

Waitomo District Council

Summary Annual Report 2015-2016

Message from the Mayor and Chief Executive

We are pleased to present the Summary Annual Report for the year ended 30 June 2016. This Report summarises our performance across 10 activity areas as well as the overall financial performance for the 2015/16 financial year.

The implementation of our vision to create a better future with vibrant communities and thriving business is well underway. We would like to thank our key stakeholders and community partners for their collaboration and efforts as we work towards making this vision become a reality.

Residents have confirmed we are on the right track, with 88% of people surveyed this year satisfied that Council is moving towards this vision for the Waitomo District. The effort to deliver a consistently high level of public service and customer service can be observed through the positive results of our resident survey. Overall residents are more satisfied with Council's financial management and that Council is capable, competent, and efficient and that the Councillors interact with the community.

The project to revitalise the Te Kuiti Railway Station Buildings began in 2012 and was delivered over five separate sub-projects. During the 2015/16 financial year we completed the internal refurbishment of Building 2. This central station building was beautifully restored as a commercial space and is currently leased to the new Stoked Eatery licensed restaurant.

The construction of the community space in Building 1 and the link to the i-SITE building is almost complete. We are excited that the refurbishment will provide a high quality, unique and historic location for community groups and to support the delivery of visitor information services. This will conclude the overall building development aspect of the vibrant hub in Te Kuiti.



We continue to promote a better quality of life and an improved living environment within the District. We completed data collection and analysis to inform the development of the Waitomo District Profile and Discussion Document 'Waitomo District Prepared for the Future'. We made a submission for a funding application for Ultra-fast Broadband, Rural Broadband and Mobile Blackspot Fund. To ensure we make smart strategic decisions to support Regional Tourism outcomes within our District we completed the development of Timber Trail Market Strategy and Action Plan. We want to support a Motor Home Friendly District, and the collection and monitoring of data will inform our next steps in this direction.

The Brook Park Incorporated Society has made significant headway with improvements to the popular Park. Volunteers will soon complete the mountain bike trail, establishment of the Memorial Grove, fencing and maintenance work, and removal of old trees in the conifer grove.

Our investment in Inframax Construction Limited (ICL) continues to deliver positive results which is very encouraging. ICL has reported a **net profit after tax of \$1.28 million**; net assets of the company have **increased by 60%**. This is a remarkable achievement for ICL and once again we would like to congratulate the Board, Management and Staff on all their hard work.

In conclusion, during the 2015/16 financial year we focussed on prudent financial management while leading our communities towards a vibrant and thriving future and we will continue with our endeavours into the future.

We have a committed elected Council and staff working collectively to achieve great outcomes for our ratepayers and the community as a whole.

Our top financial results for the 2015/16 Financial Year are:

- Public debt sits at **\$44.8 million**, compared with the \$52.8 million forecast set out in our 2015-25 LTP.
- A total **Capital Expenditure** programme of **\$9.81 million** was carried out. This included **\$4.3 million** on Roads and Footpaths, **\$1.9 million** on Community Services and **\$2.3 million** on Water Supply.
- Total expenditure was **\$1.1 million less** than budgeted.
- Council also sourced a favourable interest rate which reduced the amount of interest costs we incurred over the year.

Our key infrastructure highlights for the past year include:

- Completion of the commercial space at Te Kuiti Railway Station buildings.
- Completion of the first stage of the Te Kuiti Wastewater Treatment Plant upgrade.
- Continued refurbishment of the Les Munro Centre and;
- Upgrade of the Piopio Public Toilets.



BRIAN HANNA
MAYOR



CHRIS RYAN
CHIEF EXECUTIVE

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
WAITOMO DISTRICT COUNCIL AND GROUP'S
SUMMARY ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

The summary annual report was derived from the annual report of Waitomo District Council (the District Council) and group for the year ended 30 June 2016. We have considered whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

The annual report included full audited statements, and the summary annual report includes summary statements. We have audited the following summary statements reported in the summary annual report on pages 5 to 8:

- the summary statement of financial position as at 30 June 2016;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2016;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the performance summary of the District Council and group.

We expressed an unmodified audit opinion on the District Council and group's full audited statements in our report dated 6 October 2016.

Opinion

In our opinion:

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

Basis of opinion

Our audit was carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand), and in particular with the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements. These standards require us to carry out procedures to confirm whether the summary annual report contains the information necessary, and at an appropriate level of aggregation, so as not to be misleading.

The summary statements and the full audited statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 6 October 2016 on the full audited statements.

The summary statements do not contain all the disclosures required for full audited statements under generally accepted accounting practice in New Zealand. Reading the summary statements, therefore, is not a substitute for reading the full audited statements in the annual report of the District Council and group.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report so that it represents, fairly and consistently, the information regarding the major matters dealt with in the annual report. This includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements. The Council is also responsible for the publication of the summary annual report, whether in printed or electronic form.

We are responsible for expressing an opinion on whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interest in, the District Council or any of its subsidiaries.

Melissa Youngson
Deloitte
**On behalf of the Auditor-General
Hamilton, New Zealand**
20 October 2016

Purpose of the Annual Report

Every year we produce an audited Annual Report which contains details of Council's performance and achievements through the year against its Annual Plan and Long Term Plan, both financial and non financial.

This is a summary of the 2015/16 Annual Report. The information contained in this Summary has been extracted from our full Annual Report. The Summary Report does not include all the disclosures in the full Annual Report and cannot be expected to provide a full understanding of the full Annual Report.

The 2015/16 Annual Report was adopted by Council on 6 October 2016. It is a key accountability document for our communities containing important information on how we are progressing in achieving our goals. It highlights the areas we performed well in and the areas we need to improve on and how we plan on doing this.

Copies of the full 2015/16 Annual Report are available on Council's website, at the Waitomo District Library and our Queen Street Office in Te Kuiti. You can request a copy by contacting **Waitomo District Council on 0800 932 4357 or send us an email: info@waitomo.govt.nz**



**Creating a better
future
with vibrant
communities
and thriving
business.**

**Everything we do at WDC
is linked to our vision.**

Our aim is to make the District an attractive place that people will want to come and visit, work and live in. The intention is to enhance the livability of our District, facilitate our communities to be vibrant and thriving and to do this in a financially prudent and sustainable manner.

We have been working steadily towards this vision for the past 5-6 years. This aspiration requires sustained effort over time to achieve. Our areas of focus to drive this vision and guide our efforts are:

- facilitate economic development,
- encourage and support community connectivity and development, and
- good stewardship and development of assets.

We have made good progress in our focus areas in the 2015/16 year.

Key highlights are included in the following pages with further detail of our achievements in the activity areas included in the 'Our Activities' section of the full Annual Report.

Our statistics for the past year

\$344 Million
Total Asset Value

52 Community Groups and organisations supported by WDC funding & grants

1,014km Of roads managed and maintained

\$22,794,563
Value of building consents issued

165 Building Consents issued

174 LIMS processed



1,583 Average number of customer service calls we receive each month

3,698

Dogs registered for the year



154 New library members



3,295
Service requests received

- 47 Average number of media queries
- 47 Requests for Official Information received
- 84 New subscribers to Waitomo Way

1,408 tonnes
of recycling materials diverted from landfill




809
E-books downloaded from the library catalogue



440,000m²
Grass mown throughout the year

\$ Saving
WDC approximately
\$14,085
in waste minimisation levies

 More than
2,200
likes on our facebook pages

1,182,638 m³
Of wastewater treated at Te Kuiti Wastewater Treatment Plant



10 Playgrounds



25 Parks



18 Public Toilets

Activity Highlights for 2015-2016

Completion of the Commercial Space at Te Kuiti Railway Buildings

The project to revitalise the Te Kuiti Railway Station Buildings began in 2012 and consisted of five separate projects. 2015/16 saw the completion of the internal refurbishment of Building 2. This central station building was beautifully restored as a commercial space and is currently being utilised by the new Stoked Eatery licensed restaurant. The construction of the community space in Building 1 and the link to the i-SITE building also commenced and is progressing well.



ENTRANCE TO BUILDING 1

Completed new Public Toilets at Piopio

This project involved the construction of a new public toilet facility in Kara Park. The previous toilet facilities were old and no longer suitable for the high volume of users. The existing facility was demolished once the new toilets were operational.



PIOPIO PUBLIC TOILETS AT KARA PARK

Te Kuiti Water Treatment Plant Upgrade

The first phase of the Te Kuiti Water Treatment Plant upgrade is now substantially complete. The new treatment plant building has been constructed and the pumps have been installed. The plant is not fully commissioned due to the remaining work required to the filters.



PIPE WORK UNDERWAY AT THE PLANT

Construction of a roof to provide shelter over the recycling area at Waitomo District Landfill

The construction of a roof over the recycling area at the Waitomo District Landfill was completed in the 2015/16 year. The recycling area now provides convenient all weather access for users, and the new layout allowed for an increase in the number of collection bins.



NEW ROOF COVERING THE RECYCLING AREA

Refurbishment of Les Munro Centre

WDC has progressively, over the last five years, undertaken staged upgrade works at the Les Munro Centre to modernise it, so as to promote its use as a premier venue for functions within the District.

An integral part of the refurbishment process was the completion of the kitchen upgrade (including the bar area), which was completed prior to Christmas 2015. The kitchen was in its original state and in need of updating to improve its functionality and allow the centre to cater for larger groups.

The Waitomo Cultural and Arts Centre was renamed the Les Munro Centre in December 2015 in honour of the long standing former Mayor, Les Munro.



KITCHEN RENEWAL PROJECT AT LES MUNRO CENTRE

Other Highlights:

- Completion of the soakage field for Mokau public toilets.
- Completion of pedestrian bridge at Benneydale.
- New drainage, repainting and new pool covers for the Waitomo District Aquatic Centre.
- Further upgrades to Rora Street Gardens.
- Piopio hall roof renewal and access ramp.

Many of our activities achieved 100% of their performance targets



PIOPIO HALL RENEWAL

Performance Summary

WDC has a range of performance targets that allow the measurement, over time, of whether or not the service delivery and performance has been properly focused on WDC's priorities. Fourteen of our performance measures are calculated through our annual Resident Survey. The remainder of our performance measures are calculated through a range of different methods such as our service request system which records all enquiries and complaints, user surveys, water quality readings, and WDC inspection records etc.

A snapshot of progress made by WDC in achieving the performance targets

The activity areas to achieve 100% of their performance targets were Governance, Community Service, Regulation, Resource Management, and Stormwater Drainage.

This year we achieved 65 out of our 80 measures (81%). Our Resident Survey showed that the community's satisfaction levels with how we deliver our services has increased. The most significant area of improvement in satisfaction levels was in our Community Services activity.

Satisfaction Ratings	2016	2015
Pools and Facilities	88%	75%
Arts and Culture Services	94%	88%
Quality Parks and Reserves	87%	82%

Satisfaction with the **Solid Waste Service** was extremely high again. **97%** of residents surveyed were satisfied with the safety of WDC's recycling facilities, 95% rated rural waste transfer stations safe to use and 98% rated the landfill safe to use.

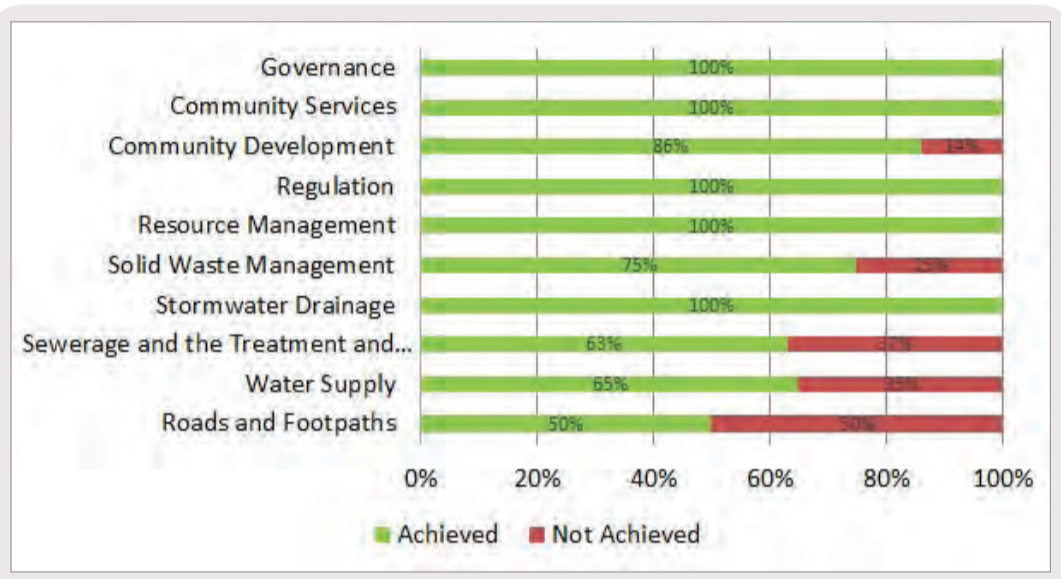
Roads and Footpaths has six measures, three were achieved and three not achieved. While we only achieved 50% of our targets, we achieved the measures which related to **maintaining the overall condition** of our sealed roads and footpaths to a specified adequate standard.

Water Supply services has 17 measures, 11 of these were achieved and six not achieved. We achieved all of our targets which related to ensuring our water supply networks are adequately maintained and efficient management of demand for water for the community.

Regulation Services achieved all of its performance measures, However, satisfaction ratings with our building control service, while still meeting our target, dropped from 82% last year to 77% this year.

In the 2016 Residents Survey, **94%** of respondents are satisfied with the provision of WDC **Communications** (extent and methods of information provided to our residents). This rating well exceeds WDC's target of 60%.

The following graph shows the overall performance of the ten Groups of Activities with green being achieved and red not achieved.



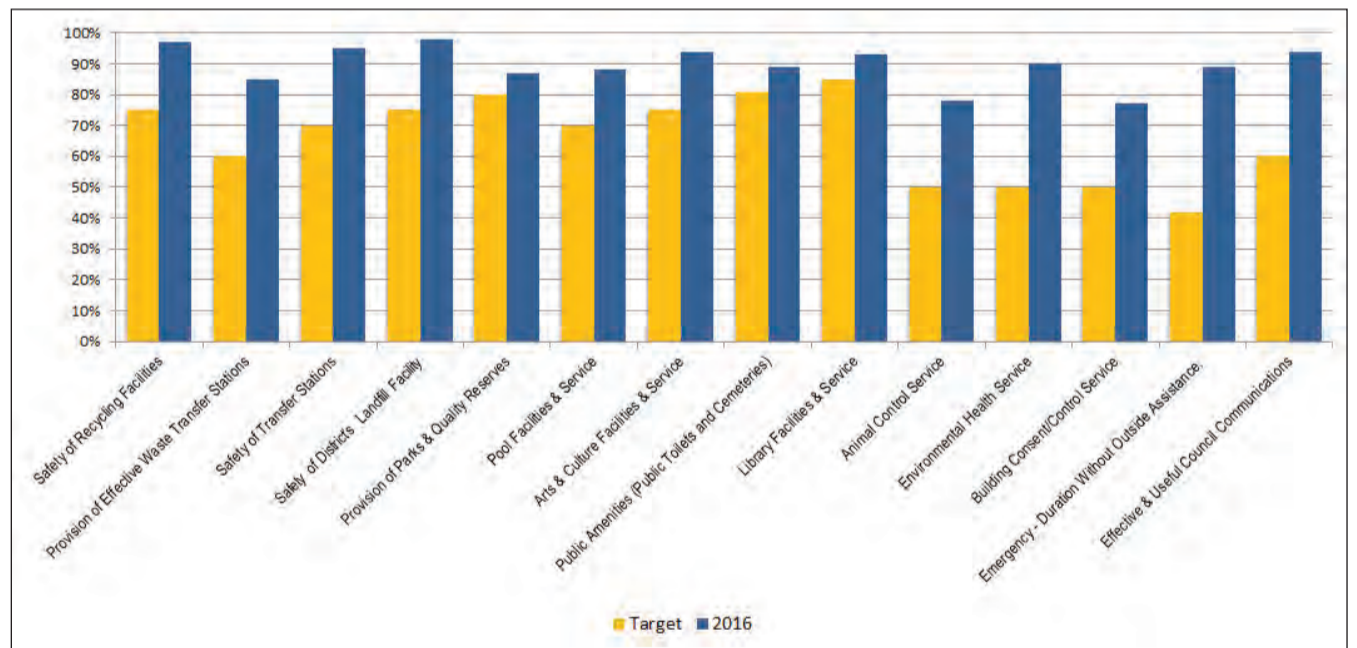
Resident Survey

WDC carries out a survey of residents each year which seeks to gauge the opinion of residents on a wide range of services and activities delivered by WDC.

The 2016 Resident Survey was developed and conducted in-house similar to the previous two years. It was a paper survey delivered direct to all letterboxes across the District. The survey was open to the public for a two week time frame from Monday 2 May to Friday 13 May 2016. A total of 329 completed surveys were returned.

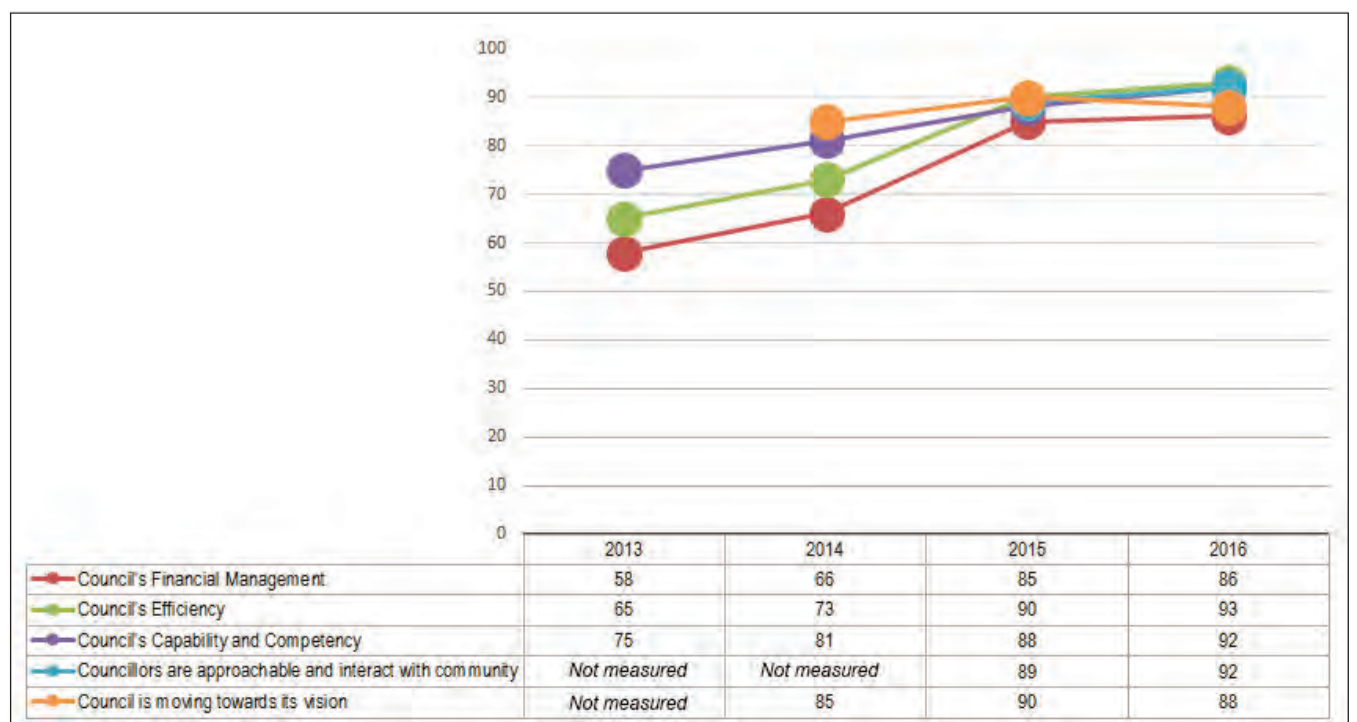
The Resident Survey also included a liveability survey to review resident's perceptions of different aspects of living in the Waitomo District. Overall there are generally low levels of dissatisfaction with life in the Waitomo District. Residents are generally positive about the local community and proud to live in the area. Services are generally well received, particularly health.

The graph below shows that across the board we have exceeded our target satisfaction levels which is an excellent result.



Overall, resident's satisfaction with WDC's performance has increased significantly over previous years.

A large majority of people consider WDC's financial management, capability and competency, efficiency and Councillor's interaction to be satisfactory.



Financial Highlights (Council)

Revenue collected through rates

\$18.7 million

Income earned through other sources

\$10.6 million

Our capital expenditure for the year

\$9.81 million

Overall operating surplus

\$3.6 million

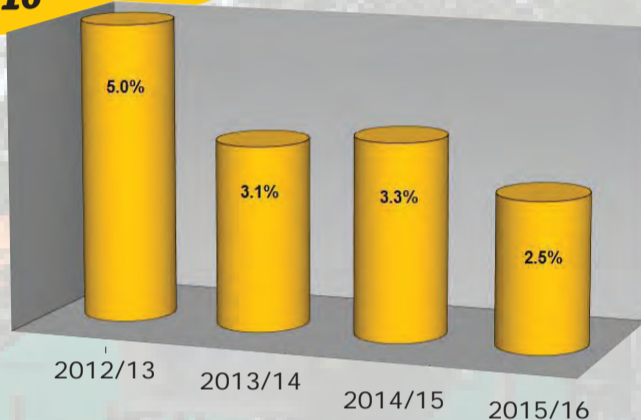
Total debt, which is \$1.3m less debt than at the end of last financial year

\$44.8 million

Our debt-to-revenue ratio

153%

Actual Rates Increases 2013 to 2016



Summary Financial Statements for the year ended 30 June 2016

The comparative amounts within the full Statement of Financial Position and the Statement of Changes in Equity have been restated. The restatement is due to the duplication of stormwater assets as described on page 7 of this document. Further information regarding these changes can be found under Note 42 of the full Annual Report. A Summary Report cannot provide as complete an understanding of the financial and non-financial performance of Waitomo District Council as the full Annual Report.

For further detailed information please refer to the Financial Statements, Audit Report and Our Activities section in the full Annual Report. A full copy of the Annual Report is available from Waitomo District Council Office, Waitomo District Library or on our website: www.waitomo.govt.nz/publications/

The financial statements at 30 June 2016 comprise the Waitomo District Council (Council) and its wholly owned subsidiary Inframax Construction Limited incorporated in New Zealand, and its wholly owned subsidiary Independent Roadmarkers Taranaki Ltd incorporated in New Zealand (Group).

Waitomo District Council has designated itself as a public benefit entity for the purposes of financial reporting. The full financial statements included in the full Annual Report have been prepared in accordance with NZ GAAP and they comply with Tier 1 Public Benefit Entity (PBE) Standards. The summary annual report has been prepared in accordance with Public Benefit Entities Financial Reporting Standard No.43 Summary Financial Statements (PBE FRS 43). The presentation currency of the financial statements is New Zealand dollars and values are rounded to the nearest thousand dollars.

The summary financial statements have been extracted from the corresponding full Annual Report which was authorised for issue on 6 October 2016 by the Mayor and Chief Executive. An unmodified audit report was issued and signed as part of the Annual Report on 6 October 2016. Deloitte have audited this Summary Report and have issued an unmodified opinion on **20 October 2016**. The Summary Report was authorised for issue on **20 October 2016** by the Mayor and Chief Executive.

Summary Statement of Comprehensive Revenue and Expense for the year end 30 June 2016

\$000's	Council			Group	
	2016 COUNCIL BUDGET	2016 COUNCIL ACTUAL	2015 COUNCIL ACTUAL	2016 GROUP ACTUAL	2015 GROUP ACTUAL
Rates including metered water rates	18,939	18,700	18,264	18,689	18,252
Other revenue including gains/(losses)	10,755	10,613	11,443	32,090	34,608
Total Revenue and Gains/(Losses)	29,694	29,313	29,707	50,779	52,860
Employee benefit expenses	4,575	4,503	4,083	11,605	10,704
Depreciation and amortisation expense	5,641	5,639	5,509	6,325	6,199
Finance Costs	3,009	2,174	2,471	2,565	3,047
Other Expenses	13,568	13,403	12,465	26,558	26,929
Total Expenses	26,793	25,719	24,528	47,053	46,879
Surplus/(Deficit) Before Tax	2,901	3,594	5,179	3,726	5,981
Income tax expense/(revenue)	0	0	0	(459)	(85)
Surplus/(Deficit) from continuing operations	2,901	3,594	5,179	4,185	6,066
Surplus for the year from discontinued operations	0	0	0	84	(19)
Surplus/(Deficit)	2,901	3,594	5,179	4,269	6,047
Revaluation of property, plant and equipment	0	0	6,108	136	6,257
Gains/(losses) from cash flow hedges	0	(1,828)	(1,089)	(1,828)	(1,089)
Revaluation of available for sale assets	0	1,900	0	0	0
Income tax relating to components of other comprehensive revenue and expense	0	0	0	(38)	0
Total Comprehensive Revenue and Expense	2,901	3,666	10,198	2,539	11,215

Summary Financial Statements for the year ended 30 June 2016

Operating revenue includes total rates revenue and operating revenue from each activity.

Revenue was \$0.4 million less than budget due to:

- Rates revenue was \$0.3 million less than budget resulting from the accounting treatment of excluding rates revenue on Council owned properties in calculating actuals (for Annual Report). Internal adjustments are not done for budgeting.
- Subsidies and grants were also \$0.7 million less than budget. Road subsidy revenue was less than budget due to less expenditure on unsealed road maintenance, road safety and professional services. This was offset by subsidy revenue for Mokau water supply upper dam works being recognised. This revenue was included in the budget in a previous year.
- This decrease in revenue was partially offset by fees and charges revenue being \$0.3 million more than budget due to additional trade waste revenue being received. The additional revenue is due to higher volumes and nutrient content of discharge and the levying of exceedance charges.
- Other revenue was also \$0.2 million more than budget. This was partly due to contributions for the railway station building and insurance proceeds. A gain was also recognised for the revaluation of investment property.

Expenditure was \$1.1 million less than budget due to:

- Finance costs were \$0.8 million less than budget due to a lower public debt level than what was assumed when the budgets were prepared and interest rates were also less than anticipated.
- Roads and footpath costs were less than budget, \$0.3 million of which related to less expenditure on unsealed road maintenance, road safety and professional services.
- Community service costs were \$0.4 million less than budget due to rates paid on Council owned properties being excluded. The budget figure includes rates paid on Council owned properties. Repairs and maintenance expenditure was also less than budget as this work is only carried out as required.
- Leadership costs were less than budget mainly due to the District Plan workstream being deferred until after the local body elections (\$0.2 million).
- This decrease in expenditure was partially offset by \$0.4 million more being spent in the Water supply activity due to increased costs of chemicals and cost increases associated with additional health and safety requirements. Also mechanical, electrical costs and SCADA operational costs associated with the treatment plant upgrade and reservoir rehabilitation were more than budget.

Summary Statement of Financial Position as at 30 June 2016

\$000's	Council			Group	
	2016 COUNCIL BUDGET	2016 COUNCIL ACTUAL	2015 COUNCIL ACTUAL	2016 GROUP ACTUAL	2015 GROUP ACTUAL
Current Assets	5,461	6,338	8,158	10,223	13,792
Non Current Assets	337,942	337,208	331,894	339,436	335,243
Total Assets	343,403	343,546	340,052	349,659	349,035
Current Liabilities	9,383	19,657	15,143	23,089	20,669
Non Current Liabilities	48,897	33,142	37,828	37,280	41,615
Total Liabilities	58,280	52,799	52,971	60,369	62,284
Net Assets	285,123	290,747	287,081	289,290	286,751

Summary Statement of Changes in Equity as at 30 June 2016

\$000's	Council			Group	
	2016 COUNCIL BUDGET	2016 COUNCIL ACTUAL	2015 COUNCIL ACTUAL	2016 GROUP ACTUAL	2015 GROUP ACTUAL
Total Equity					
Balance as at 1 July	282,222	287,081	277,412	286,751	276,065
Prior Period Adjustment*	0	0	(529)	0	(529)
Adjustment Balance at 1 July	282,222	287,081	276,883	286,751	275,536
Total Comprehensive Revenue and Expenses for the year	2,901	3,666	10,198	2,539	11,215
Balance at 30 June	285,123	290,747	287,081	289,290	286,751

During the 2015/16 year, the Council discovered that \$529,000 of assets were duplicated in the 30 June 2015 asset valuation for stormwater asset class. The assets should have been disposed out of the asset listing that was subsequently used to prepare the 2015 valuations. A prior year adjustment of \$529,000 was made to opening revaluation reserve and adjusted through the carrying value of this asset class.

Summary Components of Equity

\$000's	Council			Group	
	2016 COUNCIL BUDGET	2016 COUNCIL ACTUAL	2015 COUNCIL ACTUAL	2016 GROUP ACTUAL	2015 GROUP ACTUAL
Accumulated Funds	207,531	207,602	203,593	208,275	203,591
Total Other Reserves at 30 June	7,127	10,352	9,850	5,852	7,250
Revaluation Reserves	70,465	72,793	73,638	75,163	75,910
Total Equity	285,123	290,747	287,081	289,290	286,751

Total equity was \$5.6 million more than forecast due to:

- The surplus was \$0.7 million more than budget which was the net result of details above in 3.16 and 3.17.
- The revaluation reserve was \$2.3 million more than budget as a result of the revaluation of water, wastewater, stormwater and land and buildings assets in the 2014/15 year.
- The increase in available for sale reserve relating to the increase in value of the investment in ICL of \$1.9 million.
- Council created reserves were also \$4.2 million more than budget due to surpluses and deficits arising from various activities of Council and depreciation reserves not utilised as a result of delays in the capital expenditure programme.
- These increases were partially offset by the loss on cashflow hedges that was transferred to the hedging reserve due to interest rate decreases.

We invested \$9.81 million in Capital Projects, some of which were:

- Road maintenance and renewals
- Continued work on the upgrade to the Te Kuiti Water Treatment Plant
- Development of the commercial space at the Railway Station Buildings
- Construction commenced on the Railway Station Building 1 and the i-SITE building
- Construction of the recycling shelter at Waitomo District Landfill
- New Piopio public toilets on State Highway 3
- Completion of soakage field for Mokau public toilets
- Upgrade to the kitchen and bar facilities at the Les Munro Centre
- Completion of the pedestrian bridge at Benneydale
- Completion of the redevelopment of the upstairs floor of 28 Taupiri Street Building

Summary Statement of Cash Flows as at 30 June 2016

\$000's	Council			Group	
	2016 COUNCIL BUDGET	2016 COUNCIL ACTUAL	2015 COUNCIL ACTUAL	2016 GROUP ACTUAL	2015 GROUP ACTUAL
Net Cash Inflow from Operating Activities	10,720	10,589	11,501	13,049	11,113
Net Cash Inflow from Investing Activities	(15,897)	(11,577)	(11,247)	(12,364)	(10,810)
Net Cash Inflow from Financing Activities	5,177	(1,295)	1,248	(866)	759
Net increase/(decrease) in cash, cash equivalents and bank overdrafts	0	(2,283)	1,502	(181)	1,062
Cash, cash equivalents and bank overdraft at the beginning of the year	100	2,457	955	80	(982)
Cash, cash equivalents and bank overdraft at the end of the year	100	174	2,457	(101)	80

Council Debt

WDC borrows money to provide cashflow for large projects that will provide services to the community for a long period of time. This ensures that today's ratepayers pay only for the services and assets which they use now and not for benefits that will be received by the community in the future.

In keeping with the financial prudence and sustainability principle, Council has established certain borrowing parameters to ensure that investment priorities are carefully managed and within the reach of Waitomo Community.

The reduction in interest costs demonstrate Council's efforts towards liability management and the objective of lowering the cost of funds.

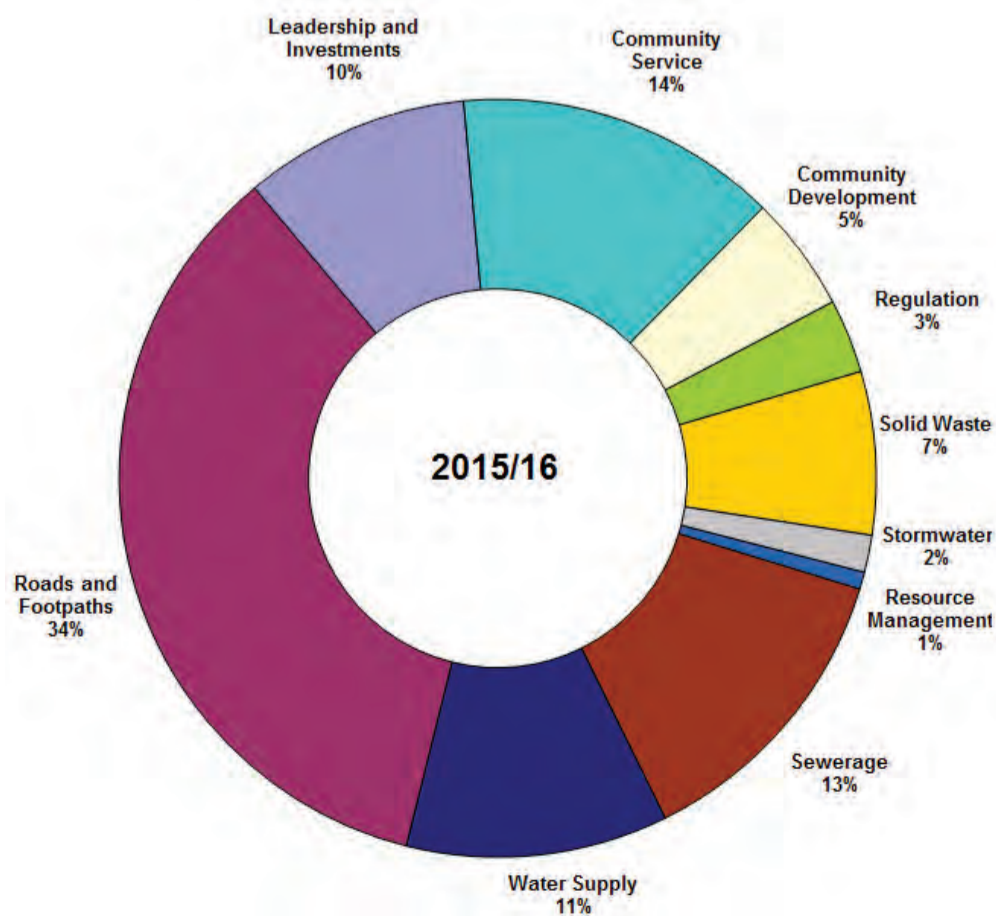
The following table illustrates favourable trends in the levels of debt over the last three financial years as follows:

	2014	2015	2016
Forecast Public Debt (LTP) \$000's	\$49,890	\$52,120	\$52,834
Actual Public Debt \$000's	\$44,865	\$46,139	\$44,786
\$ Trend \$000's (LTP forecast and Actual)	-5,025	-5,981	-8,048
% Trend	-10.1%	-11.5%	-15.2%

These trends show that actual debt has continued to reduce against forecast levels over the last three years. Despite the significant capital investment and upgrades carried out as planned our relative increase in debt levels has been low indicating Council's prudent financial and debt management.

Debt was forecast in the 2015-25 Long Term Plan to be \$53 million in the 2015/6 year.
Actual debt was \$44.79 million at 30 June 2016.

How Your Rates Were Spent on our Groups of Activities



Overall Group Performance

The Group consists of Waitomo District Council and its 100% owned subsidiary Inframax Construction Limited (ICL) and ICL's 100% owned subsidiary Independent Roadmarkers Taranaki Limited.

The Group's overall performance for the year was an after-tax profit of \$4.3 million.

The initiatives put in place over the last several years have been successful and show in the improved financial performance of the subsidiary. Inframax Construction Ltd (ICL) reported a net profit after tax of \$1.28 million for the year ended 30 June 2016. This is a positive result for the company which continues to achieve successes. This result is a reflection of the hard work and effort of the Board of Directors, Management and staff of ICL.

Statement of Financial Position

At 30 June 2016 total equity for the Group was **\$289 million.**

There was a \$2.5 million increase in equity reflecting net asset increases due to:

- The Group's after tax profit of \$4.3 million.
- Current assets decreased by \$3.6 million mainly due to a decrease in cash and cash equivalents and receivables.
- Current liabilities increased by \$2.4 million mainly due to an increase in the current portion of borrowings offset by a decrease in bank overdraft.
- Non current assets increased by \$4.2 million due mostly to an increase in property, plant and equipment and deferred tax asset.
- Non current liabilities decreased by \$4.3 million due mainly to a decrease in non current borrowings offset by an increase in derivative financial instruments.

This graph shows capital expenditure in our different activity areas

