

Hauraki District Council Summary of Annual Report for the year ending 30 June 2009



bringing it all together ...

Message from Mayor and Chief Executive

The Annual Report demonstrates Council's performance for the year 1st July 2008 to 30th June 2009 and reports against the Hauraki Community Plan 2006-16. This document is a Summary of the Annual Report for 2008/09.

It has been an eventful year, and on reflection it is again pleasing to see that as a Council we have been successful with a number of challenges and initiatives that have faced us.

Key highlights during 2008/09 have been:

- Significant work on the Hauraki Community Plan 2009-19 resulting in its adoption in June 2009.
- The decision to defer programmed seal extension for the coming two years in light of the recession.
- Construction of the water main from Bush Road, Kerepehi into Ngatea.
- Adopting a Development Contributions Policy.
- Heating of Paeroa swimming pool.
- Significant policies such as the Regional Land Transport Programme, the Local Governance Review and Waihou Valley and Piako River Scheme funding systems review have, amongst others, had submissions made against them, some of which decisions are still pending.
- Significant progress with the Asset Management Plans for all key assets in the lead up to the Long Term Council Community Plan 2009-19.
- Significant decrease in revenues due to the economic downturn, particularly in any area impacted by reduction in development activity.
- There were a number of items of unbudgeted expenditure related to storm damage and remedial work together with actual depreciation expense significantly higher than budget due to revaluations of assets.



John Tregidga
Mayor

Langley Cavers
Chief Executive

Thank you for taking the time to read our Annual Report. We look forward to working with you in 2009/10.

John Tregidga
Mayor

Langley Cavers
Chief Executive

This document is a summary of the Annual Report 2008/09 adopted by Council on 28th October 2009. It does not provide a complete understanding of the full Annual Report. The complete report is available from the Hauraki District Council offices in Ngatea, Paeroa or Waihi; by telephoning 07 862 8609 or 0800 734 834 (from within the District); or by downloading from Council's website - www.hauraki-dc.govt.nz

Non Financial Performance Measures

Council had 100 non financial performance measures listed in its Annual Plan for 2008/09.

- 55 were achieved.
- 43 were not achieved.
- 2 were unable to measure the performance as no event occurred during 2008/09 year.

Some key measures are highlighted in this summary with the full lists of the 100 measures being detailed in the full Annual Report for 2008/09.

Significant Activities

Council manages and operates five groups of activities. These include Governance and Leadership, Network Services, Community Services, Community Development and Regulatory Services. Each group of activity contains the following summarised information:

- Brief description
- Operating cost
- Non Key Financial Performance Measures
- Council projects that have contributed to Community Outcomes



Governance and Leadership Group

The purpose of local government as defined in the Local Government Act 2002 is:

- To enable democratic local decision-making and action by, and on behalf of, communities; and
- To promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.

The Leadership Group is comprised of the Democracy, Iwi Liaison and Policy Development activities.

What is the operating cost of the Governance and Leadership activity?

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
OPERATING EXPENDITURE			
Democracy	1,327	1,317	1,206
Policy Development	1,055	941	808
Iwi Liaison	31	61	38
	2,413	2,319	2,052
OPERATING REVENUE			
Fees and Charges	-	36	-
General Rates	2,187	2,187	1,875
	2,187	2,223	1,875
OPERATING SURPLUS/(DEFICIT)	(226)	(96)	(177)

Key Non-Financial Performance Measures

Activity	Current Levels of Service	Measure	Target 2006-09	Achievement in 2008/09
Democracy	Council will conduct all its business in an open and transparent manner.	All procedural requirements are met in accordance with the Local Government Act 2002, Local Government Official Information and Meetings Act 1987, Standing Orders and other appropriate legislation.	No complaints upheld by the Ombudsman.	Achieved: There have been no complaints upheld by the Ombudsman during the 2008/09 planning period.
Iwi Liaison	Acknowledge the relationship of Tangata Whenua with the natural environment.	Establish formal processes for consultation with Maori who are not Tangata Whenua.	By 30 June 2009	Not achieved: No further progress made.

Summary of Annual Report 2008/09 Hauraki District Council

Activity	Current Levels of Service	Measure	Target 2006-09	Achievement in 2008/09
Policy Development	Ensure major decisions are made in a democratically accountable way.	100% of issues subject to a special consultative procedure meet the requirements of the Local Government Act 2002.	100%	Achieved: All Special Consultative Procedures complied with legislative requirements for the Long Term Council Community Plan 2009-19, Development Contributions Policy 2009, Review of Fees and Charges 2009 and the Liquor Ban Bylaw Amendment 2008.
Policy Development	Council meets statutory planning requirements.	Proposed District Plan is notified by 30 June 2008.	By 30 June 2008, now deferred to 30 June 2009.	Not achieved: Sections of the reviewed District Plan have been drafted and currently being formatted. Public consultation has been deferred until early 2010.

Key Council projects that have contributed to Community Outcomes

Project	What initiated this project	Contributes to which Community Outcomes	Achievement in 2008/09
Review of operative District Plan and development of particular policies required for the District Plan Review.	The Resource Management Act requires the District Plan to be reviewed every 10 years after becoming operative. The District Plan Review will address deficiencies in the operative plan.	<ul style="list-style-type: none"> ▪ Rural ▪ Recreation ▪ Environment ▪ Economic ▪ Iwi ▪ Infrastructure 	<p>Significant work took place on advancing the review of the District Plan. Some policies that were addressed included:</p> <ul style="list-style-type: none"> ▪ Urban Design, Amenity and Growth for each town, including structure plans for future growth areas. ▪ Rural and Conservation zones. ▪ Coastal and Karangahake zones. ▪ Rural residential zone now changed to Low Density Residential zones for all towns. ▪ Subdivision development and Infrastructure performance standards.
Sustainability – Options for Hauraki District	The decision to consider increasing the local emphasis on sustainability principles in decision making.	<ul style="list-style-type: none"> ▪ Potentially all outcomes 	Community consultation was undertaken on which direction Council should progress with regards to sustainability. Initial direction was received and the preparation of a draft working paper begun. An Elected Member focus group has been initiated to discuss this topic beginning in July 2009.

Summary of Annual Report 2008/09 Hauraki District Council

Network Services

Network Services are also often referred to as infrastructural assets and have generally been seen to be Council's core activities. The activities that comprise the Network Services Group are Roothing, Water, Wastewater, Land Drainage, Stormwater and Solid Waste.

What is the operating cost of the Network Services activity?

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
OPERATING EXPENDITURE			
Roothing	7,626	6,278	7,299
Water	4,202	3,623	3,931
Wastewater	3,112	3,168	3,047
Land Drainage	1,349	1,225	1,242
Stormwater	604	628	588
Solid Waste	(188)	1,096	1,460
	16,705	16,018	17,567
OPERATING REVENUE			
Fees and Charges	384	672	501
External Subsidies	3,358	3,182	3,939
Targeted Rates	9,058	9,026	9,121
General Rates	1,766	1,598	1,815
	14,566	14,478	15,376
OPERATING SURPLUS/(DEFICIT)	(2,139)	(1,540)	(2,191)
FUNDED BY			
Transfers to/(from) Water Reserve	(183)	397	181
Transfers to/(from) Wastewater Reserve	(415)	(506)	(469)
Transfers to/(from) Land Drainage Reserves	32	147	105
Transfers to/(from) Stormwater Reserves	3	(34)	(20)
Transfers to/(from) Paeroa Comm Fac Reserve	(7)	-	(17)
Transfers to/(from) Plains Comm Fac Reserve	(9)	-	(16)
Transfers to/(from) Waihi Comm Fac Reserve	39	-	33
Other General Funding	(697)	(1,703)	(1,761)
Transfers to/(from) General Reserve	(902)	159	(226)
	(2,139)	(1,540)	(2,190)
CAPITAL EXPENDITURE			
Reseals	1,270	1,296	915
Area Wide Pavement Treatment	2	490	809
Major Drainage Control	780	266	377
Seal Extensions	9	462	199
Waihi Wastewater Treatment Upgrade	73	-	77
Kerepehi Water Treatment Upgrade	65	2,060	638
Water - SH2 from Kerepehi Main Rd to Bush St	-	-	1,009
Water - SH2 from Bush St to Pipiroa Rd	1,058	671	-
Paeroa Streetscape	771	300	387
Waitete Wastewater	211	-	689
Waitakaruru Raw Water Storage	-	1,789	22
Other Capital Expenditure	1,571	2,695	2,286
	5,810	10,029	7,408

Summary of Annual Report 2008/09 Hauraki District Council

Key Non-Financial Performance Measures

Activity	Current levels of service	Measure	Target 2006-09	Achievement in 2008/09
Roading	Provide access to the network of local roads	Extend pavement life of sealed roads.	Reseal an average of 40km of sealed roads per year over a three year rolling average.	Achieved: A rolling average of 41.8 km has been constructed in the three years to 30 June 2009.
Water Supply	Provide quality water systems compliant with all statutory requirements and Council policies and standards.	The number of confirmed complaints about the odour and taste of water.	<35	Achieved: 34 confirmed complaints were received for the 2008/09 year.
Wastewater	Provide efficient reliable wastewater system to meet the reasonable needs of the urban and commercial communities.	Comply with the Resource consent conditions.	Substantial compliance.	Some minor areas of non-compliance occurred during 2008/09. The only notable non-compliance site was Waitakaruru where Nitrogen levels were exceeded for the entire year. This has been corrected with additional treatment processes, and a variation to the Resource Consent.
Land Drainage	Provide efficient reliable land drainage systems.	Systems are able to drain 38mm of runoff in 24 hrs.	100%	Not Achieved. Significant flood events in July and August 2008 exceeded system capacity. Ponding exceeded 3 days in various locations due to pump power failure and above design runoff rates.
Stormwater	Urban areas are provided with stormwater systems capable of effectively managing water run-off from weather events.	Adopt Catchment Management Plans for Paeroa, Waihi, Ngatea and Whiritoa.	Adopt by 30 June 2007.	Not achieved: The draft Catchment Management Plans are being progressed to their final form.
Solid Waste	Waste reduction and recycling is encouraged.	Implementation of Council's Waste Management Plan.	Continue to implement	Achieved: There was a 30% reduction in tonnage to landfill and a 32% increase in recycling tonnage (aim was for 25%) compared to the previous year.

Summary of Annual Report 2008/09 Hauraki District Council

Key Council projects that have contributed to Community Outcomes

Project	What initiated this project?	Contributes to which Community Outcomes	Achievement in 2008/09
Partial funding of a Road Safety Coordinator.	Response to community expectations and the need for Council to provide a governance and leadership role.	<ul style="list-style-type: none"> ▪ Education ▪ Health ▪ Recreation ▪ Youth ▪ Environment 	Continued co-ordination, facilitation and management of sub-regional efforts to address identified road safety problems.
Walking and Cycling Strategy	Good practise and community demand.	<ul style="list-style-type: none"> ▪ Education ▪ Environment ▪ Health ▪ Infrastructure 	The Walking and Cycling Strategy has been drafted and is to be considered by Council early 2009/10.
Smart Water Use Campaign	The need for public education on water conservation.	<ul style="list-style-type: none"> ▪ Education ▪ Environment ▪ Rural 	A campaign was undertaken district wide to promote the smart use of water. This was carried out predominantly during the months of December 2008 – February 2009
Paeroa septage facility.	The need to build a plant that can continue to accept high level toxic material from private contractors.	<ul style="list-style-type: none"> ▪ Infrastructure ▪ Environment 	The facility was completed in June 2009.

Community Services

Community Services provide for the community's need for recreational, social, cultural and amenity activities. The activities that comprise the Community Services Group are Parks and Reserves, Libraries, and Community Facilities which include Halls, Pensioner Housing, Public Toilets, Cemeteries and Swimming pools.

What is the operating cost of the Community Services activity?

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
OPERATING EXPENDITURE			
Parks and Reserves	1,324	1,200	1,381
Libraries	642	593	557
Community Facilities	1,616	1,746	1,762
	3,582	3,539	3,700
OPERATING REVENUE			
Fees and Charges	443	385	407
Targeted Rates	2,037	2,018	1,699
General Rates	1,133	1,133	983
	3,613	3,536	3,089
OPERATING SURPLUS/(DEFICIT)	31	(3)	(611)
FUNDED BY			
Transfers to/(from) Paeroa Comm Fac Reserve	262	-	46
Transfers to/(from) Plains Comm Fac Reserve	(56)	-	(119)
Transfers to/(from) Waihi Comm Fac Reserve	(1)	-	(79)
Transfers to/(from) General Reserve	(174)	(3)	(459)
	31	(3)	(611)
CAPITAL EXPENDITURE			
Gilmour Lake Development	-	78	-
Whiritoa Tennis Courts	34	-	-
Library Books	139	137	62
Paeroa Pool Heating and Upgrade	100	260	-
New Whiritoa Toilet Block	89	95	-
Pensioner Housing Upgrades	58	-	-
Paeroa Domain Sportsfield Lighting	66	104	-
Hugh Hayward Sports Centre Development	-	338	-
Paeroa Domain Seats, Tables & Benches	-	-	124
Ngatea Pool Upgrade	49	-	-
Waihi Cemetery Upgrade	2	-	68
Other Capital Expenditure	351	191	437
	888	1,203	691

Summary of Annual Report 2008/09 Hauraki District Council

Key Non-Financial Performance Measures

Activity	Current Levels of Service	Measure	Target 2006-09	Achievement in 2008/09
Parks & Reserves	Operates and improves the reserves and recreational assets on behalf of residents.	Play equipment and fall areas are provided and maintained in accordance with the NZ Playground Standards.	Baseline increasing to 80% by 30 June 2009.	Achieved: 100% of play equipment and fall areas are in accordance with NZ playground standards.
Libraries	A range of fiction, non-fiction, paperback, large print, reference books for both children and adults and audio titles are available.	Books issued per capita.	Increasing	Achieved: Total number of books issued for the 2008/09 years was 141,110. This represents a 12% increase on last year (which in itself was a 13.8% increase on 2006/07).
Swimming Pools	Safe public swimming pool complexes are provided at Paeroa and Ngatea.	Swimming Pool water tests will be compliant with NZS 5826:2000.	>95%	Not achieved: 134 of 147 (91.2%) tests were compliant with the NZ Standard 5826:2000.
Pensioner Housing	Affordable pensioner housing provided to people who meet the Hauraki District Council eligibility criteria.	Occupancy rate.	95%	Not achieved: Housing units have been occupied for an average of 94.75% for the 2008/09 year.

Key Council projects that have contributed to Community Outcomes

Project	What initiated this project?	Contributes to which Community Outcomes	Achievement in 2008/09
Turua Jetty improvements.	The need to reduce vandalism at the Jetty	<ul style="list-style-type: none"> ▪ Recreation ▪ Infrastructure 	The Bagnal Square carpark in Turua was metalled, and a double headed light fitting was shifted to illuminate the jetty and reduce vandalism. Evidence is that so far the move of the lighting has proven to be successful.
Morgan Park skateboard upgrade.	Directive from the Waihi Ward members due to deterioration of the existing skateboard park, along with damage from vandalism.	<ul style="list-style-type: none"> ▪ Recreation ▪ Youth 	Consultation on Morgan Park skateboard upgrade took place in March 2008. The decision on the extent of the playground upgrade has been delayed until early 2009/10 as a designer was hired to address all skatepark possibilities for the district, rather than addressing Morgan Park in isolation.
Increase in operational funding to the Waihi Community Baths at Waihi College.	Concerns with the financial contribution to the Waihi College swimming pool.	<ul style="list-style-type: none"> ▪ Recreation 	An increase in the operational funding was provided to the Waihi College of an additional \$10,000.

Summary of Annual Report 2008/09 Hauraki District Council

Project	What initiated this project?	Contributes to which Community Outcomes	Achievement in 2008/09
Adults book group	The need to encourage feedback from customers in a relaxed setting with other like-minded customers.	<ul style="list-style-type: none"> ▪ Recreation ▪ Education 	An Adults Book group has been held monthly in Waihi since May 2009. Readers can share their views on books and are rewarded with a 'first-look' at new and upcoming material in the library. The programme is due to start in Paeroa in September 2009.
B4 School Check	National programme offering free health and development checks prior to children starting school	<ul style="list-style-type: none"> ▪ Education ▪ Health 	Along with other libraries in Waikato District Health Board region, Hauraki District Council is a partner in the B4 School Check program. 4 year olds receive a free gift when joining the library.

Community Development

Community Development encompasses a wide range of activities that encourage the Council and community to be involved in initiatives to improve social, cultural, economic and environmental aspects of everyday life. The activities that comprise the Community Development Group are Community Growth and Community Initiatives.

What is the operating cost of the Community Development activity?

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
OPERATING EXPENDITURE			
Community Growth	646	664	638
Community Initiatives	578	658	489
	1,224	1,322	1,127
OPERATING REVENUE			
Fees and Charges	1	5	26
External Subsidies	36	-	44
Targeted Rates	403	404	384
General Rates	763	763	690
	1,203	1,172	1,144
OPERATING SURPLUS/(DEFICIT)	(21)	(150)	17

Key Non-Financial Performance Measures

Activity	Current Levels of Service	Measure	Target 2006-09	Achievement in 2007/08
Community Growth	Promote Hauraki as a quality visitor destination.	Increase in visitor nights.	> 5%	Achieved: A total of 52,910 visitors stayed in Hauraki District in 2008/07 period (an increase of 13.37% from 2007/08 period).
Community initiatives	Foster the participation of residents in sports, recreation and leisure.	To visit or be in contact with the following during the planning period to advise on sports-related matters: <ul style="list-style-type: none"> ▪ All primary schools at least twice per annum. ▪ All secondary schools at least twice per annum. 	All primary schools at least twice per annum;	Achieved: All primary schools were visited in August 2008 and March 2009 to help coordinate the calendar of events for Primary Schools. On-going contact was maintained through email on the transfer of relative information to teachers in charge of sport. Support was given for Thames Valley Primary Schools swimming and triathlon championships and the Squash Micro Court.

Summary of Annual Report 2008/09 Hauraki District Council

Key Council projects that have contributed to Community Outcomes

Project	What initiated this project?	Contributes to which Community Outcomes	Achievement in 2008/09
Tourism Coromandel	Tourism Coromandel is a joint venture with TCDC and HDC both funding it. The adoption of the Economic Development Strategy, which states that Hauraki District should be promoted as a visitor destination gave Council the mandate to provide funds to Tourism Coromandel.	<ul style="list-style-type: none"> ▪ Economic ▪ Rural 	A review of Tourism Coromandel was undertaken by Thames Coromandel District Council and Hauraki District Council. The outcome of the review has been considered by both Councils and recommendations are to be considered and addressed.
Labour Forum	Labourer shortages of both skilled and unskilled in the District.	<ul style="list-style-type: none"> ▪ Economic ▪ Rural 	<p>Implementation of the Labour Market strategy has begun with focus being on working with the business community to find solutions to staff recruitment issues, immigration options and productivity improvement.</p> <p>A website has been developed that includes job opportunities linked to Coromandel FM, Work and Income and Valley Recruitment; includes employment statistics and industry training opportunities.</p> <p>Literacy and numeracy training for business has begun as has the development of a joint road show for service providers with the purpose of promoting the training opportunities in Hauraki District, while aiming to ensure that mainly the business community are aware of services available.</p>
Support for youth initiatives	Local demand and desire to support youth	<ul style="list-style-type: none"> ▪ Youth ▪ Recreation 	<p>Specific support for agencies holding events for youth including:</p> <ul style="list-style-type: none"> ▪ Youth forum meetings ▪ Two youth members and the Youth Portfolio holder went to Christchurch to attend the Youth Conference. ▪ Attendance at a youth seminar in Rotorua held by the Ministry of Youth Development ▪ Apprenticeship scheme
Hauraki Citizens Awards	Council wanted to recognise contributions that citizens including youth have made to the Community.	<ul style="list-style-type: none"> ▪ Rural ▪ Recreation 	In August 2008 three members of the community were awarded with Outstanding Service Awards, and six for General Service.
Life Cycle Challenge	Inter Council competition with Thames Coromandel District Council	<ul style="list-style-type: none"> ▪ Recreation 	HDC staff took part in the 24 hour Life Cycle Challenge and raised \$1,832 for Cancer Research.

Summary of Annual Report 2008/09 Hauraki District Council

Project	What initiated this project?	Contributes to which Community Outcomes	Achievement in 2008/09
Get a Life	The recognition through the Labour Market Strategy of the need to promote training opportunities.	<ul style="list-style-type: none"> ▪ Economic 	Get a Life month was held in May 2009 across the Waikato region. Specific events were held, and the website www.getalifewaikato.co.nz was updated.
Better Futures Hauraki (BFH)	Community Outcomes process identification	<ul style="list-style-type: none"> ▪ Health and social ▪ Youth 	Continuation of facilitating the governance group meetings and the staff meetings with various social service agencies to discuss local Hauraki priorities and to progressing actions in the BFH action plan.

Regulatory Services

Regulatory Services are a group of responsibilities placed on Council by Central Government to ensure community compliance with national standards and guidelines.

The activities that comprise the Regulatory Services Group are Resource Management Implementation, Building Control, Community Protection and Animal Control.

What is the operating cost of the Regulatory activity?

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
OPERATING EXPENDITURE			
RMA Implementation	841	844	797
Building Services	1,007	995	872
Community Protection	526	547	425
Animal Control	350	366	318
	2,724	2,752	2,412
OPERATING REVENUE			
Fees and Charges	987	1,323	1,230
General Rates	1,429	1,429	1,245
	2,416	2,752	2,475
OPERATING SURPLUS/(DEFICIT)	(308)	-	63

Key Non-Financial Performance Measures

Activity	Current Levels of Service	Measure	Target 2006-09	Achievement in 2008/09
Resource Management Implementation	Provide a monitoring service which ensures compliance with consent conditions.	To ensure 90% of all land use resource consents are monitored for compliance.	Within 3 months of being granted.	Achieved: 77 of 77 (100%) of land use consents were monitored within 3 months of issue.
	All LIM's are issued within statutory timeframes.	100% of LIM's issued within 10 working days.	98%	Not achieved: 187/202 (92.57%) of LIMs were processed within 10 working days. Average processing time was 6.71 days per LIM.
Building Services	Public buildings are safe to use.	Audits confirm building owners are maintaining compliant building warrant of fitness systems.	10% of buildings are audited.	Achieved: 17 of the 140 (12%) Building Warrant of Fitness were audited.
	Building consent applications will be processed in a timely	Building consent applications not requiring additional	>90%	Achieved: 99% of the 259 building consent applications (without further information

Summary of Annual Report 2008/09 Hauraki District Council

Activity	Current Levels of Service	Measure	Target 2006-09	Achievement in 2008/09
	and effective manner.	information processed within 20 working days.		required) were processed in time.
Community Protection	Provision of health premises' regulations.	Number of food premises monitored for compliance with appropriate legislation.	100%	Achieved: 100 % of Low Risk and Medium Risk food premises were monitored for compliance. There were 22/22 (100%) inspected. Three licenses were closed during the year. Medium Risk 118/118 (100%) inspected. Eighteen licenses closed during the year
Animal Control	Council will ensure compliance with the Dog Control legislation and by-law, and Stock Impounding Act.	Number of known dogs registered at 30 June.	>85%	Achieved: 99.56%. 4127 known dogs registered. 18 known dogs not registered.

Key Council projects that have contributed to Community Outcomes

Project	What initiated this project?	Contributes to which Community Outcomes	Achievement in 2008/09
Memorandum of Understanding (MOU) with Waihi Mine.	Martha Mine South Wall stability cutback and it's proximity to residential and commercial areas.	<ul style="list-style-type: none"> ▪ Environmental ▪ Economic ▪ Health 	A MOU with the company has continued to remain in effect and has proven to be effective in terms of responses to issues.
Building Control Accreditation	The need to ensure compliance for all building consents to the Building Act 2004 and Building Code using systems and processes that have been independently accredited by a National Accreditation Agency.	<ul style="list-style-type: none"> ▪ Economic ▪ Environmental 	The Hauraki District Council BCA achieved accreditation in May 2008. Since then staff have updated the procedures manual, implemented a programme of improvement and are presently working towards a re-assessment on the 10 th August 2009. Over the period reports indicate that the BCA has granted 95% of Building Consent applications within the statutory time frame of 20 working days with an average processing time of 15 working days.

Summary of Accounting Policies

Reporting Entity

Hauraki District Council 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). The financial statements of HDC are for the year ended 30 June 2009 and were adopted by Council on 28 October, 2009.

The financial statements of HDC have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. The information included in this report is prepared in accordance with the FRS 43: Summary Financial Statements. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, biological assets and financial instruments.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of HDC is New Zealand dollars.

Major Variances

Operating

The operating deficit was \$0.4 million higher than budgeted. The principal factors in this variance to budget were, \$1.9 million increased networks operating expenditure, and a \$1.4 million decrease in quarry sales. Offsetting these were \$2.1 million of vested assets, and reassessment of the landfill aftercare liability downwards by \$1.2 million.

Revaluations

The total comprehensive surplus was \$26 million. This was \$8 million lower than budgeted due to timing of revaluations. Roothing assets were revalued in 2008 instead of 2009 as budgeted. Together the 2009 \$26.4 million revaluation of non-roading infrastructure and the 2008 \$13.1 million revaluation of roading were \$5.1 million higher than the 34.4 million budgeted in 2009 for the revaluation of all infrastructure assets.

Contingent Liabilities

➤ Weathertight Homes Claims

There were three known claims against HDC lodged with the Weathertight Homes Resolution Service as at 30 June 2009. Council believes it has no liability under any of these claims.

➤ Insurance Claims

There were no known claims against HDC as at 30 June 2009.

➤ Guarantees

Paeroa Netball Association	\$15,000
Paeroa Centennial Park Board	\$30,000
Waihi Netball Association	\$50,000

Capital Commitments

Capital expenditure contracted for at balance date but not yet incurred was \$542,000 (2008 \$1,956,000).

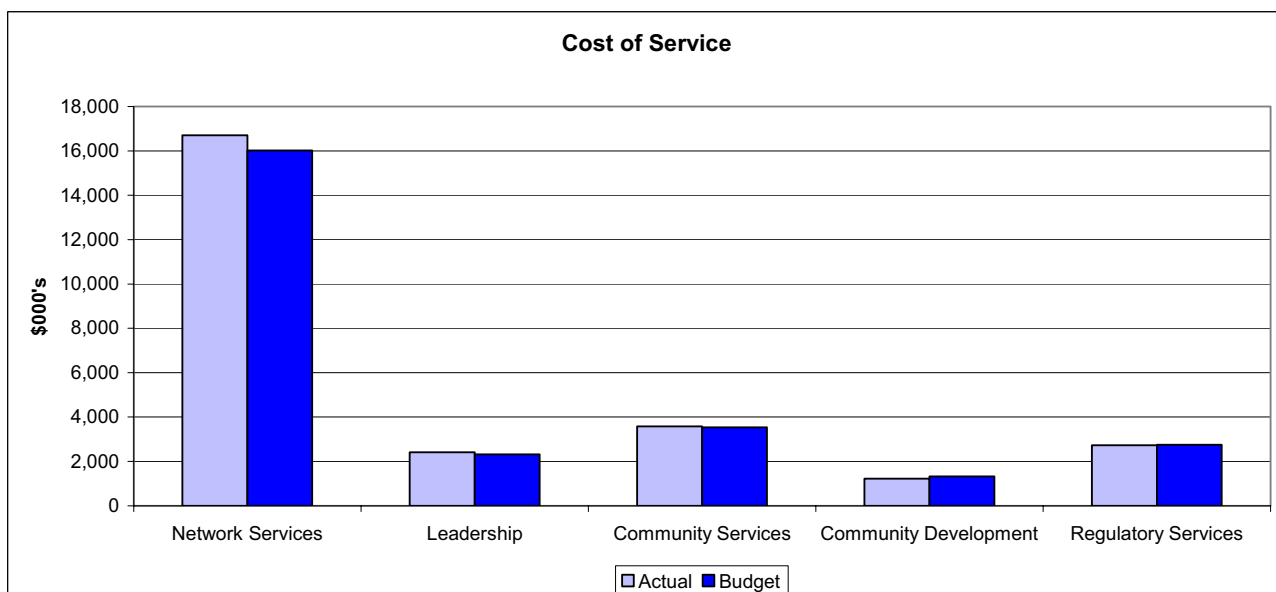
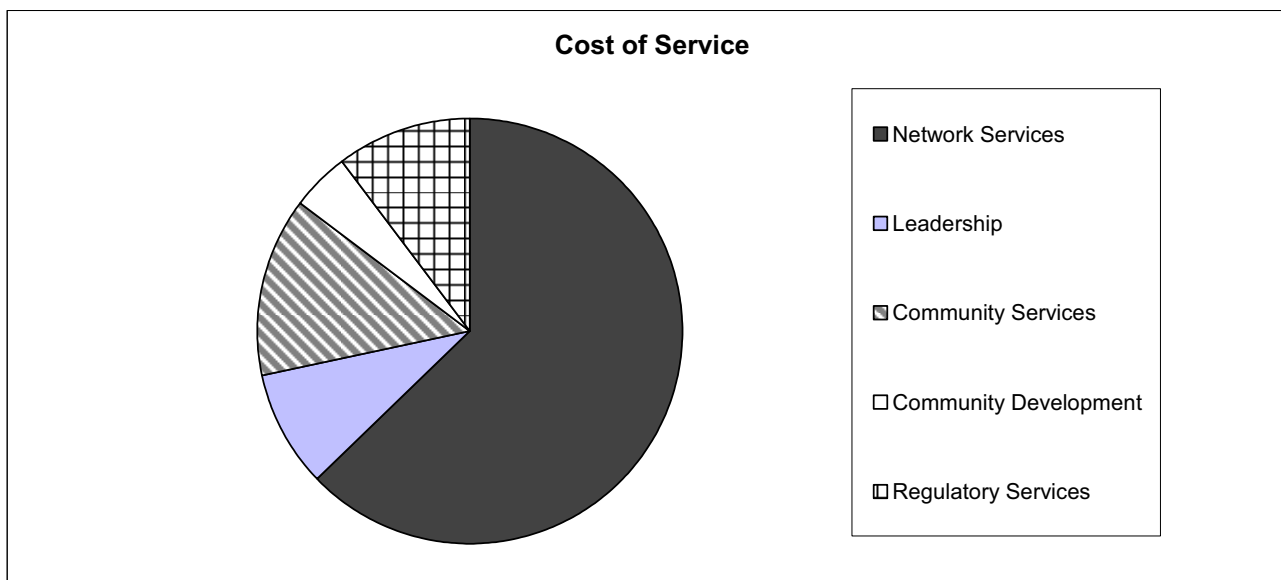
Comparatives Restated

GST of \$737,000 should have been included in the 2008 figure for trade and other receivables. This has been corrected by increasing by \$737,000 the 2008 values for trade and other receivables, and trade and other payables.

Remuneration and Severance Disclosure

The total cost to Council of the remuneration for the 14 current and 5 previous council members and the 5 senior managers was \$1,030,000 (2008 \$1,031,000). Retiring allowances of \$60,000 (2008 \$16,000) were paid to employees.

Financial Information for the year ended 30 June 2009



Summary of Annual Report 2008/09

Hauraki District Council

Financial Statements for the year ended 30 June 2009

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
COMPREHENSIVE INCOME			
Activity revenue	23,985	24,146	23,959
Other income	4,325	3,304	7,163
Total Revenue	28,310	27,450	31,122
Activity expenditure	25,732	24,283	26,163
Other expenditure	3,066	3,216	3,648
Total Expenditure	28,798	27,499	29,811
Net Surplus/(Deficit) From Operations	(488)	(49)	1,311
Property, Plant & Equipment Revaluation Increment	26,393	34,374	13,151
Share of income/(loss) from joint ventures	4	0	(9)
Total Comprehensive Surplus/(Deficit)	25,909	34,325	14,453
Total expenditure above includes finance costs of:	803	524	458
Comprehensive Surplus/(Deficit) above includes fair value gains/(losses) of:	26,395	34,425	13,000
MOVEMENTS IN EQUITY			
Equity at beginning of year	430,041	416,284	415,588
Total recognised income & expense	25,909	34,325	14,453
Equity at end of year	455,950	450,609	430,041
FINANCIAL POSITION			
Current Assets	8,088	8,790	8,037
Non-Current Assets	465,077	458,496	435,302
Total Assets	473,165	467,286	443,339
Current Liabilities	13,730	8,099	9,078
Non-Current Liabilities	3,485	8,578	4,220
Total Liabilities	17,215	16,677	13,298
Net Assets	455,950	450,609	430,041
CASHFLOWS			
Net cash from operating activities	2,833	7,163	6,039
Net cash from/(to) investing activities	(9,664)	(12,239)	(8,255)
Net cash from/(to) financing activities	6,529	5,227	2,129
Net increase/(decrease) in cash equivalents	(302)	151	(87)
Cash Balance at beginning of year	478	(15)	565
Cash Balance at end of year	176	136	478

Audit Report

The full financial statements were audited and received an unqualified audit opinion.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Audit Report

**To the readers of Hauraki District Council's
summary annual financial statements, performance information and the
other requirements
for the year ended 30 June 2009**

We have audited the summary financial statements, performance information and the other requirements as set out in pages 2 to 18.

Unqualified Opinion

In our opinion:

- the summary financial statements, performance information and the other requirements represent, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the information reported in the summary financial statements, performance information and the other requirements complies with FRS-43: Summary Financial Statements and is consistent with the full financial statements from which it is derived.

We expressed an unqualified audit opinion, in our report dated 28 October 2009, on:

- the full financial statements;
- the performance information; and
- the Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

Basis of Opinion

Our audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. Other than in our capacity as auditor, we have no relationship with or interests in Hauraki District Council.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report and we are responsible for expressing an opinion on those summary financial statements, performance information and the other requirements. These responsibilities arise from the Local Government Act 2002.



Ben Halford Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand
28 October 2009