discretion of the Council.

### Restricted reserve funds

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which it may not revise without reference to the Courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

### Property revaluation reserves

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

### Fair value through other comprehensive revenue and expense reserves

This reserve comprises the cumulative net change of financial assets classified as fair value through other comprehensive revenue and expense.

### Goods and services tax (GST)

All items in the financial statement are 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 an input tax credit then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### Budget figures

The budget figures are those approved by the Council which reflect year three of the Long Term Plan 2021-31. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

### Cost allocation

Council has determined the cost of significant activities 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 identified in an economically feasible manner with a specific activity.
- Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage based on time, staff number and floor area.

### Critical accounting estimates and assumptions

In preparing these financial statements, the Council has made estimates and assumptions 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 or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Infrastructural assets

- The actual condition of an asset may not reflect the condition estimated in determining the carrying amount of the asset. This is particularly so for assets which are underground and difficult to assess the actual condition of, such as water, wastewater and stormwater assets.
- Estimates of any obsolescence or surplus capacity of an asset are based on judgements made with the best knowledge available at the time.
- Estimates of the useful remaining lives of an asset may vary with such things as soil type, rainfall, amount of traffic, natural disaster and other occurrences. The Council could be over- or under-estimating these, but assumptions are made based on the best knowledge available at the time.

### Critical judgements in applying accounting policies

Management has exercised the following critical judgement in applying its accounting policies for the year ended 30 June 2025.

#### Classification of property

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

## Note 2: Reconciliation of funding impact statement to statement of comprehensive revenue and expense

	Actual 2025 (\$'000)	Actual 2024 (\$'000)
<b>Revenue</b>		
Operating funding from funding impact statement	44,439	43,401
Operating revenue from statement of comprehensive revenue and expense	49,459	50,627
<b>Difference</b>	<b>5,020</b>	<b>7,227</b>
Reconciling items:		
Subsidies and grants for capital expenditure	4,747	5,541
Gains	273	122
Vested assets	0	1,564
<b>Total reconciling items</b>	<b>5,020</b>	<b>7,227</b>
<b>Expenditure</b>		
Application of operating funding from funding impact statement	37,359	37,964
Total operating expenditure from statement of comprehensive revenue and expense	58,755	55,361
<b>Difference</b>	<b>21,395</b>	<b>17,397</b>
Reconciling items:		
Depreciation and amortisation expense	18,867	17,384
Losses	2,528	13
Impairment of WIP	-	-
Movement in Reserves	-	-
<b>Total reconciling items</b>	<b>21,395</b>	<b>17,397</b>



## Note 3: Rates revenue

	<i>Actual 2025 (\$000)</i>	<i>Actual 2024 (\$000)</i>
General rates	5,610	4,996
Uniform annual general charge	4,690	4,113
Targeted rates attributable to activities	-	-
roading	9,862	8,798
community services	104	93
solid waste disposal	1,261	1,118
wastewater	3,671	3,245
water	5,569	5,156
stormwater drainage	858	758
Targeted rates for water supply (water by volume)	1,652	1,567
Rates Penalties	810	709
<b>Rates</b>	<b>34,086</b>	<b>30,553</b>
Less rates charged on Council properties	623	580
Less rates remissions	1,071	1,083
<b>Total rates</b>	<b>32,392</b>	<b>28,890</b>
<b>Rates remissions</b>		
Multiple toilet pans	363	323
Penalties and other remissions	708	760
<b>Total remissions</b>	<b>1,071</b>	<b>1,083</b>

## Note 4A: Subsidies & Grants

	Actual 2025 (\$000)	Actual 2024 (\$000)
New Zealand Transport Agency - Operational Subsidy	5,659	7,777
New Zealand Transport Agency - Capital Subsidy	4,599	5,314
Three Waters funding	722	953
Other grants	831	1,689
<b>Total subsidies and grants</b>	<b>11,810</b>	<b>15,733</b>

## Note 4B: Other revenue

<i>Non-exchange revenue</i>		
Residential rents (community housing)	614	598
Regulatory revenue	1,370	1,195
Petrol tax	121	119
Other	2,344	1,800
<b>Total other revenue</b>	<b>4,448</b>	<b>3,712</b>

## Note 5: Personnel costs

	Actual 2025 (\$000)	Actual 2024 (\$000)
Salary and wages	11,172	8,549
Defined contribution plan employer contributions (KiwiSaver)	324	246
ACC levies	43	35
<b>Total personnel costs</b>	<b>11,538</b>	<b>8,830</b>

## Note 6: Other expenses

	Actual 2025 (\$000)	Actual 2024 (\$000)
Fees to auditors		
financial statements	244	218
long term plan	35	107
debenture trustee	5	9
Emergency works	328	4,205
Maintenance	7,088	6,373
Contractors and Professional Services	8,074	8,843
Grants	454	567
Insurance premiums	1,130	1,031
Impairment of WIP	0	0
Other operating expenses	6,304	6,285
<b>Total other expenses</b>	<b>23,661</b>	<b>27,639</b>

\* During the period Audit New Zealand provided other services to the Council, namely assurance services relating to Council's debenture trust deed compliance. This amount also includes a recovery for cost overruns on last years audit of the 2024-34 Long Term Plan. The 2023/24 financial statement fee has been adjusted by the amount of the fee paid in the following financial year.

## Note 7: Tax

	<i>Actual 2025 (\$000)</i>	<i>Actual 2024 (\$000)</i>
<b>Relationship between tax expense and accounting surplus</b>		
Surplus (deficit) before tax	(9,295)	(4,733)
Tax at 28%	-	(1,325)
Plus (less) tax effect of:		
Non-taxable revenue	-	1,325
<b>Tax expense</b>	<b>-</b>	<b>-</b>

## Note 8: Cash and cash equivalents

	<i>Actual 2025 (\$000)</i>	<i>Actual 2024 (\$000)</i>
Cash at bank and on hand	11,854	11,087
Term deposits	-	-
<b>Total cash and cash equivalents</b>	<b>11,854</b>	<b>11,087</b>

## Note 9: Receivables

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Non-exchange receivables</b>		
Rates receivables	2,244	1,924
Related party receivables	-	-
Other receivables	2,782	2,940
Community Loan	0	-
<b>Gross debtors and other receivables</b>	<b>5,026</b>	<b>4,864</b>
Less provision for impairment	(455)	(319)
<b>Total non-exchange receivables</b>	<b>4,571</b>	<b>4,545</b>
<b>Exchange receivables</b>		
Other receivables		
Less provision for impairment		
<b>Total exchange receivables</b>	<b>-</b>	<b>-</b>
<b>Total Receivables</b>	<b>4,571</b>	<b>4,545</b>

### Fair value

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms. Therefore, the carrying value of debtors and other receivables approximates their value.

### Rates receivable

The Council does not provide for ECLs on rates receivable. Council has various powers under the Local Government (Rating) Act 2002 (LG(R)A 2002) to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the court's Judgment, then the council can apply to the Registrar of the High court to have the judgment enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

### Expected Credit Losses

The ECL rates for other receivables at 30 June 2025 and 1 July 2024 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant. There have been no changes since 1 July 2021 in the estimation techniques or significant assumptions in measuring the loss allowance.

The allowance for credit losses based on Council credit loss matrix is as follows:

	Current	Non Current : Days past due		
		1 to 30 Days	31 to 90 days	More than 90 days
<b>30 June 2025</b>				
Expected credit loss rate	16.35%	-	-	-
Gross receivable amount (\$000)	2,782	-	-	2,782
Lifetime ECL (\$000)	455	-	-	455
<b>30 June 2024</b>				
Expected credit loss rate	10.85%	-	-	-
Gross receivable amount (\$000)	2,940	-	-	2,940
Lifetime ECL (\$000)	319	-	-	319

	<i>Actual 2025 (\$000)</i>	<i>Actual 2024 (\$000)</i>
Movements in the provision for impairment of receivables are as follows:		
At 1 July	319	319
Additional provisions made during the year	136	53
Provision increased (reversed) during the year Per note 2 & note 8		
Receivables written off during the period	-	(53)
<b>As at 30 June</b>	<b>455</b>	<b>319</b>

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

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

\* Section 90A: Nil: (2025 : Nil)

\* Section 90 (B): Nil (2025 : Nil)

## Note 10: Other financial assets

	<i>Actual 2025 (\$000)</i>	<i>Actual 2024 (\$000)</i>
<b>Non-current portion</b>		
Corporate bonds	1,179	1,131
<i>Investments in CCOs and similar entities</i>		
Unlisted shares in New Zealand Local Government Insurance Corporation Limited	35	35
Unlisted shares in Manawatu Wanganui LASS Limited	16	16
<b>Total non-current portion</b>	<b>1,230</b>	<b>1,182</b>

## Note 11: Property, Plant and equipment

2025

	Balances at 1 July 2024				Current year additions	Current year disposals
	Cost/ valuation \$000	Accum depn \$000	Carrying amount \$000	Transfers \$000	\$000	\$000
<b>Movements for each class of property, plant and equipment are as follows:</b>						
<b>Operational assets</b>						
Land	10,956	(80)	10,877	479	390	-
Buildings	27,786	(4,058)	23,727	74	506	(215)
Plant and vehicles	5,448	(2,828)	2,620	88	644	(21)
Office equipment	1,064	(892)	172		83	(37)
Computer hardware	1,313	(984)	329		129	(6)
Library books	2,836	(2,396)	440		56	-
<b>Total operational assets</b>	<b>49,403</b>	<b>(11,238)</b>	<b>38,165</b>	<b>642</b>	<b>1,808</b>	<b>(278)</b>
<b>Infrastructural assets</b>						
Road network	536,919	(20,582)	516,337		7,104	(69)
Land under roads	44,968	-	44,968		-	-
Water systems						
treatment plants and facilities	34,415	(1,911)	32,504		603	-
other assets	42,698	(2,379)	40,319		799	-
Wastewater systems						
treatment plants and facilities	15,275	(898)	14,377	5,671	622	-
other assets	24,597	(1,645)	22,952	649	595	-
Stormwater network	22,127	(1,232)	20,894	37	459	-
Waste transfer stations	1,521	(133)	1,388		306	-
<b>Total infrastructural assets</b>	<b>722,521</b>	<b>(28,781)</b>	<b>693,740</b>	<b>6,357</b>	<b>10,488</b>	<b>(69)</b>
<b>Restricted assets</b>						
Land	24,071	(4)	24,067	5	4,448	-
Buildings	9,715	(731)	8,985		19	-
<b>Total restricted assets</b>	<b>33,787</b>	<b>(735)</b>	<b>33,052</b>	<b>5</b>	<b>4,467</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>805,710</b>	<b>(40,753)</b>	<b>764,957</b>	<b>7,004</b>	<b>16,763</b>	<b>(347)</b>
<b>Total WIP</b>	<b>23,176</b>	<b>-</b>	<b>23,176</b>	<b>(8,343)</b>	<b>3,309</b>	<b>(2,119)</b>
<b>Total All Assets</b>	<b>828,886</b>	<b>(40,753)</b>	<b>788,133</b>	<b>(1,340)</b>	<b>20,072</b>	<b>(2,466)</b>

### Work In Progress

	2025 (\$000)	2024 (\$000)
Buildings	908	367
Roading and Footpaths	267	2,355
Wastewater	10,584	15,740
Water	3,293	2,409
Stormwater	16	45
Computer Hardware	3	20
Computer Software	280	1,462
Public Toilets	0	0
Swim Centres	213	4
Domains	457	769
Forestry	0	0
<b>Total Work in progress</b>	<b>16,023</b>	<b>23,171</b>

Revaluation surp(def) depn	Current year Depn \$000	*Asset Reclassification \$000	Adj. for accumulated depcn Revaluation/Disposal \$000	Cost/ valuation \$000	Balances at 30 June 2025 Accum depn \$000	Carrying amount \$000
-	(41)	(158)	-	11,670	(123)	11,547
(168)	(1,851)	136	249	27,952	(5,743)	22,209
-	(569)	39	351	5,840	(3,038)	2,802
-	(40)	43	66	1,085	(864)	222
-	(115)	21	94	1,395	(1,037)	358
-	(81)	(36)	-	2,855	(2,476)	379
<b>(168)</b>	<b>(2,696)</b>	<b>45</b>	<b>760</b>	<b>50,798</b>	<b>(13,281)</b>	<b>37,517</b>
69,401	(11,357)	0	31,938	581,417	(0)	581,417
-	-	-	-	44,968	-	44,968
(11,777)	(891)	(1,018)	2,617	19,434	(13)	19,421
6,224	(1,389)	984	3,941	46,937	0	46,937
(2,909)	(1,314)	(3,700)	3,851	12,753	(6)	12,747
5,366	-	3,700	-	33,262	-	33,262
2,500	(573)	69	1,736	23,386	0	23,386
32	(79)	(2)	208	1,651	(6)	1,645
<b>68,837</b>	<b>(15,603)</b>	<b>32</b>	<b>44,292</b>	<b>763,807</b>	<b>(24)</b>	<b>763,783</b>
-	(1)	158	-	28,685	(7)	28,677
-	(376)	(356)	-	9,451	(1,179)	8,272
-	<b>(377)</b>	<b>(197)</b>	-	<b>38,136</b>	<b>(1,186)</b>	<b>36,949</b>
<b>68,668</b>	<b>(18,676)</b>	<b>(120)</b>	<b>45,052</b>	<b>852,741</b>	<b>(14,491)</b>	<b>838,249</b>
-	-	-	-	<b>16,023</b>	-	<b>16,023</b>
<b>68,668</b>	<b>(18,676)</b>	<b>(120)</b>	<b>45,052</b>	<b>868,764</b>	<b>(14,491)</b>	<b>854,27</b>

Vested Assets - Current year additions may include 'vested assets'. These relate to subdivisions completed by developers and then vested into council. As per the table below, there are no vested assets for the 2024/25 year:

#### Asset Class

	2025 (\$000)	2024 (\$000)
Roading	-	606
Land Under Roads	-	-
Water Systems 'other assets'	-	122
Waste Water Systems 'other assets'	-	635
Stormwater System	-	200
Community and Leisure Assets	-	-
<b>Total vested assets</b>	<b>-</b>	<b>1,564</b>

\* Asset reclassification post 23/24 annual report as part of Asset register reconciliations.

## Note 11: Property, Plant and equipment

2024

	Cost/ valuation \$000	Balances at 1 July 2023 Accum depn \$000	Carrying amount \$000	Additional assets re- cognised \$000	Current year additions \$000
<b>Movements for each class of property, plant and equipment are as follows:</b>					
<b>Operational assets</b>					
Land	10,935	(47)	10,888		21
Buildings	34,815	(2,782)	32,033		543
Plant and vehicles	5,176	(2,739)	2,437		588
Office equipment	1,049	(851)	198		15
Computer hardware	1,169	(932)	237		146
Library books	2,760	(2,302)	458		76
<b>Total operational assets</b>	<b>55,904</b>	<b>(9,653)</b>	<b>46,251</b>	<b>-</b>	<b>1,390</b>
<b>Infrastructural assets</b>					
Roading network	525,494	(10,242)	515,252		11,425
Land under roads	44,968	-	44,968		-
Water systems					
treatment plants and facilities	33,072	(949)	32,123		1,343
other assets	42,698	(1,136)	41,562		-
Wastewater systems					
treatment plants and facilities	14,779	(420)	14,359		496
other assets	24,597	(849)	23,748		-
Stormwater network	21,199	(615)	20,584		928
Waste transfer stations	1,521	(68)	1,453		-
<b>Total infrastructural assets</b>	<b>708,328</b>	<b>(14,279)</b>	<b>694,049</b>	<b>-</b>	<b>14,193</b>
<b>Restricted assets</b>					
Land	19,961	(4)	19,957		4,110
Buildings	5,284	(569)	4,715		4,596
<b>Total restricted assets</b>	<b>25,245</b>	<b>(573)</b>	<b>24,672</b>	<b>-</b>	<b>8,706</b>
<b>Total property, plant and equipment</b>	<b>789,477</b>	<b>(24,505)</b>	<b>764,972</b>	<b>-</b>	<b>24,289</b>
Total WIP	22,859	-	22,859		317
<b>Total All Assets</b>	<b>812,336</b>	<b>(24,505)</b>	<b>787,831</b>	<b>-</b>	<b>24,606</b>

### Work In Progress

	2024 (\$000)	2023 (\$000)
Buildings	367	504
Roading and Footpaths	2,355	3,691
Wastewater	15,740	11,457
Water	2,409	1,345
Stormwater	45	319
Computer Hardware	20	88
Computer Software	1,462	473
Public Toilets	-	55
Swim Centres	4	4
Domains	769	4,916
Forestry	-	6
<b>Total Work in progress</b>	<b>23,171</b>	<b>22,859</b>



Current year disposals \$000	Revaluation surp(def) \$000	Current year depn \$000	Adj for accumulated depn on Revaluation/Disposal \$000	Cost/ valuation \$000	Balances at 30 June 2024 Accum depn \$000	Carrying amount \$000
-	-	(33)	-	10,956	(80)	10,877
-	(6,938)	(1,911)	537	27,786	(4,058)	23,727
(316)	-	(381)	292	5,448	(2,828)	2,620
-	-	(41)	-	1,064	(892)	172
(2)	-	(53)	1	1,313	(984)	329
-	-	(94)	-	2,836	(2,396)	440
<b>(318)</b>	<b>(6,938)</b>	<b>(2,513)</b>	<b>831</b>	<b>49,403</b>	<b>(11,238)</b>	<b>38,165</b>
-	-	(10,340)	-	536,919	(20,582)	516,337
-	-	-	-	44,968	-	44,968
-	-	(962)	-	34,415	(1,911)	32,504
-	-	(1,243)	-	42,698	(2,379)	40,319
-	-	-	-	-	-	-
-	-	(478)	-	15,275	(898)	14,377
-	-	(796)	-	24,597	(1,645)	22,952
-	-	(617)	-	22,127	(1,232)	20,894
-	-	(65)	-	1,521	(133)	1,388
-	-	<b>(14,502)</b>	-	<b>722,521</b>	<b>(28,781)</b>	<b>693,740</b>
-	-	-	-	24,071	(4)	24,067
-	(78)	(248)	86	9,715	(731)	8,985
-	<b>(78)</b>	<b>(248)</b>	<b>86</b>	<b>33,787</b>	<b>(735)</b>	<b>33,052</b>
<b>(318)</b>	<b>(7,016)</b>	<b>(17,263)</b>	<b>917</b>	<b>805,710</b>	<b>(40,753)</b>	<b>764,957</b>
-	-	-	-	23,176	-	23,176
<b>(318)</b>	<b>(7,016)</b>	<b>(17,263)</b>	<b>917</b>	<b>828,886</b>	<b>(40,753)</b>	<b>788,133</b>

Included in the above current year additions Council was also 'vested assets' these relate to subdivisions completed by a developer and then vested into Council, the amounts included in the above are listed below:

#### Asset Class

	2024 (\$000)	2023 (\$000)
Road network	606	-
Land under Roads	-	-
Water systems 'other assets'	122	-
Wastewater systems 'other assets'	635	-
Stormwater systems	200	-
Community and Leisure Assets	-	-
<b>Total vested assets</b>	<b>1,564</b>	<b>-</b>

## Note 11: Property, Plant and Equipment continued

### Valuation

#### *Land and buildings (operational, restricted and infrastructural)*

The valuation of land and buildings was performed by independent registered valuers, Quotable Value Asset and Advisory. The last valuation was effective as at 1 July 2022. The total fair value of land and buildings valued was \$68,392,700 at that date. This was subsequently impaired in 2023/24 following assessment of earthquake prone buildings and the structural failure of the Marton Swimming Pool roof.

Land and buildings acquired since 2022 have been valued at their market cost at the point of acquisition. Following minimal growth in land and buildings valuations across the Rangitikei region for 2023/24 and 2024/25, all other land and buildings have been disclosed at their depreciated replacement value.

### Infrastructural assets

#### *Roading network*

The valuation of the roading network was performed independently by Scott McIntyre (BBIM, CTech) of The Datastack with assistance from Stantec in respect of unit rates. This was peer reviewed by Brian Smith (BCom CA) of Brian Smith Advisory. The valuation is effective as at 30th June 2025. The total fair value of the roading network was \$581,417,334 as at that date.

The roading network is valued at fair value based on the application of appropriate replacement costs and effective lives, and The Datastack experience of other local authorities' transport asset components. They are within the ranges specified in the New Zealand Infrastructural Valuation and Depreciation Guidelines. Land under roads is not re valued. On the transition to International Financial Reporting Standards on 01/07/2006 the council elected to use the FV of land under roads as at 30/06/2005 as deemed cost.

#### *Water, wastewater and stormwater systems*

The valuation of the water, wastewater and stormwater assets was performed by Pauline True (BBS Economics, PGDipArts (GIS)) and Kerryn Whitehead (DipEngTech (Highways)) of Stantec. The valuation is effective as at 30th June 2025. The total fair value of water, wastewater and stormwater was \$137,398,000 as at that date.

Water, wastewater and stormwater assets are valued at fair value using a brown fields approach that assumes the surface above underground components will need to be removed and then replaced. Standard rates consistent with the current contract costs have been used to determine the value of materials.

### Estimated replacement cost of major infrastructure

	2025 (\$000)	2024 (\$000)
Water supply		
treatment plant and facilities	42,969	57,336
other assets	102,736	94,598
Sewerage		
treatment plant and facilities	31,464	26,088
other assets	69,981	67,928
Stormwater drainage	44,428	44,205
Roads and footpaths	1,004,111	916,663
<b>Total estimated replacement cost</b>	<b>1,295,689</b>	<b>1,206,819</b>

## Note 12: Intangible assets

	Actual 2025 (\$'000)	Actual 2024 (\$'000)
<b>Computer Software</b>		
Cost/ Valuation Balance at 1 July	1,627	1,455
Accumulated depreciation & Impairment 1 July	(1,056)	(934)
<b>Carrying amount 1 July</b>	<b>571</b>	<b>521</b>
Additions	1,539	172
Amortisation	(191)	(122)
Cost/ Valuation 30 June	3,166	1,627
Accumulated amortisation & impairment 30 June	(1,247)	(1,056)
<b>Balance at 30 June</b>	<b>1,919</b>	<b>571</b>
Work in progress	-	-
<b>Balance as at 30 June (including Work in progress)</b>	<b>1,919</b>	<b>571</b>
<b>Carbon credits</b>		
Cost/ Valuation Balance at 1 July	268	145
Accumulated depreciation & Impairment 1 July	-	-
<b>Carrying amount 1 July</b>	<b>268</b>	<b>145</b>
Increase/ (decrease) due to valuation	-	-
Additions	-	-
Amortisation	-	-
<b>Cost/ Valuation 30 June</b>	<b>268</b>	<b>145</b>
Accumulated amortisation & impairment 30 June	-	-
<b>Balance at 30 June</b>	<b>268</b>	<b>145</b>
<b>Total Intangible assets</b>	<b>2,187</b>	<b>717</b>

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

### Carbon credits

The Council holds carbon credits for the purpose of meeting its obligations under the Emissions Trading Scheme for carbon emissions from its forestry operations – currently 4,560 units. Carbon units have been assessed as having an infinite 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. After several years of not being reviewed carbon credits have been revalued at the market value as at 30 June 2025.

### Impairment

There were no impairment expenses or provisions for intangible assets. At balance date, none of these intangible assets was impaired. Carbon credits are not impaired but recorded at current market value because the Council still has forests to be harvested in which case the credits may well be used to satisfy non-replanting requirements.

## Note 13: Creditors and other payables

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Payables under exchange transactions</b>		
Trade payables	2,171	2,441
Retentions	344	335
Accrued expenses	663	1,374
<b>Total</b>	<b>3,178</b>	<b>4,150</b>
<b>Payables under non-exchange transactions</b>		
Income tax payable	-	-
Other taxes (e.g. GST and FBT)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total creditors and other payables</b>	<b>3,178</b>	<b>4,150</b>

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.

## Note 13A: Income in advance

	Actual 2025 (\$000)	Actual 2024 (\$000)
Significant revenue in advance amounts as at 30 June are as follows:		
Rates	959	1,195
Other	50	22
<b>Total</b>	<b>1,009</b>	<b>1,217</b>

## Note 14: Borrowings

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Current portion</b>		
Secured bank loans	-	-
Loan - New Zealand Local Government Funding Agency	10,000	-
Community loan	16	16
<b>Total current portion</b>	<b>10,016</b>	<b>16</b>
<b>Non-current portion</b>		
Secured bank loans		
Community loan	16	32
Loan- New Zealand Local Government Funding Agency	44,000	44,000
<b>Total non-current portion</b>	<b>44,016</b>	<b>44,032</b>
<b>Total borrowings</b>	<b>54,032</b>	<b>44,048</b>

### Security

The Council's bank loans (Including LGFA loans), if any, are secured over the Council's rates.

### Fair value

The carrying amounts of borrowings approximates their fair value as discounting is not considered significant.

## Note 15: Employee entitlements

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Current Portion</b>		
Accrued pay	284	207
Annual leave	1,093	843
Long service leave	-	-
Superannuation	-	-
Total current portion	1,377	1,050
Non-current portion	-	-
Long service leave	-	-
<b>Total non-current portion</b>	-	-
<b>Total employee entitlements</b>	<b>1,377</b>	<b>1,050</b>

### *Sick leave*

No provision is made for sick leave because absences in the coming years are not expected to exceed the annual entitlement of staff, and calculations show any amounts involved are likely to be immaterial.

## Note 16: Provisions

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Landfill aftercare</b>		
Balance at 1 July	95	149
Additional(reduction) in provisions made	-	-
Amounts used	-	-
Unused amount reversed	-	-
Discount unwind	-	-
<b>Balance at 30 June</b>	<b>95</b>	<b>149</b>

## Note 17: Equity

	Actual 2025 (\$'000)	Actual 2024 (\$'000)
<b>Accumulated funds</b>		
Balance at 1 July	460,477	465,260
Prior year misstatement	10	-
Other transfers to special reserves	(1,095)	(50)
Surplus (deficit) for year	(9,295)	(4,733)
<b>Balance at 30 June</b>	<b>450,096</b>	<b>460,477</b>
<b>Other reserves</b>		
<b>Property revaluation reserves</b>		
Balance at 1 July	290,424	297,440
Prior year revaluation overstatement	(82)	-
Net revaluation gains - PPE	68,668	(7,016)
Unrealised revaluation gain - Carbon credits	123	-
Transfer to accumulated funds on disposal of property	-	-
<b>Balance at 30 June</b>	<b>359,133</b>	<b>290,424</b>
Property revaluation reserves for each class of assets consist of:		
<b>Operational assets</b>		
land	10,746	10,542
buildings	14,553	15,206
<b>Infrastructural assets</b>		
sewerage systems	22,328	19,871
water systems	28,346	33,899
stormwater drainage network	15,640	13,140
roading network	248,836	179,434
<b>Restricted assets</b>		
land	15,814	15,710
buildings	2,617	2,491
<b>Total</b>	<b>358,879</b>	<b>290,293</b>
<b>Fair value through other comprehensive income reserve</b>		
Balance at 1 July	254	131
Net revaluation gains (losses)	-	-
Transfer to net surplus/deficit	-	-
<b>Balance at 30 June</b>	<b>254</b>	<b>131</b>
<b>Total other reserves</b>	<b>359,133</b>	<b>290,424</b>
<b>Total Special and restricted reserves (Note 17A)</b>	<b>5,672</b>	<b>4,640</b>
<b>TOTAL EQUITY</b>	<b>814,901</b>	<b>755,541</b>

## Note 17A: Special and restricted reserves 2025

<i>Name (* denotes restricted)</i>	<i>Associated activity</i>	
Aquatic	Swimming pools	Capital works
Bulls courthouse*	Property	Maintenance of courthouse building
Flood damage	Roading	Road maintenance due to flooding
General purpose	Capital works	Capital works
Haylock park*	Parks and reserves	Additional reserve area at park
Huntermville rural water	Water	Future loop line
Keep Taihape beautiful*	Property	Enhancement of Taihape
Marton land subdivision*	Parks and reserves	Improvement to reserves land
Marton marae*	Property	Marton marae project
McIntyre recreation*	Parks and reserves	Maintenance or upgrades of park
Putorino rural water	Water	Maintenance of scheme dam
Ratana sewer	Sewerage	Capital works
Revoked reserve land	Parks and reserves	Offset costs of other revoked land
Rural housing loan	Property	No longer required
Rural land subdivision*	Parks and reserves	Improvement to reserves land
Santoft domain*	Parks and reserves	Maintenance or upgrades of park
Lake Alice Memorial Fund	Community	Memorial development
Erewhon RWS Reserve	Water	Scheme maintenance and asset replacement
Omatane RWS Reserve	Water	Scheme maintenance and asset replacement
<b>Total special and restricted reserves</b>		

## Special and restricted reserves 2024

<i>Name (* denotes restricted)</i>	<i>Associated Activity</i>	<i>Purpose</i>
Aquatic	Swimming pools	Capital works
Bulls courthouse*	Property	Maintenance of courthouse building
Flood damage	Roading	Road maintenance due to flooding
General purpose	Capital works	Capital works
Haylock park*	Parks and reserves	Additional reserve area at park
Huntermville rural water	Water	Future loop line
Keep Taihape beautiful*	Property	Enhancement of Taihape
Marton land subdivision*	Parks and reserves	Improvement to reserves land
Marton marae*	Property	Marton marae project
McIntyre recreation*	Parks and reserves	Maintenance or upgrades of park
Putorino rural water	Water	Maintenance of scheme dam
Ratana sewer	Sewerage	Capital works
Revoked reserve land	Parks and reserves	Offset costs of other revoked land
Rural housing loan	Property	No longer required
Rural land subdivision*	Parks and reserves	Improvement to reserves land
Santoft domain*	Parks and reserves	Maintenance or upgrades of park
<b>Total special and restricted reserves</b>		



<i>Balance 1 Jul 2024</i>	<i>Transfer from retained earnings</i>	<i>Prior Year restatements</i>	<i>Deposits</i>	<i>Withdrawals</i>	<i>Balance 30 Jun 2025</i>
161	-	(1)	-	-	160
166	-	-	20	2	184
309	-	-	-	-	309
2,403	-	(1)	-	-	2,402
35	-	-	1	-	36
227	560	6	571	420	944
21	-	-	1	1	21
509	-	7	19	-	535
4	-	-	-	-	4
28	-	-	1	-	29
26	-	(2)	1	-	25
31	-	-	1	-	32
238	-	-	-	-	238
150	-	-	-	-	150
229	-	-	9	-	238
104	-	(14)	7	19	78
-	-	-	50	-	50
-	14	-	325	134	205
-	24	-	10	5	29
<b>4,640</b>	<b>598</b>	<b>(5)</b>	<b>1,016</b>	<b>581</b>	<b>5,672</b>

<i>Balance 1 Jul 2023</i>	<i>Deposits</i>	<i>Withdrawals</i>	<i>Balance 30 Jun 2024</i>
161			161
147	19	-	166
309	-	-	309
2,403	-	-	2,403
34	1	-	35
221	6	-	227
22	1	2	21
502	14	7	509
4	-	-	4
23	5	-	28
25	1	-	26
30	1	-	31
238	-	-	238
150	-	-	150
223	6	-	229
98	6	-	104
<b>4,590</b>	<b>59</b>	<b>9</b>	<b>4,640</b>

## Note 18: Reconciliation of net surplus (deficit) to net cash flow from operating activities

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Surplus (deficit)</b>	<b>(9,295)</b>	<b>(4,733)</b>
Add (less) non-cash items		
Depreciation and amortisation	18,867	17,384
Property Plant and Equipment Impairment	-	-
(Gains) losses in fair value on forestry assets	-	-
Interest Receivable on Investment	(47)	(33)
Movement in Special Reserve Fund	60	-
Movement in employee entitlements (non current)	-	-
Vested assets	-	(1,564)
	<b>9,585</b>	<b>15,787</b>
<b>Add (less) items classified as investing or financing activities</b>		
(Gains) losses on disposal of property, plant and equipment	2,254	(109)
(Gains) losses on fair value financial assets	-	-
(Gains) losses revaluation land & Buildings financial assets	-	-
(Gains) losses biological Assets	-	-
	<b>2,254</b>	<b>(109)</b>
<b>Add (less) movements in working capital items</b>		
(Increase) decrease in prepayments	5	(177)
(Increase) decrease in debtors and other receivables	(26)	(683)
Increase (decrease) in income in advance	(208)	74
Increase (decrease) in creditors and other payables	(972)	(867)
Increase (decrease) in provisions	(54)	-
Increase (decrease) in employee entitlements	327	258
	<b>(927)</b>	<b>(1,395)</b>
<b>Net cash inflow (outflow) from operating activities</b>	<b>10,912</b>	<b>9,551</b>

## Note 19: Capital commitments and operating leases

	Actual 2025 (\$'000)	Actual 2024 (\$'000)
<b>Capital commitments</b>		
Property, plant and equipment		
Not later than one year		
IT	79	256
Buildings	1,322	191
Roading and Footpaths*	17,942	1,066
Waste Water	145	3,383
Storm Water	41	305
Water Systems	8,675	6,634
Later than one year and not later than five years		
<b>Total capital commitments</b>	<b>28,204</b>	<b>11,835</b>
<b>Operating leases as lessee</b>		
The Council leases property, plant and equipment in the normal course of it business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:		
Not later than one year	17	18
Later than one year and not later than five years	29	73
Later than five years	-	-
<b>Total non-cancellable operating leases</b>	<b>46</b>	<b>91</b>
<b>Operating leases as lessor</b>		
Some property, including reserves land, is leased under operating leases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:		
Not later than one year	109	71
Later than one year and not later than five years	111	174
Later than five years	-	31
	<b>220</b>	<b>276</b>

The capital commitment disclosure aims to inform users about future cash outflows related to Property Plant and Equipment acquisitions. As such, in this note both contractual commitments and purchase orders raised but not yet fulfilled or recognised as assets, have been included. No contingent rents have been recognised during the period.

Capital commitments are based on capital expenditure purchase and contract commitments entered into by Council as at balance date.

\*Council has a new three year contract with Downer New Zealand to provide roading services. The contract with Downer was effective from 1 July 2025. Downer manages/provides Council road corridor maintenance activities on its roading network. The budget is determined yearly and as part of Council's planning process working closely with NZTA in respect to the associated funding Council receives. The budgets for 2025/26 (including carry forwards) for programme work that Downer New Zealand will be associated with is as follows:

- Operational expenditure = \$8.7m
- Capex expenditure = \$8.9m

## Note 20: Contingencies

### Contingent Assets

#### *Private facilities*

The Council has identified four facilities (for example, club rooms) on its reserves land owned by third parties that are not specified to be removed under the terms of their leases. The Council will gain control of these assets only if the various clubs vacate the facilities. Until this event occurs, the assets are not recognised as assets in the statement of financial position. As at 30 June 2018 these four facilities have an approximate value of \$350,000.

#### *Contingent Liabilities*

Rangitikei 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 Riskpool scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance or where reinsurance is delayed), and to fund the ongoing operation of the scheme.

The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, following the Supreme Court decision on 1 August 2023 in *Napier City Council v Local Government Mutual Funds Trustee Limited*, which addressed the treatment of claims against Riskpool that involved a mixture of non-weathertightness and weathertightness defects (mixed claims), a number of proceedings against Riskpool, which were stayed pending the Supreme Court's decision in 2023, have since recommenced.

Several member Councils have brought proceedings against Riskpool related to mixed claims. Two of these claims are currently listed for trial in September 2025. These cases are important in clarifying the scope of Riskpool's historical obligations and the interpretation of past Scheme terms. At this point the total potential liability of the outstanding claims against Riskpool is unable to be quantified.

The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AAA. The Council is one of 72 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$20million. When aggregated with the uncalled capital of other shareholders, \$20M is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, RDC is a guarantor of all of NZLGFA's borrowings. As at 30 June 2025, NZLGFA had borrowings totaling \$25.529B (2024: 23.030B). PBE Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss (ECL) model (because fair value could not be reliably measured at initial recognition) and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guarantee liability based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability. The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

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

## Note 21: Related party transactions

	Actual 2025 (\$0)	Actual 2024 (\$0)
<b>Key management personnel compensation</b>		
<i>Councillors</i>		
Remuneration	549,165	473,414
Full-time equivalent members	12	12
<i>Senior management team, including the chief executive</i>		
Remuneration	1,290,054	1,442,139
Full-time equivalent members	6	8
<b>Total key management personnel remuneration</b>	<b>1,839,219</b>	<b>1,915,553</b>
<b>Total full-time equivalent personnel</b>	<b>18</b>	<b>20</b>

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent is taken as the number of Councillors. The Councillor remuneration includes annual salary, and allowances for mileage and telephone/fax. The Senior management team remuneration includes annual salary and superannuation. Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

## Note 22: Remuneration

	Actual 2025 (\$0)	Actual 2024 (\$0)
<b>Chief Executive</b>		
<i>Peter Beggs</i>		
Gross salary	-	50,487
Vehicle (market value plus FBT)	-	3,200
Superannuation contribution	-	1,512
<i>Kevin Ross</i>		
Gross salary	183,031	222,828
Vehicle (market value plus FBT)	13,326	16,050
Superannuation contribution	5,491	6,042
<i>Carol Gordon</i>		
Gross salary	88,318	-
Vehicle (market value plus FBT)	4,088	-
Superannuation contribution	2,650	-
<b>Total remuneration</b>	<b>296,904</b>	<b>300,119</b>
<b>Other Council employees</b>		
Number of full-time employees	90	80
Number of full-time equivalents of part-time employees	24.3	19.2
A full-time employee is determined on the basis of a 40-hour working week		
Total annual remuneration by band for employees as at 30 June		
less than \$60,000 per annum	38	33
\$60,001 to \$79,999	32	30
\$80,000 to \$99,999	27	18
\$100,000 to \$119,999	23	16
\$120,000 to \$179,999	10	12
\$180,000 to \$299,999	4	4
<b>Total employees</b>	<b>134</b>	<b>113</b>
Total remuneration includes the value of any non-financial benefit paid to an employee.		
	Actual 2025 (\$0)	Actual 2024 (\$0)
<b>Elected representatives</b>		
<i>Council</i>		
Mayor		
A Watson	149,800	139,600
Councillors		
D Wilson	41,810	40,404
G Duncan	41,907	40,785
F Dalgety	39,584	38,255
B Carter	32,166	31,415
R Lambert	33,475	32,356
Piki Te Ora (Tracey) Hiroa	43,752	49,538
C Raukawa	35,403	32,134
J Wong	37,619	37,691
S Loudon	30,698	29,675
G Maughan	30,698	29,675
J Calkin	-	14,428
P Sharland	32,253	5,699
<b>Total Council members remuneration</b>	<b>549,165</b>	<b>521,655</b>
	Actual	Actual

	2025 (\$0)	2024 (\$0)
<b>Community Boards</b>		
<i>Taihape</i>		
P Kipling-Arthur	9,630	9,293
E Abernathy	4,815	-
G Larsen	4,815	4,646
E Abernathy	-	4,646
L Clarke	4,815	-
<i>Rātana</i>		
G Taiaroa	2,360	2,277
C Mete	4,720	4,555
C Rourangi	-	175
L Meihana	-	1,839
J Nepia	2,360	2,277
W Hamahona	2,360	-
<b>Total Community Board members remuneration</b>	<b>35,875</b>	<b>29,711</b>
<b>Total elected representatives remuneration</b>	<b>585,040</b>	<b>551,366</b>

The total remuneration for each elected member is made up of annual salary, non-salary benefits and mileage. The larger movements in the Remuneration figures shown above are caused mainly by either one of the two years only being a part-year for remuneration purposes, payments of backpay and/or differences in travel related claims.

## Note 23: Severance payments

For the year ended 30 June 2025, the Council made no severance payments.

For the year ended 30 June 2024, the Council made severance payments of \$9,000 (2023: \$30,000) to one employee.

## Note 24: Events after balance date

The most significant change post balance date is the Council's decision to move from the three-Council formed CCO made up of Rangitikei, Whanganui and Ruapehu District Council to Rangitikei District Council, Palmerston North City Council (PNCC) and Horowhenua District Council for a three-council CCO. Full details below of the time line and decisions made post balance date.

The Government enacted the Local Government (Water Services Preliminary Arrangements) Act 2024 on 2 September 2024. This legislation requires Council to deliver a Water Services Delivery Plan (WSDP) to the Secretary for Local Government by 3 September 2025. This plan must include the anticipated or proposed model or arrangements and implementation plan for delivering water services to the district. PNCC has been working with neighbouring Councils throughout the year to determine an appropriate model for water services delivery. Public consultation took place in 5 March to 2 April 2025 with the preferred option of a three council Joint Water Services Council Controlled Organisation (WS-CCO) model with Whanganui, Ruapehu, and Rangitikei District Council. Following consultation, both Whanganui and Ruapehu have made decisions to exclude themselves from this proposed model.

Additional recommendations were passed to agree to partner with Horowhenua and Rangitikei District Councils for this Joint WS-CCO, with Ruapehu and Whanganui District Councils also able to join, should their respective Council's resolve to do so. On 9 July 2025, Ruapehu District Council resolved to partner with Whanganui District Council for their future Water Services Delivery model. On 15 July 2025, Whanganui District Council resolved to partner with Ruapehu District Council for their future Water Services Delivery model. These two resolutions confirmed that the Joint WS-CCO model for Palmerston North included partnering with both Horowhenua and Rangitikei District Council's. The Water Service Delivery Plan has subsequently been prepared on the basis of the three council Joint WS-CCO.

On 31 July 2025, Council resolved that primary stormwater assets and responsibility would also transfer to the WS-CCO. On 14 August 2025, Council adopted the Water Services Delivery Plan and Implementation plan detailing that the WS-CCO would be created from 1 July 2026, with operations for water service delivery occurring from 1 July 2027. On 21 August 2025, the Chief Executives of Palmerston North City, Horowhenua & Rangitikei District Council's certified and signed the Joint Water Services Delivery Plan and submitted it to the Department of Internal Affairs, on behalf of the Secretary for Local Government. The Water Services Delivery Plan must still be approved by the Secretary. It is not currently known what date this will occur. Until the Secretary for Local Government approves the Water Services Delivery Plan and Implementation plan the decision to form the Joint WS-CCO with Palmerston North and Horowhenua District Councils remains uncertain.

The financial impact of this decision remains uncertain as arrangements are still to be finalised. On 1 July 2027 it is anticipated that asset transfer will occur, which will impact Council's Statement of Financial Position, particularly in relation to the Infrastructure Assets. The impact to Council's debt transfer at this point is unknown, but it is likely to have a net debt implication for Council. The values associated with the Financial Position impacts are unknown at this point.



## Note 25A: Financial instrument risks

	Actual 2025 (\$000)	Actual 2024 (\$000)
<b>Financial instrument categories</b>		
Financial assets		
Loans and receivables		
Cash and cash equivalents	11,854	11,087
Debtors and other receivables	4,571	4,545
<b>Total loans and receivables</b>	<b>16,425</b>	<b>15,633</b>
<b>Fair value through other comprehensive revenue and expense</b>		
Other financial assets		
corporate bonds	1,179	1,131
unlisted shares	51	51
<b>Total fair value through other comprehensive revenue and expense</b>	<b>1,230</b>	<b>1,183</b>
<b>Financial liabilities</b>		
Financial liabilities at cost		
creditors and other payables	3,178	4,150
Loans	44,000	44,000
community loan	32	48
<b>Total financial liabilities</b>	<b>47,210</b>	<b>48,198</b>

## Note 25B: Fair value hierarchy disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- \* Quoted market price (level 1) - Financial 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:

	Valuation technique			Significant non-observable inputs
	Total (\$000)	Quoted market price (\$000)	Observable inputs (\$000)	inputs (\$000)
<b>2025</b>				
<b>Financial assets</b>				
<i>Unlisted shares</i>				
New Zealand Local Government Insurance Corporation Limited	35	-	-	35
Manawatu Wanganui LASS Limited	16	-	-	16
Corporate bonds	1,179	1,131	-	-
<b>2024</b>				
<b>Financial assets</b>				
<i>Unlisted shares</i>				
New Zealand Local Government Insurance Corporation Limited	35	-	-	35
Manawatu Wanganui LASS Limited	16	-	-	16
Corporate bonds	802	802	-	-

There were no transfers between the different levels of the fair value hierarchy.

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

	Actual 2025 (\$000)	Actual 2024 (\$000)
Balance at 1 July	51	51
Gains (losses) recognised in the surplus or deficit	-	-
Gains (losses) recognised in other comprehensive income	-	-
Purchases	-	-
<b>Balance at 30 June</b>	<b>51</b>	<b>51</b>

## Note 25C: Financial instrument risks

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

### Market risk

#### 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. The Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through other comprehensive income. Equity security price risk is not managed as the only share investments are unlisted shares in New Zealand Local Government Insurance Corporation Limited, and, Manawatu Wanganui LASS Limited.

#### Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Council has no financial instruments with foreign currency components and is therefore not exposed to currency risk.

#### Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest expose the Council to fair value interest rate risk. The Council's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements.

#### 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 the Council to cash flow interest rate risk. The Council currently has no variable interest rate debt or investment.

### Credit risk

Credit risk is the risk that a third party will default on its obligations to the Council, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits and corporate bonds, which gives rise to credit risk. The Council only invests in deposits with registered banks and in high grade corporate bonds, and limits the amount of credit exposure to any one institution. Investments are made only in banks and companies with specified credit ratings.

	Actual 2025 (\$000)	Actual 2024 (\$000)
<i>Maximum exposure to credit risk</i>		
The Council's maximum credit risk exposure for each class of financial instruments is as follows:		
Cash at bank and term deposits	11,854	11,087
Debtors and other receivables	4,571	4,545
Corporate bonds	1,179	1,131
<b>Total credit risk</b>	<b>17,604</b>	<b>16,763</b>

#### Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by references to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

#### Counterparties with credit ratings

Cash at bank and term deposits		
AA-	11,854	11,087
<b>Total cash at bank and term deposits</b>	<b>11,854</b>	<b>11,087</b>
<i>Corporate bonds</i>		
AA	1,179	1,131
A+	-	-
A	-	-
A-	-	-
BBB-	-	-
<b>Total corporate bonds</b>	<b>1,179</b>	<b>1,131</b>

Debtors and other receivables arise mainly from the Council's statutory functions.

**Liquidity risk**

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

The table below analyses the Council's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Further interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

	<i>Carrying amount \$000</i>	<i>Contractual cash flows \$000</i>	<i>Less than 1 year \$000</i>	<i>1 to 5 years \$000</i>	<i>More than 5 years \$000</i>
<b>2025</b>					
<b>Amortised Cost</b>					
Creditors and other payables	3,178	3,178	3,178	-	-
Loans	54,000	60,120	21,175	33,393	5,552
Community loan	32	32	16	16	-
<b>Total</b>	<b>57,210</b>	<b>60,152</b>	<b>21,191</b>	<b>33,409</b>	<b>5,552</b>
<b>2024</b>					
<b>Amortised Cost</b>					
Creditors and other payables	4,150	4,150	4,150	-	-
Secured loans	44,000	52,125	2,090	44,299	5,736
Community loan	48	48	16	32	-
<b>Total</b>	<b>48,198</b>	<b>56,323</b>	<b>6,256</b>	<b>44,331</b>	<b>5,736</b>

**Contractual maturity analysis of financial assets**

The table below analyses the Council's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	<i>Carrying amount \$000</i>	<i>Contractual cash flows \$000</i>	<i>Less than 1 year \$000</i>	<i>1 to 5 years \$000</i>	<i>More than 5 years \$000</i>
<b>2025</b>					
<b>Amortised Cost</b>					
Cash and cash equivalents	11,854	11,854	-	-	-
Receivables	4,571	4,571	-	-	-
Other financial assets					
term deposits	-	-	-	-	-
corporate bonds	1,179	1,250	-	1,080	170
<b>Total</b>	<b>17,604</b>	<b>16,482</b>	<b>-</b>	<b>1,080</b>	<b>170</b>
<b>2024</b>					
<b>Amortised Cost</b>					
Cash and cash equivalents	11,087	11,087	-	-	-
Receivables	4,545	4,545	-	-	-
Other financial assets					
term deposits	-	-	-	-	-
corporate bonds	1,131	1,250	-	1,080	170
<b>Total</b>	<b>16,763</b>	<b>16,882</b>	<b>-</b>	<b>1,080</b>	<b>170</b>

### 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 Council's financial instrument exposures at balance date.

#### Interest rate risk

	Note	-100bps Surplus \$000	Other Equity \$000	+100bps Surplus \$000	Other Equity \$000
<b>2025</b>					
<i>Financial Assets</i>					
Cash and cash equivalents		(118)	-	118	-
Corporate bonds		-	-	-	-
<b>Total sensitivity to interest rate risk</b>		<b>(118)</b>	<b>-</b>	<b>118</b>	<b>-</b>
<b>2024</b>					
<i>Financial Assets</i>					
Cash and cash equivalents		(111)	-	111	-
Corporate bonds		-	-	-	-
<b>Total sensitivity to interest rate risk</b>		<b>(111)</b>	<b>-</b>	<b>111</b>	<b>-</b>

#### Explanation of interest rate sensitivity risk

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis point (bps) movement. For example, a decrease in 100 bps is equivalent to a decrease in interest rates of 1%.

## Note 26: Capital management

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

The Local Government Act (2002) (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

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

The Act requires the Council to make adequate and effective provision in its long-term plan (LTP) and in its annual plans (where applicable) to meet the expenditure needs identified in those plans. The Act also sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

The Council has the following Council-created reserves:

#### Special Reserves

Special reserve funds are reserves created by the Council for special purposes. The Council may alter them without reference to any third party or the Courts, and transfers to and from these reserves are at the discretion of the Council.

## Note 27: Explanation of major variances against budget

<b>Subsidies and grants</b>	<b>(\$4.5 million)</b>	<b>27% decrease from budget</b>
This is mainly the result of NZTA reducing their programme budget after the LTP budgets were set, noting reduced revenue is offset by reduced capex spend. Also impacting this variance is the cancellation of the Marton Rail Hub project funding with no funding being received in 2024/25.		
<b>Other Revenue</b>	<b>(\$0.5 million)</b>	<b>6% decrease from budget</b>
Downturn in the building industry and the flow on effects of reduced consenting activity and delays in implementing planned increases in waste transfer fees adversely impacted the achievement of plan.		
<b>Depreciation and amortisation expense</b>	<b>\$0.4 million</b>	<b>2% increase from budget</b>
Depreciation and amortisation expense was impacted by the revaluation of infrastructure assets in June, resulting in higher than planned depreciation costs for the year.		
<b>Personnel costs</b>	<b>\$2.2 million</b>	<b>23% increase from budget</b>
This is principally due to the insourcing of the shared services, previously undertaken by Manawātū District Council for Water and Roothing and this is largely offset by a reduction in other expenses. Also impacting this is the underspend in the capital programme to consenting and design delays which has impacted upon the level of capitalisation of labour costs for 2024/25.		
<b>Other expenses</b>	<b>(\$1.6 million)</b>	<b>6% decrease from budget</b>
As above, this is principally due to the insourcing of the shared services, previously undertaken by Manawātū District Council for Water and Roothing, which is offset by an increase in personnel costs.		
<b>Losses</b>	<b>\$2.5 million</b>	<b>&gt;100% increase from budget</b>
This is principally due to the unplanned losses include the expenses of all costs associated with Marton Rail Hub project which were previously carried as Work in Progress. This also includes the write-off of the Mangaweka Bridge also deemed unsafe for both road and pedestrian traffic.		
<b>Gain of Revaluation of Assets</b>	<b>(\$16.2 million)</b>	<b>19% decrease from budget</b>
This variance is due to the revaluation of Roothing and Water Infrastructure and where Water infrastructure values in particular, have not kept pace with the planned level of CPI in the past three years.		
<b>Debtors and other receivables</b>	<b>\$1.4 million</b>	<b>40% increase from budget</b>
Debtor levels are consistent with 2023/24 but remain higher than levels planned for the LTP reflecting the difficulty in reducing debtors in the tough economic conditions.		
<b>Plant, Property and Equipment</b>	<b>(\$50.2 million)</b>	<b>6% decrease from budget</b>
This reflects the lower than planned capital expenditure for 2024/25 along with the lower than planned revaluation of Water infrastructure assets.		
<b>Intangible Assets</b>	<b>\$1.5 million</b>	<b>&gt;100% increase from budget</b>
Reflects the reclassification of Software Assets as Intangible Assets after the LTP budget was set.		
<b>Creditors and Other Payables</b>	<b>(\$1million)</b>	<b>25% decrease from budget</b>
This reflects the lower than planned capital expenditure for 2024/25 with resulting less outstanding payments owing at the 30 June 2025.		
<b>Employee entitlements</b>	<b>(\$0.5 million)</b>	<b>61% increase from budget</b>
This is principally driven by the insourcing of Manawātū District Council employees.		
<b>Borrowings (Current)</b>	<b>\$10 million</b>	<b>&gt;100% increase from budget</b>
This reflects the funding for capital works being borrowed on short term financing to take advantage of opportunities for lower interest rates on borrowings into the future.		
<b>Borrowings (Non Current)</b>	<b>(\$29 million)</b>	<b>40% decrease from budget</b>
This reflects the lower than planned capital expenditures for 2023/24 and 2024/25 impacting the level of borrowing that was planned for in the LTP. In addition, as per comments above, funding for capital works being borrowed on short term financing to take advantage of opportunities for lower interest rates on borrowings into the future.		

## Note 28: Rating base information

	<i>Actual 2025</i>	<i>Actual 2024</i>
Number of rating units preceding year	8,884	8,837
	<i>(\$000)</i>	<i>(\$000)</i>
Total capital value of rating units preceding year	8,076,891	8,038,379
Total land value of rating units preceding year	5,349,267	5,344,297

Note: "preceding year" for 2025 is as at 30 June 2024 and "preceding year" for 2024 is as at 30 June 2023

## Note 29: Insurance of assets

	<i>Actual 2025 (\$000)</i>	<i>Actual 2024 (\$000)</i>
Total value of assets covered by insurance contracts	132,109	127,923
Maximum amount of insurance	220,119	223,774
Total value of assets covered by financial risk sharing arrangements	252,563	191,560
Maximum amount available under those arrangements (40%)	101,025	76,624
Total value of assets that are self-insured	401,019	361,518
The value of funds maintained for that purpose	309	309

It is anticipated (but cannot be guaranteed) that under the terms contained in the Guide to the Civil Defence Emergency Plan, central government may fund 60% of the qualifying cost of reinstating essential infrastructure assets in the event of a major disaster.

Emergency Plan, central government may fund 60% of the qualifying cost of reinstating essential infrastructure.

# Benchmarks Disclosure Statement

For year ending 30 June 2025

## What is the purpose of this statement?

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

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

## Rates affordability benchmarks

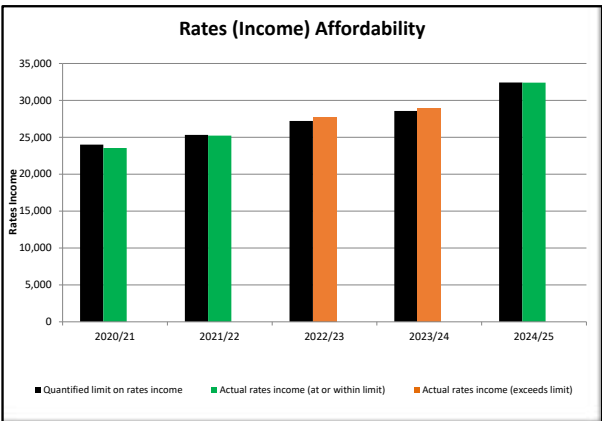
The council meets the rates affordability benchmark if its—

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

## Rates (income) affordability

The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's most relevant LTP (2018/28 LTP for the first year, 2021/31 for the next three years and 2024/34 one year)..

All limits are based on amounts included in the most relevant Long Term Plan.

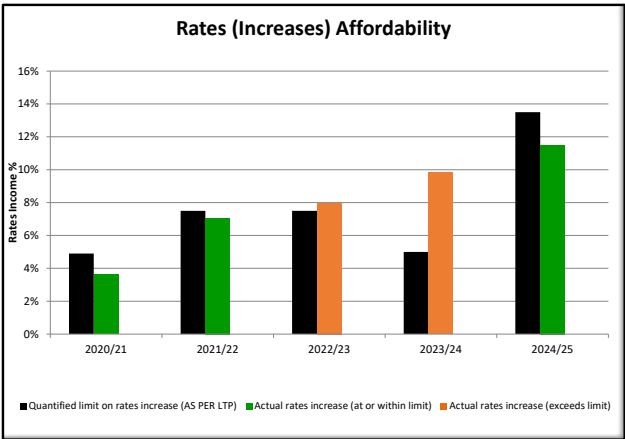


## Rates (increases) affordability

The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy contained in the Council's most relevant LTP.

The quantified limits are as follows:

2020/21	4.90%
2021/22	7.50%
2022/23	7.50%
2023/24	5.00%
2024/25	13.50%





Debt affordability benchmark

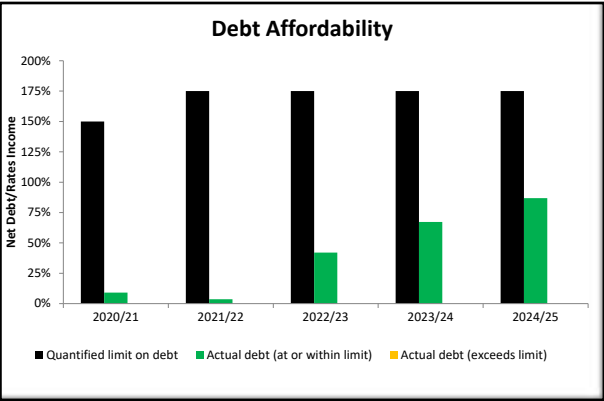
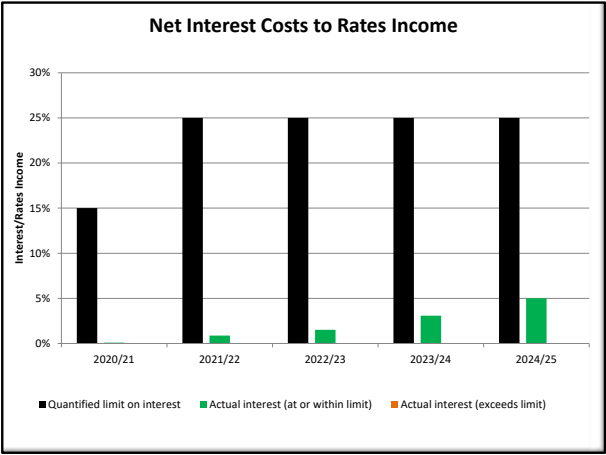
The council meets the debt affordability benchmarks if its actual borrowing is within each quantified limit on borrowing.

Council's 2021/31 LTP replaced the key debt affordability ratios to the 4 indicators stated below. These indicators have been applied to the historic years to enable effective comparisons.

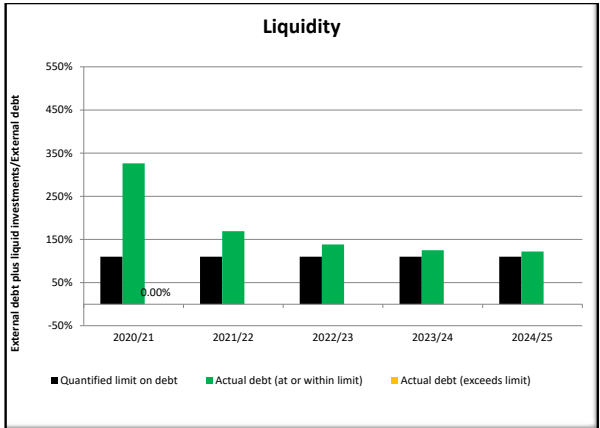
The limit are as follows:

- Net interest payments as a ratio of total revenue must be less than 20%
- Net interest payments as a ratio of annual rates revenue must be less than 25%
- Net debt as a ratio of total revenue must be less than 175%

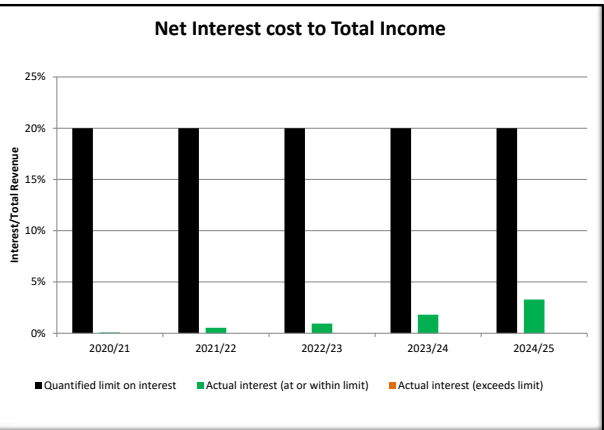
The following graph compares the net interest payments as a ratio of annual rates revenue (benchmark: must be lower than 25%).



External debt plus liquid investments divided by external debt must be more than 110%



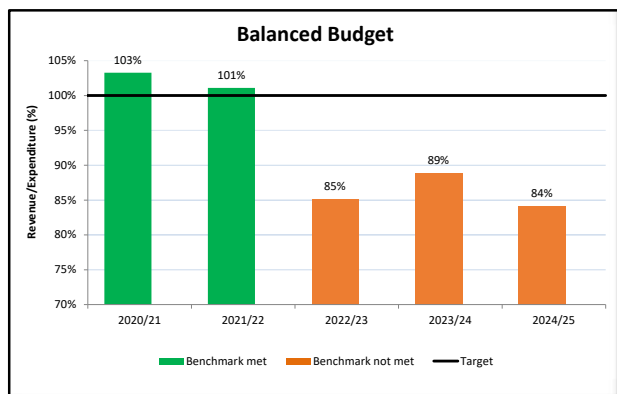
The following graph compares the Council's net interest payments as a ratio of total revenue (benchmark: must be lower than 20%).



### Balanced budget benchmark

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

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



Council received less than anticipated income from Subsidies and Grants due to Better Off Funding for projects continuing to carry forward into 2025/26, the key one being the Taihape Town Hall.

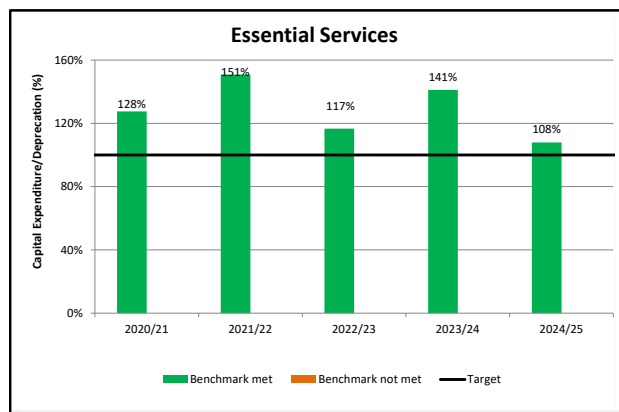
NZTA Rooding Subsidies was also significantly below budget with NZTA resetting their roading budgets for the three years ending 30 June 2027 well after the LTP Budgets were set.

Expenditure was significantly impacted by the write-off of all costs associated with the Marton Rail Hub project.

### Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. (Capital work includes both renewals of existing infrastructure as well as new capital work undertaken).

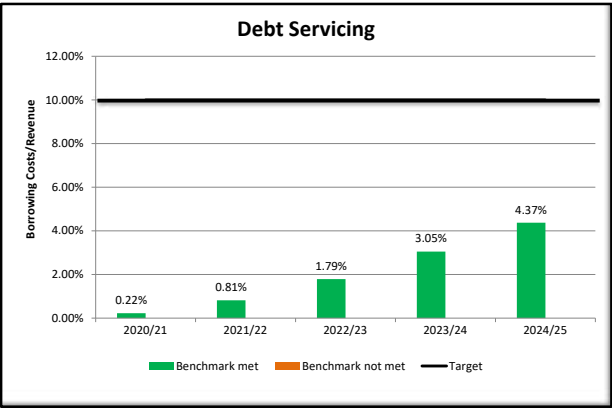
The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Network services is defined in the regulations as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, storm water drainage, flood protection and control works, and the provision of roads and footpaths. The Council owns no infrastructure related to flood protection and control work.



Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

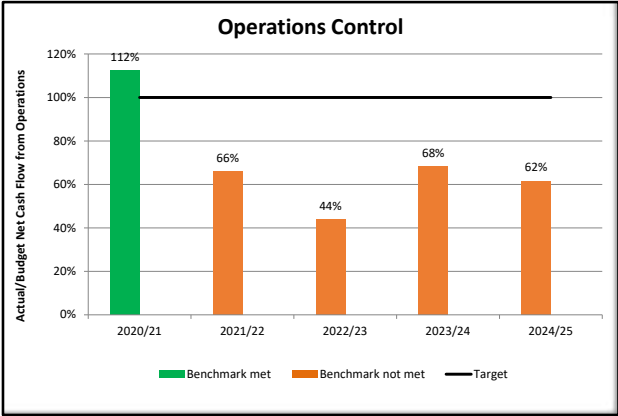
Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, the Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



Operations control benchmark

This graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



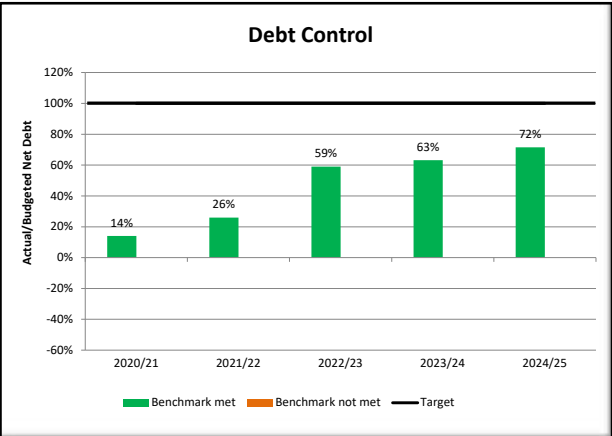
Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt. The regulations do not state what plans the Council should use when determining planned debt.

This benchmark has used Council's most relevant LTP for these purposes.

(The graph shows negative values when financial liabilities are less than financial assets, excluding trade and other receivables.)





# *Section 4:* **Other Information**

## Your Elected Members



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● Central Ward  
● Northern Ward  
● Southern Ward

● Tiikeitia ki Tai (Coastal) Ward  
● Tiikeitia ki Uta (Inland) Ward

# Your Representatives

## Community Board Members

### Taihape

Mr Peter Kipling-Arthur (Chair)  
 Ms Emma Abernethy (Deputy Chair)  
 Ms Gail Larsen  
 Mr Les Clarke  
 Cr Gill Duncan  
 Cr Jeff Wong

### Rātana

Mr Charlie Mete (Chair)  
 Mr Jamie Nepia (Deputy Chair)  
 Ms Whetu Hamahona  
 Ms Grace Taiaroa  
 Cr Piki Te Ora Hiroa (co-opted member)

### Te Rōpū Ahi Kā (Iwi Liaison Committee)\*

Ms Piki Te Ora Hiroa (Chair)	(Ngāti Whitikaupeka)
Ms Kim Savage (Deputy Chair)	(Ngāti Parewahawaha)
Ms Moira Raukawa	Ngāti Tamakopiri)
Ms Marj Heeney	(Ngāi te Ohuake)
Mr Thomas Curtis	(Te Rūnanga o Ngāti Hauiti)
Ms Grace Taiaroa	(Rātana Pā)
Ms Leanne Hiroti	(Ngā Ariki Turakina)
Mr Ms Gaylene Nepia	(Ngāti Kauae/Tauira)
Dr Katarina Gray-Sharp	(Ngāti Rangī)
Mr Jordan Winiata-Haines	(Ngāti Hinemanu/Ngāti Paki)
Cr Gill Duncan	(Council Representative)
Cr Coral Raukawa	(Council Representative)

### Community Committee Chairs\*

Marton Community Committee - Carolyn Bates  
 Bulls Community Committee - Gregory Smith  
 Turakina Community Committee - Duran Benton  
 Hunterville Community Committee - Justin Adams

### District Licensing Committee\*

Mr Stuart Hylton (Commissioner)  
 Mr Andy Watson (Deputy Chair)  
 Mr Chalky Leary  
 Ms Judy Klue  
 Mr Colin Mower

*\*His Worship the Mayor is a member, ex officio, of all Council Committees.*











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*Making this place home.*