SUMMARY ANNUAL REPORT

2024 - 2025

Contents

About the Summary Annual Report

The full Annual Report provides information about our performance during the 2024/2025 financial year.

This document is a summary of that report intended to quickly provide an overview of the full report.

If you wish to know more, then the full Annual Report is available on the Council's website at www.hurunui.govt.nz

HURUNUI District Council

From the Mayor and Chief Executive Officer

This Annual Report presents Hurunui District Council's progress against the first year of the Long Term Plan for the 2024-2034 period.

Our annual report is a chance to pause and reflect on the work that has been completed over the past year, and to celebrate the progress on new and ongoing projects and acknowledge the work ahead of us.

Our teams' achievements include some milestone moments including the completion and transition for Hurunui No1 water scheme, the purchase of land to implement a proactive relocation opportunity in the face of climate change and further development of the Village Green in Amberley, alongside a collection of other projects that contribute to our district's wellbeing.

Like the rest of the community, we have felt the impacts of rising costs and the economic pressures. These challenges have required us to make decisions that have been identified in the Annual Plan while balancing the suite of central government initiatives including the implementation of the Local Water Done Well policy.

Council recorded a total operating deficit of $7.4 million, with the key components summarised below:

Revenue:

Total revenue for the year was $65.2 million, which was $2.96 million lower than the budget. The key variances from budget were:

- Development Contributions for the year amounted to $685,000 whereas the budget allowed for in the LTP was $1.37 million.
- For the 2024/25 financial year, there were no assets vested to Council from developers, whereas the LTP budget allowed for a balance of $2.82 million.
- This was offset by subsidies and grants being $493,000 greater than budget primarily due to unbudgeted grant funding received for the Soldiers' Block upgrade.
- Fees and Charges are down on budget due to the Hanmer Springs Thermal Pools and Spa receiving $1.11 million less revenue than budgeted.

Expenditure:

Total expenditure was $72.6 million, which was $1.7 million greater than budget. The key variances from budget were:

- Operating costs were $1.6 million ahead of budget due to additional expenditure for Insurance, increased electricity costs and the renourishment work undertaken on the Bund at Amberley Beach, which was budgeted for in the previous financial year but undertaken this year.
- Finance costs were $969,000 greater than budget due to the reduction in the fair value of the Council's interest rate swaps as at 30 June 2025.

Other comprehensive revenue:

- Council revalued its Roading network at the end of June 2025 which resulted in a $89.5 million increase.

Financial position at the end of the year

Fixed assets:

Total Council assets sat at $1.008 billion as at 30 June 2025, some $104 million greater than last year. This reflects a combination of the increase of capital expenditure carried out over the financial year and the increase in the value of the roading network, which includes an historic valuation issue relating to the value of road formation.

Debt:

Council budgeted that total debt as at 30 June 2025 would be $86.5 million. The balance of debt at the end of June 2025 was $87.1 million.

Conclusion

Reflecting on the past year, I am proud of the achievements our team have made, together we consistently exceed expectations with award winning results in coastal adaption and water compliance. This significant progress is due to our committed staff and elected members combining to demonstrate their commitment to innovation and excellence. It is a privilege to work with the Hurunui District to ensure our district remains the place of choice for future generations.

Marie M. Black.

Mayor
Marie Black

Hamish Dobbie
Chief Executive Officer

End of year financial performance

Statement of comprehensive revenue and expense

Revenue:

- Overall, Revenue is lower than budget by $2.96 million.
- Subsidies and Grants were $0.49 million greater than budget as Council secured grants and better off funding towards the Soldiers' Block Upgrade that was not budgeted for. This was offset by receiving only $0.70 million of the $1.62 million funding towards the Fly Ride Project.
- Due to the lower level of development in the District during the year, only $0.69 million of the $1.37 million was received in Development Contributions and there were no Assets Vested in Council for the year as opposed to the budgeted $2.82 million.
- Fees and Charges are down on budget due to the Hanmer Springs Thermal Pools and Spa receiving $1.11 million less revenue than budgeted.

Expenditure:

- Other expenses are ahead of budget by $1.55 million. The key drivers of the additional expenditure has been Insurance particularly the increase to the Professional Indemnity cover; Electricity costs associated with the Water Supplies; and the costs associated with renourishing the Bund at Amberley Beach, which was carried over from the previous financial year.
- Finance expenses were $0.97 million greater than budget due to the reduction in the value of the $0.93 million in the fair value of the Council's Interest Rate Swaps as at 30 June 2025.

Other comprehensive revenue:

- The revaluation of roading network has resulted in a gain on asset revaluation of $89.5 million, whereas the budget anticipated an increase of $49.4 million.

Statement of financial position

Fixed assets:

- Property plant and equipment was $185.6 million higher than the level budgeted for. The key reason for this has been the revaluation of the roading network and a historic valuation issue relating to the value of road formation.

Debt:

Council had budgeted that the total debt as at 30 June 2025 would be $86.5 million. The debt at the end of the year was $87.1 million.

Council activities summary for the year to 30 June 2025

Water Supply

Overall, an operating deficit of $3,308,335 was recorded against a budgeted operating deficit of $2,673,781. The key variances from budget are:

- Other Income was $248,999 greater than budget due to connection fees being $57,599 higher than budgeted particularly on the Ashley Supply. Council also received $146,305 in unbudgeted transition funding from the DIA.
- There was no Vested Asset Income for the year compared to a budget of $369,000 as no subdivisions were completed during the period.
- Development contributions received during the year were $307,094 lower than budget as the level of new development was lower than anticipated.
- Other Direct Expenditure was $907,322 greater than budget due to: Electricity Costs are $466,437 higher than budget due to new infrastructure created; Insurance is $151,522 higher than budget due to a combination of an increase in valuation and the underlying premiums; Operational work in progress from prior year's capital expenditure of $270,999 was not budgeted for as an operating cost.
- Internal Interest paid is $449,217 greater than budget due to the higher level of internal debt than was forecast.
- Depreciation was $1,045,528 lower than budget due to the timing of the completion of key capital projects being later than expected.
- Capital Expenditure is $1,867,193 lower than budgeted due to the timing of projects with some key projects being carried over to the 2025/26 year.

Sewerage

Overall, an operating deficit of $1,300,733 was recorded against a budgeted operating deficit of $27,425. The key variances from budget are:

- There was no Vested Asset Income for the year compared to a budget of $690,000 as no subdivisions were completed during the period.
- Development contributions received during the year were $189,134 lower than budget as the level of new development was lower than anticipated.
- Employment Costs were $202,585 higher than budget due to the allocation of employment costs to Sewerage was higher than anticipated.
- Other Direct Expenditure is $172,078 higher than budget due to: Contractors were $212,630 higher than budget but offset by Compliance Testing being down on budget by $65,478 and Sludge Management being down on budget by $128,360. Insurance Costs were also $81,509 greater than budget due to the effect of the new valuation and the increase in the underlying premiums.
- Internal Interest was $140,908 higher than budget due to the higher level of internal debt than was forecast.
- Capital Expenditure is $1,006,711 lower than budget due to none of the $690,000 of vested assets being received during the year.

Stormwater and Drainage

Overall, an operating deficit of $156,101 was recorded against a budgeted operating surplus of $411,659. The key variances from budget are:

- There was no Vested Asset Income for the year compared to a budget of $658,000 as no subdivisions were completed during the period.

- Capital Expenditure is $1,376,648 lower than budget due to none of the budgeted $658,000 in vested assets were recognised during the year.

Roads and Footpaths

Overall, an operating deficit of $4,106,082 was recorded against a budgeted operating deficit of $1,754,380. The key variances from budget are:

- Other income was $614,962 lower than budget due to as the Long Term Plan Budget had allowed for Waka Kotahi Subsidies to be received for the Low Cost Low Risk Projects. In August 2025, Council received confirmation that no funding would be available.
- There was no Vested Asset Income for the year compared to a budget of $1,107,000 as no subdivisions were completed during the period.
- Other Direct Expenditure is $169,920 higher than budget but offset by capital expenditure being lower than budget.
- Depreciation was $484,270 higher than budget due to the effects of the latest revaluation.
- Capital Expenditure is $3,376,774 lower than budget due to: none of the $1,107,000 budget for Vested Assets were recognised in 2024/25; no funding for Low Cost Low Risk Projects was available during the year so the budget of $1,104,960 was not spent; and Pavement rehabilitation work and sealed road resurfacing lower than budget for the year.

Coastal Hazards

Overall, an operating deficit of $662,080 was recorded against a budgeted operating deficit of $15,197. The key variances from budget are:

- Direct Operating Expenditure is $671,131 higher than budget due to the Renourishment project undertaken on the Amberley Beach Foreshore Bund initiated by the ratepayers of Amberley Beach.
- Capital Expenditure is $2,900,890 higher than budget due to the unbudgeted purchase of land for the Amberley Beach Proactive Relocation project, offset by the deferral of the Motunau Beach land development project.

Public Services

Overall, an operating surplus of $396,539 was recorded against a budgeted operating deficit of $1,481,430. The key variances from budget are:

- Other income is $2,025,167 greater than budget due to funding towards the Soldiers' Block of $1,594,314 and the Tourism Infrastructure Funding towards the camping ground upgrades of $116,000 was not budgeted for.
- Internal Interest Received is $135,242 greater than budget due to various Development Contributions funds retained funds for longer earning additional internal interest than was anticipated.
- Development contributions are $203,997 lower than budget as the level of new development was lower than anticipated.
- Employment Costs are $193,411 lower than budget due to the staff time allocated to property was lower than was budgeted for the year.
- Other Direct Expenditure is $258,990 greater than budget due to the project costs relating to the ANZAC Memorial in Culverden and the completion of the Squash Club Renovation in Scargill.

- Property Capital Expenditure is $3,192,385 greater than budget due to the completion of the Soldiers' Block project with additional funds received and budgets carried forward from the previous year.
- Reserves Capital Expenditure is $523,377 lower than budget due to the timing of projects funding from Development Contributions in Amberley.
- Waste Minimisation Capital Expenditure is $857,004 lower than budget due to the budgeted Cheviot Transfer Station project being deferred.

Regulatory Services

Overall, an operating surplus of $169,321 was recorded against a budgeted operating surplus of $427. The key variances from budget are:

- Employment Costs are $133,383 lower than budget due to lower staff numbers than was allowed for in the budget due to timing of staff appointments.

Hanmer Springs Thermal Pools and Spa

Overall, an operating surplus of $1,438,613 was recorded against a budget of $2,772,060.

- The budget did allow for Provincial Growth towards the Fly Ride project of $1.62 million, however, only $700,000 of this funding was received.
- Excluding internal charges, transfers to offset reserve costs and the Provincial Growth Funding, the Hanmer Springs Thermal Pools and Spa facility recorded a surplus of $2,084,333, which was lower than the budget of $2,491,006.
- Capital Expenditure for the year was only $898,512 whereas the budget (which included work on the Fly Ride project) was $5,500,000.

Corporate Governance

Overall, an operating deficit of $323,002 recorded against a budget to break even for the year. The key variances from budget are:

- Rates are $223,672 greater than budget due to the recognition of rates penalties, which were budgeted as part of other income.
- Internal Interest Received is $565,462 greater than budget as the internal debt remained higher than was allowed for in the budget.
- Other Direct Expenditure is $990,145 greater than budget due to the recognition of the reduction in the value of the Council's Interest Rate Swaps at the end of June of $933,327.
- Internal Interest Paid is $333,876 greater than budget those activities that held funds remained higher than was allowed for in the budget.

Earthquake Recovery

Overall, an operating surplus of $349,990 was recorded against a budgeted surplus of $312,285 for the year. There are no significant variances from the budget for 2024/25.

Explanatory notes to the summary financial statements

The summary financial statements:

- Are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000's).
- Were approved for issue by the Hurunui District Council on 15 December 2025. The specific disclosures included in the summary financial statements have been extracted from the full Annual Report.
- Cannot be expected to provide as complete an understanding as provided by the full Annual Report.
- Comply with Public Benefit Entity Financial Reporting Standard No. 43 - Summary Financial Statements.

The full Annual Report:

- Was approved for issue on 2 December 2025. Section 98 of the Local Government Act 2002 requires that Council adopt its annual report within four months after the end of the financial year, so Council is in breach of the statutory deadline.
- The auditors have provided an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2025.

The full financial statements have been prepared in accordance with Tier 1, PBE accounting standards.

The Hurunui District Council is a public benefit entity.

Contingent assets

As at 30 June 2025, the Council had no outstanding contingent assets. (2024: $Nil).

Contingent liabilities

Local Government Funding Agency
The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a current credit rating from Fitch Ratings of AA+ and Standard and Poor's of AAA for local currency and AA+ for foreign currency.

As at 30 June 2025, the Council is one of the participating authorities of the LGFA as a guarantor. The Council is not a shareholder in the LGFA, however, the total uncalled capital of the shareholders amounts to $20.0 million, which is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors the Council is a guarantor of all of the LGFA's borrowings. At 30 June 2025, the LGFA had borrowings totalling $25.04 billion(2024: $23.03 billion).

Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value of the guarantee, and therefore has not recognised a liability. The Council considers the risk of the LGFA defaulting on repayment of interest or capital very low on the basis that:

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

Riskpool

Hurunui District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme (‘Riskpool’). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call, in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member’s claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Impairment of buildings

Council has started a process of reviewing all of its buildings for earthquake strengths. Currently the Council's policy is to ensure that buildings are at least 67% of New Building Standard (NBS), however, central government is in the process of reviewing this standard nationally. The Council has identified some buildings that are less than 33% NBS, which is the level that the current valuation for buildings has been assumed. Council has had some indicative costings on certain buildings to bring them up to the new standard of 67% NBS, however, there is not enough reliability to determine what level of costs would be required to match the level that the buildings were previously valued at and as a result, no specific impairment assessment has been allowed for in this Annual Report.

Water services reform programme

During 2024 and 2025, the Government passed three pieces of legislation giving effect to its water services reform programme (“Local Water Done Well”).

Under the Local Government (Water Services Preliminary Arrangements) Act 2024, territorial authorities have been required to consult their communities about the way in which they will provide water services in future. The Act also required territorial authorities to submit Water Services Delivery Plans outlining their preferred models for the delivery of water services to the Department of Internal Affairs for approval by 3 September 2025.

Following community consultation by both the Hurunui and Kaikōura District Councils, on 7 August 2025, the two councils submitted a joint Water Services Delivery Plan to the Department of Internal Affairs. The Plan provided for the establishment of a joint Water Services Council Controlled Organisation (WSCCO) in 2026/27. The WSCCO will be 100% owned by the two councils and governed by an independent skill-based Board.

The Local Government (Water Services) Act 2024 establishes a new framework for economic regulation of water services. It requires water services to be provided in a financially sustainable manner. The joint Water Services Delivery Plan prepared by the Hurunui and Kaikōura District Councils was based on the projections in the Long Term Plans for 2024-2034, with minor modifications reflecting the current regulatory context and anticipated funding covenants. The Plan, which has been accepted by the Secretary of the Department of Internal Affairs, shows that the new WSCCO will be operating in a financially sustainable manner by 2032/33.

The reforms have no impact on the 2024/25 financial statements, other than the inclusion of:

- grant income received from the Department of Internal Affairs for the project; and

- expenditure associated with community consultation, the preparation of the Water Services Delivery Plan, and other costs associated with the Local Water Done Well project.

Events after balance date

A separate disclosure has been made above for the water services reform programme.

Other than this issue, there are no further events subsequent to balance date that would affect the readers' understanding of the annual report.

Adjustments to opening balances

During the review of the updated valuation of the Roading Network, it was identified that the unit cost rates used to calculate the value of the information component was not appropriately updated to reflect the values applied in the sector.

Determining unit costs rates to apply to values relies on updated contract rates to ensure that the resulting valuation represents the current market rates. This ensures that any renewal programmes assessed from valuation data is up to date.

Council does not replace Road Formation and as such, there is little or no contract rates on which to determine the applicable unit cost rates.

For a number of revaluations, Council has applied an index adjustment as a proxy for those contract rates.

When comparing the indexed rates to unit costs rates utilised by similar Councils, it was determined that the unit cost rates applied by Hurunui

District Council did not appropriately reflect the sector rates. As at 1 July 2023, the PPE revaluation increased by $135,371,225.

The Roading Network was revalued as at 30 June 2025, which provided for a further increase in the value of $89,508,867.

To address the historical issue, Council has restated the balance of the Road Formation component of the 2022 Roading Valuation.

The result of the restatement is as follows:

- Restatement of the value of roading assets

- Restatement of the balance of the asset revaluation reserve

Summary Statement of service performance for the year to 30 June 2025

In the Council's Long Term Plan for 2024-2034, there are 63 non-financial performance measures in place to gauge the service performance of the Council's seven groups of activities. The full analysis of the performance is included on pages 9 to 72 of the full Annual Report. The summary is as follows:

Activity	Targets Achieved	Targets Not Achieved	Not Measured	Total Targets
Water Supplies	10	5	0	**15**
Sewerage	12	0	0	**12**
Stormwater and Drainage	8	0	0	**8**
Roading and Footpaths	7	2	0	**9**
Public Services	2	2	6	**10**
Regulatory Services	5	1	0	**6**
Hanmer Springs Thermal Pools & Spa	1	2	0	**3**
Total – 2024/2025	**45**	**12**	**6**	**63**

The summary of results for the 63 performance measures for the 2023/2024 year was as follows:

Activity	Targets Achieved	Targets Not Achieved	Not Measured	Total Targets
Water Supplies	10	5	0	**15**
Sewerage	11	1	0	**12**
Stormwater and Drainage	8	0	0	**8**
Roading and Footpaths	7^	2	0	**9**
Public Services	3	6	1	**10**
Regulatory Services	1	5	0	**6**
Hanmer Springs Thermal Pools & Spa	2	1	0	**3**
Total – 2023/2024	**43**	**20**	**0**	**63**

^ A Road Roughness Survey was not undertaken during the reporting year in anticipation of NZTA's Consistent Condition Data Collection project. Data will now be collected on a national basis and funded from the National Land Transport Fund. It is anticipated that data will be collected in the Hurunui District during December 2024 and January 2025. More information is available at https://www.nzta.govt.nz/planning-and-investment/planning/road-efficiency-group/consistent-condition-data-collection/

* To measure the quality of our outputs, we use the ratepayers' and residents survey to obtain customers, citizens and community views on Council services and their experiences with Council. This helps us to assess the quality of the service provided. As there is a significant cost of this process, Council has determined that the survey shall only be carried out every two years. A number of performance targets were not measured in the 2024/25 year as the previous survey related to the 2023/24 year.

Following is a selection of eleven of the performance measures – five relating to Water supply, three for Sewerage, two for Roading and one for the Hanmer Springs Thermal Pools and Spa. Also attached is the report relating to the Compliance with Drinking Water Quality Assurance Standards.

Compliance with the Drinking Water Quality Assurance Rules (DWQAR) 2022 for the period 1 July 2024 to 30 June 2025

The Council has been working towards ensuring that it complies with the requirements of the Water Services Act (2021), which requires the Council to take all practicable steps to comply with the Water Services (Drinking Water Standards for NZ) and Drinking Water Quality Assurance Rules (DWQAR).
The Outcome for each treatment plant and distribution zone is summarised in the table below. This is for the period 1 July 2024 to 30 June 2025.

All met – 100%; Almost Met – 95-99%; Partially Met 1 – 94.9%; None Met – 0%

Water supply	Size of supply (based on DWQAR definition)	Perfomance measure rules that compliance is assessed against	Treatment plant		Distribution zone Microbiological	Key Reasons for Not Meeting Full Compliance
			Bacterial	Protozoa		
Amberley (AMB001)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules				
- Racecourse			100% all met	99.9% almost met	100% all met	1 day with UVT too low for a 15 minute period
- Kowai			92.8% partially met	92.8 % partially met	100% all met	Non compliance relates to period prior to plant upgrade
- Leithfield Beach			100% all met	100% all met	100% all met	N/A
Amuri (AMU001)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	100% all met	100% all met	97.3% almost met	The sampling schedule for one month had a 10 day interval between samples instead of 9 days.
Ashley Rural (ASH002)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	100% all met	100% all met	100% all met	N/A
Balmoral (BAL003)	Medium (101 - 500 people)[4]	(c) T2 Treatment Monitoring Rules (d) T2 Filtration Rules (e) T2 UV Rules (f) T2 Chlorine Rules (g) D2.1 Distribution System Rules	95.9% almost met	54.5% partially met	100% all met	Monitoring requirements met but plant has no filters or UV. pH outside of rule specification
Blythe (BLY001)[1]	Small (26 - 100 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	58.0% partially met	58.0% partially met	100% all met	Plant upgraded with filters and UV in Nov 2024. Following the plant upgrade there were 2 days that the minimum UV Dose was not achieved due to challenging water quality following heavy rainfall. A Boil Water Notice was issued at this time.
Cheviot (CHE001)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D2 Microbiological Monitoring Rules	74.5% partially met	74.5% partially met	100% all met	Non-compliance relates to period prior to plant upgrade
Culverden (CUL001)	Medium (101 - 500 people)[4]	(c) T2 Treatment Monitoring Rules (d) T2 Filtration Rules (e) T2 UV Rules (f) T2 Chlorine Rules (g) D2.1 Distribution System Rules	100% all met	100% all met	100% all met	N/A
Hanmer Springs (HAN001)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	99.9% almost met	99.9% almost met	100% all met	One day where minimum UV dose was recorded as too low inaccurately for 55 minutes due to a fault with the flowmeter
Hurunui #1/Motonau (MOT016)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	33.4% partially met	33.4% partially met	100% all met	Non-compliance relates to period prior to plant upgrade
Kaiwara (KAI039)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	8.2% partially met	8.2% partially met	100% all met	Non-compliance relates to period prior to plant upgrade
Lower Waitohi (LOW001)[2]	Medium (101 - 500 people)[4]	(c) T2 Treatment Monitoring Rules (Aug 24 to Jun 25) (d) T2 Filtration Rules (Aug 24 to Jun 25) (e) T2 UV Rules (Aug 24 to Jun 25) (f) T2 Chlorine Rules (Aug 24 to Jun 25) (g) D2.1 Distribution System Rules (Aug 24 to Jun 25)	95.4% almost met	100% all met	100% all met	Chlorine level did not meet minimum specification for one compliance period. pH was outside of specification for three compliance periods.
		(h) T3 Bacterial Rules (Jul 24) (i) T3 Protozoal Rules (Jul 24) (g) D2.1 Distribution System Rules (Jul 24)	90.3% partially met	0% all met	100% all met	Plant operated under T3 rules in July 2024, did not met protozoa rules due to not having a protozoa barrier
		Overall	95.4% almost met	91.6% partially met	100% all met	
Parnassus (PAR009)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	99.9% almost met	99.9% almost met	100% all met	Monitoring and operational requirements met except for three instances of low UV dose.
Waiau Rural (WAI067)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	49.6% partially met	49.6% partially met	100% all met	Non-compliance relates to period prior to plant upgrade
Waiau Town (WAI026)	Medium (101 - 500 people)[4]	(c) T2 Treatment Monitoring Rules (d) T2 Filtration Rules (e) T2 UV Rules (f) T2 Chlorine Rules (g) D2.1 Distribution System Rules	97.9% almost met	100% all met	100% all met	Chlorine level did not meet minimum specification for three compliance periods.
Waikari Basin (HAW001)[3]	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	100% all met	100% all met	100% all met	N/A
Waipara (WAI068)	Large (>500 people)	(h) T3 Bacterial Rules (i) T3 Protozoal Rules (j) D3.29 Microbiological Monitoring Rules	100% all met	100% all met	100% all met	N/A

[1] For Blythe, Council has applied higher reporting rules. Reporting has been set at the rules for a large supply.
[2] In July 2024, the Lower Waithi Plant reported against the higher T3 reporting rules. From August 2024, it change to the lower T2 reporting rules, which is appropriate for a medium size supply. Council made that decision to reduce the cost of monitoring.
[3] Waikari Basin was reported as Hawarden in prior year
[4] Mandatory level 2 (medium (101-500 people) Bacteriological measures include (c) T2 treatment Monitoring Rules (f) T2 Chlorine Rules and (g) D.2.1 Distribution System Rule and Mandatory Level 2 Protozoal measures include (c) T2 treatment Monitoring Rules (d) T2 Filtration Rules and (e) T2 UV rules

Water supply: Safety – supply safe drinking water

Performance Measure Description	Performance target issue	Performance target outcomes
Meet bacterial compliance with Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and DWQAR (Drinking Water Quality Assurance Rules 2022). Less than 1 e-coli per 100ml of drinking water tested.	Bacteria compliance	Target: 100% compliance
Measurement method	Water Outlook in place for data analysis and reporting. Hill Labs used for sample analysis and is IANZ accredited. Monthly and quarterly reports are generated from Water Outlook and summarise compliance. Third party independent review report provided by Matt Molloy Consulting Ltd.	
End of year performance	**2025** – Target not achieved. 7 of the 18 water supplies were compliant. A further 5 almost met compliance and remaining 6 partially met compliance. An independent expert was engaged by the Council to review the results of compliance testing for the 2024-25 period and the results appear on the previous page (Compliance with DWQAR). **2024** – Target not achieved. An independent expert was engaged by the Council to review the results of compliance testing for the 2023-24 period and the results appear on the following page.	

Performance measure Description	Performance target issue	Performance target outcomes
Meet protozoa compliance with Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and DWQAR (Drinking Water Quality Assurance Rules 2022). Accredited treatment system in place to meet log-credited rating of water sources providing drinking water.	Protozoa compliance	Target:100% of compliant schemes as stated in the WINZ database
Measurement method	Water Outlook in place for data analysis and reporting. Monthly and quarterly reports are generated from Water Outlook and summarise compliance. Third party independent review report provided by Matt Molloy Consulting Ltd.	
End of year performance	**2025** –Target not achieved. 7 of the 18 water supplies were compliant. A further 3 almost met compliance. The remaining 8 partially met compliance. An independent expert was engaged by the Council to review the results of compliance testing for the 2024-25 period and the results appears on the previous page (Compliance with DWQAR).	

	2024 –<u>Target not achieved</u>. HDC is on track to achieve protozoa compliance by December 2024 for all water supplies. An independent expert was engaged by the Council to review the results of compliance testing for the 2023-24 period and the results appears on the following page.

Note – The Department of Internal Affairs updated this mandatory performance measure after the Council had published its Long-term Plan, which sets our statement of service. The updated measure still covers bacterial and protozoal compliance of water supplies but now is directly referenced to the relevant rules in the Drinking Water Quality Assurance Rules 2022. Our reporting is, therefore against those rules.

Note – There has been an improvement the results for Culverden and Waiau Town Supplies from last year as a result of the plant upgrade work during monitoring periods.

Table of the results for the period 2023-24:

Water Supply	Treatment Plants	Treatment Plant 2023-24 Bacterial	Protozoa	Distribution Zone Microbiological
Amberley (AMB001)	Amberley – Racecourse Road (TP02280)	336/336 d	336/336 d	12/12m
	Amberley – Leithfield Beach (TP01082)	336/336 d	336/336 d	12/12m
	Amberley – Kowai (TP02294)	0/266 d	0/266 d	12/12m
Amuri (AMU001)	Amuri (TP01076)	353/366 d	353/366 d	12/12m
Ashley Rural (ASH002)	Ashley Rural (TP00191)	366/366 d	366/366 d	12/12m
Balmoral (BAL003)	Balmoral (TP01077)	0/12 m	0/12 m	12/12m
Blythe (BLY001)	Blythe (TP00970)	0/12 m	0/12 m	12/12m
Cheviot (CHE001)	Cheviot (TP00198)	0/366 d	0/366d	12/12m
Culverden (CUL001)	Culverden (TP01080)	14/92 d 9/12 m	9/12 m	12/12m
Hanmer Springs (HAN001)	Hanmer Springs (TP00197)	366/366 d	366/366 d	12/12m
Hawarden (HAW001)	Hawarden/Waikari (TP100255)-Waikari Basin	366/366 d	366/366 d	12/12m
Hurunui #1/Motonau (MOT016)	Hurunui #1 (TP00196)	364/366 d	0/366 d	12/12m
Kaiwara (KAI039)	Kaiwara (TP00971)	0/12 m	0/12 m	12/12m
Lower Waitohi (LOW001)	Lower Waitohi (TP01084)	96/366 d	0/366 d	12/12m
Parnassus (PAR009)	Parnassus (TP01083)	0/12 m	0/12 m	12/12m
Waiau Rural (WAI067)	Waiau Rural (TP01085)	363/366 d	0/366 d	12/12m
Waiau Town (WAI026)	Waiau Town (TP00433)	5/12 m	8/12 m	12/12m
Waipara (WAI068)	Waipara (TP01086)	213/213 d	213/213 d	12/12m

d = days compliant with DWQAR requirements out of number of days operating
m = months compliant with DWQAR requirements out of number of months operating

Water supply: Maintenance – maintain water systems so water is not wasted or lost

Performance measure Description	Performance target issue	Performance target outcomes
The percentage of real water loss from the local authority's networked reticulation system. Real water loss is losses through leaks, meter inaccuracies or water theft, but excludes 'unauthorised consumption'.	Water loss from metered town supplies (on demand water)	To lose no more than 20% volume of water
Measurement method	From meter reading and SCADA or relevant monitoring system will be used to determine the water volume pumped in an on-demand and combined water system	
End of year performance	**2025** Target achieved - The real losses were 13.8%. Information from all metered (on-demand) water supplies was used to determine real water losses across the Hurunui District using a 'top-down' approach (water balance) for identifying where water supplied into a water supply distribution network is utilised and is typically used to establish the level of water loss occurring in a water supply network. **2024** Target achieved - The real losses were 15.1%. Information from all metered (on-demand) water supplies was used to determine real water losses across the Hurunui District using a 'top-down' approach (water balance) for identifying where water supplied into a water supply distribution network is utilised and is typically used to establish the level of water loss occurring in a water supply network.	

Water supply: Response time – to respond quickly to water supply call outs

Performance measure Description	Performance target issue	Performance target outcomes
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: • attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	Urgent fault responsiveness	To respond within 3 hours
Measurement method	The Customer Service Request (CSR) system will be used to measure the time from when the customer's call was first received and when an officer arrives at the site to investigate the request for service.	
End of year performance	**2025** Target achieved - The median response time was 1.30 hours. Council reviewed the reporting category to include restricted supply as part of urgent classification. 118 urgent restricted and on-demand requests were responded to. **2024** Target achieved - The median response time was 1.37 hours. Council reviewed the reporting category to include restricted supply as part of urgent classification. 134 urgent restricted and on-demand requests were responded to.	

Water supply: Customer satisfaction – reduce the number of water-related complaints

Performance measure Description	Performance target issue	Performance target outcomes
The total number of complaints received by the local authority about drinking water clarity.	Drinking water clarity	No more than 10 complaints per annum (2024: 15 complaints)
Measurement method	The measure is total number of requests for service logged into the CSR system relating to clarity issues.	
End of year performance	**2025** Target not achieved – 15 complaints were received relating to clarity. **2024** Target achieved - 7 complaints were received relating to clarity.	

Sewerage: System and adequacy – sewerage systems to operate as they should

Performance measure Description	Performance target issue	Performance target outcomes
Measuring the number of sewage overflows to the environment resulting from system inadequacy under 'normal' operating circumstances.	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	No more than 2 dry weather sewerage overflows per 1,000 connections
Measurement method	The CSR system will be used to measure the total number of 'dry weather' sewage overflows divided by the total number of wastewater rated properties divided by 1000.	
Current performance	**2025** Target achieved – 0.65 overflows per 1,000 connections have been experienced (3 overflows 4,636 connections). **2024** Target achieved – 1.89 overflows per 1,000 connections have been experienced (8 overflows for 4,213 connections).	

Sewerage: Response time – to quickly respond to and resolve sewerage systems faults

Performance measure Description	Performance target issue	Performance target outcomes
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: • attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site.	Call-out attendance time period	To respond within 2 hours
Measurement method	The CSR system will be used to measure the time from when the customer's call was first received and when an officer arrives at the site to investigate the request for service.	
Current performance	**2025** Target achieved - The median response time for blockages and mechanical and electrical faults was 0.23 hours (12 total requests for service). **2024** Target achieved - The median response time for blockages and mechanical and electrical faults was 0.38 hours (8 total requests for service).	

Sewerage: Customer satisfaction – reduce the number of sewerage-related complaints

Performance measure Description	**Performance target issue**	**Performance target outcomes**
The total number of complaints received by the territorial authority about sewage odour	The number of complaints about sewerage odour	No more than 3 complaints per annum
Measurement method	The CSR system will be used to measure the total number of requests for service relating to sewage odour.	
Current performance	**2025** Target achieved - 3 complaints were received relating to odour. **2024** Target achieved – 3 complaints were received relating to odour.	

Roading: Road safety – have roads which are safe to drive on

Performance measure description	**Performance target issue**	**Performance target outcomes**
Measure of fatalities and serious injuries on local roads assessed by NZ Police as being attributable to poor or negligent road maintenance outcomes.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	No fatalities and serious injury crashes on local (HDC) roads
Measurement method	Measured by statistics provided by NZTA (Crash Accident Statistics data) for Hurunui's local roads, linked to NZ Police reports of 'findings of investigation - most likely cause of accident'.	
End of year performance	**2025** Target not achieved - CAS shows 6 serious and 2 fatal crashes in the Hurunui District for the 2024-25 financial year. Neither of the fatal crashes were attributed to poor or negligent road maintenance outcomes. **2024** Target achieved - CAS shows 5 serious and no Fatal crashes in the Hurunui District for the 2023-24 financial year. None of the reported crashes were attributed to poor or negligent road maintenance outcomes and a decrease in the number fatal and serious crashes compared to prior year.	

Roading: Road maintenance – maintain our roads to be in good condition

Performance measure description	Performance target issue	Performance target outcomes
Measured as the percentage of sealed roads resealed each financial year.	The percentage of the sealed local road network that is resurfaced.	To reseal more than 5% of our local roads every year
Measurement method	RAMM provides reseal data through the Pavement & Surfacing module	
End of year performance	**2025** Target achieved – 5.04% (31.4 km was resealed of the 623.3km of sealed roads in the network). **2024** Target not achieved – 4.78% (29.8km was resealed of the 623.3km of sealed roads in the network). The 5% target was not met due to funding constraints.	

Hanmer Springs Thermal and Spa: Profitability – achieve our business plan

Performance measure Description	Performance target issue	Performance target outcomes
Measurement of results compared to the Council approved business plan.	Profit	To make the profit which is forecast for each year
Measurement method	As recorded in financial reports for the Business Unit.	
End of year performance	**2025** Target not achieved – A surplus after depreciation and interest of $1,757,433 was achieved against budgeted surplus of $3,057,165. This is $1,299,733 lower than the profit forecast. $920,000 of that shortfall is due to Provincial Growth Funding - the LTP budget carried over the grant funding from the previous year of $1.62 million relating to the Fly Ride Project to which only $700,000 was received. The balance of the shortfall represents the difficult market facing the tourism sector. **2024** Target not achieved – A surplus after depreciation and interest of $1,494,770 was achieved against budgeted surplus of $3,560,056. The target was not achieved primarily due to not receiving the budgeted grant funding relating to the Fly Ride Project of $1.62 million.	

Statement of Service Performance Policies, Critical Judgement and Assumptions

The service performance reporting has been disclosed for as part of the Groups of Activities included in the full Annual Report on Pages 9 to 72.

The Statement of Service Performance of the Hurunui District Council has been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Statement of Service Performance has been prepared in accordance with Tier 1 PBE financial reporting standards (PBR FRS 48), which have been applied consistently throughout the period, and complies with PBE financial reporting standards.

Service performance reporting judgements
PBE FRS 48 requires the disclosure of judgements used in the selection, measurement and aggregation of service performance information in Council's Annual Report 2024/25.

In the preparation of the performance framework in the Long Term Plan 2024-2034, Council has made the following judgments in the selection of our service performance measures:

- We have reflected on the extent to which the levels of service we planned to provide to the community were best captured by performance measures
- We have updated the levels of service and performance measures and consulted on these with our community during the preparation of the Long Term Plan 2024-2034. The measures are those that Council needs to report against in this Annual Report 2024/25.
- Every two years, we have surveyed our community on how we are going against some of the performance measures through our ratepayers' and residents' survey, and have considered the views and feedback expressed by our residents.
- We have ensured that the performance measures adequately inform progress towards delivering the outcomes in Council's Long Term Plan.

The performance framework links to Council's vision and community outcomes and these can be found in the Long Term Plan 2024-2034.

Changes to performance framework from the 2023/24 year
Through the Long Term Plan process for the 2024-34 period, Council updated and consulted on the performance framework. There has been changes to the performance target outcomes as provided for in the previous year. These are:

Water:

- Protozoa Compliance – Target for 2025 is 15 out of 20 water supplies compliant (2024: 11 of 20 supplies).
- Urgent fault resolution – Target for 2025 is to fix within 4 hours (2024: 6 hours)
- Customer satisfaction - drinking water clarity – Target for 2025 is no more than 10 complaints (2024: 15 complaints)
- Customer satisfaction - drinking water pressure or flow – Target for 2025 is no more than 340 complaints (2024: 380 complaints)
- Customer satisfaction – continuity of drinking water supply – Target for 2025 is no more than 180 complaints (2024: 200 complaints)

- Customer satisfaction – issues in drinking water – Target for 2025 is no more than 40 customer complaints per 1,000 connections (2024: 50 complaints per 1,000 connections)

Wastewater:

- Customer satisfaction - number of complaints about sewerage system blockages – Target of no more than 18 complaints per annum (2024: 19 complaints)
- The number of complaints about sewerage system blockages – Target for 2024 is no more than 19 complaints (2023: 20 complaints)

Public services:

- Residual Waste disposed to landfill – the weight of waste to landfill – Target is no more than 3,877 tonnes of waste to landfill per annum (2024: no more than 3,800 tonnes)
- Residual Waste disposed to landfill – recycling to waste ratio – Target is more than 31% of waste in recycling (2024: more than 48%)

Mandatory performance measures for transport, water supply, wastewater, stormwater and flood protection

Under section 261B of the Local Government Act 2002, the Secretary for Local Government made the Non-Financial Performance Measures Rules 2013. These rules outline mandatory performance measures for all councils to include in their Long Term Plans and to report on through their Annual Reports. The purpose was to enable the public to compare across councils the level of service provided in relation to the following groups of activities: transport, water supply, wastewater, stormwater, and flood protection. Council has no discretion on these mandatory performance measures and is reporting on them in this Annual Report.

Measures to demonstrate statutory compliance

We are also required to demonstrate compliance against some of our statutory requirements (such as percentage of both building consents and resource consents applications processed within 20 statutory days). Including performance measures on these matters helps demonstrate to our community how we comply with our statutory obligations.

Other judgements

Further to the above judgements being made in the selection of performance measures, we also apply judgements on how we report against the range of other services we provide to our community. We make judgements on what we will measure, how we will measure the levels of service, and on the aggregation and presentation of service performance information relating to those activities.

These judgements may be informed by a range of factors including:

- levels of satisfaction with Council services received in residents' surveys and other sources
- implementation of Council policies and plans
- areas where Council is investing additional funding in order to see the impact that has on levels of service and satisfaction with services
- areas where Council is interested in monitoring changing behaviours and attitudes in the community in relation to the services it delivers
- the effectiveness of expenditure in terms of delivering on outcomes.

Setting funding levels for services

As part of setting funding levels, Council has considered the impact on services and their related performance measures. Despite funding pressures across Council, we determined through the Annual Plan 2023/24 process that the levels of service will remain at current levels and, as such, they did not need to be adjusted for funding reasons.

Material judgements

Material judgements have been applied as follows:

Surveys

To measure the quality of our outputs, we use the ratepayers' and residents survey to obtain customers, citizens and community views on Council services and their experiences with Council. This helps us to assess the quality of the service provided.

- These surveys are carried out independently by external parties.
- They have also been designed to measure changes in perception of service delivery over time.
- As there is a significant cost of this process, Council has determined that the survey shall only be carried out every two years with the last survey relating to the 2023/24 year, so no measure will be recorded for the 2024/25 year. (This does not include the survey performance measure relating to the Hanmer Springs Thermal Pools and Spa, which is carried out annually.)

Smooth Travel Exposure

Smooth Travel Exposure represents the proportion of total vehicle travel occurring on road surfaces that meet defined smoothness standards, calculated by combining road condition survey data commissioned by NZTA with Vehicle Kilometres Travelled (VKT), where VKT is derived from traffic volumes and the length of each road section.

To calculate STE, we use two main types of data:

- Traffic counts – to estimate how much driving happens on each road.
- Road condition data – to measure how rough or smooth the road surfaces are.

In 2025, the Council enhanced its process for capturing traffic count data and adopted the Apopo Traffic Monitoring Estimation Guideline for traffic estimate. The Council is confident that the system now delivers accurate estimates of driving activity across the district network through the current traffic count program and provides a reliable basis for STE results.

Customer Service Requests

A number of measures refer to Customer Service Requests (CSRs). These are requests received via a range of methods (telephone, email, the Snap Send Solve app, direct referral to staff). All CSRs are entered into the Council's Enterprise System (Magiq) and tracked through to completion. The assumption is that all CSRs are managed through this process and not dealt with by staff independently**.**

External implications for statements about performance

There are conditions that affect the service performance results and may result in a variation from the anticipated or forecasted results. These are ones which are outside the control of the Council. For example, in previous years, the performance of the Hanmer Springs Thermal Pools and Spa has been substantially affected by the restrictions imposed under the Covid-19 protocols.

Summary statement of comprehensive revenue and expense for the year ended 30 June 2025

	Group		Council		
	Actual 2025 $000's	Actual 2024 $000's	Actual 2025 $000's	Budget 2025 $000's	Actual 2024 $000's
Revenue					
Rates, excluding targeted water supply rates	31,820	28,257	31,820	31,669	28,257
Targeted rates for water supply	1,089	870	1,089	972	870
Subsidies and grants	8,522	9,090	8,522	8,039	9,090
Development and financial contributions	685	1,803	685	1,370	1,803
Fees and charges, excluding those for water supplies	21,255	20,607	21,255	22,313	20,607
Fees and charges for water supplies	299	191	299	93	191
Interest revenue	263	170	263	-	170
Other revenue	1,263	6,455	1,263	3,702	6,455
	65,195	**67,443**	**65,195**	**68,158**	**67,443**
Less Expenditure					
Employee benefits	20,322	18,635	20,322	20,480	18,635
Other expenses	30,046	29,063	30,046	28,494	29,063
Finance expenses	4,560	3,100	4,560	3,591	3,100
Depreciation, amortisation and loss on disposal	17,654	16,753	17,654	18,360	16,753
Total operating expenditure	**72,581**	**67,551**	**72,581**	**70,925**	**67,551**
Operating surplus/(deficit) before tax	**(7,386)**	**(108)**	**(7,386)**	**(2,767)**	**(108)**
Share of associates surplus/(deficit)	(10)	1	-	-	-
Net surplus/(deficit) before tax	**(7,396)**	**(107)**	**(7,386)**	**(2,767)**	**(108)**
Tax expense	-	-	-	-	-
Net surplus/(deficit) after tax	**(7,396)**	**(107)**	**(7,386)**	**(2,767)**	**(108)**
Add other comprehensive revenue and expense					
Gains/(losses) on asset revaluation	89,509	40,108	89,509	49,434	40,108
Gains/(losses) in fair value of shares	(66)	28	(66)	-	28
Impairment to property plant and equipment	-	-	-	-	-
	89,443	**40,136**	**89,443**	**49,434**	**40,136**
Total comprehensive revenue and expense	**82,047**	**40,029**	**82,057**	**46,667**	**40,028**

Summary statement of financial position as at 30 June 2025

	Group		Council		
	Actual 2025 $000's	Actual 2024 $000's	Actual 2025 $000's	Budget 2025 $000's	Actual 2024 $000's
Assets					
Current assets					
Cash and cash equivalents	4,390	2,069	4,390	213	2,069
Trade and other receivables	5,683	5,299	5,683	4,448	5,299
Inventories	134	122	134	158	122
Non-current assets held for sale	-	-	-	705	-
Other financial assets	2	2	2	-	2
Derivative financial instruments	-	22	-	-	22
Total current assets	**10,209**	**7,514**	**10,209**	**5,524**	**7,514**
Non-current assets					
Property, plant and equipment					
- Operational	70,643	67,104	70,643	65,252	67,104
- Restricted	67,565	63,083	67,565	74,890	63,083
- Infrastructure	854,998	762,707 *	854,998	667,418	762,707 *
Intangible assets	1,448	806	1,448	359	806
Forestry assets	278	253	278	326	253
Other financial assets	2,967	1,985	2,967	2,463	1,985
Investments in associates	274	283	-	-	-
Derivative financial instruments	-	715	-	-	715
Total non-current assets	**998,171**	**896,937**	**997,897**	**810,708**	**896,653**
Total assets	**1,008,380**	**904,451**	**1,008,106**	**816,232**	**904,168**
Liabilities					
Current liabilities					
Payables and deferred revenue	13,233	11,709	13,233	12,522	11,709
Landfill aftercare provision	302	348	302	-	348
Employee entitlements	1,815	1,732	1,815	1,912	1,732
Current portion of term debt	28,118	17,000	28,118	-	17,000
Derivative financial instruments	1	-	1	-	-
Total current liabilities	**43,469**	**30,789**	**43,469**	**14,434**	**30,789**
Non-current liabilities					
Term debt	59,000	50,000	59,000	86,500	50,000
Payables and deferred revenue	-	-	-	-	-
Landfill aftercare provision	47	50	47	-	50
Employee entitlements	99	89	99	260	89
Derivative financial instruments	195	-	195	-	-
Total non-current liabilities	**59,341**	**50,140**	**59,341**	**86,760**	**50,140**
Total liabilities	**102,810**	**80,928**	**102,810**	**101,194**	**80,928**
Net assets	**905,570**	**823,523**	**905,296**	**715,038**	**823,239**
Equity					
Asset revaluation reserve	733,155	643,646 *	733,155	540,759	643,646 *
AFS investments revaluation reserve	200	266	200	-	266
Special fund reserves	7,388	10,136	7,388	-	10,136
Rate reserve funds	(96,304)	(80,923)	(96,304)	(90,118)	(80,923)
Retained earnings	261,132	250,398	260,858	264,397	250,114
Total equity	**905,570**	**823,523**	**905,296**	**715,038**	**823,239**

**The comparative balances have been restated to reflect an adjustment to the prior year. Refer to the note - Adjustment to opening balances on page 10.*

Summary statement of changes in equity
for the year ending 30 June 2025

	Group		Council		
	Actual 2025 $000's	Actual 2024 $000's	Actual 2025 $000's	Budget 2025 $000's	Actual 2024 $000's
Equity at start of year	**823,523**	**646,933**	**823,239**	**668,371**	**646,650**
Add total comprehensive revenue and expense for year	82,047	40,029	82,057	46,667	40,028
Adjustment to opening balance of Revaluation Reserve	-	135,371 *	-	-	135,371 *
Adjustment to opening balance due to reclassification of Property, Plant and Equipment	-	(266)	-	-	(266)
Found assets	-	1,455	-	-	1,455
Equity at end of year	**905,570**	**823,523**	**905,296**	**715,038**	**823,239**

**The comparative balances have been restated to reflect an adjustment to the prior year.*
Refer to the note - Adjustment to opening balances on page 10.

Summary statement of cash flows for the year ending 30 June 2025

	Group		Council		
	Actual 2025 $000's	Actual 2024 $000's	Actual 2025 $000's	Budget 2025 $000's	Actual 2024 $000's
Cash flows from operating activities					
Revenue	66,881	60,059	66,881	65,064	60,059
Agency receipts	5,393	4,628	5,393	4,771	4,628
Interest received	183	374	183	-	374
Dividends received	236	145	236	180	145
Payments to suppliers and employees	(49,363)	(47,967)	(49,363)	(48,686)	(47,967)
Interest and other costs of finance paid	(4,535)	(2,899)	(4,535)	(3,591)	(2,899)
Agency payments	(5,393)	(4,630)	(5,393)	(4,771)	(4,630)
Net GST movement	(996)	825	(996)	-	825
Net cash from operating activities	**12,406**	**10,535**	**12,406**	**12,967**	**10,535**
Cash flows from investing activities					
Payment on loan	-	6	-	-	6
Proceeds from the sale of plant, property & equipment	55	456	55	-	456
Proceeds on sale of investments	-	-	-	-	-
Insurance recoveries	-	-	-	-	-
Payment for purchase of investments	(993)	(511)	(993)	-	(511)
Payment for plant, property & equipment	(29,265)	(29,118)	(29,265)	(34,585)	(29,118)
Net cash from investing activities	**(30,203)**	**(29,167)**	**(30,203)**	**(34,585)**	**(29,167)**
Cash flows from financing activities					
Proceeds from the issue of debt securities	20,118	19,500	20,118	21,500	19,500
Repayment of loans	-	-	-	-	-
Net cash from financing activities	**20,118**	**19,500**	**20,118**	**21,500**	**19,500**
Increase/(decrease) in cash & cash equivalents	**2,321**	**868**	**2,321**	**(118)**	**868**
Cash and cash equivalents as 1 July	2,069	1,201	2,069	331	1,201
Cash and cash equivalents as 30 June	**4,390**	**2,069**	**4,390**	**213**	**2,069**

The GST (net) component of operating activities reflect the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Other Annual Report Disclosures for the year to 30 June 2025

Rating base information:

The following rating base information for Hurunui District Council is disclosed based on the rating base information at the end of the **preceding** financial year:

	30 June 2024
Number of rating units within the district	10,271
Total Capital Value of rating units within the district	$12,604,752,450
Total Land Value of rating units within the district	$8,612,587,939

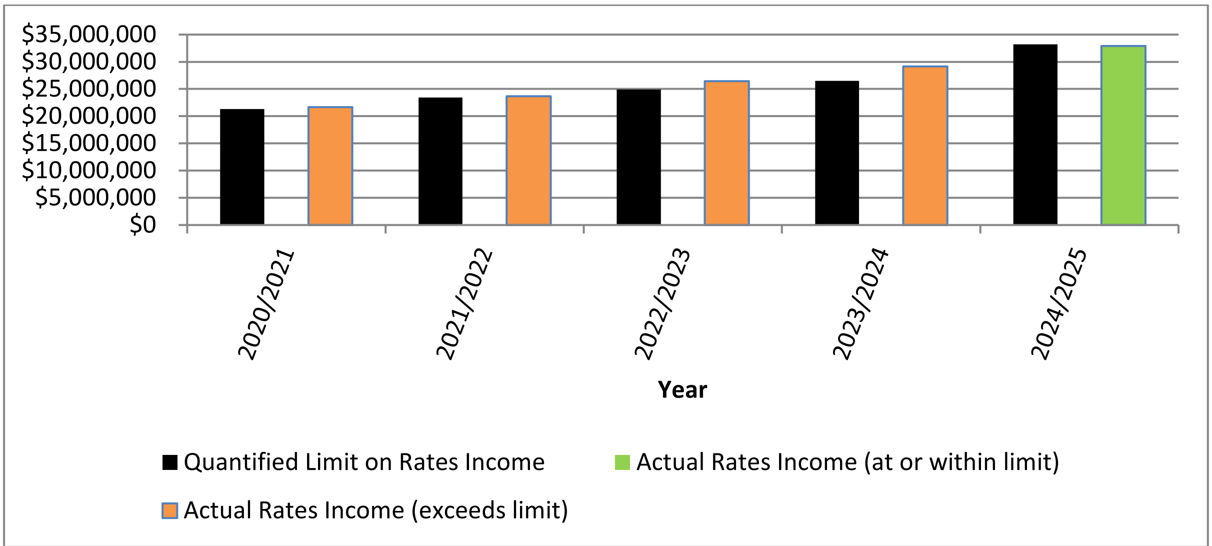
Key Benchmarks:

Under the Local Government (Financial Reporting and Prudence) Regulations 2014, the full Annual Report is required to provide a series of benchmarking graphs to enable the assessment of whether the Council is prudently managing its revenues, expenses assets, liabilities, and general financial dealings.

Below is a selection of those benchmark graphs:

Rates (income) affordability

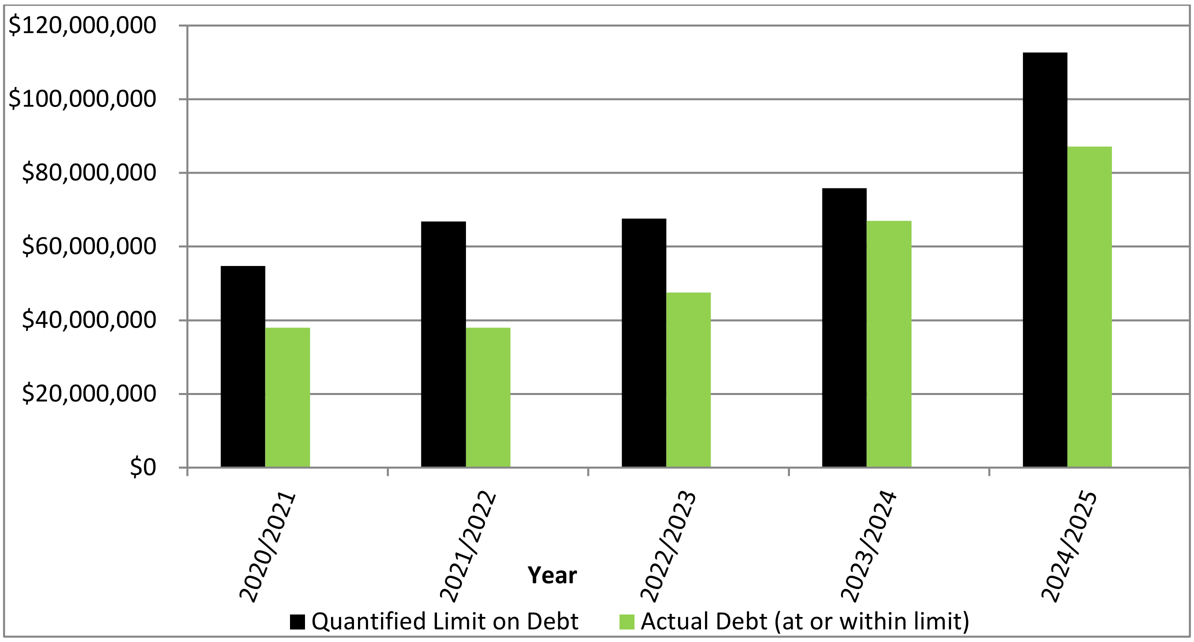
The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan.



Note: Increased costs for roading in the 2022/2023 and 2023/2024 years resulted in Roading rates exceeding that set in the Long Term Plan. The measure for 2022/2023 has been adjusted to reflect the quantified limit on rates income as per the Long Term Plan 2021-2031.

Debt affordability benchmarks

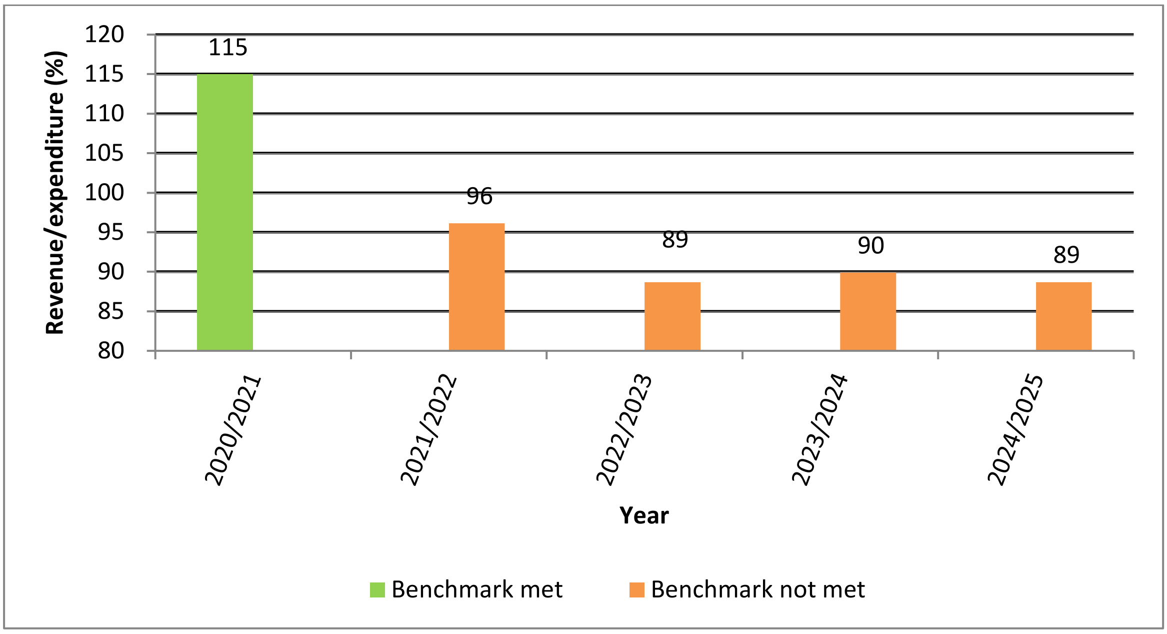
The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The key benchmark is that total debt is no more than 175% of total income.



Note: the measure was amended in 2021/2022 from total debt is no more than 100% of total income to total debt is no more than 125% of total income. The measure was subsequently increased to no more than 175% of total income in the 2024-34 LTP.

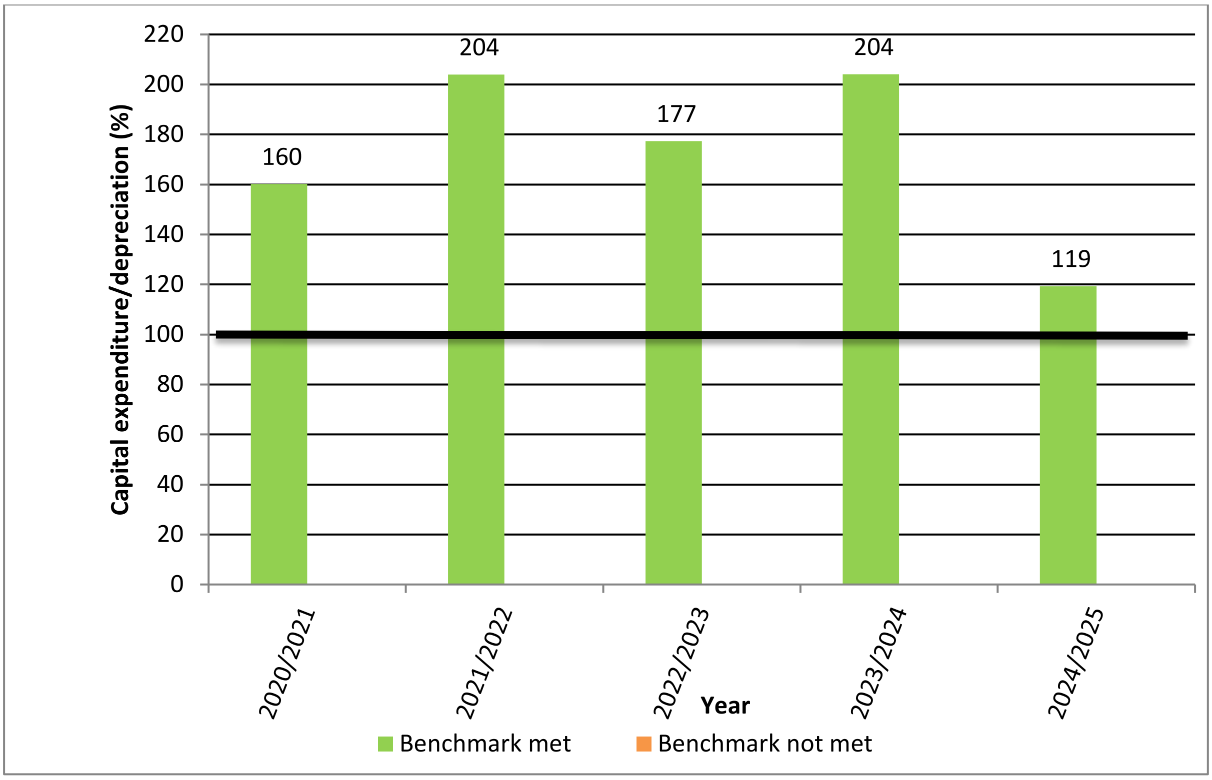
Balanced budget benchmark

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Independent Auditor's Report

To the readers of Hurunui District Council and the group's summary of the annual report for the year ended 30 June 2025

The summary of the annual report was derived from the annual report of the Hurunui District Council and the group (the Council and group) for the year ended 30 June 2025.

The summary of the annual report comprises the following information on pages 4 to 29:

- the summary statement of financial position as at 30 June 2025;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2025;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance.

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2025 in our auditor’s report, dated 2 December 2025.

Council’s responsibility for the summary of the annual report

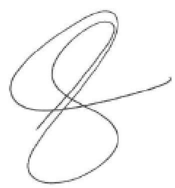
The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements*.

Auditor’s responsibility

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

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

In addition to reporting on the summary and full annual reports, we have carried out an assurance engagement in relation to the District Council’s Debenture Trust Deed, which are compatible with those independence requirements. Other than these engagements we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.



Chantelle Gernetzky
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
15 December 2025