

Financial Statements

WHAT CAN AND CAN NOT BE RECYCLED AT THE SUPERMARKET ...

Shopping, oh how I love shopping and spending lots of money on food!

But I now know one way to save your money... look on all the plastic bottles or plastic containers for a triangle with a number in it, and that means that it is recyclable but it has to have the numbers 1 to 7 inside.

Stephanie, Victoria and I went to Woolworths and found information about food prices, based on their packaging and whether the packaging was reusable, recyclable or RUBBISH. We used my family's shopping list to determine a family's grocery list for a month.

I found that recycled packaging is cheaper than packaging that cannot be reused or recycled.

Here are my examples:

You can purchase lasagne pasta in plastic bags or a box. I worked out that lasagne pasta in a plastic bag was \$1.69 for 100g, and in a box it was \$2.76 for 200g... this means that the box is a cheaper option, more value for money, and the box can be recycled. ☺

Tomatoes in a plastic bag are \$4.98 and the tomatoes in a plastic container are \$4.75, with the same amount in each, so the recyclable container is cheaper.

Spaghetti pasta in a plastic bag is \$1.69 for 500g, and in a box it is \$2.29 for 600g, so the box is a cheaper option and recyclable.

Macaroni in a plastic bag is \$2.68 or in a box it is \$2.29 in each packet there is 500g... so that means that if you buy recyclable packaging you will save 39cents.

This was just the start of my investigative project about saving money with recycled packaging!

By Casey Marshall, Year 6, Waihi Central School

*Hauraki Youth promoting
Sustainability in Hauraki*

*Story provided by:
Casey Marshall, Waihi Central School*

What Is Included In This Section?

- Prospective Comprehensive Income Statement
- Prospective Balance Sheet
- Prospective Statement of Movements in Equity
- Prospective Statement of Cashflow
- Prospective Overall Activity Statement and Comprehensive Income Reconciliation
- Balanced Budget Statement
- Notes to the Financial Statements
- Capital Works Schedule

Financial Statements

Prospective Comprehensive Income Statement

Prospective Comprehensive Income Statement

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's
INCOME										
Fees and Charges	2,175	2,257	2,637	2,701	2,759	2,821	2,885	2,955	3,025	3,103
External Subsidies	6,416	3,513	3,747	3,898	3,918	3,925	3,980	4,173	4,321	4,409
Targeted Rates	12,029	12,906	13,876	14,841	15,717	16,709	17,639	18,582	19,616	20,576
General Rates	7,890	8,259	8,728	8,900	8,940	9,160	9,353	9,567	9,905	10,165
Petrol Tax	196	203	209	214	219	223	228	234	239	245
Development Contributions	253	253	253	253	253	505	505	505	505	505
Gains/(Losses) on Revaluation of Investment Property and Properties Held for Resale	-	21	20	13	13	8	9	8	8	8
Quarry Sales	2,889	3,000	3,085	3,160	3,226	3,295	3,370	3,450	3,532	3,623
Business Unit Surpluses	168	175	180	184	188	192	196	201	206	211
TOTAL INCOME	32,016	30,587	32,735	34,164	35,233	36,838	38,165	39,675	41,357	42,845
Less										
Total Operating Expenditure	* 25,935	27,595	28,864	29,425	30,054	31,469	31,968	32,812	34,377	35,243
Quarry Expenditure	* 2,336	2,426	2,495	2,556	2,609	2,665	2,726	2,790	2,857	2,930
Interest Expense	1,016	1,666	2,175	2,244	2,525	2,664	2,403	2,060	1,694	1,271
Provision for Bad Debts	53	55	57	58	59	61	62	63	65	67
TOTAL EXPENDITURE	29,340	31,742	33,591	34,283	35,247	36,859	37,159	37,725	38,993	39,511
Net surplus/(deficit) from Operations	2,676	(1,155)	(856)	(119)	(14)	(21)	1,006	1,950	2,364	3,334
OTHER COMPREHENSIVE INCOME										
Gains/(Losses) on asset revaluations	-	28,726	20,777	-	24,122	23,506	-	28,506	30,809	-
COMPREHENSIVE SURPLUS/(DEFICIT)	2,676	27,571	19,921	(119)	24,108	23,485	1,006	30,456	33,173	3,334
* Includes Depreciation of:	8,221	8,449	9,339	9,389	9,397	10,249	10,309	10,270	11,145	11,293

Financial Statements

Prospective Balance Sheet

Prospective Balance Sheet

	Forecast 30 June 10	Forecast 30 June 11	Forecast 30 June 12	Forecast 30 June 13	Forecast 30 June 14	Forecast 30 June 15	Forecast 30 June 16	Forecast 30 June 17	Forecast 30 June 18	Forecast 30 June 19
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Current Assets										
Cash and cash equivalents	30	42	18	5	8	2	9	48	30	12
Trade and other receivables	6,899	7,164	7,369	7,546	7,702	7,866	8,044	8,230	8,424	8,640
Provision for Doubtful Debts	(900)	(935)	(961)	(984)	(1,005)	(1,027)	(1,050)	(1,075)	(1,100)	(1,129)
Non-current assets held for resale	0	0	0	0	0	0	0	0	0	0
Inventories	1,000	1,038	1,068	1,094	1,117	1,141	1,167	1,194	1,223	1,254
Other Financial Assets	31	32	33	34	35	35	36	37	38	39
Total Current Assets	7,060	7,341	7,527	7,695	7,857	8,017	8,206	8,434	8,615	8,816
Current Liabilities										
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Trade and other payables	4,838	5,024	5,167	5,292	5,404	5,519	5,644	5,778	5,916	6,067
Landfill Aftercare Provision	80	366	166	224	173	178	98	94	98	99
Employee Entitlements Provision	1,004	1,043	1,072	1,098	1,121	1,145	1,171	1,199	1,228	1,259
Borrowings	28	28	28	28	2,978	4,528	5,328	5,178	6,978	0
Less Total Current Liabilities	5,950	6,461	6,433	6,642	9,676	11,371	12,241	12,249	14,219	7,426
Working Capital	1,110	880	1,094	1,053	(1,819)	(3,354)	(4,035)	(3,815)	(5,604)	1,390
Non-Current Assets										
Property, Plant And Equipment	473,263	508,740	529,439	530,578	561,505	582,345	578,852	603,943	631,942	628,291
Biological Assets - Forestry	707	784	851	901	958	818	838	884	932	980
Intangible Assets - Computer Software	1,000	921	776	661	570	498	441	397	363	337
Investment Properties	782	603	623	436	449	258	267	275	283	291
Investments in Joint Ventures	42	42	42	42	42	42	42	42	42	42
Other Financial Assets	84	84	84	84	84	84	84	84	84	84
Total Non-Current Assets	475,878	511,174	531,815	532,702	563,608	584,045	580,524	605,625	633,646	630,025
Non-Current Liabilities										
Landfill Aftercare Provision	1,662	1,097	1,218	1,022	988	895	976	979	976	974
Employee Entitlements Provision	425	441	454	465	475	485	496	508	520	533
Borrowings	22,649	30,693	31,493	32,643	36,593	32,093	26,793	21,643	14,693	14,721
	24,736	32,231	33,165	34,130	38,056	33,473	28,265	23,130	16,189	16,228
NET ASSETS	452,252	479,823	499,744	499,625	523,733	547,218	548,224	578,680	611,853	615,187
Represented by:										
General Reserve	377,159	376,392	375,592	375,529	375,571	375,606	376,668	378,674	381,094	384,484
Council Created Reserves	5,838	5,450	5,394	5,338	5,282	5,226	5,170	5,114	5,058	5,002
Asset Revaluation Reserve	69,255	97,981	118,758	118,758	142,880	166,386	166,386	194,892	225,701	225,701
RATEPAYERS EQUITY	452,252	479,823	499,744	499,625	523,733	547,218	548,224	578,680	611,853	615,187

Financial Statements

Prospective Statement of Movements in Equity

Prospective Statement of Movements in Equity

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's
General Reserve										
Balance at the start of the year	374,322	377,159	376,392	375,592	375,529	375,571	375,606	376,668	378,674	381,094
Net Surplus/(Deficit) for the year	2,676	(1,155)	(856)	(119)	(14)	(21)	1,006	1,950	2,364	3,334
Transfers (to)/from Council Created Reserves	161	388	56	56	56	56	56	56	56	56
Balance at the end of the year	377,159	376,392	375,592	375,529	375,571	375,606	376,668	378,674	381,094	384,484
Council Created Reserves										
Balance at the start of the year	5,999	5,838	5,450	5,394	5,338	5,282	5,226	5,170	5,114	5,058
Transfers to/(from) Council Created Reserves	(161)	(388)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)
Balance at the end of the year	5,838	5,450	5,394	5,338	5,282	5,226	5,170	5,114	5,058	5,002
Revaluation Reserves										
Balance at the start of the year	69,255	69,255	97,981	118,758	118,758	142,880	166,386	166,386	194,892	225,701
Gains/(Losses) on asset revaluations	-	28,726	20,777	-	24,122	23,506	-	28,506	30,809	-
Balance at the end of the year	69,255	97,981	118,758	118,758	142,880	166,386	166,386	194,892	225,701	225,701
TOTAL EQUITY AT THE END OF THE YEAR	452,252	479,823	499,744	499,625	523,733	547,218	548,224	578,680	611,853	615,187

Financial Statements

Prospective Statement of Cashflow

Prospective Statement of Cashflow

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's
Operating Activities										
Cash to be provided from:										
Rates	19,916	20,929	22,429	23,585	24,522	25,724	26,841	27,984	29,347	30,552
Development Contributions	253	253	253	253	253	505	505	505	505	505
Fees, Charges and Subsidies	11,791	9,092	9,801	10,100	10,250	10,395	10,599	10,949	11,260	11,524
	31,960	30,274	32,483	33,938	35,025	36,624	37,945	39,438	41,112	42,581
Cash to be applied to:										
Employees and Suppliers	20,018	21,337	21,836	22,424	23,110	23,725	24,218	25,148	25,900	26,676
Interest on Loans	1,016	1,666	2,175	2,244	2,525	2,664	2,403	2,060	1,694	1,271
Net Taxes paid	31	32	32	33	34	35	36	37	37	39
	21,065	23,035	24,043	24,701	25,669	26,424	26,657	27,245	27,631	27,986
Net Cash flows from Operating Activities	10,895	7,239	8,440	9,237	9,356	10,200	11,288	12,193	13,481	14,595
Investing Activities										
Cash to be provided from:										
Decrease in Investments	-	-	-	-	-	186	53	-	-	-
Sale of Assets	1,550	200	-	200	-	200	-	-	-	-
	1,550	200	-	200	-	386	53	-	-	-
Cash to be applied to:										
Acquisition of Investments	62	76	67	50	57	45	73	45	48	48
Operating & Infrastructural Asset Acquisitions	25,103	15,122	9,117	10,413	16,111	7,510	6,761	6,809	8,301	7,615
	25,165	15,198	9,184	10,463	16,168	7,555	6,834	6,854	8,349	7,663
Net Cash flows from Investing Activities	(23,615)	(14,998)	(9,184)	(10,263)	(16,168)	(7,169)	(6,781)	(6,854)	(8,349)	(7,663)
Financing Activities										
Cash to be provided from:										
Lease Receipts	28	28	28	28	28	28	28	28	28	28
Loans Raised	12,750	8,050	800	1,150	6,900	-	-	-	-	-
	12,778	8,078	828	1,178	6,928	28	28	28	28	28
Cash to be applied to:										
Lease Payments	28	28	28	28	28	28	28	28	28	28
Landfill Liability Reduction	-	279	80	137	85	87	-	-	-	-
Loan Repayments	-	-	-	-	-	2,950	4,500	5,300	5,150	6,950
	28	307	108	165	113	3,065	4,528	5,328	5,178	6,978
Net Cash flows from Financing Activities	12,750	7,771	720	1,013	6,815	(3,037)	(4,500)	(5,300)	(5,150)	(6,950)
NET CHANGE IN CASH HOLDINGS	30	12	(24)	(13)	3	(6)	7	39	(18)	(18)
Plus Opening Cash	-	30	42	18	5	8	2	9	48	30
CLOSING CASH BALANCE	30	42	18	5	8	2	9	48	30	12
Represented by:										
Cash at Bank	29	41	17	4	7	1	8	47	29	11
Petty Cash	1	1	1	1	1	1	1	1	1	1
	30	42	18	5	8	2	9	48	30	12

Financial Statements

Prospective Overall Activity Statement and Comprehensive Income Reconciliation

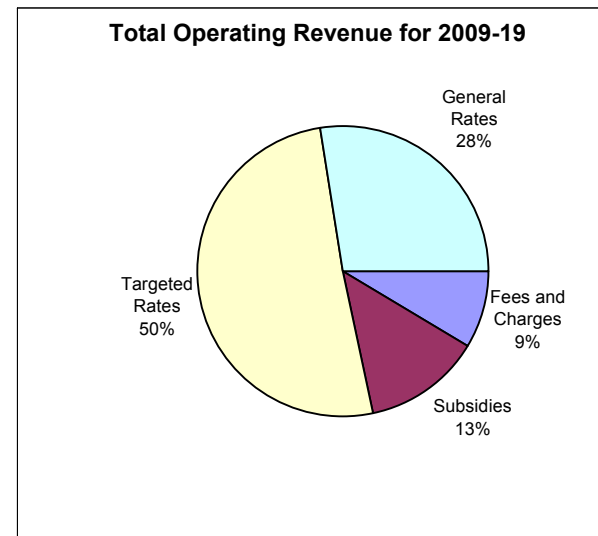
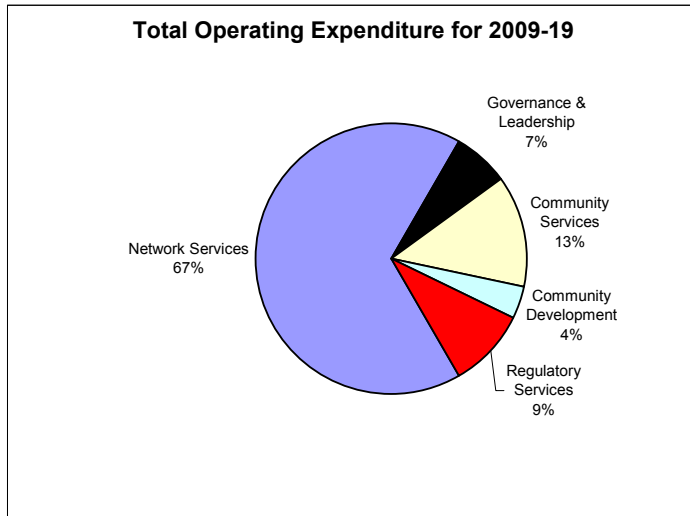
Prospective Overall Activity Statement and Comprehensive Income Reconciliation

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's
TOTAL OPERATING REVENUE (Activity Cost of Service Statements)										
Networks	18,820	16,689	18,145	19,130	19,910	20,940	21,904	23,052	24,340	25,389
Leadership	2,104	2,127	2,140	2,262	2,286	2,306	2,420	2,465	2,498	2,628
Community Services	3,819	4,023	4,225	4,356	4,456	4,614	4,673	4,768	4,952	5,025
Community Development	1,057	1,137	1,142	1,176	1,211	1,210	1,245	1,292	1,293	1,335
Regulatory	2,599	2,684	3,068	3,144	3,205	3,275	3,347	3,432	3,515	3,606
Total Operating Revenue	28,399	26,660	28,720	30,068	31,068	32,345	33,589	35,009	36,598	37,983
Reconciling Items										
Gains/(Losses) on Revaluation of Investment Property and Properties Held for Resale	-	21	20	13	13	8	9	8	8	8
Quarry Sales	2,889	3,000	3,085	3,160	3,226	3,295	3,370	3,450	3,532	3,623
Development Contributions	253	253	253	253	253	505	505	505	505	505
Rates funding Community Capital Works	111	275	268	272	266	270	268	268	269	270
Business Unit Surpluses	168	175	180	184	188	192	196	201	206	211
Petrol Tax	196	203	209	214	219	223	228	234	239	245
	3,617	3,927	4,015	4,096	4,165	4,493	4,576	4,666	4,759	4,862
TOTAL OPERATING REVENUE (Statement of Comprehensive Income)	32,016	30,587	32,735	34,164	35,233	36,838	38,165	39,675	41,357	42,845
TOTAL OPERATING EXPENDITURE (Activity Cost of Service Statements)										
Networks	17,627	19,552	21,244	21,665	22,461	23,772	23,939	24,154	25,046	25,243
Leadership	2,210	2,229	2,147	2,189	2,252	2,355	2,341	2,435	2,494	2,554
Community Services	3,812	4,013	4,219	4,345	4,443	4,604	4,658	4,751	4,941	5,012
Community Development	1,218	1,525	1,198	1,232	1,267	1,266	1,301	1,348	1,349	1,391
Regulatory	2,803	2,866	3,024	3,107	3,139	3,221	3,287	3,389	3,468	3,573
	27,670	30,185	31,832	32,538	33,562	35,218	35,526	36,077	37,298	37,773
Less Internal Interest	1,735	2,590	2,968	3,113	3,508	3,749	3,558	3,265	2,921	2,530
Total Operating Expenditure	25,935	27,595	28,864	29,425	30,054	31,469	31,968	32,812	34,377	35,243
Reconciling Items										
Quarry Expenditure	2,336	2,426	2,495	2,556	2,609	2,665	2,726	2,790	2,857	2,930
Interest Expense	1,016	1,666	2,175	2,244	2,525	2,664	2,403	2,060	1,694	1,271
Provision for Bad Debts	53	55	57	58	59	61	62	63	65	67
	3,405	4,147	4,727	4,858	5,193	5,390	5,191	4,913	4,616	4,268
TOTAL OPERATING EXPENDITURE (Statement of Comprehensive Income)	29,340	31,742	33,591	34,283	35,247	36,859	37,159	37,725	38,993	39,511

Financial Statements

Prospective Overall Activity Statement and Comprehensive Income Reconciliation

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's
NET SURPLUS/(DEFICIT) FROM OPERATIONS (Activity Cost of Service Statements)										
Networks	1,193	(2,863)	(3,099)	(2,535)	(2,551)	(2,832)	(2,035)	(1,102)	(706)	146
Leadership	(106)	(102)	(7)	73	34	(49)	79	30	4	74
Community Services	7	10	6	11	13	10	15	17	11	13
Community Deveopment	(161)	(388)	(56)	(56)	(56)	(56)	(56)	(56)	(56)	(56)
Regulatory	(204)	(182)	44	37	66	54	60	43	47	33
	729	(3,525)	(3,112)	(2,470)	(2,494)	(2,873)	(1,937)	(1,068)	(700)	210
Add internal Interest	1,735	2,590	2,968	3,113	3,508	3,749	3,558	3,265	2,921	2,530
Add revenue Rconciling Items	3,617	3,927	4,015	4,096	4,165	4,493	4,576	4,666	4,759	4,862
Less expenditure reconciling items	(3,405)	(4,147)	(4,727)	(4,858)	(5,193)	(5,390)	(5,191)	(4,913)	(4,616)	(4,268)
NET SURPLUS/(DEFICIT) FROM OPERATIONS (Statement of Comprehensive Income)	2,676	(1,155)	(856)	(119)	(14)	(21)	1,006	1,950	2,364	3,334



Financial Statements

Balanced Budget Statement

Balanced Budget Statement

Council is required to operate a balanced budget for each activity, ie: Council's projected revenues in any particular year must be set at a level to meet that year's projected operating expenditure.

Council can resolve not to balance its budget as long as Council can demonstrate it is acting prudently.

The main exception available to Council in underfunding expenditure in any year is where there have been past surpluses or there will be future year's surpluses.

In a number of activities Council has considered it is prudent not to fully fund operating expenses because of past/future year surpluses.

Examples include where there is cyclical expenditure, eg: the election of Council occurs every three years. This is funded over the 3 year period rather than seeing a spike in funding in one year. In this case there is under funding for one year and surplus funding for the other two years. Similarly there is expenditure in creating/reviewing the District Plan. This is a document that has a ten year life with the bulk of the expenditure occurring in the first years of development. Council considers it is more equitable to fund the creation of this document evenly over the ten year period rather than in the year the expenditure is incurred.

The two main activities that are underfunding are water and wastewater. These activities have past and/or future year surpluses that can be used to offset the operating deficits forecast for the next few years. Council considers it is prudent to take a longer term view to funding activities such as these as they have very long life assets and have incurred or are going to incur significant capital expenditures over the next few years. Additionally Council has considered the potential risk to the ongoing provision of service by under funding the activity and assessed that risk as negligible so is comfortable the longer term funding view is the most prudent course of action to take.

Financial Statements

Prospective Movement in Public Debt

Prospective Movement in Public Debt

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's
Opening Balance	9,877	22,677	30,721	31,521	32,671	39,571	36,621	32,121	26,821	21,671
Less Repayments	-	-	-	-	-	2,950	4,500	5,300	5,150	6,950
Plus New Loans Drawn Down	12,800	8,044	800	1,150	6,900	-	-	-	-	-
Term Debt	22,677	30,721	31,521	32,671	39,571	36,621	32,121	26,821	21,671	14,721
Interest Expense as a percentage of Rates Revenue	5.1%	7.9%	9.6%	9.5%	10.2%	10.3%	8.9%	7.3%	5.7%	4.1%
Interest Expense as a percentage of Total Revenue	3.2%	5.4%	6.6%	6.6%	7.2%	7.2%	6.3%	5.2%	4.1%	3.0%
Long Term Liabilities per Rating Unit	\$ 2,350	\$ 3,168	\$ 3,235	\$ 3,336	\$ 4,020	\$ 3,684	\$ 3,199	\$ 2,645	\$ 2,116	\$ 1,423

Notes to the Financial Statements

Note 1: Statement of Accounting Policies for the Forecast Years 2009/10 to 2018/19

1. Projected Financial Statements

The forecast financial statements have been prepared in accordance with the requirements of the Local Government Act 2002. The accounting principles established by the New Zealand Institute of Chartered Accountants have been applied in the preparation of this Annual Plan.

These financial statements constitute a forecast in terms of Financial Reporting Standard No. 42. Actual results for the periods covered are likely to vary from this forecast. The financial information contained within this document is prospective financial information in terms of accounting standard FRS42. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of Hauraki District Council for the 2008/09 financial year. It may not be appropriate for the information disclosed in this Annual Plan to be used for purposes other than those for which it is prepared.

In relation to that standard, the financial information for the 2008/09 financial year is considered to be a "forecast". The actual results achieved for the same period are likely to vary from the information presented, and may vary materially depending upon the circumstances that arise during that period. Events and circumstances may not occur as expected or may not have been predicted or Council may subsequently take actions that differ from the proposed courses of action on which the prospective financial statements are based. The forecasts are based on the best information available as at 20 February 2009.

2. Reporting Entity

Hauraki District Council (HDC) is a territorial local authority governed by the Local Government Act 2002.

The primary objective of HDC is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, HDC has designated itself as public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

3. Measurement Base

The general accounting principles recognised as appropriate for the measurement and reporting of results and financial position on a fair value basis, modified by the revaluation of certain fixed assets, have been followed.

The financial statements are presented in New Zealand dollars and all values rounded to the nearest thousand dollars (\$000).

Statement of Compliance

The financial information contained within this report is prepared in accordance with generally accepted accounting practice in New Zealand and the requirements of section 93, and audited under section 94, of the Local Government Act 2002.

The financial statements comply with applicable Financial Reporting Standards, which include New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). The financial statements incorporated in the Annual Plan have been prepared in compliance with FRS-42; Prospective Financial Statements.

This set of financial statements has been prepared based on NZ IFRS and opening balances for the year ended 30 June 2010 estimates have been re-stated accordingly.

The financial statements have been authorised for issue by Council resolution on 18 February 2009.

Standards and interpretation issued and not yet adopted

There are no standards, interpretations, and amendments that have been issued, but are not yet effective, that HDC has not yet applied.

4. Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The following accounting policies, which materially affect the measurement of results and financial position, have been applied:

Subsidiaries

HDC has no subsidiaries.

Associates

HDC has no associates.

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. HDC accounts for its interest in a jointly controlled operation using the equity method.

Revenue

Revenue is measured at the fair value of consideration received.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial

year to which the rates have been set. Rates revenue is recognised when payable.

Metered Water Rates Revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Other revenue

HDC receives government grants from New Zealand Transport Agency, which subsidises part of HDC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer. The recorded revenue is the gross amount of the sale.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in HDC are recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

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

Development contributions

The revenue recognition point for development and financial contributions is at the later of the point when HDC is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation.

In cases where contributions are collected in advance to fund a service that is not currently

Financial Statements

Notes to the Financial Statements

provided in an area, the contribution is initially recognised as revenue in advance, for example where no water supply is available in an area and a new water supply scheme is planned that will be funded in part from the development contributions.

Construction contracts

During the life of this Plan HDC does not foresee itself engaging in Construction Contracts as a Contractor, apart from minor public works.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

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

Discretionary grants are those grants where HDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the HDC's decision.

Taxation

Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable, which are stated with GST included. The forecast balance of GST at the end of each forecast year is included in Accounts Payable in the Statement of Financial Position.

Where GST is not recoverable as input tax 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.

Fringe Benefit Tax

Where a fringe benefit tax liability arises this has been charged to operating expenditure.

Leases

Finance leases

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

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

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

Operating leases

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

Cash and cash equivalents

Cash and cash equivalents includes cash in 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.

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Loans, including loans to community organisations made by HDC at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the statement of financial performance as a grant.

A provision for impairment of receivables is established when there is objective evidence that HDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows and in case of Community Loans, discounted using the effective interest method.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis, are measured at the current replacement cost.

Inventories held for re-sale are measured at the lower of cost and net re-sale value.

Financial assets

HDC classifies its financial assets into four categories - the classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the statement of financial performance.

Purchases and sales of investments are recognised on trade-date, the date on which HDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred

and the HDC has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. HDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

Financial assets at fair value through profit or loss

This category has two sub-categories - financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the statement of financial performance. Currently, HDC does not hold any financial assets in this category.

Loans and Receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

Impairment of a loan or a receivable is established when there is objective evidence that HDC will not be able to collect amounts

Financial Statements

Notes to the Financial Statements

due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that the HDC will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired. Impairment losses are *Quoted and unquoted equity investments*.

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the statement of financial performance) is removed from equity and recognised in the statement of financial performance. Impairment losses recognised in the statement of financial performance on equity investments are not reversed through the statement of financial performance.

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that HDC has the positive intention

and ability to hold to maturity. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance.

HDC does not forecast any assets in this category during the forecast period.

Financial assets at fair value through equity

Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above. This category encompasses investments that HDC intends to hold long-term but which may be realised before maturity and shareholdings, that HDC holds for strategic purposes. After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the statement of financial performance. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in statement of financial performance even though the asset has not been de-recognised. On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the statement of financial performance.

Impairment of financial assets

At each balance sheet date HDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the statement of financial performance.

Accounting for derivative financial instruments and hedging activities

HDC does not currently use derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its Investment and Liability Management policies, HDC does not hold or issue derivative financial instruments for trading purposes.

Non-current assets held for sale

The only assets included in this category are property held for sale.

Council has capitalised the cost of the land, design/survey fees, power and telephone reticulation, and other expenses directly associated with the project. Council considers the amounts capitalised to be less than net realisable value

Expenditure incurred on the development of roading, including footpaths and kerb and channelling, wastewater and water reticulation and stormwater have not been included. The cost of these assets has been added to the appropriate infrastructural classification.

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

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. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment

This category of assets includes:

- Operational assets, being tangible assets such as land, buildings, library books, plant and equipment, and motor vehicles.
- Restricted assets, being property, owned by HDC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions, such as parks and reserves, landfill post closure.

- Infrastructure Assets, being the fixed utility systems owned by HDC. Each infrastructural asset class includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and wastewater pump stations. These are generally not regarded as tradable.

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 HDC and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Subsequent recognition

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 HDC and the cost of the item can be measured reliably.

Land and buildings and restricted assets are carried at fair values which reflect the current market values, which is the amount that would be expected from an orderly sale. Land and Buildings are re-valued every three years

All land and buildings are currently recorded at rating valuation as at 1 July 2006, plus additions/development at cost, less disposals. These valuations have been confirmed by Valuation and Management Services Ltd, qualified valuers, as being suitable for financial reporting.

Infrastructural assets are also carried at fair value, which is deemed to be depreciated replacement cost because the assets are of a specialised nature. The depreciated replacement costs are determined on the basis of valuations prepared every three years. The revaluation process involves assessing the current optimised replacement cost on a brownfields basis, using highest and best use basis and remaining useful lives.

Financial Statements

Notes to the Financial Statements

Roading assets were valued by the independent valuers, Opus International Consultants Limited as at 30 June 2008. Water, Wastewater, Stormwater and Drainage Assets were valued by the independent valuers, Opus International Consultants Limited as at 1 July 2008. Land under roads was valued by the independent valuers, Opus International Consultants Ltd as at 30 June 2002 using the average market value of land by ward and land use category.

All additions since the latest valuation are brought into the accounts at cost and depreciated in the year following construction.

Motor vehicles, office equipment and work in progress are carried at cost less accumulated depreciation.

The changes in the value of each class of property, plant and equipment as a result of the revaluations are recorded in a revaluation reserve. HDC maintains a revaluation reserve for assets. Where cumulative decreases exceed cumulative increases in the value of a class of assets, the net amount is recognised as an expense in the statement of financial performance. Any revaluation increase is credited to the asset class revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously charged as an expense in the statement of financial performance. Any accumulated depreciation at the date of the revaluation is transferred to the gross carrying amount of the asset and the asset cost restated to the re-valued amount.

Library Books are valued annually and are valued at depreciated replacement cost as at 30 June 2008 by Council staff.

Impairment

Asset carrying values are reviewed at the end of each year to determine whether there is any indication that the assets have suffered an impairment loss or increase in fair value. If any such indication exists, the fair value of the asset is estimated in order to determine the extent of the impairment loss or gain (if any). If the fair value of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its fair value. An impairment loss is recognised as a revaluation decrease and any gain in value as a revaluation increase for all classes of assets other than motor vehicles and office

equipment. For the non-re-valued asset classes of motor vehicles and office equipment, impairment losses are recognised as an expense in the statement of financial performance.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance. When re-valued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation

Land and Assets under Construction: Land and assets under construction are not depreciated.

All other assets are depreciated on a straight line basis that will spread the cost of the asset, less any residual value, over the expected useful life of the asset. The useful lives of assets have been identified on a component-by-component basis. A summary of the range of expected useful lives of assets follows:

Roading:

- Seal (3 - 60 years)
- Base course (5 - 100 years)
- Surface Water Channels (75 years)
- Culverts (50 years)
- Footpaths (75 years)
- Bridges (30 – 100 years)
- Streetlighting (25 years)
- Signs (12.5 – 20 years)

Buildings

- Structure (80 years)
- Roof cladding (30 years)
- Electrical/Mechanical (25 years)
- Plumbing (30 years)
- Internal wall linings (25 years)

Financial Statements

Notes to the Financial Statements

- Lifts (25 years)
- Air Conditioners (15 years)
- Site Improvements (25 years)

Other Assets

- Water Reticulation (60-120 years)
- Water Treatment (10-100 years)
- Wastewater (10-100 years)
- Computer Hardware (3 years)
- Stormwater/Drainage (20-200 years)
- Fixtures & Fitting (5-10 years)
- Communications Equipment (5 years)
- Heavy Plant & Machinery (8 years)
- Light Plant (2-5 years)
- Motor Vehicles—Cars & Utilities (3-5 years)

Assets purchased during the financial year are depreciated on a remaining month's basis.

HDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the HDC's social housing policy. These properties are accounted for as property, plant and equipment.

Intangible Assets

Software acquisition and development

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

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by HDC, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Easements

HDC has no easements as prescribed for this category.

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 statement of financial performance. The useful lives of major classes of intangible assets have been estimated as follows:

Computer software 3 - 5 years (20 - 33%)

Forestry assets

Forestry assets are independently re-valued by PF Olsen & Company, a registered forest valuer annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the statement of financial performance.

The costs to maintain the forestry assets are included in the statement of financial performance.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, HDC measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are

recognised in the statement of financial performance.

Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For re-valued 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 statement of financial performance.

For assets not carried at a re-valued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a re-valued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

For assets not carried at a re-valued amount the reversal of an impairment loss is recognised in the statement of financial performance.

Employee benefits

Short-term benefits

Employee benefits that HDC expects 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 salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

HDC recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that HDC anticipates it will be used by staff to cover those future absences.

Long-term benefits

Long service leave and retirement leave entitlements that are payable beyond 12 months have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- The present value of the estimated future cash flows. A discount rate of 6% and an inflation factor of 4% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Superannuation schemes

HDC has not engaged into a defined contribution scheme. Payments to defined contributions schemes are expensed.

Provisions

HDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

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

Landfill aftercare provision

Hauraki District Council has responsibility under resource consents to provide ongoing maintenance and monitoring of three closed landfills. The cash outflows for landfill post closure are expected to occur over the next 20 years. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a discount rate of 7.5%.

Financial guarantee contracts

A financial guarantee contract is a contract that requires HDC to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability HDC will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if HDC assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

Borrowings

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

Equity

Equity is the community's interest in HDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Restricted reserves
- Fair value
- Asset revaluation reserves

Council created reserves

Council created reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Council created reserves are those subject to specific conditions accepted as binding by HDC and which may not be revised by HDC without approval by Council. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. HDC's objectives, policies and processes for managing capital are described in Council's Investment and Liability Management Policies.

Cost allocation

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual/estimated usage, staff numbers and floor area.

Financial Statements

Notes to the Financial Statements

The cost of Support Services has been fully allocated over the significant activities.

The costs of debt servicing have been allocated to the internal treasury function, which charges and pays interest to each separately rated activity on the basis of its opening cash position.

Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the forecast period:

Classification of property

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

Critical accounting estimates and assumptions

In preparing these financial statements HDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements 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 significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the reporting period are discussed below.

Financial Statements

Notes to the Financial Statements

5. Key Financial Assumptions

Forecasting Assumption	Risk	Level of uncertainty in that Risk	Reasons and financial effect of uncertainty
<p>Inflation Council has included allowances for inflation in this LTCCP. Council has used inflation projections prepared by BERL (Business and Economic Research Limited) on behalf of Local Government specifically for the purposes of inclusion in local government's long term plans.</p> <p>Separate inflation projections have been used for individual cost categories for each year of the 10 year projections.</p> <p>Council assumes that there will be no significant movements in currency.</p> <p>For details of the indices used please refer to the table at the foot of this section.</p>	That inflation will be significantly higher or lower than forecast.	Medium	<p>Inflation is affected by external economic factors.</p> <p>Council's costs and the income required to fund those costs will change by the difference between the actual rate of inflation and the rate of inflation used in the forecast.</p> <p>Council has relied on the current parameters the Reserve Bank is required to operate under in terms of inflation being held within the range of 1.5% to 3%.</p> <p>A 1% increase in inflation would increase operating costs by approximately \$170,000 and asset acquisitions by approximately \$120,000.</p>
<p>Emissions Trading Scheme Inflation Impact Council has added 1.1% to the general inflation indices provided by BERL/ BERL has suggested this is the most likely impact of the ETX on inflation.</p>	<p>The effect of the ETS will be higher or lower than 1.1%</p> <p>That the ETS is significantly revised or postponed.</p>	<p>High</p> <p>High</p>	<p>Currently the ETS is evolving and is not a mature policy. The likelihood of significant change to the policy is high. The financial effect of this risk is difficult to ascertain.</p> <p>As above.</p>
<p>Interest Interest on External Term Debt is assumed to be 6.3% for the first two years of the Plan and 7% for the last eight years of the Plan.</p> <p>Interest on Investments is assumed to be 5.3% for the first two years of the Plan and 6% for the last eight years of the Plan.</p>	That interest rates will change from those used in the calculations.	Medium	Council considers interest rates will be slightly lower in the short term based on expectations from financial commentators. The assumption for years 1 and 2 has been reduced to 6.3%. Council's medium to longer term view is that interest rates will settle around 7%. Interest rates are influenced by international economic factors. Council will manage this through interest-rate risk management instruments authorised in the Borrowing Management Policy for external debt and by using internal borrowing as much as possible.

Financial Statements

Notes to the Financial Statements

Forecasting Assumption	Risk	Level of uncertainty in that Risk	Reasons and financial effect of uncertainty
New Zealand Transport Agency (NZTA) Council currently receives subsidy income at a rate of 54% from NZTA for qualifying roading expenditure. This rate has been used for all years in the 10 year plan.	That the rate of subsidy will change from the current rate.	Medium	The rate of subsidy may be influenced by general economic pressures and changes in national roading priorities. A 1% reduction in subsidy would amount to a reduction in income of \$50,000.
Carbon Credits and Liabilities At the time of writing there is no guidance relating to the accounting treatment of emission units. Council has not accounted for emission units or emission unit liabilities in the financial statements.	That Council will have to purchase emission units	High	Currently the ETS is evolving and is not a mature policy. The likelihood of significant change to the policy is high. The financial effect of this risk is difficult to ascertain.
Revaluation Land and Buildings were last re-valued as at 30 th June 2007. Infrastructure Assets were last re-valued as at 30 th June/1 July 2008. The projections provide for changes in asset valuations every three years based on capital works, retired assets and the amount of inflation over that period of time.	That the cost of constructing/replacing assets will be significantly higher or lower than forecast. That assets are not replaced at the times indicated in the plan.	Medium	The value of Council's assets and subsequent depreciation expense may change as a result of changes in valuation methodologies or cost changes being significantly different to those projected.
Vested Assets No vesting of assets has been included in the plan.	That Council will have assets vested thereby increasing the depreciation expense in subsequent years.	High	Vested assets fluctuate considerably from year to year but historical levels have not been significant. Financial effect of uncertainty is unable to be quantified but is expected to be low.
Funding Sources Sources of funds are as per the Revenue and Financing Policy.	That some user charges may not be achievable.	Low	Levels of charges have been set at previously achieved levels.
	Council is not able to obtain lines of credit	Low	Council is able to offer lenders excellent security over funds advanced. The effect would be that the capital works programme would not be able to be carried out until sufficient funds were raised from other sources.
Capital Works Costs On average, costs of major capital works will not vary significantly from costs estimated at the concept stage.	That some project costs turn out greater than estimates resulting in increased debt levels.	Medium in years one to three but higher further out.	Council has a higher level of confidence regarding the costs of capital projects in the short-term but less certainty in the longer term due to possible fluctuations in the economy, growth patterns, consent conditions, etc.

Financial Statements

Notes to the Financial Statements

Forecasting Assumption	Risk	Level of uncertainty in that Risk	Reasons and financial effect of uncertainty																								
<p>Asset Life Useful lives of assets are as recorded in asset management plans or based upon professional advice – refer to the Accounting Policies in Note 1.</p> <p>The useful lives of capital additions are based on an average percentage basis of the lives used for existing assets.</p>	Assets wear out significantly earlier than estimated.	Low	<p>Asset life is based upon estimates of engineers and valuers.</p> <p><u>Asset Replacements</u> Capital projects could be brought forward in event of early expiration of assets affecting interest costs (depreciation expense may also increase.) The negative impacts would be at least partially offset by other assets lasting longer than estimated.</p>																								
<p>Unfunded replacement of Non-Council owned community assets or Council owned but not run Council will not be called upon to replace any significant community assets.</p> <p>Namely:</p> <table border="0"> <tr> <td>Kaihere Hall</td> <td>Kaihere</td> </tr> <tr> <td>Karangahake Hall</td> <td>Karangahake</td> </tr> <tr> <td>Kerepehi Hall</td> <td>Kerepehi</td> </tr> <tr> <td>Mangatarata Hall</td> <td>Mangatarata</td> </tr> <tr> <td>Netherton Hall</td> <td>Netherton</td> </tr> <tr> <td>Patetonga Hall</td> <td>Patetonga</td> </tr> <tr> <td>Tirohia Hall</td> <td>Tirohia</td> </tr> <tr> <td>Turua hall</td> <td>Turua</td> </tr> <tr> <td>Waikino Hall</td> <td>Waikino</td> </tr> <tr> <td>Waimata Hall</td> <td>Waimata</td> </tr> <tr> <td>Waitakaruru Hall</td> <td>Waitakaruru</td> </tr> <tr> <td>Waitewheta Hall</td> <td>Waitewheta</td> </tr> </table>	Kaihere Hall	Kaihere	Karangahake Hall	Karangahake	Kerepehi Hall	Kerepehi	Mangatarata Hall	Mangatarata	Netherton Hall	Netherton	Patetonga Hall	Patetonga	Tirohia Hall	Tirohia	Turua hall	Turua	Waikino Hall	Waikino	Waimata Hall	Waimata	Waitakaruru Hall	Waitakaruru	Waitewheta Hall	Waitewheta	That Council will be called upon to replace assets that it does not currently own, or fund depreciation on.	Medium	Council currently funds for the partial replacement of one community owned sporting facility. There are also 12 rural community halls that are owned but not operated by Council. These halls do not have depreciation funded. The chance of being called upon to assist with replacement in a loss event is medium. The financial impact is difficult to be determined.
Kaihere Hall	Kaihere																										
Karangahake Hall	Karangahake																										
Kerepehi Hall	Kerepehi																										
Mangatarata Hall	Mangatarata																										
Netherton Hall	Netherton																										
Patetonga Hall	Patetonga																										
Tirohia Hall	Tirohia																										
Turua hall	Turua																										
Waikino Hall	Waikino																										
Waimata Hall	Waimata																										
Waitakaruru Hall	Waitakaruru																										
Waitewheta Hall	Waitewheta																										
<p>Financial Sustainability That's Council will fully fund it's expenditure and maintain rate and debt at sustainable levels</p>	<p>That to fund its operating and capital programmes Council has to borrow at a level that is not able to be funded in the future.</p> <p>That ratepayers will not be able to pay any increases in rates forecast in the plan.</p>	<p>Low</p> <p>Low</p>	<p>Council has set maximum levels of debt and interest in its borrowing management policy.</p> <p>A significant deterioration in the economy could result in ratepayers not being able to afford the rate levels set by Council. This would result in either services having to be decreased, or Council needing additional borrowing.</p>																								

Financial Statements

Notes to the Financial Statements

Table: Inflation forecast

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Roading	0.0%	3.5%	3.4%	2.4%	2.4%	2.2%	2.3%	2.4%	2.4%	2.3%
Property/Parks	0.0%	3.6%	3.2%	2.8%	2.8%	2.9%	3.1%	2.6%	2.3%	2.3%
Water	0.0%	3.6%	3.4%	2.7%	3.3%	2.9%	3.4%	3.1%	3.2%	3.3%
Energy	0.0%	2.9%	2.6%	3.1%	2.9%	3.3%	3.3%	3.4%	3.3%	3.5%
Staff	2.4%	0.8%	3.3%	2.4%	2.5%	2.5%	2.6%	3.2%	2.8%	3.1%
Other	0.0%	3.8%	2.9%	2.4%	2.1%	2.1%	2.3%	2.4%	2.4%	2.6%
Roading DiSP	0.0%	0.0%	10.5%	0.0%	0.0%	7.1%	0.0%	0.0%	7.3%	0.0%
Property DiSP (Bldgs/Parks/Refuse)	0.0%	0.0%	9.9%	0.0%	0.0%	8.7%	0.0%	0.0%	8.1%	0.0%
Utility DiSP (Water/Wastewater/Stormwater/Drains)	0.0%	0.0%	10.5%	0.0%	0.0%	9.7%	0.0%	0.0%	11.6%	0.0%
Pipelines	0.0%	3.8%	3.7%	3.2%	3.1%	3.2%	3.8%	3.9%	3.5%	3.6%
Earthmoving	0.0%	4.1%	4.0%	3.4%	3.7%	3.8%	3.4%	3.1%	3.2%	3.3%
Private Labour	0.0%	3.8%	3.0%	2.4%	2.4%	3.4%	2.6%	2.6%	2.7%	2.3%

Financial Statements

Capital Works Schedule

Capital Works Schedule

	Forecast 2009-10 \$000's	Forecast 2010-11 \$000's	Forecast 2011-12 \$000's	Forecast 2012-13 \$000's	Forecast 2013-14 \$000's	Forecast 2014-15 \$000's	Forecast 2015-16 \$000's	Forecast 2016-17 \$000's	Forecast 2017-18 \$000's	Forecast 2018-19 \$000's	Expenditure Driver
Network Services											
Roading											
Subsidised Roothing											
Resurfacing	1,331	1,441	1,558	1,618	1,661	1,529	1,525	1,603	1,620	1,646	Renewal
Emergency Reinstatement	3,498	-	-	-	-	-	-	-	-	-	Renewal
Drainage Renewals	170	174	148	152	156	159	163	167	171	175	Renewal
Kerb and Channel	175	69	119	150	28	38	46	8	80	65	Level of Service
Area Wide Pavement Treatment	535	501	539	578	554	560	569	604	622	643	Renewal
Bridge Repairs	44	46	47	48	50	51	52	53	54	56	Renewal
Streetlights	113	118	123	126	130	133	137	141	145	149	Renewal
Minor Improvements	257	260	277	289	289	289	296	306	317	326	Level of Service
Walking & Cycling Works	86	80	89	93	95	98	100	102	105	107	Level of Service
Seal Extensions	-	94	141	113	141	142	96	154	192	146	Level of Service
Non-Subsidised Roothing											
Seal Extensions	-	366	411	426	459	446	473	512	527	517	Level of Service
Kerb and Channel	-	305	297	288	321	295	320	308	383	308	Level of Service
New Vehicle Crossings	12	12	12	13	13	13	13	14	14	14	Level of Service
New Street Lights	9	9	10	10	10	10	11	11	11	11	Level of Service
Plains Unallocated Works	50	52	54	55	56	57	59	60	62	63	Level of Service
Footpath Replacements	34	35	37	37	38	39	40	41	42	43	Renewal
Footpaths Additional	73	75	78	80	81	83	85	87	89	91	Level of Service
Vehicle Crossings	12	12	13	13	13	14	14	14	15	15	Demand
Water											
Kaimanawa											
Connect to Kerepehi/Paeroa	-	-	-	-	1,065	-	-	-	-	-	Level of Service
Upgrade Kerepehi/Paeroa for extra capacity required	-	-	-	-	1,362	-	-	-	-	-	Demand
Treated Water reservoir	-	-	-	-	454	-	-	-	-	-	Level of Service
Other	11	41	50	3	1	51	1	1	56	1	Renewal
Karangahake											
Connect to Paeroa	-	-	-	-	1,559	-	-	-	-	-	Level of Service
Other	12	10	88	3	2	47	2	2	53	3	Renewal
Ohinemuri											
Decommission Dams	-	-	-	-	-	153	-	-	-	-	Level of Service
Mains Renewals	-	101	-	-	112	-	-	124	-	-	Renewal
Waihi Road - Bottle to Reservoir Road investigate/recondition	36	36	-	-	-	-	-	-	-	-	Level of Service
Waihi Rd SH 2 - Bottle to Catholic School	-	-	-	-	-	-	-	-	-	-	Level of Service
Other	40	53	8	8	2	3	3	3	3	3	Renewal

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Paeroa											
Upgrade Plant to Drinking Water Standard	-	-	-	435	3,614	-	-	-	-	-	Level of Service
Mains Renewals	100	104	108	112	115	119	123	128	132	137	Renewal
Other	92	73	37	46	28	28	30	31	32	115	Renewal
Plains											
Mains Upgrade - Bush Rd (Orchard East to Piako)	-	-	-	-	-	-	-	-	-	-	Demand
Mains Renewals	334	347	360	371	383	395	409	425	440	456	Renewal
Meter Replacements	25	26	27	28	29	30	31	32	33	34	Renewal
Kerepehi Treatment Upgrade	7,139	-	-	-	-	-	-	-	-	-	Demand
Kerepehi Treated Water Storage	351	820	-	-	-	-	-	-	-	-	Level of Service
Waitakaruru Raw Water Storage	2,910	-	-	-	-	-	-	-	-	-	Level of Service
Waitakaruru Treated Water Storage	-	486	847	-	-	-	-	-	-	-	Level of Service
Waitakaruru Treatment - UV	600	-	-	-	-	-	-	-	-	-	Level of Service
Replace standby pump - Waihou	130	-	-	-	-	-	-	-	-	-	Renewal
Upgrade Waihou intake	319	-	-	-	-	-	-	-	-	-	Demand
Replacement of bore at Chlorine Shed	150	-	-	-	-	-	-	-	-	-	Renewal
Deep Groundwater Investigation	150	-	-	-	-	-	-	-	-	-	Demand
Other	344	324	82	95	45	46	49	50	181	134	Renewal
Waihi											
Mains Upgrading	100	104	108	112	115	119	123	128	132	137	Renewal
Interim upgrades for disinfection compliance	198	-	-	-	-	-	-	-	-	-	Level of Service
Treatment plant upgrade for protozoal compliance	-	-	377	1,944	-	-	-	-	-	-	Level of Service
Alternative source	100	4,780	-	-	-	-	-	-	-	-	Demand
Other	157	101	32	45	27	27	29	29	31	32	Level of Service
Waikino											
Clean Dam /Decommission	-	-	-	-	76	-	-	-	-	-	Level of Service
New Main Connecting to Waihi	-	-	-	88	910	-	-	-	-	-	Level of Service
Mains Renewals	-	-	47	-	-	51	-	-	57	-	Renewal
Other	41	8	2	1	1	1	1	1	1	1	Renewal

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Wastewater											
Kerepehi											
Treatment Upgrades	-	-	-	-	-	-	-	-	-	-	Level of Service
Upgrade Domain P/S rising main	-	266	-	-	-	-	-	-	-	-	Level of Service
Other	77	25	44	25	32	87	22	22	23	24	Level of Service
Ngatea											
Resource Consents	-	-	-	-	-	58	-	-	-	-	Renewal
Replacement pumps	44	-	7	-	7	7	8	-	-	-	Renewal
Mains Renewals	47	44	46	47	48	50	52	54	56	58	Renewal
Aerator Replacement	-	-	15	-	-	66	-	-	-	-	Renewal
Slag Renewal	-	35	36	-	-	-	-	-	-	-	Renewal
Other	115	81	69	40	34	51	14	-	-	-	Level of Service
Paeroa											
Replacement pump station controller/sensors (Multismart)	40	41	43	44	11	-	-	-	-	-	Renewal
Cabinet/ancillaries renewal	24	25	26	26	27	28	29	30	-	-	Renewal
Mains Renewals	163	169	176	181	187	193	200	208	215	223	Renewal
District Wide Telemetry Upgrade	48	26	19	-	-	-	-	-	-	-	Level of Service
Reticulation extensions	-	-	-	-	-	-	-	-	-	-	Demand
Booster pump - WWTP outlet	50	-	-	-	-	-	-	-	-	-	Demand
Slag Renewals	32	35	-	-	-	87	92	-	98	101	Renewal
Other	157	128	20	462	20	167	12	12	74	114	Renewal
Turua											
Resource Consents	-	-	-	-	-	-	-	-	64	-	Renewal
Mains Renewals	33	-	-	37	-	-	41	-	-	45	Renewal
Pond Desludge	-	-	-	-	-	-	-	-	-	29	Renewal
Other	97	47	29	1	1	-	-	-	-	-	Level of Service
Waihi											
Victoria St - Renewal of main pump and upsizing	72	-	-	-	-	-	-	-	-	-	Renewal
Mains Renewals	158	164	170	176	181	187	194	201	208	216	Renewal
Inlet screen renewal	-	-	-	-	-	-	-	-	142	-	Renewal
Victoria St Rising Main construction	530	-	-	-	-	-	-	-	-	-	Level of Service
Other	229	94	93	50	97	2	-	-	15	-	Level of Service
Waitakaruru											
STP component renewals	-	-	-	5	11	23	24	25	13	7	Renewal
Prostep on-site set renewals	-	-	-	-	-	4	11	15	39	40	Renewal
Extend Reticulation	-	-	-	-	-	-	-	-	-	-	Demand
Other	9	-	-	1	1	-	-	-	(1)	-	Level of Service
Whiritoa											
WWTP forest irrigation extension	387	-	-	-	-	-	-	-	-	-	Demand
Desludge Ponds	-	-	221	156	-	-	-	-	-	-	Renewal
Mains Renewals	31	32	33	34	35	36	38	39	40	41	Renewal
Irrigation pump renewals	-	-	-	-	67	-	-	-	-	-	Renewal
Aerator renewals	-	-	-	-	47	-	-	-	-	-	Renewal
Inlet Screens at WWTP	52	-	-	-	-	-	-	-	-	-	Renewal
Other	71	41	42	22	2	72	-	-	31	135	Level of Service
General											
Miscellaneous	-	-	-	-	-	-	-	-	-	-	Renewal

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Land Drainage											
Eastern Plains											
Terrace Stopbank Renewals	-	21	-	22	-	24	-	26	-	-	Renewal
Improvement Plan Items - Ld Dge	39	5	6	-	-	-	-	-	-	-	Level of Service
Improvement Plan Items - Stormwater	-	-	-	-	-	-	-	-	-	-	Level of Service
Other	8	-	-	-	-	-	-	-	-	-	Renewal
Western Plains											
Piping Ngatea Township	-	-	-	-	-	-	-	-	-	-	Level of Service
Waitakaruru Foreshore Stopbank build up	-	-	-	-	-	145	-	-	-	-	Renewal
Maukoro Stopbank LB	-	125	-	-	-	-	-	-	-	-	Level of Service
Waitakaruru Stopbank RB	-	125	-	-	-	-	-	-	-	-	Level of Service
Van Eyk Replacement	-	-	214	-	-	-	-	-	-	-	Renewal
Pouarua/Maukoro Final Design/Documentation	-	-	-	-	-	-	-	-	-	-	Level of Service
Smythes FG Replace	-	-	-	197	-	-	-	-	-	-	Renewal
Improvement Plan Items	78	9	13	-	-	-	-	-	-	-	Renewal
Indian to Waitakaruru	-	-	-	-	-	-	140	-	-	-	Level of Service
Pump Screens	-	-	-	66	-	-	-	-	-	-	Renewal
North Miranda Stopbank	50	-	-	-	-	-	-	-	-	-	Renewal
Miranda Foreshore Stopbank	-	-	-	-	139	-	-	-	-	-	Renewal
Waitakaruru LB Stopbank	-	125	-	-	-	-	-	-	-	-	Renewal
Other	-	-	(1)	-	-	-	-	-	86	-	Level of Service
Komata North											
Miscellaneous	5	1	1	-	-	-	-	-	-	-	Renewal
Opukeko											
Miscellaneous	3	-	-	-	-	-	-	-	-	-	Renewal
Tirohia-Rotokohu											
Kauoiti Stopbank Reconstruction	-	186	-	-	-	-	-	-	-	-	Renewal
Other	5	1	1	-	-	-	-	-	-	-	Renewal

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Stormwater											
Paeroa Urban Stormwater											
Racecourse Detention	40	-	-	-	-	-	-	-	-	-	Level of Service
Railway Reserve	160	-	-	-	-	-	-	-	-	-	Level of Service
Arney St	-	83	-	-	-	-	-	-	-	-	Level of Service
Normanby Rd	-	104	-	-	-	-	-	-	-	-	Level of Service
Criterion Pump Upgrade	10	-	108	-	-	-	-	-	-	-	Demand
Improvement Plan Items	54	24	9	-	-	-	-	-	-	-	Level of Service
Miscellaneous Renewals	-	-	-	182	187	193	201	208	216	223	Renewal
Other	10	-	(1)	-	-	-	-	-	-	-	Level of Service
Waihi Urban Stormwater											
Miscellaneous Upgrades	34	35	37	38	39	40	42	43	45	46	Level of Service
Morgan Park S/Water Line Renewal	-	52	-	-	-	-	-	-	-	-	Renewal
Miscellaneous Renewals	27	28	29	30	31	32	33	35	36	37	Renewal
Improvement Plan Items	54	24	9	-	-	-	-	-	-	-	Level of Service
Other	-	-	-	-	-	-	-	-	-	-	Level of Service
Ngatea Urban Stormwater											
Piping Ngatea Township	55	57	58	60	61	34	35	36	37	38	Level of Service
Ngatea Urban Pump Upgrades	-	-	-	109	-	-	-	-	-	-	Renewal
Improvement Plan Items	27	12	4	-	-	-	-	-	-	-	Level of Service
Turua Urban Stormwater											
Improvements	33	34	35	36	37	37	38	39	40	41	Level of Service
Improvement Plan Items	14	6	2	2	2	2	2	2	2	3	Level of Service
Kerepehi Urban Stormwater											
Improvements	22	23	23	24	24	17	17	18	18	19	Level of Service
Improvement Plan Items	14	6	2	-	-	-	-	-	-	-	Level of Service
Beach Outfalls											
Beach Outfalls	15	-	-	-	-	-	-	-	-	-	Level of Service
Solid Waste											
Paeroa RTS - Slab Replacement/Rehabilitation	-	-	-	48	-	-	-	-	-	-	Renewal

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Community Services											
Parks and Reserves											
Paeroa Domain											
Furniture & Lighting	-	11	-	-	13	-	-	15	-	-	Renewal
Internal Road Resealing	-	35	-	-	-	-	-	-	-	-	Renewal
Lights (Sports Fields)	-	-	-	-	-	-	-	-	-	-	Level of Service
Hugh Hayward Domain											
HH Domain Soccer Field Carpark	-	-	-	-	40	-	-	-	-	-	Level of Service
HH Domain : Trsfr Play Equip to Turua	-	-	-	11	-	-	-	-	-	-	Level of Service
HH Domain : Skateboard Pk Extn	-	52	32	-	-	-	-	-	-	-	Level of Service
HH Domain: Ngatea Netball Cts Infrastr. Lgts	-	-	53	-	-	-	-	-	-	-	Level of Service
HH Domain : Ngatea Hockey Pavilion Extension	-	-	-	-	-	-	-	-	-	-	Level of Service
HH Domain - Park Project PPP	250	-	-	-	-	-	-	-	-	-	Level of Service
HH Domain - Relocated playground (park area)	-	57	-	-	-	-	-	-	-	-	Level of Service
HH Domain Playground Equip - addl equip	-	-	35	-	-	6	-	6	-	-	Level of Service
HH Domain Hi Pressure Washing Sys. Grd Stand	-	5	-	-	-	-	-	-	-	-	Level of Service
Sports Centre/Development	-	-	-	-	-	-	-	-	-	-	Level of Service
Morgan Park											
Netball Courts Relevel	-	41	-	-	-	47	-	-	-	51	Renewal
Playground Upgrade	-	16	16	-	-	-	-	-	-	-	Level of Service
Skateboard Upgrade	20	-	-	-	-	-	-	-	-	-	Level of Service
Paeroa Reserves											
Railway Reserve - Replace & Upgrade Playground	-	-	43	-	45	-	-	-	-	-	Level of Service
Railway Reserve - Lighting	-	10	-	-	11	-	-	-	-	-	Level of Service
Centennial Park - Furniture	-	-	6	-	-	8	-	-	9	-	Renewal
Brenan Field - Flood lighting	-	-	-	82	-	-	-	-	-	-	Level of Service
Main Street Promotion Banners	-	6	-	-	7	-	-	9	-	-	Renewal
New Skateboard Park	80	-	-	-	-	-	-	-	-	-	Level of Service
Maritime Park - Town walkway	-	-	-	11	11	-	-	-	-	-	Level of Service
Edward Place Res - Play Equipmt - New & Replc	-	21	-	-	-	12	-	-	-	-	Level of Service
Various Playgrounds - Exercise Equipmt	5	-	-	7	-	-	7	-	-	-	Level of Service
Town Entrances Beautification	20	21	-	-	-	-	-	-	-	-	Level of Service
Moto-x Track	-	-	5	-	-	-	-	-	-	-	Level of Service
Mountain Biking Track - Taylors Hill	-	-	5	-	-	-	-	-	-	-	Level of Service
Plains Reserves											
Ngatea Town Entrance East	-	-	-	-	-	-	-	18	-	-	Level of Service
Ngatea Exercise Walking Trail	-	-	-	8	-	-	-	-	-	-	Level of Service
Turua Jetty pontoons protection	-	-	-	36	-	-	-	-	-	-	Level of Service

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Waihi Reserves											
Gilmour Lake - Landscape Development	-	-	-	-	-	-	-	-	-	-	Level of Service
Main Street Gardens - Replant	-	52	-	-	-	-	-	-	-	-	Renewal
Town Promo Replacement Buntings	6	-	-	7	-	-	7	-	-	8	Renewal
Pohutukawa Reserve Upgrade	7	10	107	-	-	-	-	-	-	-	Level of Service
Ohinemuri Walkway - Black Bridge	-	-	-	145	-	-	-	-	-	-	Level of Service
Town Centre - Way Indicators	-	5	-	-	-	-	-	-	-	-	Level of Service
Waitete Stream Walkway	-	10	-	-	-	-	-	-	-	-	Level of Service
Replace Playground Whiritoa Reserve	-	-	-	-	-	-	-	-	-	-	Renewal
Library											
New Books	137	142	146	150	153	156	160	164	168	172	Renewal
New Computer System	-	-	-	-	-	-	-	-	-	-	Renewal
Other	10	59	7	10	69	5	5	5	-	88	Renewal
Halls											
Waihi Events Centre											
Reseal Floor	-	-	5	-	-	6	-	-	6	-	Renewal
Repaint Exterior	-	21	-	-	-	-	-	-	-	-	Renewal
Gymnasium Investigation	7	-	-	-	-	-	-	-	-	-	Renewal
Replace mezzanine carpet	-	-	-	-	-	-	6	-	-	-	Renewal
Paeroa War Memorial Hall											
Ventilation System	20	-	-	-	-	-	-	-	-	-	Level of Service
Floor Resealing	-	11	-	-	-	-	13	-	-	-	Renewal
Interior Repaint	-	-	25	-	-	-	-	-	-	-	Renewal
Exterior Repaint	-	-	-	-	-	-	35	-	-	-	Renewal
Ngatea War Memorial Hall											
Carpark east of Hall	-	-	-	-	-	-	102	-	-	-	Level of Service
Tables and Chairs	8	8	21	-	23	-	-	-	-	-	Renewal
Repaint Interior	-	-	-	38	-	-	-	-	-	-	Renewal
Floor Reseal	-	-	-	-	6	-	-	-	-	-	Renewal
Waihi Memorial Hall											
Trestles	5	-	-	-	-	-	-	-	-	-	Renewal
Tables	-	5	-	-	-	-	-	-	-	-	Renewal
Resurface Floor	-	-	-	-	6	-	-	-	-	-	Renewal
Repaint Exterior	-	-	-	-	-	23	-	-	-	-	Renewal
Sound System	5	-	-	-	-	-	-	-	-	-	Level of Service
Replace Carpet	9	-	-	-	-	-	-	-	-	-	Renewal
Public Toilets											
New Toilet Blocks											
Turua Upgrade	-	-	53	-	-	-	-	-	-	-	Renewal
Replace floor Haszard st toilets	10	-	-	-	-	12	-	-	-	-	Renewal
Replace floor Victoria st toilets	10	-	-	-	-	12	-	-	-	-	Renewal
New Toilets Whiritoa Sport & Recreation Reserve	-	-	-	-	-	-	-	-	-	-	Level of Service

Financial Statements

Capital Works Schedule

	Forecast 2009-10	Forecast 2010-11	Forecast 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Driver
Cemeteries											
Paeroa Cemetery											
SH2 Boundary Fence	-	-	27	-	-	-	-	-	-	-	Level of Service
Extension	-	-	-	-	-	-	-	-	189	-	Demand
Waihi Cemetery											
Drainage & Beach Rd Bdy Fence	22	-	-	-	-	-	-	-	-	-	Level of Service
Ashes Gardens	6	-	6	-	-	7	-	-	-	-	Demand
Grave Berms	-	-	-	7	7	-	-	-	-	-	Demand
Pools											
Paeroa Pool											
Cover Replacement	-	28	-	-	-	-	-	37	-	-	Renewal
Pool Repainting	-	-	18	-	-	20	-	-	24	-	Renewal
Buildings Repainting	-	-	-	-	20	-	-	-	-	-	Renewal
Treatment and Pipe Renewal	-	-	-	-	-	-	-	-	-	-	Renewal
Heating Systems	-	-	-	-	-	-	-	-	-	-	Level of Service
Ngatea Pool											
Seating	-	-	-	-	-	12	12	-	-	-	Level of Service
Repaint pool	-	-	-	-	14	-	-	-	-	15	Renewal
Repaint buildings	-	-	13	-	-	-	-	-	15	-	Renewal
Other											
Paeroa Streetscape	-	-	-	-	-	-	-	-	-	-	Level of Service
Other											
Property Development											
Waihi Library Extension	710	-	-	-	-	-	-	-	-	-	Level of Service
Paeroa Dog Pound	85	-	-	-	-	-	-	-	-	-	Level of Service
Office Building Renewals	34	39	83	53	23	-	24	25	-	-	Renewal
Pensioner Housing Renewals	37	92	54	35	38	24	57	16	21	28	Renewal
Plant	339	738	447	163	149	336	128	199	605	206	Renewal
Office Equipment	100	104	107	109	112	114	117	119	122	125	Renewal
FMS Implementation	200	121	39	40	41	42	43	44	45	47	Renewal
TOTAL CAPITAL EXPENDITURE	25,103	15,122	9,117	10,413	16,111	7,510	6,761	6,809	8,301	7,615	

Financial Statements

Capital Works Schedule

