



**Rangitikei**  
UNSPOILT...

# Rangitikei District Council

## Annual Report 2011-2012



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**Rangitikei**  
UNSPOILT...

# Rangitikei District Council

## Section 1: Introduction

## Role of the Annual Report

This report has been prepared pursuant to sections 98 and 99, and Schedule 10 Part 3 of the Local Government Act 2002 (and the transitional provisions provided in section 53 of the Local Government Act 2002 Amendment Act 2010). The purpose of the Annual Report is to compare the actual activities and performance of Council in a year with the intended activities and levels of performance as set out in respect of the year in the Long Term Council Community Plan or Annual Plan.

The Annual Report also provides accountability to the community of Council's decisions made throughout that year.

This Annual Report is broken into four sections:

### Section 1 Introduction

Provides an Overview of the Report.

### Section 2 Significant Activities

Provides information on the Community Outcomes and summarises what Council has achieved in each significant activity area, including performance indicators.

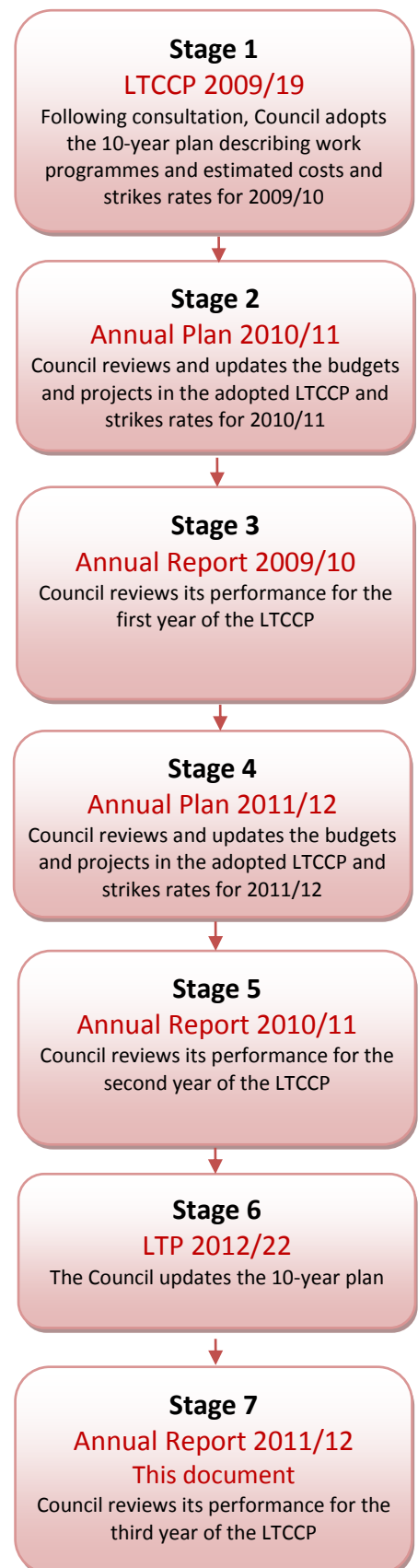
### Section 3 Financial Statements and Policy Reports

Key financial statements and reports against Council policies including the Long Term Council Community Plan, Funding Policy and Borrowing Management and Investment Policies.

### Section 4 Other Information

Other information, including summary information about the Rangitikei District Council.

An Annual Report must be adopted within four months after the end of the financial year to which it relates.



## Executive Summary

### The Annual Report

The Annual Report is an essential accountability document. It sets out to explain the Council's performance in 2011/2012 against the Long Term Council Community Plan 2009/19 and the Annual Plan 2011/12, and against the various legislative and accounting requirements under which the Council is required to operate.

This Annual Report is prepared according to Sections 98 and 99 and Part 3 of Schedule 10 of the Local Government Act 2002.<sup>a</sup> The Annual Report measures the Council's performance for the period 1 July 2011 to 30 June 2012. As well as financial results, the Annual Report includes results of the performance measures set out in the Long Term Council Community Plan 2009/19 and the Annual Plan 2011/12.

### Financial Performance

Council had a surplus of \$1.623 million in the year to June 2012, against a budgeted surplus of \$0.573 million.

Overall, operating expenditure exceeds budget but this is a result of emergency roading work (for which government funding assistance is provided) and expenditure on community programmes funded through government grants. Council received \$3.189 more than anticipated in subsidies.

A detailed analysis of all variances from budget can be found in Note 26 to the Accounts.

### Financial Position

Council had net assets of \$481 million, represented largely by plant, property and equipment of \$475 million.

Capital expenditure was below budget by \$5.097 million as noted in the Statement of Capital Works where a detailed analysis of differences is found. This has meant that funds borrowed for capital works have not been used. Council was fortunate to be able to invest these funds at similar rates to the cost. The chief reason for the difference has been delays in the Marton water project. A detailed analysis of all variances from budget can be found in Note 27 to the Accounts.

### Revaluation

Council undertakes to revalue its assets every three years. They were last revalued in 2011.

### Major achievements<sup>b</sup>

- Commencement of the Marton water supply upgrade
- Management of the District Plan review process with targeted use of external expertise so that adoption is feasible within the statutory timeframe

<sup>a</sup> Section 53 of the Local Government Act 2002 Amendment Act 2010 provides that amendments made by that Act to Schedule 10 of the principal Act do not apply to an annual report which relates to the period 2009/10, 2010/11 or 2011/12.

<sup>b</sup> In addition, work was done to secure a grant from the Ministry of Health for the upgrade of the Ratana water supply. Confirmation of the grant, just over \$1 million, was received in July 2012.

- Development and adoption of the 2012/22 Long Term Plan, which includes the implementation of district-wide rating for all Council services from 1 July 2012.

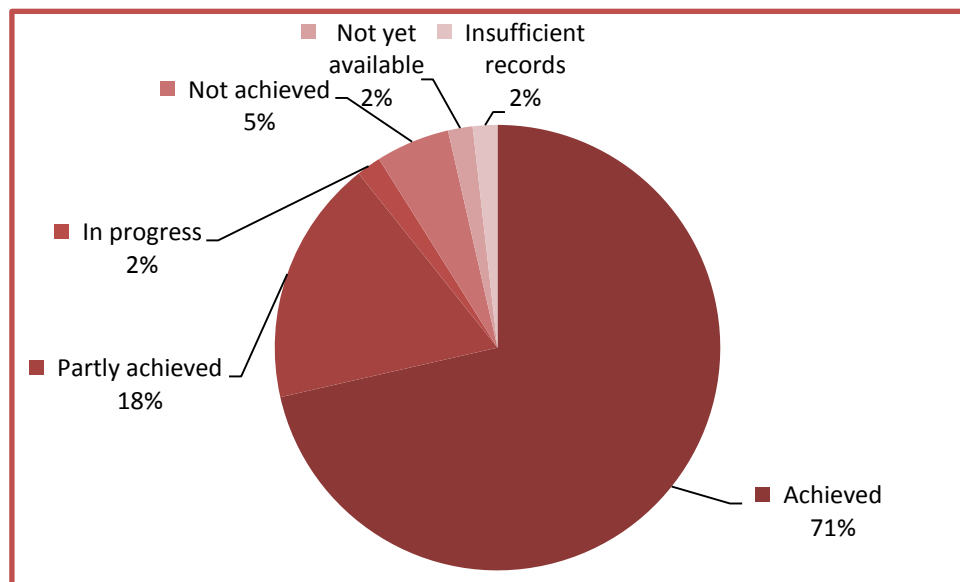
### Levels of Service

This report documents results for 56 intended levels of service across the eight activity groups.

An overall assessment of the actual levels of service compared with what was intended has a less certain basis than measuring financial performance because qualitative as well as quantitative information is used. The performance framework was reviewed as part of the preparation of the 2009-19 LTCCP and is considerably different from earlier years.

There has been a greater focus on measures of customer service, but this has the disadvantage of not being available on an annual basis where the National Research Bureau's Communitrak survey is used. As noted in previous reports, because Council has engaged the Bureau for this survey once every three years, this survey data is supplemented with surveys on particular activities. In addition, where it is feasible, comment has been added to give a sense on how such levels of service are tracking.<sup>c</sup>

The following chart shows that 71% of the intended levels of service were achieved, and another 20% were partly achieved or in progress. This is an improved performance from that reported last year (66% achieved and 16% partly achieved or in progress). The major reason has been improved record-keeping – last year reporting against 11% of the intended levels of service was limited by lack of sufficient records; this year there is one instance of that only and one outside the Council's control.<sup>d</sup> The one measure not yet available relates to satisfaction with the opportunity to engage in the development of a revised District Plan. A survey will be conducted during October 2012.



Details for each activity are provided in the Cost of Service Statements.

<sup>c</sup> In the 2012-22 Long Term Plan, Communitrak surveys are not part of the performance framework. Instead, Council has developed a database of organisations and will use this as the basis of the consultative process, focussing on key users and stakeholders' perceptions of Council's activities. See Rangitikei District Council *Long Term Plan 2012-22*, p.108.

<sup>d</sup> This is the way searching of electronic databases is reported by their suppliers.



### **Significant variances from intended levels of service**

There are no significant variances from intended levels of service.

## Audit Report

**AUDIT NEW ZEALAND**  
Mana Arotake Aotearoa

### Independent Auditor's Report

#### To the readers of Rangitikei District Council and group's annual report for the year ended 30 June 2012

The Auditor-General is the auditor of Rangitikei District Council (the District Council) and group. The Auditor-General has appointed me, Phil Kennerley, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, non-financial performance information and other information required by schedule 10 of the Local Government Act 2002 (other information) of the District Council and group on her behalf.

We have audited:

- the financial statements of the District Council and group on pages 30 to 67 and 70 to 122, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies, explanatory information and other information required by schedule 10 of the Local Government Act 2002; and
- the significant activities statements of the District Council and group on pages 30 to 67 that includes other information required by schedule 10 of the Local Government Act 2002.

#### Opinion on the financial statements, non-financial performance information and other information

In our opinion:

- The financial statements of the District Council and group on pages 30 to 67 and 70 to 122:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the District Council and group's financial position as at 30 June 2012; and
    - the results of its operations and cash flows for the year ended on that date.
- The non-financial performance information contained in the significant activities statements of the District Council and group on pages 30 to 67:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the District Council and group's levels of service for the year ended 30 June 2012, including:

- the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
  - the reasons for any significant variances between the actual service and the expected service.
- The other information of the District Council and group contained in the financial statements and the non-financial performance information, complies with the requirements of Schedule 10 of the Local Government Act 2002 applicable to the annual report and fairly reflects the required information.

Our audit was completed on 11 October 2012. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and explain our independence.

### **Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, non-financial performance information and other information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, non-financial performance information and other information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, non-financial performance information and other information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, non-financial performance information and other information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the District Council and group's financial statements, non-financial performance information and other information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements, non-financial performance information and other information;
- determining the appropriateness of the reported non-financial performance information within the Council's framework for reporting performance; and
- the overall presentation of the financial statements, non-financial performance information and other information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, non-financial performance information and other information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and non-financial performance information that:
  - comply with generally accepted accounting practice in New Zealand;
  - fairly reflect the District Council and group's financial position, financial performance and cash flows;
  - fairly reflect its service performance, including achievements compared to forecast; and
- other information in accordance with Schedule 10 of the Local Government Act 2002 that fairly reflects the required information.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, non-financial performance information and other information that are free from material misstatement, whether due to fraud or error.

The Council's responsibilities arise from the Local Government Act 2002.

### Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements, non-financial performance information and other information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

### Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and carrying out the audit of the long term plan, we have no relationship with, or interests, in the District Council.



Phil Kennerley  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

## Who Are We?

### District Profile

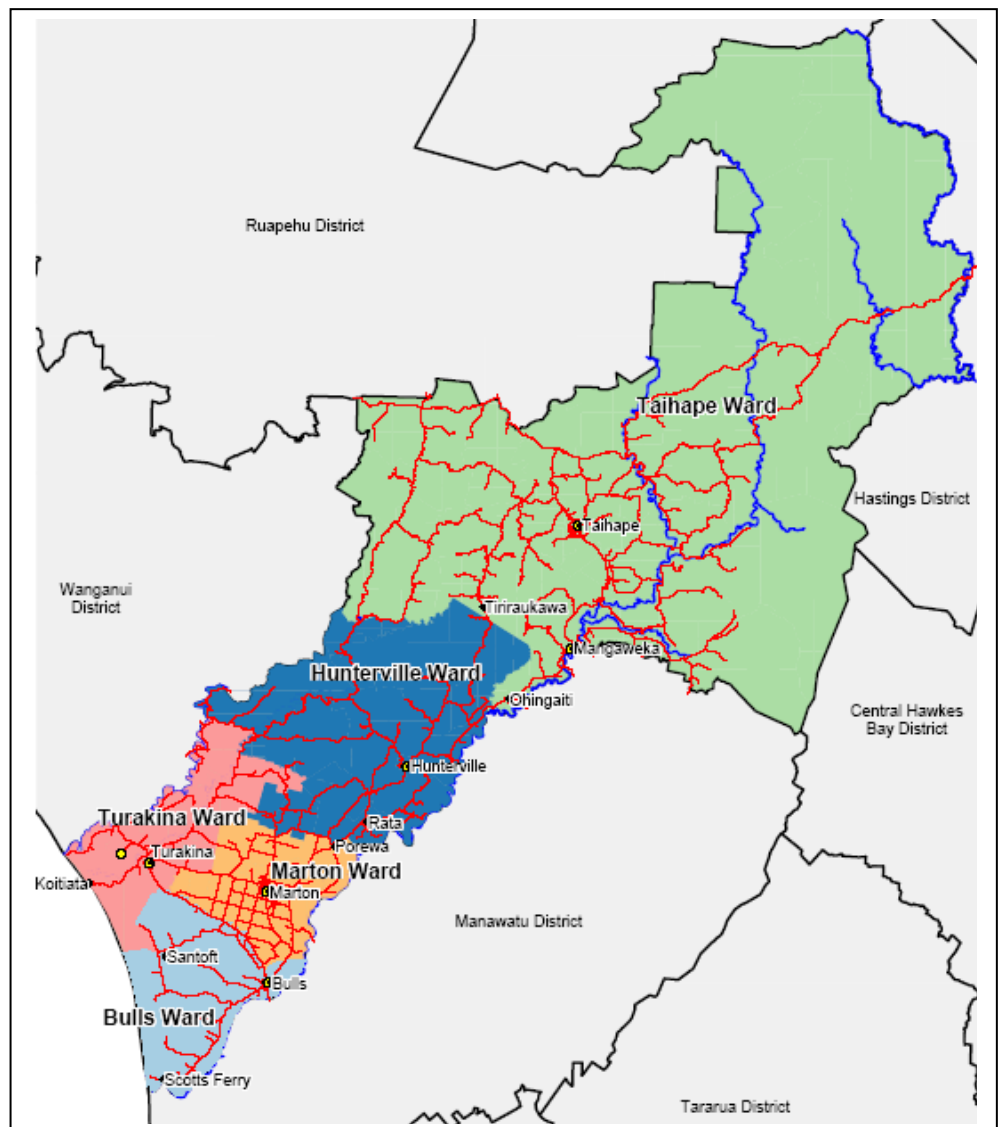
The Rangitikei District comprises 4,500 square kilometres of mainly lush, rural land. It is a diverse district, ranging from the sand plains on the south coast – which stretch inland almost as far as Bulls – to the magnificent hill country of the upper Rangitikei. The District is characterised by its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

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

### Demographic and Social Features

The 2006 Census was held on 7 March 2006, which showed a usually resident population of 14,712 (compared to 15,102 at the 2001 Census).<sup>e</sup> Although the population is declining, the rate of decline has substantially reduced from 7.7% between 1996 and 2001, to 2.6% between 2001 and 2006. This suggests that the population decline observed since 1996 is easing, and may indicate a favourable shift in population trends for the Rangitikei. However, the projected substantial fall in the people aged between 15 and 39 over the next 25 years, if it occurred, would lower the birth rate of the District.

Marton and Taihape had the least decline of the major centres (0.7% and 0.83% decline respectively), while Hunterville, Ratana, and Koitiata had the greatest decline (13%, 13.4% and 16% decline respectively).



<sup>e</sup> The census planned for March 2011 was cancelled, because of the February earthquake in Christchurch. It has been re-scheduled for 5 March 2013. The most recent estimated sub-national population figures, as at 30 June 2011 (released 25 October 2011) calculate Rangitikei as having 14,800 people.

Consistent with a slowing decline, the number of occupied dwellings at the 2006 census has increased, up by 0.8% compared with a decline of 3.4% at the 2001 census. This trend is confirmed by increases in the net figures for residential building consents (new dwellings less demolished or removed dwellings).

### Rangitikei District Council

The Rangitikei District Council is a territorial authority governed by the Local Government Act 2002. The Council was formed in 1989 by the amalgamation of the Rangitikei County Council, Marton Borough Council and Taihape Borough Council, along with parts of the KIWITEA and Taupo County Councils.

### Rangitikei District Logo



The logo symbolises the strength of the river, a unique icon, which bisects the District. The sun's rays represent the healthy environment and the genuine natural elements of the Rangitikei culture and lifestyle.

The typography and use of colour is typical of a romanticised era in New Zealand's past and is seen in the signage and packaging from the 1920s to the 50s when the District experienced considerable growth.

## Your Elected Members



His Worship the Mayor  
Chalky Leary  
Hm 06 322 8561  
chalkyleary@farmside.co.nz



Cr Sarah Harris – Deputy Mayor  
Hm 06 322 1709  
sarah\_timharris@xtra.co.nz



Cr Dean McManaway  
Hm 06 322 8434  
jilden@xtra.co.nz



Cr Richard Aslett  
Hm 06 382 5774  
mangawekagallery@xtra.co.nz



Cr Michelle Fox  
Hm 06 322 1962  
bullsbacon@xtra.co.nz



Cr Jan Byford  
Hm 06 388 0194  
jlbyford@iconz.co.nz



Cr Mike Jones  
Hm 06 327 6166  
michael.jones@xtra.co.nz



Cr Richard Peirce  
Hm 06 327 5951  
councillor.richard.peirce@gmail.com



Cr Soraya Peke-Mason  
Hm 06 342 6838  
sorayapm@xtra.co.nz



Cr Ed Cherry  
Hm 06 388 1002  
eaaj@xtra.co.nz



Cr Lynne Sheridan  
Hm 06 327 5980  
lynne.s@farmside.co.nz



Cr Andy Watson  
Hm 06 327 7615  
westoe@xtra.co.nz

## Your Representatives

### Community Board Members

#### Taihape

Mr Angus Gordon (Chair).....	06 388-1571
Ms Gail Larsen.....	06 388 1161
Ms Michelle Fannin.....	06 388 1129
Ms Phyllis Leigh.....	06 388-0816
Cr Jan Byford (Deputy Chair) .....	06 388 0194
Cr Ed Cherry .....	06 388 1002

#### Ratana

Mr Geoffrey Hipango (Chair) .....	06 342 6773
Ms Doreen Gardiner .....	06-342 6702
Mr Tainui Pene.....	06 342 6881
Ms Puna Audrey Williams (Deputy Chair) .....	06 342 6603

#### Te Roopu Ahi Kaa (Iwi Liaison Committee)

Mr Pahia Turia (Chair).....	06 344 8150 .....	<i>(Whangaehu)</i>
Ms Barbara Ball (Deputy Chair) .....	06 388 1215 .....	<i>(Ngati Whitikaupeka)</i>
Ms Hari Benevides .....	06 388 1908 .....	<i>(Ngati Tamakopiri)</i>
Mr Jim Cunningham.....	06 322-0843 .....	<i>(Ngati Hauiti)</i>
Mr Mark Gray.....	06 388 7816 .....	<i>(Ngati Rangituhia)</i>
Mr Geoffrey Hipango.....	06 342 6773 .....	<i>(Ratana Community)</i>
Mr Alexander Maremare .....	06 345 4709 .....	<i>(Nga Ariki Turakina)</i>
Mr Jim Puki .....	06 327 4448 .....	<i>(Kauangaroa)</i>
Mr Peter Richardson.....	06 329 3742 .....	<i>(Ngati Parewahawaha)</i>
Mr Chris Shenton .....	06 348 0558 .....	<i>(Ngati Kauae/Tauira)</i>
Mr Peter Steedman .....	06 388 0851 .....	<i>(Ngati Hinemanu/Ngati Paki)</i>
Cr Lynne Sheridan.....	06 327 5980 .....	<i>(Council representative)</i>

#### Community Committee Chairs

Mr Steve Fouhy.....	06 342-6741 .....	<i>(Turakina)</i>
Mr Hew Dalrymple.....	06 322-1017 .....	<i>(Bulls)</i>
Ms Michelle Bisset .....	06 327-6006 .....	<i>(Marton)</i>
Mr Charlie Lewis .....	06 322-8782 .....	<i>(Huntermville)</i>



## Mission Statement

# “Making our District thrive”

## Council’s Role

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

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

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

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

The role of a local authority is to:

*give effect, in relation to its district or region, to the purpose of local government and;*

*perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment”*

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

In performing its role, a local authority must have particular regard to the contribution that the following core services make to its communities:

- (a) network infrastructure,*
- (b) public transport services,*
- (c) solid waste collection and disposal,*
- (d) the avoidance or mitigation of natural hazards, and*
- (e) libraries, museums, reserves, recreational facilities, and other community infrastructure.*

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

- Community Leadership
- Roding
- Water
- Community and Leisure Assets
- Rubbish and Recycling

- Environmental and Regulatory
- Community Support
- Community Economic Development

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

## Formation of Council

### Council Committees

The Council has established various Standing Committees to monitor and assist in the effective discharging of specific responsibilities. For most of the year, there were three Standing Committees:

- 1 Strategic Planning & Policy Committee (meets monthly, after Council)
- 2 Hearings Committee (meets as required)
- 3 Te Roopu Ahi Kaa (meets bi-monthly)

### Committees Established for Specific Tasks (see Figure 1)

- 1 Creative New Zealand Funding Assessment Committee
- 2 SPARC (Sport and Recreation) Rural Travel Funding Committee
- 3 Turakina Community Committee
- 4 Bulls Community Committee
- 5 Marton Community Committee
- 6 Hunterville Community Committee
- 7 Hunterville Rural Water Supply Management Sub Committee
- 8 Erehon Rural Water Supply Management Sub Committee
- 9 Omatane Rural Water Supply Management Sub Committee
- 10 McIntyre Reserve Committee
- 11 Turakina Reserve Management Committee<sup>f</sup>

<sup>f</sup> As no nominations were received within the required time, Council decided not to form this Committee during the 2010/13 triennium.

## Council Operations

The Council appoints a Chief Executive to be in charge of the Council operations and delegates certain powers of management to her as required under Section 42 of the Local Government Act 2002. The Chief Executive appoints staff to carry out all of the Council's significant activities.

### Division of Responsibility between the Council and Management

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

In April 2007, the Council's Representation Review was completed. The Local Government Commission issued its determination which re-organised the district's ward structure, re-sizing the existing four wards and creating a new ward – Turakina. The local authority elections in October 2007 were the first under these new arrangements. No changes were made to the number of members elected to the Council or to the number and boundaries of the two Community Boards at Ratana and Taihape.<sup>8</sup>

While many of the Council's functions have been delegated, the overall responsibility for achieving the mission statement of the Council and the purposes of local government rests with the Council. The Council maintains effective systems of internal control, which includes the policies, systems and procedures established to provide measurable assurance that specific objectives of the Council will be achieved. This structure is shown in Figure 2.

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<sup>8</sup> A further representation review is currently in progress. Section 19H(2)(b) of the Local Electoral Act 2001 requires such reviews at least once every six years.

Figure 1: The Rangitikei District Council Governance Structure

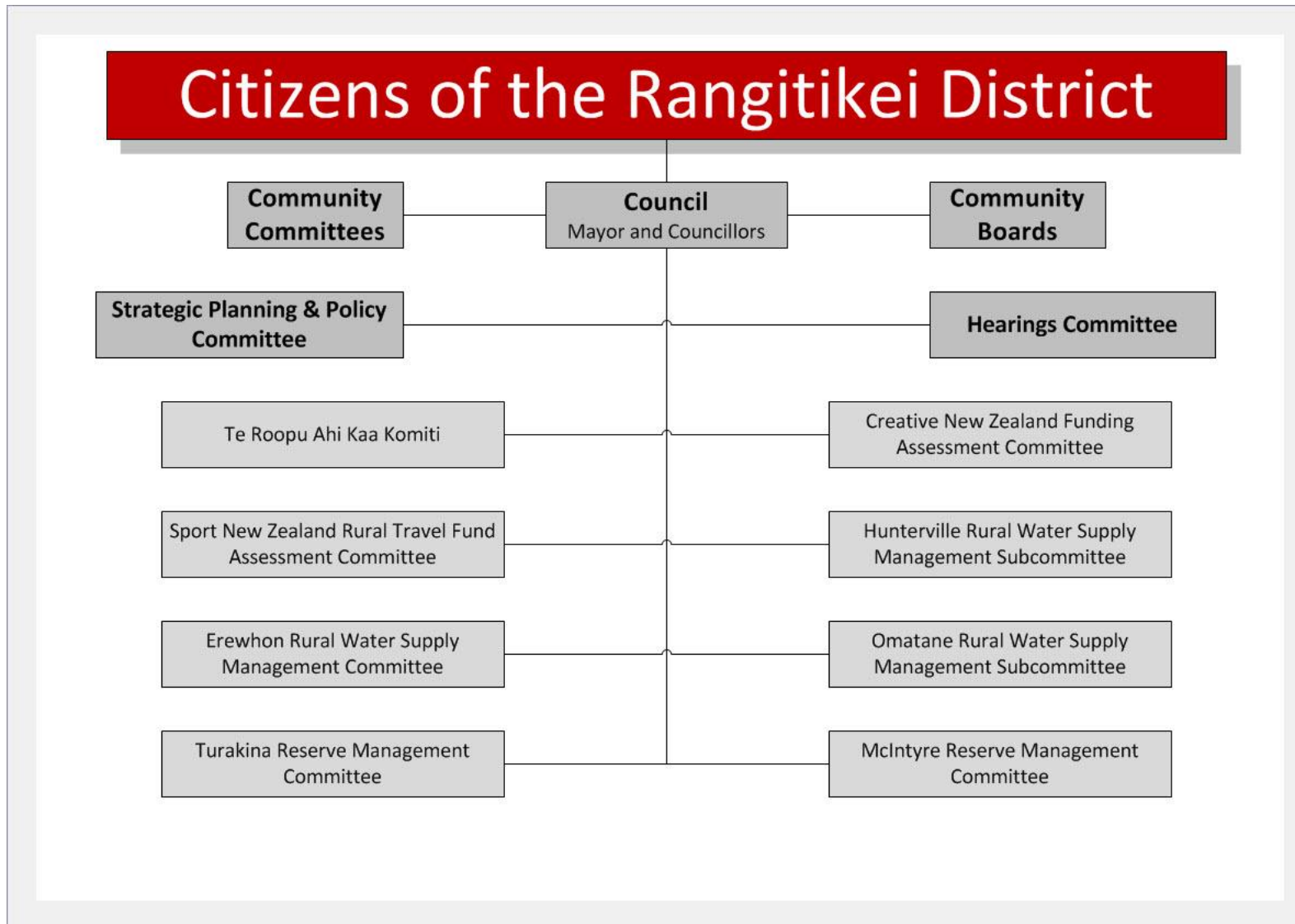
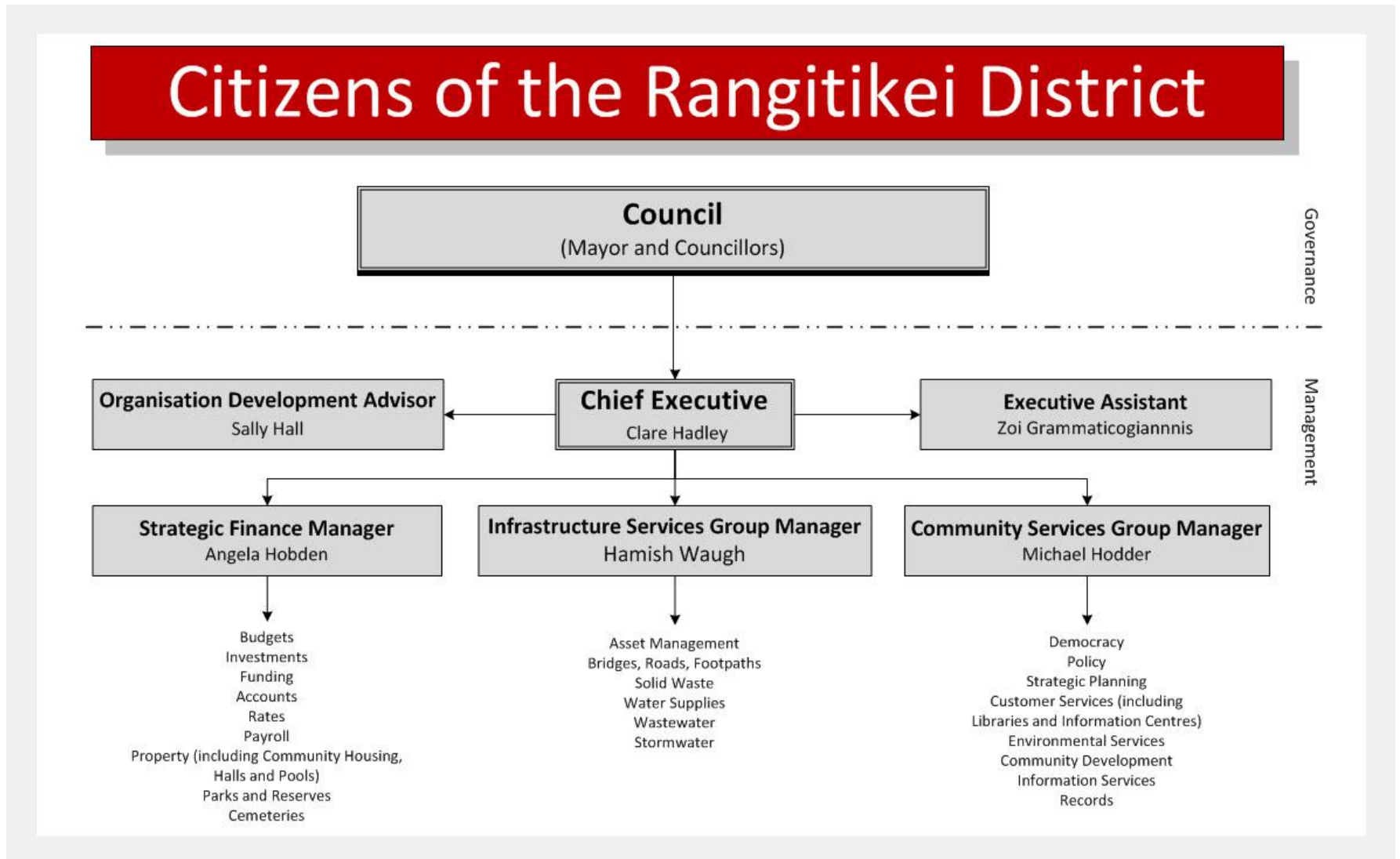


Figure 2: The Rangitikei District Council Management Structure



## Statement of Compliance and Responsibility

### Compliance

Council completed and adopted its 30 June 2012 Annual Report by 31 October 2012, as required by section 98(3) of the Local Government Act 2002. The Council and Management of the Rangitikei District Council confirm that all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

### Responsibility

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

The Council and Management of the Rangitikei District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and Management of the Rangitikei District Council, the annual Financial Statements for the year ended 30 June 2012 fairly reflect the financial position and operations of the Rangitikei District Council.



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Chalky Leary  
Mayor

11 October 2012



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Clare Hadley  
Chief Executive

11 October 2012



# Rangitikei District Council

## Section 2: Significant Activities

Including Cost of Service Statements by Significant Activity

## Community Outcomes

### Council's six community outcomes

As part of the 2009/19 LTCCP, Council consulted on (and adopted) a condensed set of six outcomes:

- 1 Good access to health services, whether it be the GP or the hospital
- 2 A safe and caring community, through effective partnership with local policing, rescue services, neighbourhood support and local initiatives
- 3 Lifelong educational opportunities that meet the lifelong needs of all members of the community
- 4 A buoyant District economy, with effective infrastructure and attractive towns that entice growth
- 5 A treasured natural environment, with a focus on sustainable use of our land and waterways
- 6 Enjoying life in the Rangitikei, with a district identity and a reputation as a viable and attractive place to live, work and play

Council undertook to develop and support meaningful partnerships with other local statutory, community and public agencies particularly in health, community safety and education agencies<sup>8</sup>. Its main means of progressing this aspiration is through the **Rangitikei – Path to Well-being** initiative which was launched with a conference in Taihape in April 2010. A follow up half day conference in October 2011 confirmed the commitment from a range of stakeholder agencies in the District to pursuing a collaborative approach in areas identified for action.

The initiative has been formalised with six theme groups reporting to a Partnership Board. The theme groups each related primarily to one of the community outcomes and have been more or less actively taking forward priorities from the conferences. Council has confirmed the retention of the six community outcomes as the basis of its planning for the 2012/22 Long Term Plan in a new activity of Community Partnerships.

Projects that are in place or in the pipeline as a direct result of the partnership approach include:

Continuing to support the work of the Community Development Officer in Marton (funded through Department of Internal Affairs), the Business Support/Youth Employment Officer in the south of the District funded through the Ministry for Social Development) and the ICT [Information and Communication Technology] Hubs in Marton and Ratana (funded initially through a grant from the Community Partnership Fund).

A grant from the Ministry of Youth Development that supported youth engagement in the 2012-22 Long Term Plan. A further grant will support a Youth leadership Forum in early 2013.

Feasibility research surveys into more collaborative models of social service delivery in Marton and Taihape (through the Community Response Models forums appointed by the Minister for Social Development and Employment).

<sup>8</sup> 2009/19 LTCCP, pages 30-34.



The redevelopment of the [www.rangitikei.com](http://www.rangitikei.com) website as a portal to the District and its towns with free directory listings for local businesses and organisations.

Completion of the Business Expansion and Retention survey informing Council's review its business and economic development strategy for the 2012-22 Long Term Plan.

The provision of free swimming lessons for all year 4-8 school children at the Council's pools.

### How Council's Groups of Activities relate to the six Community Outcomes

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

Groups of activities	Community outcome					
	1	2	3	4	5	6
Community Leadership	✓	✓	✓			✓
Roading		✓		✓		
Water				✓	✓	✓
Leisure and Community Assets					✓	✓
Rubbish and Recycling					✓	
Environmental and Regulatory		✓		✓	✓	✓
Community Support		✓				
Community Economic Development				✓		✓

### Monitoring and Reporting

Council released its first Community Outcomes Monitoring Report (for 2006/07) in March 2008, its second Community Outcomes Monitoring Report in February 2009 and a third and final report in July 2010. The Annual Reports have continued to include monitoring data on the community outcomes, using indicators and baselines from the 2009/19 LTCCP. The 2012-22 Long Term Plan contains a revised performance framework that incorporates Council's contribution towards the community outcomes and it will no longer undertake separate monitoring specifically for community outcomes. However, the Partnership Board will be collecting data to inform the work of its theme groups.

Council has been using the Communitrak survey (provided by the National Research Bureau) every three years. The most recent survey was undertaken in August 2010. Interim results were given in the 2009/10 Annual Report, full results were included in last year's Annual Report and these are restated here. Council has reviewed its use of Communitrak and from 2012/13 will discontinue its use – focussing instead on annual, targeted surveys relating to its key areas of performance management from the work programme contained in the 2012-22 Long Term Plan.

**Outcome 1: Good access to health services**

Indicator	Evidence	Most Recent measures	Previous measures and baseline
Ratio of general practitioners to population	No. GPs taken from NZ Medical Register at any point in time  Figures include those with provisional registration and working under supervision  Population statistics taken from latest District estimates from NZ statistics	September 2012 10 registered GPs in Rangitikei  Ratio is 0.68 per 1000 of population  August 2011: 9 registered GPs in the Rangitikei  Ratio is 0.60 per 1000 of population	May 2010: 8 registered GPs  Ratio is 0.54 per 1000 of population  December 2008: 10 registered GPs in the Rangitikei  Ratio is 0.67 per 1000 population
Development of new/better services, better access to existing services	Qualitative	Whanganui PHO has taken over the delivery of primary care in Taihape, through Taihape Health Ltd, and the services have now become stabilised. The DHB and PHO have together focussed on ensuring good collegial relationships and work practices to support recruitment and retention.	Initial partnership established through Rangitikei – a Path to Well-Being Conference in April 2010. Action plan developed and reviewed. <sup>9</sup> Follow-up conference in October 2011.
Satisfaction with Council efforts to advocate on behalf of the District and to have a strategic and forward looking focus	Communitrak Survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	57% (2010)  58% (2007)

**Outcome 2: A safe and caring community**

Indicator	Evidence	Most Recent Measures	Previous measures and baseline
Recorded crime  This is the number of breaches of New Zealand law recorded by Police. This includes offences specified in the Crimes Act and other legislation such as the Summary Offences Act, Local Government Act, etc	Central Districts Policing Region <sup>10</sup>  The region extends from Taranaki and Ruapehu in the north to Palmerston North in the south	For year ended December 2011: 29,593	For year ended December 2010: 31,084 2009: 32,314 <sup>11</sup> 2007: 32,760

<sup>9</sup> See above, page 20: 'Rangitikei – Path to Well-being'

<sup>10</sup> Source is <http://www.police.govt.nz/service/statistics/index.html> ,

<sup>11</sup> The statistic noted in the 209/10 Annual Report was for the year ending 30 June 2009 rather than 31 December 2009.

Perception of respondents that towns in the District are safe	Communitrak Survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	84% (2010) 80% (2007)
Percentage of people who perceive that the community works together and that people support each other	Communitrak Survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	81% (2010) This was a new question in the Communitrak survey for 2010 Surrogate measures from the earlier Communitrak surveys were: Satisfaction with funding for community organisations (2007): 50% Satisfaction with community assistance (2005): 58%
Satisfaction with Council services that make our communities safer – averaged over 4 services: emergency management, street lights, footpaths, control of dogs	Communitrak Survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	70% (2010) 70% (2007)

### Outcome 3: Lifelong Educational Opportunities

Indicator	Evidence	Most Recent Measure	Previous measures and baseline
Level of educational attainment	Census (every 5 years)	Census due in 2011 – but postponed until 2013 because of the February 2011 earthquake in Christchurch	As at 2006 Census 63% of adults between 20-64 years attained at least a secondary school qualification 9% of adults between 20-64 attained a tertiary qualification

Indicator	Evidence	Most Recent Measure	Previous measures and baseline
Percentage of high school age children remaining within the District for education <sup>12</sup>	Local high school roll <a href="http://www.tki.org.nz/e/schools">www.tki.org.nz/e/schools</a> Figures adjusted by enquiry to individual schools to exclude students from outside the district  June estimated population counts	52% (June 2011)	57% (June 2010) 49% (March 2009) 67% (July 2008)  This is all school-age students against all district high schools
Percentage of Year 11 students on roll at 1 July achieving Level 1 literacy requirements compared to national average	NZQA website (annually) <a href="http://www.nzqa.govt.nz/qualifications/ssq/statistics/provider-selected-report.do?reportID=2135179">www.nzqa.govt.nz/qualifications/ssq/statistics/provider-selected-report.do?reportID=2135179</a>	2011 Rangitikei College 69.4% TAS 85.7% New Zealand 88.6% 2010 Rangitikei College 86.4% TAS 73.2% New Zealand 89.1%	2009 Rangitikei College 83.1% TAS 104.8% New Zealand 77.7% 2007 Rangitikei College 80.5% TAS 77.1% New Zealand 76.8%
Percentage of Year 11 students on roll at 1 July achieving Level 1 numeracy requirements compared to national average	NZQA website (annually) <a href="http://www.nzqa.govt.nz/qualifications/ssq/statistics/provider-selected-report.do?reportID=2135179">www.nzqa.govt.nz/qualifications/ssq/statistics/provider-selected-report.do?reportID=2135179</a>	2011 Rangitikei College 75.3% TAS 94.3% New Zealand 92.1% 2010 Rangitikei College 80.3% TAS 92.7% New Zealand 89.8%	2009 Rangitikei College 84.6% TAS 109.5% New Zealand 85.8% 2007 Rangitikei College 82.9% TAS 85.7% New Zealand 84.6%
Development of new/better training opportunities to meet demand and skill shortages, including distance learning	Qualitative	The Theme Group has agreed to focus on supporting the Board of Trustees of Rangitikei College to achieve its aim to be “school of first choice”. A new principal has recently been appointed and is working with the Theme Group to establish a work programme for the Theme Group that will add value to the changes being made at the College.	Initial partnership established through Rangitikei – a Path to Well-Being Conference in April 2010. <sup>13</sup> Action developed and reviewed by the Partnership Board.  Partnership secured to develop ICT <sup>14</sup> training facilities in Marton and Ratana in progress. Both facilities up and running.

<sup>12</sup> Does not include home-schooled students.

<sup>13</sup> See page 20 – ‘Rangitikei – Pathway to Well-being’.

<sup>14</sup> Information and Communication Technology

**Outcome 4: A Buoyant District Economy**

Indicator	Evidence	Most Recent Measure	Previous measures and baseline
Number of employees in the agriculture, forestry and fishing sector	Statistics New Zealand (annually)	2011: 1,520	2010: 1,620 2009: 1,590 2007: 1,650
Number of “guest nights” and “guest arrivals”	Statistics New Zealand Accommodation Survey (monthly)	For year ended 30 June 2012 Guest nights=37,600 This is a decrease of 3.7% from last year.	For year ended 30 June 2011 Guest nights = 39,042 2010 Guest nights = 40,647 2008 Guest nights = 46,291
Real value added (GDP) (percentage change on previous year): Regional Performance Indicators	BERL (annually)	2011 Rangitikei (9%) New Zealand 1.4% 2010 Rangitikei (0.60%) New Zealand 0.70%	2008 Rangitikei 0.36% New Zealand 3.00% 2007 Rangitikei 2.00% New Zealand 1.60%
Percentage of population with access to the internet	Census (every 5 years)	Census due in 2011 – but postponed until 2013 because of the February 2011 earthquake in Christchurch	As at 2006 Census 50% of district households cf. 61% nationally
Satisfaction with Council services that promote our district to visitors and tourists – average over 3 services: Visitor Information Centres, Council's website users, tourism promotion	Communitrak survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	65% (2010) 66% (2007)
Satisfaction with Council services that our ratepayers need - average over 4 services: council roads, overall contact with council, building activities and consent processes, District Plan.	Communitrak survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	72% (2010) 67% (2007)

Indicator	Evidence	Most Recent Measure	Previous measures and baseline
The towns in the District are attractive	Communitrak survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	84% (2010) 85% (2007)

### Outcome 5: A Treasured Natural Environment

Indicator	Evidence	Most recent measures	Previous measures and baseline
Compliance with recommended water quality standards of the Rangitikei River	Horizons Regional Council (annually) Ministry for the Environment (MfE) water quality trends	<p><i>Best 25% of Sites</i> Rangitikei at Pukeokahu for clarity, Bacteria and Nitrogen Rangitikei at Mangaweka for nitrogen</p> <p><i>Best 50% of Sites</i> Rangitikei at Pukeokahu for phosphorus Rangitikei at Mangaweka for bacteria and phosphorus Rangitikei at Onepuhi for nitrogen and dissolved phosphorus Rangitikei at McKelvies for nitrogen</p> <p><i>Worst 50% of Sites</i> Rangitikei at Mangaweka for clarity Rangitikei at Onepuhi for bacteria and total phosphorus Rangitikei at McKelvies for Phosphorus and Bacteria</p> <p><i>Worst 25% of Sites</i> Rangitikei at Onepuhi for clarity Rangitikei at McKelvies for clarity</p> <p>There are two monitoring sites on the Rangitikei River, at Mangaweka and Kakariki. Both showed meaningful increase in dissolved reactive phosphorus, associated with increase in pastoral land.</p> <p><a href="http://www.mfe.govt.nz/publications/water/water-quality-trends-1989-2007/final-report-water-quality-trends-NRWQN.pdf">www.mfe.govt.nz/publications/water/water-quality-trends-1989-2007/final-report-water-quality-trends-NRWQN.pdf</a></p>	The upper Rangitikei is classed as “excellent” in terms of contact recreation, nutrient enrichment and turbidity, decreasing to “poor” and “very poor” as the river approaches the Tasman Sea (2005)

Indicator	Evidence	Most recent measures	Previous measures and baseline
Progress with the Sustainable Land Use Initiative in the District (percentage of land developing and/or implementing a farm plan)	Horizons Regional Council (annually)	As at 30 June 2012, 48% of the Whangaehu catchment, 34% of the Turakina catchment, and 25% of the middle reaches of the Rangitikei were covered by whole farm plans  Update from Horizons Regional Council: Environmental Monitoring Co-ordinator.	As at 30 June 2011, 44% of the Whangaehu catchment, 24% of the Turakina catchment, and 24% of the middle reaches of the Rangitikei were covered by whole farm plans.  Horizons Regional Council: Environmental Management Group, <i>SLUI Overview and Plan Progress</i> , June 2011  Horizons' objective is that 70% of the catchments of the Whangaehu, Turakina and mid Rangitikei rivers are covered by whole farm plans
Biodiversity levels of District (percentage of native vegetation)	Horizons Regional Council (annually)	58,731.2 ha of indigenous habitat (as defined in the One Plan) remain in the District. This represents 15.2% of former cover. Only 2.1% of former wetland habitat remains in the District. Rangitikei District contributes 12.1% of the total regional cover of indigenous vegetation.  NB: these calculations only include habitat captured by the One Plan – i.e. Not scrub! The vegetation cover will increase with scrub included.	None previously available
Quantity of District waste processed at the Bonny Glen landfill  Includes waste received as the Council waste transfer stations (less that recycled) plus kerb-side collection that is taken straight to Bonny Glen	Rangitikei District Council (annually)	Population figures for June 2012 not available. However, tonnage to Bonny Glen from District waste transfer stations landfill was 5,135 compared to 5,278.64 for the previous year.	Year ending 30 June  2011: 0.35 tonnes waste per capita  2010: 0.43 tonnes waste per capita  2007: 0.55 tonnes waste per capita
Satisfaction with Council services that protect our	Communitrak Survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	58% (2010)  53% (2007)

Indicator	Evidence	Most recent measures	Previous measures and baseline
environment - average over 3 services: refuse disposal including transfer stations, recycling (users) and water supply			

### Outcome 6: Enjoying Life in the Rangitikei

Indicator	Evidence	Most recent measure	Previous measures and baseline
Social deprivation: NZ Index of Deprivation 1 = less likely to be deprived 10 = more likely to be deprived	Ministry of Health from Census data (every 5 years)	Census due in 2011 – but postponed until 2013 because of the February 2011 earthquake in Christchurch	<u>2006 Census Data</u> Rangitikei Average 6.2
Population estimates	Statistics NZ (annually)	Rangitikei district 14,800 (2011) <sup>15</sup> Mangaweka 170 Huntermville 410 Ratana Community 370 Bulls 1,680 Ngamatea 50 Moawhango 730 Pohonui-Porewa 2,070 Lake Alice 2,700 Koitiata 90 Taihape 1,800 Marton 4,730	14,900 (2010) 14,900 (2009) 14,950 (2008)
Percentage of adults who participate in at least 30 minutes of moderate intensity physical activity on most, if not on all, days of the week	SPARC survey (every 5 years) <sup>16</sup>	Most recent data is for 2008 Wanganui/Ruapehu/ Rangitikei: 43%: 51.1% men; 31.8% women (48.2% for New Zealand) <a href="http://www.activenzsurvey.org.nz/">www.activenzsurvey.org.nz/</a>	2001 Taranaki/ Manawatu/ Wanganui regions: 69% However, this is for the percentage of people undertaking 2½ hours physical activity in past seven days. The comparability of this survey to the one undertaken in 2007/08 is analysed at: <a href="http://www.activenzsurvey.org.nz/About-the-Survey/Active-NZ-Survey-200708/Frequently-Asked-Questions/#previous">http://www.activenzsurvey.org.nz/About-the-Survey/Active-NZ-Survey-200708/Frequently-Asked-Questions/#previous</a>
Supporting efforts to preserve and protect	Communitrak survey	This measure will no longer form part of performance	75% (2010)

<sup>15</sup> Statistics New Zealand Estimated subnational population

<sup>16</sup> SPARC changed the measure of physical activity from the percentage of people engaging in at least 2½ hours physical activity in the preceding 7 days (2001 survey) to percentage of adults who participate in at least 30 minutes of moderate intensity physical activity on most, if not on all, days of the week (2006).



Indicator	Evidence	Most recent measure	Previous measures and baseline
the District's history and heritage	(every 3 years)	management or monitoring.	71% (2007)
Satisfaction with Council community services and facilities – average over 6 services: libraries, swimming pools, parks and reserves, cemeteries, community halls and public toilets	Communitrak survey (every 3 years)	This measure will no longer form part of performance management or monitoring.	70% (2010) 71% (2007)

## Performance Reporting

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

<b>Achieved</b>	<p>Required actions have been completed</p> <p><i>Or</i> more than 75% of the intended level of service has been achieved</p> <p><i>Or</i> where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service</p>
<b>Partly achieved</b>	<p>Some outputs contributing to the intended level of service have been achieved (e.g. 3 workshops held of the 4 initially proposed)</p> <p><i>Or</i> the result for the year is between 50% and 75% of the intended level of service</p>
<b>Achieved/ongoing</b>	<p>A particular level of service has been achieved. But it is multi-faceted and not totally time related in that there are constant actions continuously adding to it.</p>
<b>In progress</b>	<p>No actual output has been achieved but pre-requisite processes have commenced</p>
<b>Not commenced</b>	<p>No actions to achieve the stated level of service have begun</p>
<b>Not achieved</b>	<p>None of the required actions have been undertaken</p> <p><i>Or</i> the result for the year is less than half of the intended level of service</p> <p><i>Or</i> where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service</p>
<b>Not yet available</b>	<p>Timing of the relevant data set occurs later in the year</p>

**Incomplete records**      Level of Service cannot be fully reported: relevant records are incomplete or do not contain all the necessary information

**No records**              Level of Service cannot be reported: no relevant records are being made

#### *Communitrak survey – margin of error*

The 'margin of error' in the Communitrak survey ranges from 4.9% to 2.9%, decreasing as the reported percentage result widens – i.e. a 90% satisfied/10% dissatisfied has a smaller margin of error than a 50% satisfied/50% dissatisfied.

A similar principle applies when comparing survey results from different years – i.e. the 'significant difference' ranges from 6.9% to 4.2%, decreasing as the reported percentage widens. If one survey reports 90% satisfaction and a later survey reports 92% satisfaction that is not a significant difference. But if that later survey reports 85% satisfaction, that would be a significant difference (over 4%). However, if one survey reports 50% satisfaction and a later survey reports 45% satisfaction, that will not be a significant difference whereas 43% would be – the 'significance' threshold for this spread of opinion is 7% rather than 4%.

## Community Leadership

This group of activities is concerned with the governance functions of Council demonstrated through leadership and planning. A major challenge is getting the 'right' information to the community, clearly and concisely, so that people have an opportunity to understand the Council's view on the critical issues and decisions for the District.

The major task in this activity has been the development of the 2012/22 Long Term Plan ('LTP'). While building on the impetus of the 2009/19 Long Term Council Community Plan, it was essential to take into account a different economic climate, the increasing sensitivity to environmental impacts, the opportunities to gain greater leverage from community groups, and changes prescribed in amendments to the Local Government Act. It also provided an opportunity to engage more meaningfully with young people to gauge their aspirations and preferences on what their District might become.

Activity	Target for 2011/12	Actual July 2011-June 2012
Strategic planning	In the 2007 Communitrak survey, 58% <sup>17</sup> of surveyed residents who know of Council's strategic planning and advocacy work were fairly/very satisfied with it. In the 2010 survey, this will be maintained or improved.	<p><b>Achieved*</b>: 57% of respondents in the 2010 Communitrak survey were very/fairly satisfied. 17% (12% in 2007) were not very satisfied while 26% (30% in 2007) didn't know or were unable to say.</p> <p>Of note is the high proportion of Bulls residents unable to comment (42%) and the difference in "very/fairly satisfied" rating among rural residents (66%) compared with urban residents (52%). Māori were more satisfied than non-Māori.</p> <p>*allowing for margin of error</p>
Council	Less than 5 new major issues raised in submission process during the year	<p><b>Achieved</b>: Submission process undertaken during March/April 2012 for the following:</p> <p>2012-22 Long Term Plan, Waste Management and Minimisation Plan, Rates Remission Policy, Significance Policy, Schedule of Fees and Charges 2012/13</p> <p>No new major issues raised.</p>
	60-75% Annual Plan actions are completed in each group of activities	<p><b>Achieved</b>: All<sup>#</sup> groups of activities achieved at least 75% of actions identified in the 2011/12 Annual Plan. Overall, 87% of actions were substantially undertaken or completed. This compares with 86% in 2010/11 and 83% in 2009/10.</p> <p><sup>#</sup>No specific actions were identified for Community Support group of activities</p>

<sup>17</sup> See Annual Report 2009/10 and 2010/11. The 2009/19 LTCCP incorrectly stated this result as 65%: this figure was the Council's initial target for 2009/10.

Activity	Target for 2011/12	Actual July 2011-June 2012
	<p>In the 2007 Communitrak survey, 70%<sup>18</sup> surveyed residents were very/fairly satisfied with Council performance. In the 2010 survey, this will be maintained or improved.</p>	<p><b>Achieved*:</b> 75% of residents in the 2010 Communitrak survey were very/fairly satisfied with Council's performance. 23% (26% in 2007) were not very satisfied, while 2% (4% in 2007) didn't know or were unable to say.</p> <p>These figures are a combination of satisfaction/dissatisfaction with contact with Council (whether by phone, writing, email or in person)<sup>19</sup> and the sufficiency of information supplied. Between 2007 and 2010 there is a slightly more positive view on both.</p> <p>*allowing for margin of error</p>
	<p>In 2011/12, fewer than 5 requests to revert to direct delivery of any service provided through a shared services or contract arrangement with neighbouring councils</p>	<p><b>Achieved:</b> No such request received in the reporting period.</p>
<p>Community Boards and Community Committees</p>	<p>Community Boards engage with at least 2 external parties within their areas of interest (receive delegations, arrange meetings, etc) during the year</p>	<p><b>Partly achieved:</b> Taihape Community Board engaged with three external parties during discussions over replacing the fence on Taihape Memorial Park's Kokako Road boundary. It also engaged with Police over pedestrian safety in the CBD. Ratana Community Board engaged with the Ratana Communal Board of Trustees concerning fees at the urupa.</p>

<sup>18</sup> See Annual Report 2009/10 and 2010/11. The 2009/10 LTCCP incorrectly stated this result as 80%: this figure was the Council's initial target for 2009/10.

<sup>19</sup> Satisfaction with Council's website was separately researched. Only 24% of respondents in 2010 had used the website; of these 85% were satisfied (compared with 78% in 2007).

Activity	Target for 2011/12	Actual July 2011-June 2012
Iwi/Māori liaison	<p>In the 2008 consultation on Levels of Service, a target of 50% very/fairly satisfied from Māori on opportunities to participate in Council decision-making was suggested. The Communitrak survey in 2010 will meet this target.</p> <p>This was a new measure for the Communitrak survey.</p>	<p><b>Achieved*:</b> 47% of Māori respondents in the 2010 Communitrak survey thought there were enough or more than enough opportunities to participate in Council decision-making. By contrast 72% of non-Māori thought there were enough or more than enough such opportunities.</p> <p>This contrasts with the differing view of Māori and non-Māori over Council's strategic planning and advocacy work, noted above.</p> <p>Those who rated such opportunities "not enough/nowhere near enough" who commented suggested more Māori being on Council but also more communication and consultation.</p> <p>*allowing for margin of error</p>
	<p>The 2008 consultation on Levels of Service, suggested a target of 80% satisfaction of Iwi with opportunities to participate in decision making through Te Roopu Ahi Kaa. A targeted survey in 2010 will meet this target.</p> <p>This was a new measure for 2010 but the survey was not conducted until 2011.</p>	<p><b>Achieved:</b> In the survey conducted during June 2011, all respondents (hapu or iwi authorities nominated by members of Te Roopu Ahi Kaa) were very/fairly satisfied with opportunities to participate in Council decision-making through Te Roopu Ahi Kaa.</p> <p>The Komiti's suggestions last year have been actioned. The pilot project (with Otaihape Maori Komiti) was confirmed as ongoing in the 2012/22 Long Term Plan</p>
Elections	<p>In the 2007 Communitrak survey, 80% were very/fairly satisfied with conduct of election. In the 2010 survey, this will be maintained or improved.</p>	<p><b>Achieved:</b> The Communitrak survey was conducted in August-September 2010, i.e. before the elections, so a Survey Monkey (posted on the Council website from 16 November to 17 December 2010) was used instead to gauge views of qualified voters. All respondents considered the elections had run smoothly and fairly and the results produced in a timely manner. However, 60% thought there was insufficient information about the elections in the Rangitikei.</p>

### Significant Variance in Levels of Service

There are no significant variances between intended and actual levels of service.

### **Identified Effects on Social, Economic, Environmental or Cultural Well-being**

This group of activities is concerned with the governance functions of Council demonstrated through leadership and strategic planning. Good governance requires that the Council finds a balance between what it must do and what its community wants it to do, and gain positive impacts on all four well-beings.

### **Significant Acquisitions or Replacement of Assets**

There were no significant acquisitions or replacement of assets.

### **Significant variation between acquisitions and replacement from the Annual Plan/Long Term Council Community Plan**

There are no significant variations between acquisitions and replacement from the Long Term Council Community Plan.

### **Significant variation between forecast and actual in the Cost of Service Statement for this activity**

Operating costs for Council were \$79,000 below budget (and \$54,000 less than last year). The main factors in this are reduced mileage costs (reflecting the determination of the Remuneration Authority removing reimbursements for the first 30 km of the journey) and lower travel and conference costs incurred by Elected Members.

## Community Leadership – Cost of Service Statement

For the Year Ended 30 June 2012

	Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000
<b>Operating Expenditure and Funding</b>			
<b>Operating Costs</b>			
Council	442	521	496
Community Boards	28	37	23
Elections	-	-	72
Te Roopu Ahi Kaa	35	56	35
Maraton Council Offices	183	185	169
Overhead Allocations	1,206	1,249	771
<b>Total Operating Costs</b>	<b>1,894</b>	<b>2,048</b>	<b>1,567</b>
<b>Group Activity Income</b>			
Activity Revenue	7	-	55
Subsidies	-	-	-
Rates Revenue	1,601	1,604	1,412
<b>Total Group Activity Income</b>	<b>1,608</b>	<b>1,604</b>	<b>1,468</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>(286)</b>	<b>(444)</b>	<b>(100)</b>
<b>Operating Surplus (Deficit) Transferred To/(From)</b>			
Retained Earnings	(286)	(444)	(100)
Capital Expenditure	-	-	-
<b>Total Funding Operational</b>	<b>(286)</b>	<b>(444)</b>	<b>(100)</b>
<b>Capital Expenditure and Funding</b>			
Renewals	11	7	45
Capital Development	-	-	-
Loan Repayments	-	1	-
<b>Funding Required</b>	<b>11</b>	<b>8</b>	<b>45</b>
<b>Funded by:</b>			
Loans	-	-	-
Depreciation Reserves	11	8	45
Transfers (To)/From Operational Reserves	-	-	-
<b>Total Funding</b>	<b>11</b>	<b>8</b>	<b>45</b>
Depreciation*	77	53	66
Interest*	-	-	-
*The above costs are included in the Operating Costs above			



## Roads and Transportation

This group of activities covers the Council's roading network (including bridges), footpaths and street lighting. A safe and orderly transportation network throughout the District is critical for the movement of people and goods as there is very limited public transport. This is the most significant activity in terms of rates expenditure. It also receives the largest subsidy from central government – but the Financial Assistance Rate ("FAR") of 59% reduces to 58% from 2012/13. A technical audit carried out by New Zealand Transport Agency in 2012 assessed the network as generally overall in good condition.

Highlights include a joint bridge inspection contract (with Manawatu District) with two rounds of inspection completed; completion of all but one of the repairs required to address damage from the storms in September 2010 and July 2011; and 9 km of pavement rehabilitation on Mangahoe Road, Tiriraukawa Road and Union Line.

The Taihape Main Street footpath upgrade was completed in November 2011. However, the non-slip sealant on the concrete proved unsatisfactory. Urgent remedial work was required because of the danger to pedestrians and also because the sealant could not be applied in cold conditions. The work was completed in May 2012.

Activity	Target for 2011/12	Actual July 2011-June2012
Roading network	In the 2007 Communitrak survey, 70% of respondents were satisfied with Council roads. In the 2010 survey, this will be maintained or improved.	<b>Achieved:</b> * 76% of respondents in the 2010 Communitrak survey were very/fairly satisfied with Council roads. 22% (28% in 2007) were not very satisfied. While 1% (2% in 2007) didn't know or were unable to say,  *Allowing for margin of error.
	95% smooth travel exposure rating as defined by Council/NZTA agreement	<b>Achieved:</b> 97% of vehicle kilometres travelled on Council roads met the specified service level.  This is an aggregated measure – 92% on Council's urban roads and 99% on Council's rural roads.  Last measured January 2011. This survey is undertaken on an approximately 3 year cycle.
	Zero vehicle accidents causing injury or death on local roads caused by the condition of the roading network  'Local roads' means roads under the control of the Council, as distinct from state highways, which are the responsibility of the New Zealand Transport Agency	<b>Achieved:</b> The analysis received from the NZTA Crash Analysis System identifies one serious injury crash where loose material on road <i>may</i> have been a contributing factor, but was not identified as the cause. The driver recorded either above alcohol limit or refused test.
	Contractors respond to after hours call-outs within 12 hours, and working hours call-outs within 6 hours	<b>Partly achieved:</b> Weekly reports are sent through from the Council's roading contractor with their response times to callouts. These show that for the 12 month period

		<ul style="list-style-type: none"> <li>• 51 of the 67 after hours callouts were attended to within the 12-hour response time frame</li> <li>• 86 of the 163 callouts during working hours callouts) were attended to within the 6 hour response time frame.</li> </ul> <p>Working hours are 8.00 am- 5.00pm Monday to Friday. Council's roading staff check most sites as they need to confirm the work is done before paying the claim. Most of the time they see the result of the callout work as they are driving the network.</p>
Footpaths and street lighting	250 metres per year of new footpath to residential streets that currently have no footpaths on either side	<b>Achieved:</b> 211 metres completed. Due to budget constraints with majority (161 metres) constructed in concrete rather than asphalt. Adverse ground conditions increased cost.
Footpaths and street lighting - continued	In the 2007 Communitrak survey, 81% of people surveyed were satisfied with the street lighting in the District. In the 2010 survey, this will be maintained or improved.	<b>Achieved*:</b> 83% of residents responding in the 2010 Communitrak survey were very/fairly satisfied. 8% (9% in 2007) were not very satisfied, while 9% (10% in 2007) didn't know or were unable to say.  *Allowing for margin of error.

### Significant Variance in Levels of Service

There were no significant variances in levels of service.

### Identified Effects on Social, Economic, Environmental or Cultural Well-Being

This group of activities contributes particularly to the economic well-being of the District through facilitating movement of people (visitors and residents), goods and services.

Repairs to damage from the 2010 storm events are almost complete, with the one remaining item being reconstruction of the Kotukutuku bridge wingwalls. Emergency works completed in 2011/12 totalled \$3.8 million.

### Significant Acquisitions or Replacement of assets

211 metres of new footpaths were constructed in Marton and Taihape at an investment of \$62,000.

### Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan

Pavement rehabilitation (i.e. carriageway reconstruction) totalled 9km in length, down from the 11km envisaged in the LTCCP. This was due to the effect of inflation. Total expenditure was \$3.3 million.

Carriageway resealing completed was slightly less than that envisaged in the LTCCP (60 km each year), but up in terms of area (8% increase). This was due to the effect of (i) wider roads being sealed this year (collectors and arterials rather than narrower local roads) and (ii) bitumen price fluctuations. Expenditure totalled \$1.7 million.

#### **Significant variation between forecast and actual in the Cost of Service Statement for this activity**

Operational costs (by \$2.7 million) and subsidies (by \$3.0 million) were both higher than projected in the Annual Plan. This is attributable to the extensive emergency works (ranging from slumps to base-course damage) over 120 different sites. The difference is attributable to the drop in depreciation, the result of revaluation and changed rate for footpaths.

## Roads and Transportation – Cost of Service Statement

For the Year Ended 30 June 2012

	Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000
<b>Operating Expenditure and Funding</b>			
<b>Operating Costs</b>			
Roading	14,864	12,146	16,295
Under Veranda Lighting	53	61	44
Overhead Allocations	448	439	435
<b>Total Operating Costs</b>	<b>15,365</b>	<b>12,646</b>	<b>16,773</b>
<b>Group Activity Income</b>			
Activity Revenue	135	120	106
Subsidies	10,492	7,558	12,617
Rates Revenue	6,834	6,746	6,800
<b>Total Group Revenue</b>	<b>17,461</b>	<b>14,424</b>	<b>19,523</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>2,096</b>	<b>(1,778)</b>	<b>2,750</b>
<b>Operating Surplus (Deficit) Transferred To/(From)</b>			
Retained Earnings	-	8	-
Capital Expenditure	5,710	5,647	6,620
Unfunded Depreciation	(3,614)	(3,877)	(3,683)
<b>Total funding Operational</b>	<b>2,096</b>	<b>1,778</b>	<b>2,937</b>
<b>Capital Expenditure and Funding</b>			
Renewals	6,347	7,099	5,908
Capital Development	1,224	912	2,963
Loan Repayments	140	132	116
Transfer to Flood reserve	150	150	150
<b>Funding Required</b>	<b>7,197</b>	<b>8,293</b>	<b>9,136</b>
<b>Funded by:</b>			
Loans	158	82	216
Transfer from Flood Reserve	337	-	-
Depreciation Reserves	1,511	2,565	2,490
Transfers (To)/From Operational Reserves	5,191	5,647	6,431
<b>Total Funding</b>	<b>7,197</b>	<b>8,293</b>	<b>9,136</b>
Depreciation*	6,295	6,752	6,425
Interest*	129	156	102
*The above costs are included in the Operating Costs above			

The Council does not fully fund depreciation on roading. This is because a subsidy is received on Capital Renewals from New Zealand Transport Agency (NZTA) which is used to reduce the cost to Council. The amount shown above as Unfunded Depreciation is that element funded from NZTA.

## Water

This group of activities provides readily available drinking water in the towns and rural water (non potable) to several other communities, wastewater treatment and the management of sewage from urban properties, and stormwater reticulation within urban areas to minimise damage and risk to people and property.

There have been some major milestones in the upgrade of Marton's water supply – the issue of resource consent for the Tutaenui bore (up to 3,500m<sup>3</sup> for the next 15 years), finalisation of the reservoir design. The upgrade of the sewer line through Marton has been completed. A new microfiltration unit has been installed at Taihape.

Other highlights include the installation of flow meters to properties connected to the Taihape and Marton raw water supply mains and the installation of the pipe bridge on the Tutaenui stream (for the Bulls water supply).

The proposed upgrade for the Bulls wastewater plant was deferred to allow negotiation with prospective partners – Riverlands, the Ohakea Base and Manawatu District Council.

Resource consent hearings have yet to be concluded over Taihape and Hunterville wastewater upgrades.

Activity	Target for 2011/12	Actual July 2011-June 2012
Water	<p>In 2009/10</p> <p>Complete audit (through the Public Health Risk Management Plans, or PHRMPs) of the process, operations and maintenance manuals for each water treatment plant.</p> <p>In 2010/11 and 2011/12</p> <p>Compile, maintain, and establish a review of paper trails for the monitoring and treatment processes and the operations and maintenance manuals.</p>	<p><b>In progress:</b> PHRMPs were completed for Ratana and Mangaweka in 2009/10. PHRMPs for Bulls, Marton, Hunterville and Taihape are in draft form for submission to the Drinking Water Assessor.</p> <p>Operations staff are preparing process, operations and maintenance manuals—except for Ratana, where this project was deferred until the result of the CAPs funding application was known—a subsidy was confirmed in July 2012, Taihape details will be available shortly for an operational review.</p>
	100% compliance with resource consents	<p><b>Partly achieved:</b> Council has 12 resource consents for its urban water schemes, and a further three for its rural water supply schemes. During the reporting period, Horizons undertook 19 inspections with the following results:</p> <p>(Number of inspections for each consent is in brackets)</p> <p>Bulls – 103868 (1): technical non-compliance – Annual calibration certificate for flow meter not supplied. Discussed need for annual calibration with Horizons and implemented testing regime with</p>

Activity	Target for 2011/12	Actual July 2011-June 2012
		<p>suppliers' agent.</p> <p>Bulls – 6903 (1): complies.</p> <p>Marton – 4901 (3): one non-compliance – Calico Line bore abstraction exceeded permitted levels. Operations staff instructed to cease use of bore unless in response to a major fire or other consent approved condition. Other two inspections complied.</p> <p>Marton – 6853 (1): technical non-compliance – supply of records did not meet requirements.</p> <p>Marton – 6829 (3): one technical non-compliance – supply of records did not meet requirements. This is now set up to occur automatically and should mean that this deficiency is avoided in future. Other two inspections complied.</p> <p>Huntermville – 103989 (1): technical non-compliance – abstraction volumes not forwarded monthly. Initiating an automatic transfer of data to Horizons on a daily basis is in progress (urban supply to be tied in as the final step for completion).</p> <p>Mangaweka – 103081 (1): complies.</p> <p>Ratana – 6350 (1): complies - however, none of consent conditions were assessed.</p> <p>Taihape – 101722 (2): one technical non-compliance. – Water take Activity Management plan not updated. Plan to be updated within next six months as part of Taihape PHRMP. Other inspection complied.</p> <p>Erewhon – 103986 (1): complies</p> <p>Omatane – 103988 (4): complies</p>
	Fewer than 25 unplanned water supply disruptions affecting multiple properties <sup>20</sup> .	<b>Achieved:</b> One unplanned water interruption occurred when external contractors damaged a water toby: however, only one consumer was affected.
	<p><i>Deliver safe drinking water to all properties connected to urban reticulated supplies (i.e. Ratana, Bulls, Marton, Huntermville, Mangaweka and Taihape)</i></p> <p>Note:</p> <p><i>This is not a level of service in the 2009/19 LTCCP,</i></p>	<p><b>Achieved:</b> All schemes comply with the 2000 Drinking Water Standards.</p> <p>The schemes are: Ratana settlement, Bulls RNZAF area, Bulls urban, Marton urban, Huntermville urban, Mangaweka township, Taihape urban.</p> <p>There were two transgressions detected</p>

<sup>20</sup> Assumes that planned programmes will not allow improvement in this target during the three-year period 2009/10-2011/12.

Activity	Target for 2011/12	Actual July 2011-June 2012
	<p><i>and the actual level of service achieved is not included in the overall analysis.</i></p> <p><i>The 2012/22 Long Term Plan includes the upgrade of urban reticulated schemes to comply with the 2005 (revised 2008) Drinking Water Standards.</i></p>	<p>(at the Marton Plant and Calico Line Plant treated sites) in the weekly tests undertaken at Environmental Laboratory Services in Gracefield, Lower Hutt. In accordance with the procedure (below) follow-up testing was undertaken. These results were clear indicating that both transgressions were the result of a sampling error.</p> <p>If an E-coli indicator is detected, three consecutive days testing are undertaken immediately to verify that the transgression has disappeared. If these subsequent samples are not clear, 'boil water' notices are issued until the problem is resolved. It is mandatory to inform the Ministry of Health's Drinking Water Assessor of such instances, and this was done.</p> <p>In addition to these regular tests, MidCentral Health conducts random tests. During the year three were conducted – at Hunterville, Mangaweka and Marton. No transgressions were detected.</p> <p>In previous years, each supply was subject to a random test, but this practice has been discontinued.</p>
Wastewater	No single network experiences more than 10 overflows during 2009/10 with progressive reduction in succeeding years as the result of the renewal programme, in conjunction with flow capacity modelling.	<p><b>Achieved:</b> No network has (or is projected to have) an alarm to report an overflow. Council depends on advice from the public for knowledge of overflows. Six wastewater overflow complaints were received during the reporting period. These were all individual sewer lines within properties.</p> <p>The required response time is two hours. This was achieved in three instances, but a complaint at night on 2 January 2012 took 9¼ hours to respond. The response times for the other two complaints were inaccurately recorded.</p> <p>This is a more precise result than was available last year, reflecting modifications in the Request for Service system to make explicit those complaints about wastewater overflow which, on inspection, are deemed to be a <i>network</i> overflow. Last year's report recorded complaints about wastewater overflows on 9 September 2010, 27-28 September 2010, 11 October 2010 and 9 February 2011. All were in Marton, and generally the result of heavy rain. These preceded completion of the upgrade (and increase to capacity) of Marton's reticulation.</p>

Activity	Target for 2011/12	Actual July 2011-June 2012
	100% discharge effluent meets standards of Resource Consent and the Resource Management Act.	<p><b>Partly achieved</b> : Horizons undertook 11 inspections during the reporting period, with the following results:</p> <p>(Number of inspections for each consent is in brackets)</p> <p>Taihape – 101724 (3): complies;  Hunterville – 7079 (2): complies;  Marton – 7312 &amp; 7313 (1): complies;  Bulls – 6406 (2) :one non-compliant, September 2011; the other inspection, May 2012, complies;  Ratana – 7400 (2) : one non-compliant, August 2011; the other inspection, May 2012, complies  Dudding Lake – 102545 (1): non-compliant. This facility is run under private contract.</p> <p>These results indicate the seasonal nature of treatment processes and the receiving waters.</p>
	In the 2007 Communitrak survey, 92% receivers of the service were satisfied. In the 2010 survey, this will be maintained or improved.	<p><b>Partly achieved:</b>* Of those respondents to the 2010 survey, 88% were satisfied with the service.</p> <p>*Allowing for margin of error.</p>
Stormwater	In a 1 in 20 year storm event, no more than 20 habitable properties per 1,000 will be affected (i.e. made uninhabitable for more than 24 hours)	<p><b>Achieved:</b> As was the case last year, a one in 20 year storm event did not occur during the reporting period.</p> <p>The Request for Service system records 19 requests made for Council to attend to a stormwater surface flooding. There were 18 such requests last year.</p>
	Less than 5 accidents per year caused by open drains or inlets reported by members of the public.	<p><b>Achieved:</b> No accidents have been reported.</p>
	75% of call-outs for faults and blockages are responded to within the allocated response timeframe.	<p><b>Not achieved:</b> There were 46 service requests concerning stormwater maintenance, blocked drains, repairs and surface flooding. 17 were responded to within the prescribed time. 29 were responded to late.</p> <p>The targeted response times are 30 minutes for urgent callouts and 24 hours for other callouts. (Targeted resolution times are 24 hours for urgent faults and 96 hours for other faults.)</p> <p>The number of slow responses is the result of the time documentation is</p>



Activity	Target for 2011/12	Actual July 2011-June 2012
		completed rather than the work being undertaken.

### Significant Variance in Levels of Service

Not achieving the level of service for compliance with resource consents for water supply is a significant variance. Details of this are provided above.

### Identified Effects on Social, Economic, Environmental or Cultural Well-being

This group of activities contributes particularly to the District's social and economic well-being through ensuring a reliable supply of potable water to the towns and also through maintaining four rural water supply schemes, through minimizing the impact of wastewater into the District's waterways, and the through minimizing the impact of stormwater on land, buildings and waterways

### Significant Acquisitions or Replacement of Assets

Significant acquisitions have been made in the following urban areas:

- Water Treatment Plants – new 6ML treated water storage reservoir, new Carbon and potassium permanganate dosing equipment, new electrical and monitoring equipment, new UV reactors and associated pipe work at Marton. New UV reactors for Bulls, Taihape and Mangaweka. New pipe bridge at Bulls storage reservoirs.
- Waste water Treatment Plants – new roughing filter at Hunterville, new micro filtration treatment plant at Taihape.

### Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan

#### Capital Expenditure significant variations:

##### *Water*

Marton \$3.4m – delays in physical work including supply of components from overseas plus \$1.5m contingency for proposed work not yet drawn on.

Ratana - \$690,000 – deferred construction whilst applying for Ministry of Health CAPs funding. Funding application was successful with a \$1,032,202 subsidy from fund. Over all estimate for project is \$1.6m.

##### *Wastewater*

Bulls - \$420,000 deferred awaiting result of negotiations between NZ Defence Force and Riverlands Ltd for a combined treatment plant. Work to commence 2012/13 year: refer 2012/22 LTP.

Koitiata - \$275,000 deferred whilst legal issues regarding land ownership/use are sorted. Discussions with Horizons have identified priority areas within district and Koitiata has been shifted to year five of 2012/22 LTP.

Ratana - \$450,000 deferred whilst exploring funding options and reprioritised following discussions with Horizons.

#### Renewal Expenditure significant variations

Renewal expenditure is down for two main reasons: corporate driven budget cut adjustments during the year to reduce future rate increases, and deferral of work to allow network modelling of the District to focus renewal program. The renewal programme originally based on a "desk top age of asset" criteria rather than Performance and Condition of asset.

**Significant variation between forecast and actual in the Cost of Service Statement for this activity**

Operating costs are \$973,000 less than budget. The main reason for this is expenditure was less in chemicals, \$265,000; electricity, \$103,000; depreciation, \$145,000; materials, \$31,000; overheads, \$100,000; and contractors, \$329,000. These are major budget items and the reductions are directly related to the volumes of water produced or waste water treated. Last summer was very wet resulting in less demand for water. The Taihape and Hunterville waste water upgrades were not operating for the full year resulting in less demand.

**Water Management – Statement of Cost of Service**

For the year ending 30 June 2012

	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Actual 2011 \$000</b>
<b>Operational Expenditure and Funding</b>			
<b>Operating Costs</b>			
Water Urban Schemes	2,464	2,588	2,146
Water Rural Schemes	595	634	573
Wastewater	1,506	2,068	1,762
Stormwater	451	617	520
Overhead Allocations	898	981	759
<b>Total Operating Costs</b>	<b>5,914</b>	<b>6,887</b>	<b>5,760</b>
<b>Group Activity Income</b>			
Activity Revenue	1,496	1,472	1,654
Subsidies	-	-	-
Rates Revenue	4,835	4,781	4,416
<b>Total Group Activity Income</b>	<b>6,331</b>	<b>6,253</b>	<b>6,070</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>417</b>	<b>(634)</b>	<b>310</b>
<b>Operating Surplus (Deficit) Transferred To/(From)</b>			
Retained Earnings	634	(375)	565
Capital Expenditure	-	-	-
Unfunded Depreciation	(217)	(259)	(255)
<b>Total Funding Operational</b>	<b>417</b>	<b>(634)</b>	<b>310</b>
<b>Capital Expenditure and Funding</b>			
Renewals	1,306	2,225	2,534
Capital Development	2,582	5,920	3,276
Loan Repayments	512	510	356
<b>Funding Required</b>	<b>4,400</b>	<b>8,656</b>	<b>6,166</b>
<b>Funded by:</b>			
Loans	2,582	5,920	3,276
Depreciation Reserves	1,818	2,736	2,890
Transfers (To)/From Operational Reserves	-	-	-
<b>Total Funding</b>	<b>4,400</b>	<b>8,656</b>	<b>6,166</b>
Depreciation*	1,694	2,160	1,837
Interest*	353	647	544
*The above costs are included in the Operating Costs above			

## Community and Leisure Assets

This group of activities covers Council's non-infrastructure assets – halls and community buildings, public toilets, swimming pools, parks and reserves, libraries, cemeteries and community housing. The major challenge is to manage these assets to meet the changing demands on use from residents, which include changes in the age demographic, lifestyle, 'fashions' in sport and outdoor recreation, patterns of indoor activities, work-life balance and the distance people are prepared to travel to access these activities. Highlighting these issues was a major element in the pre-consultation phase of developing the 2012/22 Long Term Plan.

Highlights include the implementation of e-books in the libraries, the extension of the area designated for returned services personnel at the Mount View cemetery largely funded by Veterans Affairs, the opening up of the Taihape Memorial Park through the removal of a corrugated iron fence and its replacement with chain mesh, the use of the Shelton Pavilion (Centennial Park, Marton) as a focus for local youth, and the sale of the former Marton campground.

Activity	Target for 2011/12	Actual July 2011-June 2012
Parks and Reserves	The 2007 Communitrak survey reported 85% satisfaction with maintenance of park facilities. In the 2010 Communitrak survey, this will be maintained.	<p><b>Achieved:</b> 85% of respondents in the 2010 Communitrak survey were very/fairly satisfied with greenspace (i.e. sports-fields, playgrounds, parks and reserves). 8% (7% in 2007) were not very satisfied, while 7% (8% in 2007) didn't know or were unable to say.</p> <p>Council maintains six sports fields in the District – Taihape Memorial Park, Hunterville Domain, Marton Park, Centennial Park, Wilson Park and the Bulls Domain.</p> <p>In May 2012, the contractor's spraying programme in Taihape coincided with heavy frosts which caused browning off of almost the entire turf. However, the roots were not damaged and the turf is recovering. It has had minimal impact on winter sports.</p> <p>*Allowing for margin of error.</p>
Parks and Reserves	Fewer than 10 reports of playground accidents in 2009/10 are maintained or improved in each year 2010/11 and 2011/12	<p><b>Achieved:</b> No such reports received (as was the case last year). All playgrounds are inspected weekly as part of Council's Parks and Town Maintenance contract. Small repairs are carried out immediately; anything dangerous is removed and/or made safe on the same day. This extends to all equipment and surfaces in these areas</p>
Halls and Community buildings	The 2007 Communitrak survey reported 72% of residents (89% of users) are satisfied with the provision of public halls.	<p><b>Achieved:</b>* 72% of respondents (90% of users) in the 2010 Communitrak survey were very/fairly satisfied with public halls.</p>

Activity	Target for 2011/12	Actual July 2011-June 2012
	In the 2010 Communitrak survey, this will be maintained.	*Allowing for margin of error.
Cemeteries	The 2007 Communitrak survey reported 71% of residents (96% of visitors) are satisfied with cemeteries, including maintenance of cemeteries. In the 2010 Communitrak survey, this will be maintained.	<p><b>Achieved:</b>* 69% of residents in the 2010 Communitrak survey were very/fairly satisfied with cemeteries. 92% of those residents who had visited a cemetery in the past twelve months were very/fairly satisfied.</p> <p>*Allowing for margin of error.</p>
	Less than 10 complaints [from the public] of significant issues with reserved plots or historical data.	<p><b>Achieved:</b> No such complaints received (the same result as last year).</p> <p>Online cemetery search is proving popular and attracts favourable comment</p>
Public toilets	<p>Half-yearly ratings from Community Board/Committee on 1-10 scale are greater than 7 in each year 2009/10, 2010/11, 2011/12.</p> <p>Typically, each member of the Board/Committee makes an individual assessment that is then averaged.</p>	<p><b>Not achieved:</b> Toilets in Hunterville, Mangaweka and at the two information centres (Bulls and Taihape) consistently rated 8 or better</p> <p>Toilets rated very low at Ratana, Bulls Domain and High Street in Bulls</p> <p>Turakina toilets not rated in the December survey but rated 8 or better in June 2012 Marton toilets rated in June only, all at 3 except Marton Library, at 6.5.</p> <p>These ratings are the result of surveying members of Rangitikei's Community Boards and Community Committees in December 2011 and June 2012. Toilets in Turakina, Mangaweka and Ratana are provided by private operators, to whom Council pays an annual grant.</p>
Community housing	Six monthly surveys of tenants show 70% satisfaction rating that Council's responses to maintenance requests are timely and appropriate.	<p><b>Partly achieved:</b> A survey of tenants in March 2012 showed that of the 21 maintenance requests made, 18 were done within a day, and the remaining three within a week. While tenants were not specifically asked for a rating, this result implies a high satisfaction rating.</p> <p>No subsequent survey was undertaken. However, no reports of tenant dissatisfaction have been received.</p>
Libraries	75% of the titles on the "best reading lists" are held by the district libraries.	<p><b>Achieved:</b> The District libraries hold 70 out of the 100 books listed in the New Zealand Listener Best Books of 2011; 55 out of the 60 titles listed in Booksellers New Zealand-Nielsen 2011 Bestsellers List; and 13 out of 16 New Zealand Post</p>

Activity	Target for 2011/12	Actual July 2011-June2012
		<p>Awards finalists for 2012. This averages at 78%.</p> <p>Last year, 69% of the titles on these three 'best reading' lists were held in the district libraries.</p>
	<p>2,500 minutes spent over the year by users searching subscription electronic resources in 2010/11.</p> <p>The reporting by these subscription services has changed: most now only report the number of searches rather than the time spent.</p>	<p><b>Incomplete records:</b> There were 332 searches made in the Britannica databases and 5,617 searches in the genealogical database Ancestry.com.</p> <p>This is a different result from last year, when there were 1,652 searches in Britannica databases and 2,055 searches in Ancestry.com. These changes may be a reflection of the increasing use of other online resources (notably Wikipedia) and the significant television promotion of Ancestry.com</p> <p>Time spent on Britannica and Ancestry.com is not available.</p>
	<p>In the 2007 Communitrak survey, 75% residents (93% users) were very/fairly satisfied with the District libraries. In the 2010 Communitrak survey, this will be maintained or improved.</p>	<p><b>Achieved*:</b> 76% of respondents (96% of those who were users) to the 2010 Communitrak survey were very/fairly satisfied with the library service. 2% (3% in 2007) were not very satisfied, while 22% (also 22% in 2007) didn't know or were unable to say.</p> <p>A new development in the libraries has been the implementation of e-books in April 2012.</p> <p>*Allowing for margin of error.</p>
Swimming pools	<p>There are less than 10 complaints per season about pool water quality.</p>	<p><b>Partly achieved:</b> No complaints received.<sup>21</sup></p> <p>At its meeting on 27 October 2011, Council considered reports from the trusts managing the pools in Taihape and Marton pools. Neither report noted any complaints about water quality. However, for assurance that the pools are clean, safe and hygienic facilities, Council relies on continuous compliance with the Poolsafe accreditation scheme. This has been achieved at Taihape and (from 26 April 2012) at Marton.</p>
	<p>Charges are on a par with comparable facilities.</p>	<p><b>Achieved:</b> Comparative analysis undertaken of pool prices at Makino (Feilding), Lido (Palmerston North) and</p>

<sup>21</sup> However, all three pools are managed by community trusts, and any complaints to them are not necessarily conveyed to the Council. However, when Council's contractors were undertaking maintenance at the Marton pool, they received a number of complaints. From 1 July 2012, Council assumed direct management control of the Marton Pool.

Activity	Target for 2011/12	Actual July 2011-June2012
		<p>Splash (Wanganui).</p> <p>This analysis was submitted to Council's meeting on 27 August 2010.</p> <p>At its meeting on 27 October 2011, when considering reports from the trusts managing the pools at Taihape and Marton, Council noted that no change to entry prices was proposed for the 2011/12 season.</p>
	<p>In the 2007 Communitrak survey, 60% residents (90% users) were very/fairly satisfied with the District swimming pools. In the 2010 Communitrak survey, this will be maintained.</p>	<p><b>Achieved*:</b> 59% of respondents (76% of pool users) to the 2010 Communitrak survey were very/fairly satisfied with the District's swimming pools.</p> <p>The pools are operated to maximise opportunities for use by local schools and to promote learning of swimming by the community.</p> <p>*Allowing for margin of error.</p>

### Significant Variance in Levels of Service

There are no significant variances between intended and actual levels of service.

### Identified Effects on Social, Economic, Environmental or Cultural Well-Being

This group of activities contributes particularly to the economic well-being of the District through facilitating movement of people (visitors and residents), goods and services.

### Significant Acquisitions or Replacement of Assets

Work on the changing rooms and some interior painting was undertaken at the Taihape Pool. The exterior and roof of the Marton Pool building was painted, together with the necessary exterior repairs.

The corrugated iron Kokako Road boundary fence at Taihape Memorial Park was replaced with heavy netting, using the existing posts and rails. This has made the park much more open and visible, and a strong disincentive to vandalism.

In October 2011, the John Beresford Swan Dudding Trust made a grant of \$42,600 (same as last year) to the District libraries, of which \$8,600 was paid to the community libraries in Hunterville, Mangaweka and Kawarau. Of the balance, \$30,000 was used for the purchase of new books for the Council's libraries at Bulls, Marton and Taihape; \$2,500 was used to assist with the purchase of electronic text resources, and \$1,500 assisted with the costs of the Council libraries' annual writing competition (including subsidizing the publication of entries).

**Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan**

The new toilets in Bulls planned since 2009/10 have not been built. A provision of \$150,000 in 2010/11, as a contribution towards the cost of building new toilets, was continued in the 2011/12 Annual Plan. At present there are negotiations on placing the new toilets on the site of the planned new World supermarket.

Mt View Cemetery near Marton has been extended to provide for additional graves for those who served in the Armed Forces.

**Significant variation between forecast and actual in the Cost of Service Statement for this activity**

There was no significant variation between forecasted and actual operational expenditure or revenue in this activity. However, renewal expenditure was \$115,000 more than budgeted. This is primarily the result of completing the development of the top section of Mt View cemetery (noted above), which received a subsidy of \$101,445 from Veteran Affairs (reflected in the larger actual for subsidies compared with budget).



**Community and Leisure Assets – Statement of Cost of Service**

For the year ending 30 June 2012

	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Actual 2011 \$000</b>
<b>Operational Expenditure and Funding</b>			
<b>Operational Costs</b>			
Property	40	73	70
Swimming Pools	543	560	694
Libraries	221	257	221
Community Housing	427	408	425
Cemeteries	142	124	121
Parks and Reserves	536	546	521
Public Toilets	186	217	174
Halls	246	305	317
Overhead Allocations	737	731	747
<b>Total Operating Costs</b>	<b>3,078</b>	<b>3,222</b>	<b>3,291</b>
<b>Group Activity Income</b>			
Activity Revenue	406	385	433
Subsidies	136	30	43
Rates Revenue	2,409	2,409	2,422
<b>Total Group Activity Income</b>	<b>2,951</b>	<b>2,824</b>	<b>2,898</b>
<b>Net Cost of Service – Surplus(Deficit)</b>	<b>(128)</b>	<b>(398)</b>	<b>(393)</b>
<b>Operating Surplus(Deficit) Transferred To/(From)</b>			
Retained Earnings	9	(7)	(225)
Capital Expenditure	26	-	-
Unfunded Depreciation	(163)	(390)	(168)
<b>Total Funding Operational</b>	<b>(128)</b>	<b>(398)</b>	<b>(393)</b>
<b>Capital Expenditure and Funding</b>			
Renewals	499	385	343
Capital Expenditure	26	154	-
Loan Repayments	46	49	46
<b>Funding Required</b>	<b>571</b>	<b>588</b>	<b>388</b>
<b>Funded by:</b>			
Loans	-	154	-
Depreciation Reserves	545	434	388
Transfers (To)/From Operational Reserves	26	-	-
<b>Total Funding</b>	<b>571</b>	<b>588</b>	<b>388</b>

Depreciation*	718	794	750
Interest*	21	40	24
* The above costs are included in the Operating Costs above			

## Rubbish and Recycling

This group of activities, comprising Waste Management and Waste Minimisation, is one where central government is increasingly determining national standards that Council must meet. Council does not collect – other than from public litter bins – or dispose of rubbish within the District: this is handled by independent businesses. Council owns a network of waste transfer stations, whose operation is contracted out.

The highlight for this activity has been the development and adoption of a Waste Management and Minimisation Plan, concurrently with the Long Term Plan. Recycling at the waste transfer stations is increasing, but the real change will come with the introduction of green waste facilities.

Activity	Target for 2011/12	Actual July 2011-June 2012
Waste management	In the 2007 Communitrak survey, 67% of users were fairly satisfied or very satisfied with services provided. The 2010 Communitrak survey will maintain this level of satisfaction	<p><b>Partly achieved:*</b> 63% of respondents in the 2010 survey who received a regular rubbish collection were satisfied with the services provided.</p> <p>Council does not undertake a kerb-side rubbish collection service – this is undertaken by private contractors. Council owns the waste transfer stations in Ratana, Bulls, Marton, Hunterville, Mangaweka and Taihape: all are operated under contract. Council has a network of public litter bins which are emptied under contract.</p> <p>*Allowing for margin of error.</p>
Waste minimisation	Estimate of diversion of waste from landfill to recycling (e.g. number of tonnes diverted) to serve as baseline for measuring improvement in 2011/12.	<p><b>Achieved:</b> For the year ending 30 June 2012, transfer station tonnage to landfill was 5,135 tonnes (5,915 tonnes last year). The diversion of waste in 2011/12 was 430 tonnes (or 8.4%). The comparable figures last year were 345 tonnes (or 5.7%).</p> <p>The main item recycled was glass – 255 tonnes in 2011/12</p> <p><i>Note: the figures in the 2010/11 Annual Report for tonnage to landfill omitted the Budget Waste kerbside tonnage (636 tonnes). The 2010/11 figures noted here include that adjustment.</i></p>
	In the 2007 Communitrak survey, 44% of users were fairly satisfied or very satisfied with services provided. The 2010 Communitrak survey will increase the level of satisfaction.	<p><b>Achieved:*</b> 61% of respondents to the 2010 Communitrak survey who were users of the Council's recycling facilities were very/fairly satisfied with recycling.</p> <p>*Allowing for margin of error.</p>

**Significant Variance in Levels of Service**

There are no significant variances in the levels of service.

**Identified Effects on Social, Economic, Environmental or Cultural Well-Being**

This group of activities contributes to the District's environmental well-being by minimising the quantity of waste being disposed of by providing for waste reduction, reuse, recycling and recovery. A key component of this is funding the provision of waste minimisation focussed education to district primary schools.

**Significant Acquisitions or Replacement of Assets**

There were no significant acquisitions or replacement of assets.

**Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan**

Not applicable.

**Significant variation between forecast and actual in the Cost of Service Statement for this activity**

The Waste Transfer Station actual operating costs are approximately \$113K less than the forecast annual plan figure. This is a result of the reduced tonnage going to landfill.

**Rubbish and Recycling – Cost of Service Statement**

For the Year Ended 30 June 2012

	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Actual 2011 \$000</b>
<b>Operational Expenditure and Funding</b>			
<b>Operating Costs</b>			
Waste Transfer Stations	763	876	780
Closed Landfills	(20)	21	21
Public Litter Bin Collection	93	120	95
Overhead Allocations	115	94	99
<b>Total Operating Costs</b>	<b>951</b>	<b>1,111</b>	<b>995</b>
<b>Group Activity Income</b>			
Activity Revenue	507	467	463
Subsidies	-	-	-
Rates Revenue	585	583	599
<b>Total Group Activity Income</b>	<b>1,092</b>	<b>1,050</b>	<b>1,062</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>141</b>	<b>(61)</b>	<b>68</b>
<b>Operating Surplus (Deficit) Transferred To/(From)</b>			
Retained Earnings	141	(61)	68
Capital Expenditure	-	-	-
<b>Total Funding Operational</b>	<b>141</b>	<b>(61)</b>	<b>68</b>
<b>Capital Expenditure and Funding</b>			
Renewals	9	8	3
Capital Development	-	-	54
Loan Repayments	2	9	-
<b>Funding Required</b>	<b>11</b>	<b>17</b>	<b>58</b>
<b>Funded by:</b>			
Loans	-	-	54
Depreciation Reserves	9	17	3
Transfers (To)/From Operational Reserves	2	-	-
<b>Total Funding</b>	<b>11</b>	<b>17</b>	<b>58</b>
Depreciation*	27	20	34
Interest*	1	5	2

\*The above costs are included in the Operating Costs above

## Environmental and Regulatory Services

This group of activities covers the areas where Council ensures compliance with statutory requirements in the areas of planning, development and building, liquor and other licensing, animal control and environmental health.

Highlights are the review of the District Plan, for which most hearings had been completed by 30 June 2012, and the reaccreditation process for Council as a building consent authority – with only a few corrective actions to be addressed before reaccreditation is confirmed. The Council's electronic building consent system continues to attract interest from other councils.

Activity	Target for 2011/12	Actual July 2011-June 2012
Building control	95% of consents are issued within the 20-day statutory timeframe.	<p><b>Achieved:</b> 327 building consents issued, of which 95% (312) were completed within the 20- day statutory period.</p> <p>Staff ill-health (and resulting absence) caused a slight drop in performance compared with last year's result: 298 building consents were issued of which 296 (99%) were completed within the statutory timeframe.</p>
Animal control	100% of priority-one calls (a dog attack, threatening dogs or stock on roads) are responded to within 30 minutes of a call being received and 100% of priority-two calls (other complaints/service requests of a less serious nature) are responded to within 24 hours.	<p><b>Not achieved:</b> 900 complaints received of which 331 were priority one, requiring response within 30 minutes. Only 195 (59%) of these were reported as being responded to within this time. Of the 569 priority two calls, 444 (78%) were responded to within the required time.</p> <p>This is very different result from last year when there were 807 complaints, of which 186 were priority one (of which 184 was responded to within 30 minutes). Priority one calls have nearly doubled.</p> <p>Priority one calls cover dog attacks on humans and animals, dogs rushing at humans and animals, and wandering stock. Priority two calls cover animal welfare, barking dogs, found dogs, stock worrying, and wandering/stray dogs.</p>
	The 2007 Communitrak survey found 71% residents were fairly or very satisfied with control of dogs. The 2010 Communitrak survey will maintain or improve on this.	<p><b>Achieved:*</b> 68% of respondents in the 2010 Communitrak survey were very/fairly satisfied with the control of dogs. 17% were not very satisfied (14% in 2007), while 15% (15% in 2007) didn't know or were unable to say.</p> <p>*Allowing for margin of error.</p>
District Plan	100% compliance with all statutory requirements on the process for review and subsequent monitoring	<p><b>Achieved:</b> Plan review is currently being processed within legislative time frames. Submission and hearings process is completed. Deliberations are underway, with a view to Council adopting the new Plan at its October 2012 meeting.</p>

Activity	Target for 2011/12	Actual July 2011-June 2012
District Plan	80% satisfied with the opportunity to engage in the development of a revised District Plan	<b>Not yet available:</b> The progress with the Review has been different from that envisaged in the LTCCP. A survey of community views needs to occur after the hearings are complete. An important preliminary to those is a range of formal and informal discussions to identify the critical issues for decision by the hearings commissioners.
Consent processes	75% of applicants get their consent processed within the legislative requirement of 20 working days	<b>Achieved:</b> 38 resource consent applications were received and all were processed within the prescribed timeframe.  This is a similar result to last year, when 42 resource consent applications were received and processed within the prescribed timeframe.
	90% of consent holders comply with all conditions of their consent	<b>Achieved:</b> Monitoring system has been implemented. 47 subdivision consents and 30 land use consents were monitored during the period. 6 cases of non-compliance were identified. In addition, there were two consents which have conditions attached to them requiring monitoring which were not monitored by Council during the period.  Of the six non-compliant consents, one was resolved, one subject to ongoing enforcement and four are of a minor nature and staff are working with consent holders.
Environmental health	80% of registered premises comply with statutory and regulatory requirements of their licence <sup>22</sup>	<b>Achieved:</b> 99% comply  There are 116 licensed premises. 115 have been inspected. Two closed voluntarily for non-compliance – one permanently and one temporarily.

### Significant Variance in Levels of Service

Not achieving the level of service for animal control is a significant variance. As noted above, the number of recorded priority one calls has almost doubled. In part this reflects greater accuracy in recording instances, but – because of the size of the district – it can be impossible to reach the location within 30 minutes, especially after hours. However, some of this variance will be attributable to the

<sup>22</sup> This measure was omitted from the 2011/12 Annual Plan. It is part of the performance framework of the 2009/19 LTCCP (see p.77).

inability to enter data for after-hours in actual live time. Despite the increase the proportion of calls responded to within the timeframes has improved as the year progressed.

#### **Identified Effects on Social, Economic, Environmental or Cultural Well-Being**

This group of activities contributes to the District's social, economic and environmental well being by promoting the sustainable management of the natural and physical resources of the district.

#### **Significant Acquisitions or Replacement of Assets**

Not applicable to this activity.

#### **Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan**

Not applicable to this activity.

#### **Significant variation between forecast and actual in the Cost of Service Statement for this activity**

Reduced expenditure on resource consents is reflection on the economic downturn. The higher expenditure on the District Plan reflects the need to engage expert advice in preparing section 42 reports for the hearings.



**Environmental and Regulatory Services - Cost of Service Statement**

For the Year Ended 30 June 2012

	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Actual 2011 \$000</b>
<b>Operational Expenditure and Funding</b>			
<b>Operating Costs</b>			
Building Control	75	87	54
Animal Control	29	34	21
Resource Consents	45	100	97
District Plan	147	124	108
Health	22	8	24
Overhead Allocations	983	990	854
<b>Total Operating Costs</b>	<b>1,301</b>	<b>1,342</b>	<b>1,158</b>
<b>Group Activity Income</b>			
Activity Revenue	561	577	671
Subsidies	-	-	-
Rates revenue	957	957	650
<b>Total Group Activity Income</b>	<b>1,518</b>	<b>1,534</b>	<b>1,321</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>217</b>	<b>192</b>	<b>162</b>
<b>Operating Surplus (Deficit) Transferred To/(From)</b>			
Retained Earnings	217	192	162
Capital Expenditure	-	-	-
<b>Total Funding Operational</b>	<b>217</b>	<b>192</b>	<b>162</b>
<b>Capital Expenditure and Funding</b>			
Renewals	-	-	-
Capital Development	-	250	-
Loan Repayments	-	-	-
<b>Funding Required</b>	<b>-</b>	<b>250</b>	<b>-</b>
<b>Funded by:</b>			
Loans	-	250	-
Depreciation Reserves	-	-	-
Transfers (To)/From Operational Reserves	-	-	-
<b>Total Funding</b>	<b>-</b>	<b>250</b>	<b>-</b>
Depreciation*	-	-	-
Interest*	-	-	-

\* The above costs are included in the Operating Costs Above

## Community Support

This group of activities consists of Emergency Management and Rural Fire, both of which are contracted too Horizons Regional Council.

Highlights are the continuing local networks and volunteers, and the familiarisation workshops run in the Council's Emergency Operations Centre focussing on competence with the new national Emergency Management Information System.

Activity	Target for 2011/12	Actual July 2011-June 2012
Emergency management	The 2007 Communitrak survey found that 66% of households were prepared for an emergency. The 2010 Communitrak survey will show an increase in this.	<p><b>Achieved:</b> * 77% of residents responding to the 2010 Communitrak survey felt that their household was prepared for a Civil Defence emergency (i.e. they had sufficient water, food and fuel to last at least three days). 23% considered that they were not prepared.</p> <p>No data is available to update these findings</p> <p>*Allowing for margin of error.</p>
Rural fire	Rural Fire call-outs are responded to within 15 minutes of a call being received	<p><b>Achieved/ongoing:</b> Under the contract with Horizons Regional Council, a rural fire officer has been on call 24/7. The same result was reported last year.</p> <p>Rural fires were responded to in less than 15 minutes as the New Zealand Fire Service is the first response. A rural fire officer (RFO) is paged at the same time as the brigade that is turned out to the call. The RFO initially contacts fire communications and acknowledges the page. A decision is made based on the type of call and situation of the fire to require a response from the RFO or one of the volunteer rural fire fighting forces.</p>

### Significant Variance in Levels of Service

There are significant variances in levels of service.

### Identified Effects on Social, Economic, Environmental or Cultural Well-Being

This group of activities contributes to the District's social well-being by preparing communities for an emergency and ensuring that the support structure is in place to respond to an emergency whenever that occurs.

### Significant Acquisitions or Replacement of Assets

A rural fire vehicle (for Mangaweka) was acquired, as provided in the Annual Plan (but at no cost).

**Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan**

There is no significant variation.

**Significant variation between forecast and actual in the Cost of Service Statement for this activity**

There is no significant variation.

## Community Support – Cost of Service Statement

For the Year Ended 30 June 2012

	Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000
<b>Operating Expenditure and Funding</b>			
<b>Operating Costs</b>			
Civil Defence	75	89	86
Rural Fire	91	139	115
Overhead Allocations	19	26	23
<b>Total Operating Costs</b>	<b>185</b>	<b>254</b>	<b>224</b>
<b>Group Activity Income</b>			
Activity Revenue	40	-	-
Subsidies	-	15	15
Rates revenue	210	210	230
<b>Total Group Activity Income</b>	<b>250</b>	<b>225</b>	<b>245</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>65</b>	<b>(30)</b>	<b>21</b>
<b>Operating Surplus (Deficit) Transferred To/From</b>			
Retained Earnings	65	(30)	21
Capital Expenditure	-	-	-
<b>Total Funding Operational</b>	<b>65</b>	<b>(30)</b>	<b>21</b>
<b>Capital Expenditure and Funding</b>			
Renewals	44	48	44
Capital Development	-	-	-
Loan Repayments	4	3	4
<b>Funding Required</b>	<b>48</b>	<b>51</b>	<b>48</b>
<b>Funded by:</b>			
Loans	-	-	-
Depreciation Reserves	48	51	48
Transfers (To)/From Operational Reserves	-	-	-
<b>Total Funding</b>	<b>48</b>	<b>51</b>	<b>48</b>
Depreciation*	4	22	7
Interest*	(6)	2	2
*The above costs are included in the Operating Costs above			

## Community Economic Development

This group of activities covers Council's initiatives in promoting economic development within the community, both directly (through services and grants) and indirectly (through collaboration with other organisations).

Highlights include the progress made by the six theme groups in the Path to Well-being initiative, (particularly in developing a results-based framework), Council staff's involvement in the government's Community Response Model Forum, the Community Development Programme in Marton (funded through the Department of Internal Affairs), the placement of young people in training and employment (through a programme funded by the Ministry of Social Development) and the stronger linkage between Council's objectives and the work undertaken by Rangitikei Tourism, Bulls and District Community Development Trust, Project Marton, Taihape Development Community Trust and Otaihape Māori Komiti.

Activity	Target for 2011/12	Actual July 2011-March 2012
Economic development	The 2007 Communitrak survey found 50% of residents were satisfied with how Council communicates its needs to District businesses and understands their needs. The 2010 Communitrak survey will increase this level of satisfaction.	<b>Partly achieved:</b> * 44% of respondents in the 2010 Communitrak survey were very/fairly satisfied with the Council's business promotion services. 30% (24% in 2007) were not very satisfied, while 26% (28%) didn't know or were unable to say.  The Path to Well-being initiative includes a theme group 'Buoyant District Economy' which has attracted strong support from Marton businesses  *Allowing for margin of error.
	The 2007 Communitrak survey found 66% residents were satisfied with the tourism promotion service. The 2010 Communitrak survey will maintain or increase this level of satisfaction.	<b>Achieved:</b> * 65% of respondents in the 2010 Communitrak survey were very/fairly satisfied with Council's tourism promotion services. 23% (18% in 2007) were not very satisfied, while 12% (16% in 2007) didn't know or were unable to say  *Allowing for margin of error.
Information Centres	In the 2007 Communitrak survey, 60% of residents were aware of the information centres. The 2010 Communitrak survey will increase residents' awareness of the Information Centres.	<b>Partly achieved:</b> * 54% of respondents in the 2010 Communitrak survey either didn't know or were unable to comment on the visitor information centres.  Council maintains two visitor information centres, at Bulls and Taihape, which are open 9.00-5.00 pm every day except Christmas Day. They provide a 'shop front' for local tourism businesses, local souvenirs and offer a travel booking service.  *Allowing for margin of error.
	In the 2007 Communitrak survey, 90% of residents who have used the information centres were satisfied with their services. This level will be maintained in the 2010	<b>Achieved:</b> * 25% of the respondents to the 2010 Communitrak survey had used the information centres: 87% were satisfied with the service.

	Communitrak survey.	*Allowing for margin of error.
Grants	There will be 10 events to promote economic development supported by Council sponsorship, and at least 2 first- or second-time events.	<p><b>Achieved:</b> The September 2011 funding round for Community Initiatives grants supported 11 events (10 last year). Of these, 4 were first or second time events ( Highland Dancing Championship, Gumboot Jam, Taihape Historic Society opening of Rose Cottage and the Adopt-a-motor-home event) The other 7 events are annual events.</p> <p>The seven events were Marton Country Music Festival, Show -Jumping in Taihape (the New Zealand Equestrian Federation), Turakina Caledonian Games, Marton Christmas Parade (Marton Jaycees), Harvest Festival (Project Marton), Market Day (Project Marton), and Gumboot Day (Taihape Community Development Trust).</p>

### Significant Variance in Levels of Service

There are no significant variances between the intended and actual levels of service.

### Identified Effects on Social, Economic, Environmental or Cultural Well-being

This group of activities is concerned with gaining positive impacts on all four well-beings, although principally with the economic well-being of the Rangitikei community.

### Significant Acquisitions or Replacement of Assets

Not applicable.

### Significant Variation between Acquisitions and Replacement from the Annual Plan/Long Term Council Community Plan

Not applicable.

### Significant variation between forecast and actual in the Cost of Service Statement for this activity

The increase in operational costs and subsidies are the result of three initiatives funded through grants from central government: the Marton Community Development Project (Department of Internal Affairs), the Youth to Business Programme (Ministry of Social Development), and engagement of youth during the Long Term Plan (Ministry of Youth Development). During the year \$73,449 (the unexpended balance of the grant from the Department of Internal Affairs for the ICT Hub) was paid to the charitable trust set up to run the hubs in Marton and Ratana.

**Community Economic Development – Cost of Service Statement**

For the Year Ended 30 June 2012

	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Actual 2011 \$000</b>
<b>Operational Expenditure and Funding</b>			
<b>Operating Costs</b>			
District Promotion and Development	464	222	355
Information Centres	90	70	84
Event Sponsorship	26	23	35
Community Projects	23	31	24
Overhead Allocations	220	213	281
<b>Total Operating Costs</b>	<b>823</b>	<b>559</b>	<b>779</b>
<b>Group Activity Income</b>			
Activity Revenue	28	29	30
Subsidies	198	33	257
Rates Revenue	497	503	530
<b>Total Group Activity Income</b>	<b>723</b>	<b>564</b>	<b>817</b>
<b>Net Cost of Service – Surplus (Deficit)</b>	<b>(100)</b>	<b>5</b>	<b>38</b>
<b>Operating Surplus (Deficit) Transferred To/From</b>			
Retained Earnings	(100)	(15)	18
Capital Expenditure	-	20	20
<b>Total Funding Operational</b>	<b>(100)</b>	<b>5</b>	<b>38</b>
<b>Capital Expenditure and Funding</b>			
Renewals	-	-	-
Capital Development	-	-	506
Loan Repayments	19	20	20
<b>Funding Required</b>	<b>19</b>	<b>20</b>	<b>525</b>
<b>Funded by:</b>			
Loans	-	-	-
Depreciation Reserves	-	-	-
Transfers (To)/From Operational Reserves	19	20	525
<b>Total Funding</b>	<b>19</b>	<b>20</b>	<b>525</b>
Depreciation*	6	5	6
Interest*	23	23	24
* The above costs are included in the Operating Costs above			

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**Rangitikei**  
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## Rangitikei District Council

### Section 3: Financial Statements and Policy Reports

## Glossary of Accounting Terms Used

Fair Value	The amount an asset could be sold for. The actual worth of an asset.
Carrying Value	The amount at which an asset is shown in your Statement of Financial Position.
Impairment	When an asset is actually worth less than the value in the Accounts then that asset is said to be impaired. The difference between the two values is the impairment. Normally an impairment loss is initially offset against the revaluation reserve. If there is no balance, it is recognised as a loss in the income statement..
Amortisation	Writing off an asset gradually over its useful life. It is another word for depreciation. The reduction in value of an asset.

## Statement of Comprehensive Income

For the Year Ended 30 June 2012

	Notes	Parent			Consolidated
		Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Revenue</b>					
Revenue from rates	2	16,819	16,617	16,122	16,122
Finance Revenue	3A	443	820	556	556
Forestry Revenue		-		394	394
Subsidies	3	10,825	7,636	12,842	12,842
Activity Revenue	3	3,110	3,050	3,838	4015
Unrealised Gain on Forestry Revaluation		-	-	24	24
Vested Assets/Newly Found Assets		40	-	-	-
Gain on Sale		22	-	1	1
<b>Total Operating Revenue</b>		<b>31,259</b>	<b>28,123</b>	<b>33,777</b>	<b>33,954</b>
<b>Expenditure</b>					
Depreciation and Amortisation Expense	8&10	9,084	8,996	9,329	9,356
Personnel Costs	13	2,570	2,210	2,175	2,331
Finance Costs	3A	89	443	16	16
Rates Remissions	2	585	-	541	541
Loss on Disposals		281	-	386	386
Loss on Revaluation Forestry	14	69	-		
Other Expenditure	3	16,958	15,901	18,400	18,369
<b>Total operating expenditure</b>		<b>29,636</b>	<b>27,550</b>	<b>30,846</b>	<b>30,998</b>
Share of Associate Company			-	-	4
<b>Total Surplus (Deficit) before Tax Expense</b>		<b>1,623</b>	<b>573</b>	<b>2,931</b>	<b>2,960</b>
Less Tax Expense	4	-	-	-	-
<b>Net Surplus (Deficit) after Taxation</b>		<b>1,623</b>	<b>573</b>	<b>2,931</b>	<b>2,960</b>
<b>Other Comprehensive Income</b>					
Gain on Infrastructural Assets Revaluation		-	-	(2,040)	(2,040)
Financial Assets at Fair Value through other Comprehensive Income		(62)	-	74	74
Gain on Land and Buildings Revaluation		-	-	867	867
Share of Associate Company		-	-	-	-
Income Tax relating to Components of Other Comprehensive Income		-	-	-	-
<b>Total Net Other comprehensive income</b>		<b>(62)</b>	<b>-</b>	<b>(1,099)</b>	<b>(1,099)</b>
<b>Total comprehensive income attributable to: Rangitikei District Council</b>		<b>1,561</b>	<b>573</b>	<b>1,832</b>	<b>1,861</b>

Explanations of major variances against budget are provided in Notes 26 and 27. The accompanying notes form part of these Financial Statements.

## Statement of Financial Position

As at 30 June 2012

	Notes	Parent			Consolidated
		Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Equity</b>					
Accumulated Funds	5	459,706	457,658	457,926	458,429
Reserves	6	3,502	3,713	3,518	3,518
Asset Revaluation Reserves	6	17,621	72,011	17,823	17,823
<b>Total Equity Attributable to: Rangitikei District Council</b>		<b>480,829</b>	<b>533,382</b>	<b>479,268</b>	<b>479,770</b>
Represented by:					
<b>Current Assets</b>					
Cash and Cash Equivalents	12	5,396	3,500	3,262	3,492
Trade and Other Receivables	7	2,266	2,650	3,751	3,753
Prepayments		27	60	8	34
Non Current Assets held for Sale	8D	501	-	-	-
Other Financial Assets	11	3,028	10	5	1
<b>Total Current Assets</b>		<b>11,219</b>	<b>6,220</b>	<b>7,025</b>	<b>7,279</b>
Less Current Liabilities					
Trade and Other Accounts Payable	9	3,847	3,600	4,867	4,890
Employee Benefit Liabilities	18	228	210	177	177
Income in Advance		303	440	307	307
Current Portion of Term Debt	11A	2,000	-	-	-
<b>Total Current Liabilities</b>		<b>6,379</b>	<b>4,250</b>	<b>5,351</b>	<b>5,374</b>
<b>Net Working Capital</b>		<b>4,840</b>	<b>1,970</b>	<b>1,674</b>	<b>1,906</b>
<b>Non-Current Assets</b>					
Plant, Prop. & Equip. – Operational & Restricted	8	21,417	22,996	22,051	22,344
Plant, Property & Equipment - Infrastructural	8	453,522	514,761	450,272	450,272
Intangible Assets – Computer Software	10	180	45	231	231
Biological Assets – Forestry	14	199	-	268	268
Investment in Associates	21	-	-	-	6
Other Financial Assets	11	3,598	-	5,263	5,236
<b>Total Non-Current Assets</b>		<b>478,915</b>	<b>537,802</b>	<b>478,085</b>	<b>478,357</b>
Less Non-Current Liabilities					-
Employee Benefit Liabilities	18	7	10	8	8
Provision for Landfills	24	417	547	484	484
Term Liabilities	11A	2,500	5,833	-	-
<b>Total Non-Current Liabilities</b>		<b>2,924</b>	<b>6,390</b>	<b>492</b>	<b>492</b>
<b>Net Assets</b>		<b>480,829</b>	<b>533,382</b>	<b>479,268</b>	<b>479,770</b>

Explanations of major variances against budget are provided in Notes 26 and 27. The accompanying notes form part of these Financial Statements.

## Statement of Changes in Equity

For the Year Ended 30 June 2012

	Note	Parent			Consolidated
		Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Balance at 1 July</b>		479,268	532,810	477,437	477,909
<b>Total Comprehensive Income</b>		1,561	573	1,831	1,861
<b>Total recognised revenues and expenses for the period</b>		1,561	573	1,831	1,861
<b>Balance at 30 June</b>		<b>480,829</b>	<b>533,382</b>	<b>479,268</b>	<b>479,770</b>

## Statement of Cashflows

For the Year Ended 30 June 2012

	Parent			Consolidated
	Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Cashflows from Operating Activities</b>				
<i>Cash was provided from:</i>				
Revenue from Rates	16,860	16,617	15,999	15,999
Other Revenue	15,530	11,253	16,812	16,984
Interest Received	358	250	569	576
Dividends	-	3	-	-
GST	-	-	-	-
	32,748	28,123	33,380	33,559
<i>Cash was disbursed to:</i>				
Supplies, Services and Employees	20,380	17,524	20,078	20,203
Interest paid	318	-	-	-
GST	123	-	175	181
Income Tax paid	-	-	-	-
	20,821	17,524	20,253	20,384
<b>Net Cashflow From Operating Activities – Note 15</b>	<b>11,927</b>	<b>10,599</b>	<b>13,127</b>	<b>13,175</b>

*Continued next page*

*The accompanying notes form part of these Financial Statements*

	Parent			Consolidated
	Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Cashflow from Investing Activities</b>				
<i>Cash was provided from:</i>				
Proceeds from Asset Sales	280	-	13	13
Proceeds from Investments	1,637	-	2,218	2,218
	1,917	-	2,231	2,231
<i>Cash was disbursed to:</i>				
Purchases of Investments	3,000	-	1,241	1,241
Purchases of Plant Property and Equipment	13,210	17,429	16,106	16,243
Purchase of Intangibles	-	9	-	-
	16,210	17,438	17,347	17,484
<b>Net Cashflow From Investing Activities</b>	<b>(14,293)</b>	<b>(17,438)</b>	<b>(15,116)</b>	<b>(15,253)</b>
<b>Cashflow from Financing Activities</b>				
<i>Cash was provided from:</i>				
Loans Raised	4,500	5,833	-	-
<b>Net Cashflow From Financing Activities</b>	<b>4,500</b>	<b>5,833</b>	<b>0</b>	<b>-</b>
Net Increase (Decrease) in Cash Held	2,134	(1,006)	(1,989)	(2,078)
Add Opening Cash Brought Forward	3,262	4,506	5,251	5,570
<b>Closing Cash Balance</b>	<b>5,396</b>	<b>3,500</b>	<b>3,262</b>	<b>3,492</b>
<i>Made up of:</i>				
Cash and Cash Equivalents	5,396	3,500	3,262	3,492

The GST (net) component of operating activities reflects the net GST paid to and received from 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 the financial statement purposes and to be consistent with the presentation basis of the other primary Financial Statements

*The accompanying notes form part of these Financial Statements*

## Statement of Commitments

As at 30 June 2012

### Operating leases as lessee

Rangitikei District Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	Parent		Consolidated
	2012 \$000	2011 \$000	2011 \$000
<b>Non-Cancellable Operating Leases as Lessee:</b>			
Property and Equipment: Fuji Xerox Copiers			
Within One Year	73	73	73
One to Two Years	73	73	73
Two to Five Years	97	171	171
	243	317	317
<b>Other Non-Cancellable Capital Commitments:</b>			
The Council has entered into non-cancellable contracts for:			
• The collection of refuse			
• Waste management			
• Road maintenance			
• Cleaning of Council property			
• Supply of professional services			
<b>Total</b>	<b>13,772</b>	<b>20,794</b>	<b>20,794</b>

Note – Assumptions made:

Cost Fluctuation adjustments not included in costs for years 2 onwards

## Council-Controlled Organisations

### **Ruapehu Wanganui Rangitikei Economic Development Trust (RED Trust)**

The RED Trust is a charitable trust incorporated in New Zealand. The Trust is one-third controlled by the Council and under the Local Government Act 2002 it is treated as a CCO. However, Council has resolved that it is exempt for the purposes of section 6(4)(i) of that Act for the year ending 30 June 2012.

The primary objective of the Trust is to encourage, promote and support the establishment and growth of business investment and employment in the region, rather than making an economic return. Accordingly the Trust has designated itself a Public Benefit Entity.

The Trust is treated as an Associate Company in these Financial Statements. (see Note 21)

### **Wanganui-Manawatu LASS Limited**

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

To date there has been one call on share capital and is now trading. Rangitikei District Council owns one seventh or 14% of this company and has a \$1,000 share capital.

The company is considered to be a Council Controlled Organisation under the Local Government Act 2002 but the member councils have resolved that it is exempt for the purposes of section 6(4)(i) of that Act for, 2011/12 and 2012/13.



## Statement of Accounting Policies

### General Accounting Policies

#### Reporting Entity

The Rangitikei District Council is a territorial local authority governed by the Local Government Act 2002 and is domiciled in New Zealand. The Council was originally formed in November 1989 by the amalgamation of the Rangitikei County Council, Marton Borough Council and Taihape Borough Council, along with parts of the KIWITEA and Taupo County Councils.

The Rangitikei District Council Group consists of the Rangitikei District Council and its subsidiary Marton Aquatic and Leisure Trust (100% owned). All of these group members are incorporated entities domiciled in New Zealand.

The primary objectives of the Council are to provide goods and services to the Community for Social Benefit rather than making a financial return. Accordingly, the Council has designated itself and the group as Public Benefit Entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZIFRS).

The Financial Statements are for the year ended 30 June 2012, and were authorised for issue by the Council on 11 October 2012.

The Council manages, and reports to the residents of the District on the following operations:

#### Significant Activities

- Community Leadership
- Roothing
- Water Management
- Community & Leisure Assets
- Rubbish and Recycling
- Environment & Regulatory Services
- Community Support
- Community Economic Development

#### Basis of Preparation

##### Measurement Base

Measurement base adopted is that of historical cost, modified by the revaluation of land and buildings, biological assets and certain infrastructural assets and certain financial instruments. Reliance is placed on the fact that sufficient funds are available or will be received to maintain operations at their current level. Accrual accounting is used to match costs of services provided against revenue.

#### Statement of Compliance

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

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable financial reporting standards, as appropriate for public benefit entities.

The financial statements are presented in New Zealand Dollars, and all values are rounded to the nearest thousand dollars. The functional currency of the Council is New Zealand Dollars.

Foreign currency transactions are translated into New Zealand dollars at the exchange rate ruling at the date of the transaction. Any foreign exchange gains or losses resulting are recognised in the Surplus or Deficit.

## **Significant Accounting Policies**

### **Group Financial Statements**

The Council is required under the Local Government Act 2002 (the "Act") to prepare consolidated financial statements in relation to the Group for each financial year. The Rangitikei Group comprises Rangitikei District Council, its subsidiary Marton Aquatic leisure Trust and its associate Ruapehu Wanganui Rangitikei Economic Development Trust (RED Trust).

Consolidated financial statements for the Group have not been prepared using the purchase method due to the small size of the subsidiary and associate, which means that the parent and group amounts are not materially different. Information relating to these entities is separately disclosed in the notes to the financial statements.

### **Trade and Other Receivables**

Accounts Receivable are stated at their fair value and subsequently measured at amortised cost using the effective interest method, after providing for the impairment of receivables. An estimate of impairment is made when collection of the full amount is no longer probable. Bad Debts are written off when identified.

### **Creditors and Other Payables**

Short-term creditors and other payables are recorded at their face value.

### **Revenue**

Revenue is measured at the fair value of the consideration received or the receivable.

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

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

New Zealand Transport Agency (NZTA) roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Grants are recognised as income when the entitlement has been established by the grantor agency. Grants received are recorded as current liabilities to the extent that entitlement has been achieved.

Interest earnings are recognised using the effective interest method. Dividend earnings are recognised on an accrual basis net of imputation credits.

Sales of goods are recognised when the products are sold to the customer.

When a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income. Assets vested in Rangitikei District Council are recognised as income when control over the asset is obtained.

### **Borrowings**

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

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

### **Borrowing Costs**

Rangitikei District Council has elected to defer the adoption of NZ IAS 23 *Borrowing Costs (Revised 2007)* in accordance with its transitional provisions that are applicable to public benefit entities. Consequently all borrowing costs are recognised as an expense in the period in which they are incurred.

### **Grant Expenditure**

Non-discretionary grants (those grants that the Council is committed to give where applicants meet the specified criteria) are recognised as expenditure when the application is received.

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

### **Cashflow Statement**

The following definitions have been used for the preparation of the Statement of Cashflows:

**Operating Activities:** Transactions and other events that are not investing or financial activities

**Investing Activities:** Activities relating to the acquisition, holding and disposal of fixed assets and of investment, such as securities, not falling within the definition of cash

**Financial Activities:** Activities, which result in changes in the size and composition of the capital structure of the Council, both equity and debt not falling within the definition of cash

### **Plant Property and Equipment**

Plant property and equipment consists of:

**Operational Assets** including land and buildings, library books, office equipment, computer hardware, plant and vehicles, landfill post closure.

**Infrastructural Assets** – Fixed utility, solid waste and roading assets owned by Rangitikei District Council.

**Restricted Assets** - Parks and Reserves that provide benefit to the community and cannot be disposed of because of legal or other restrictions.

Plant property and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

### **Additions**

Additions are at cost or, if acquired at no cost, fair value. The initial cost, and any subsequent addition or improvement, is only recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Council, and the cost of the item can be reliably measured.

Work in progress is recognised at cost less impairment and is not depreciated.

Plant, property, and equipment are recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition

### **Disposals**

Gains or losses on disposal are shown in the Surplus or Deficit and are calculated by comparing the proceeds with the carrying value of the asset. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### **Revaluation**

Valuations of land and buildings and infrastructural assets (except land under roads) are carried out every three years.

Any surplus on revaluation is credited to a revaluation reserve for that asset class, which is included in the equity section of the Statement of Financial Position, unless it reverses a revaluation decrease of the same class of asset previously recognised in the Statement of Comprehensive Income.

Any revaluation deficit is recognised in the Surplus or Deficit unless it directly offsets a previous surplus in the same asset class in the asset revaluation reserve.

Revaluation of Plant, Property and Equipment are accounted for on a class-of-asset basis.

Upon disposal any revaluation reserve relating to the asset being sold is transferred to retained earnings.

Independent valuations are carried out with sufficient regularity to ensure the carrying amount does not differ materially from the fair value. All other asset classes are carried at depreciated historical cost.

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

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

## **Land and Buildings**

Land and Buildings, including Waste Transfer Stations, were valued as at 30 June 2011.

After initial recognition at cost operation land and buildings and infrastructural assets are carried at revalued amounts, which is the fair value on the date of the revaluation. Fair value is the amount at which the assets could be exchanged between a willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date. Where no market exists for the asset, e.g. infrastructural assets, the fair value is deemed to be depreciated replacement cost.

## **Accounting for Revaluation**

### **Infrastructural Assets**

Infrastructural assets are fixed utility systems that provide a continuing service to the community, and are assets not generally regarded as tradable such as roads, water, wastewater and stormwater systems. Infrastructural assets, apart from waste transfer stations, have been valued at fair value determined on an optimised depreciated replacement cost at the 30 June 2011. It is Council's policy to revalue infrastructural assets every three years. Stormwater, wastewater and water assets have been valued using a "brown fields" approach, which assumes the surface above the pipes will need to be removed and then replaced.

Land under Roads was valued based on the fair value of adjacent land as determined by Kerry Stewart (FPINZ, FNZIV) of QV as at 30 June 2008. RDC has elected to use the fair value of land under roads as at 30 June 2008 as deemed cost. Land under roads is no longer revalued and has therefore been excluded from this year's revaluations.

### **Library Books**

Library collections are shown at depreciated cost and are not revalued.

### **Depreciation/Amortisation**

Depreciation/amortisation is provided on a straight-line basis on all tangible and intangible assets other than land and road formation, at rates calculated to allocate the assets cost or valuation less estimated residual value over their estimated useful lives.

## Major Depreciation/Amortisation Periods

### Fixed Assets

Structure .....	5 –61 years
Roof.....	5 –15 years
Services .....	5 - 35 years
Internal Fit Out.....	5 - 15 years
Plant .....	30 years
Plant and Vehicles.....	5-15 years
Office Equipment.....	10 years
Computer Hardware .....	5 years
Software – intangible assets.....	3- 5 years
Library Books .....	10 years

### Decline in Service Potential (DISP) of Infrastructure Assets

The economic lives of infrastructural assets are very long and therefore can be uncertain. There are a number of factors that act on these assets to affect their economic lives. Ongoing efforts are underway to improve our knowledge on the condition of infrastructural assets.

Improvements have taken place in the Council’s asset management data over the last year, particularly the data relating to its Utilities Services. The Council is confident that the “straight line depreciation” approach provides a realistic result when used for calculating the annual Decline in Service Potential (DISP) for all infrastructural assets.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

## Major Infrastructure Asset Depreciation Periods

### Roads

Top Surface (Seal) .....	5-32 years
Pavement (Basecourse) .....	Sealed – 25-70 years, Unsealed – 5–25 years
Formation .....	Not depreciated
Culverts .....	50-100 years
Footpaths.....	20-80 years
Drainage Facilities.....	80 years
Traffic Facilities and Miscellaneous Items .....	5-10 years
Street Lights .....	25-50 years

**Bridges** ..... 50-100 years

### Water Reticulation

Pipes.....	40-100 years
Pump Stations.....	4-120 years
Pipe Fittings .....	80 years

## Wastewater Reticulation

Pipes.....	80-120 years
Manholes .....	100 years
Treatment Plant.....	10-90 years

## Stormwater Systems

Pipes.....	50-100 years
Manholes, Cesspits .....	100 years

**Waste Transfer Stations** .....50 years

## Measurement Bases

**Capital Expenditure:** Expenditure on new or additional assets that have been acquired or constructed with the intention of being used on a continued basis (more than 12 months).

**Renewal Expenditure:** Expenditure of a significant nature that is expected to increase the service potential of an existing infrastructural asset. This may include significant repairs or replacement. All renewal expenditure is capitalised and added to the value of the asset.

**Maintenance Expenditure:** Expenditure that is required to maintain an asset in its current state and where, as a result of the expenditure, there is no additional future benefit. All maintenance expenditure is expensed in the year in which it has occurred.

## Intangible Assets

**Computer software** – Acquired computer software is capitalised on the basis of the cost incurred to buy and bring the software to use. Costs are amortised over the useful life of the software, which is between three and five years.

**Easement costs** are not considered material and any costs are written off in the year they are expended.

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

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. Where there is an indicator of impairment, the assets recoverable amount is estimated. The recoverable amount is the higher of an assets fair value less cost to sell and value in use.

If events or changes in circumstances indicate the carrying value of operational buildings, plant and equipment and infrastructural assets may not be recoverable, then the carrying values are reviewed for impairment.

For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in statement of comprehensive income, a reversal of the impairment loss is also recognised in the statement of comprehensive income.

Rangitikei District Council's assets do not generate direct cash inflows, and cannot therefore use the profitability of cash generating units to assess if impairment has occurred. The Council instead annually tests for internal and external factors, which may indicate that the carrying value of its assets exceeds depreciated replacement cost, which could indicate that impairment has occurred.

If any such indication exists and where the carrying values are found to exceed the estimated recoverable amount or depreciated replacement cost, the assets are written down to their depreciated replacement cost.

### Provisions

Rangitikei District Council recognises a provision where there is uncertainty over the amount and timing of a future liability and the Council has a present obligation to meet that liability, and where the amount can reliably estimated and it is probable that expenditure will be required to settle the obligation. The provision is measured at the present value of the expenditure using a pre-tax discount rate based on the time value of money and risks specific to the obligation. The Landfill provision detailed below is the only such provision currently recognised by the Council.

**Landfill Post Closure Costs:** Rangitikei District Council has a legal obligation to provide an ongoing maintenance and monitoring service at its closed landfills. A provision for post closure cost is recognised as a liability when the obligation for post closure arises.

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

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

### Goods and Services Tax

All items in the financial statement are exclusive of GST with the exception of accounts receivable and payable, which are stated GST inclusive. Where GST is not recoverable as an input tax credit then it is recognised as part of the related asset or expense.

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

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

Commitments and contingencies are disclosed exclusive of GST.



## Budget Figures

Rangitikei District Council approved the budget figures shown in the financial statements and notes at the beginning of this year in its 2011-2012 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies consistent with those adopted by the Council for these financial statements.

## Income Tax

Income tax, in relation to the current surplus or deficit, is made up of current and deferred tax.

Current tax is the income tax payable on the taxable surplus for the year, plus or minus any adjustments to previous years. It is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future years due to temporary differences and unused tax losses. Deferred tax liabilities are recognised for all temporary differences, but deferred tax assets are only recognised where it is likely that future surpluses will enable those assets to be realised. Deferred tax is calculated at the tax rate likely to apply in the period the asset or liability is realised.

Current tax and deferred tax are charged to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, when it will be dealt with in equity.

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

## Inventories

Inventories are valued at the lower of cost (determined on a first in first out basis) and current replacement cost. This valuation includes allowances for slow moving and obsolete inventories. Any write-downs from cost to current replacement cost are included in the surplus or deficit.

## Financial Assets

Rangitikei District Council classifies its financial assets into four categories:

- 1 Financial assets at fair value through profit or loss
- 2 Held to maturity investments
- 3 Loans and receivables
- 4 Financial assets at fair value through other comprehensive income

The classification depends on the purpose for which the assets were acquired and is reviewed at each Balance Date.

Financial assets and liabilities are initially measured at fair value plus transaction costs, unless they are carried at fair value through profit and loss, in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of investments are recognised on trade-date, the date on which the Council commits to buy or sell the asset. Financial assets are derecognised on the date when the right to receive cash flows from the asset has expired or been transferred, and the Council has substantially transferred the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on the quoted bid price at Balance Sheet Date.

The fair value of financial instruments not traded in active markets is determined using valuation techniques.

The four categories of financial assets are:

- 1 Financial assets at fair value through profit and loss, include financial assets held for trading. There are 2 sub-categories –financial assets held for trading and those designated at fair value through profit and loss. At present the Council does not hold any financial assets in this category.
- 2 Loans and Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. Rangitikei District Council’s loans and receivables comprise cash and cash equivalents, debtors and other receivables, term deposits, community and related party loans.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

At present the Council has loans to Marton Aquatic Leisure Trust and Taihape Netball Association.

- 3 Held to maturity investments. These are assets with fixed or determinable payments and fixed maturities that the Council intends to hold to maturity. After initial recognition they are measured at amortised cost. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.
- 4 Financial Assets at fair value through other comprehensive income – financial assets which are not in any of the above categories. They include Investments held long term but which may be realised before maturity and shareholdings which the Council holds for strategic purposes. Investments in this category include New Zealand Local Government Insurance shares and Corporate Bonds.

After initial recognition these investments are carried at fair value. Gains and losses are recognised in equity, except for impairment losses, which are recognised in the surplus or deficit. In the case of impairment any cumulative losses previously recognised in equity will be taken to

profit and loss, even if the asset has not been de-recognised. On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the surplus or deficit.

### **Impairment of financial assets**

At each balance sheet date Rangitikei District Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

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

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

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

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### **Forestry Assets**

Forestry assets are revalued annually by an independent valuer, at fair value less point of sale costs. Fair value is determined based on the present value of expected cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silviculture costs and takes into consideration environmental, operational and market restrictions.

Any gains or losses in valuation are taken to the surplus or deficit. They are then transferred to an operational reserve, as it is not considered prudent to use these gains before they are realised.

The costs to maintain the Forestry asset are included in the surplus or deficit when incurred.

## Equity

Equity is the community's interest in the parent and group as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council and the group make of its accumulated surpluses. The components of equity are:

- Accumulated Funds
- Reserve and Special Funds
  - Trusts and Bequests
  - Special Funds
  - Council-created Reserves
- Asset Revaluation Reserves
- Fair Value Through Other comprehensive income reserve

## Reserves

Reserves are a component of equity representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by RDC.

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

Rangitikei District Council-created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### Asset Revaluation Reserves

These reserves relate to the revaluation of Property and infrastructural assets to fair value.

**Cost of Service Statements:** The Cost of Service Statements, as provided in the Statement of Service Performance, report the net Cost of Services for each Significant Activity of the Council, and are represented by the cost of providing the service less all revenue that can be allocated to these activities.

**Cost Allocation:** Rangitikei District Council has derived the net Cost of Service for each Significant Activity of the Council using the Cost Allocation system outlined below.

**Cost Allocation Policy:** Direct costs are charged directly to Significant Activities. Corporate Overheads are charged to Significant Activities based on income and expenditure drivers.

**Criteria for Direct and Corporate Overheads:** The cost of all service and technical support units of RDC have been allocated in full to the Significant Activities.

“Direct Costs” are those costs directly attributable to a Significant Activity. This includes staff time and incorporates the full costs to the Council of employing those staff.

“Corporate Overheads” are those costs that cannot be identified in an economically feasible manner with a specific Significant Activity.

### **Leases**

An operating lease is where the lessor effectively retains all substantial risks and benefits of ownership of the leased item. Lease payments are charged as expenses in the periods in which they are incurred.

Finance leases are where the risks and rewards incidental to owning an asset are substantially transferred to the lessee. The Council does not have any finance leases.

### **Non Current Assets held for Sale**

These are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non current assets for sale are held at the lower of their carrying amount and fair value less costs to sell. Impairment losses are recognised in the Statement of Financial Performance and increases in fair value (less costs to sell) are recognised up to the level of any previously recognised impairment loss. They are not depreciated or amortised.

### **Employment Benefits**

Employee benefits that Rangitikei District Council expects to be settled within 12 months of balance date are measured on nominal values based on accrued entitlements at current rates of pay. These include accrued salary and wages, accrued holiday pay and long service leave.

The Council does not make a provision for sick leave to the extent that absences in the coming years will exceed the annual entitlement of staff as calculations show any amounts involved are likely to be immaterial.

### **Long Service Leave**

Long service leave entitlements that are payable beyond 12 months have been calculated on the likely future entitlements accruing to staff: based on the years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and current salary. The amount is not material to the accounts as few staff members are actually entitled to long service leave so no actuarial basis has been used.

### **Superannuation schemes**

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the statement of financial performance as incurred.

### **Presentation of Employee entitlements**

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

## Critical accounting estimates and assumptions

In preparing these financial statements, Rangitikei District Council has made estimates and assumptions concerning the future, which may or may not be the same as the actual. Estimates and assumptions are continually evaluated and are based on historical experience and what is considered to be a reasonable expectation of future events. Areas of uncertainty where assumptions have been made are:

Landfill aftercare provision – for more details see note 24.

Infrastructural assets – A number of assumptions have been made:

- The actual condition of an asset may not reflect the value that RDC carries that asset in its books. This is particularly so for assets which are underground and difficult to assess the actual condition of, such as water, wastewater and stormwater assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates of the useful remaining lives of an asset. These will naturally vary with such things as soil type, rainfall, amount of traffic, natural disaster and other things. The Council could be over or under-estimating these, but is obviously making assumptions based on the best knowledge available.

Experienced independent valuers perform RDC's infrastructural asset revaluation.

## Critical Judgements in applying RDC's Accounting Policies

Management has exercised the following critical judgement in applying its accounting policies for the period ending 30 June 2012. Rangitikei District Council owns a number of properties maintained primarily to provide community housing. These are not held as investments but to provide a service to the community. Therefore the properties are shown as part of Plant, Property and Equipment (see Note 8).

## Change in Accounting Policies

There have been no changes in accounting policies during the financial year.

The Council and group have adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

- Amendment to NZ IAS 1 *Presentation of Financial Statements*. The amendments introduce a requirement to present, either in the statement of changes in equity or the notes, for each component of equity, an analysis of other comprehensive income by item. The Council has decided to present this analysis in notes 5 and 6.
- FRS-44 *New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with IFRS and Australian Accounting Standards (Harmonisation Amendments)* – The purpose of the new standard and amendments is to harmonise Australian and New Zealand accounting standards and eliminate many of the differences between the accounting standards in each jurisdiction. The main effect of the amendments on the Council and group is that certain information about property valuations is no longer required to be disclosed. Note 8 has been updated for these changes.

- Amendment to NZ IFRS 7 *Financial Instruments: Disclosures* - The amendment reduces the disclosure requirements relating to credit risk. Note 7 has been updated for the amendments.

### **Standards, amendments, and interpretations issued but not yet effective and have not been early adopted**

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to Rangitikei District Council, are:

NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZIA S 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XPB). Under this Accounting Standards Framework, the Council is classified as a Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current international Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Council expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Council is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XPB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

## Notes to the Financial Statements

For the Year Ended 30 June 2012

Note 1 Reconciliation between Cost of Service Statements and the Statement of Comprehensive Income	Parent		
	Actual 2012 \$000	Annual Plan 2012 \$000	Actual 2011 \$000
<b>Total Operating Revenue from Cost of Service Statements</b>			
Community Leadership	1,608	1,604	1,468
Roading	17,461	14,425	19,711
Water Management	6,331	6,253	6,070
Community and Leisure Assets	2,951	2,824	2,898
Rubbish & Recycling	1,092	1,050	1,062
Environmental and Regulatory	1,518	1,534	1,321
Community Support	250	225	245
Community Economic Development	723	564	817
<b>Total Operating Revenue from Cost of Service Statement</b>	<b>31,934</b>	<b>28,479</b>	<b>33,591</b>
Less Internal Interest Received	334	-	163
Operating Revenue after Internal Interest	31,600	28,479	33,427
Total Revenue Statement of Comprehensive Income	31,259	28,123	33,776
<b>Variance</b>	<b>341</b>	<b>356</b>	<b>(349)</b>
<b>Reconciling Items:</b>			
Vested Assets	(40)	-	-
Gain on Sale	(22)	-	-
Finance Revenue not included in Cost of Service Statements	(705)	(820)	(1,299)
General Rates contribution from Treasury Function	1,108	1,176	950
	<b>341</b>	<b>356</b>	<b>(349)</b>
<b>EXPENDITURE - Significant Activities</b>			
Community Leadership	1,894	2,048	1,567
Roading	15,365	12,646	16,773
Water Management	5,914	6,887	5,760
Community and Leisure Assets	3,078	3,222	3,291
Rubbish & Recycling	951	1,111	995
Environmental and Regulatory	1,301	1,342	1,158
Community Support	185	254	224
Community Economic Development	823	559	779
	29,511	28,070	30,548
Less: Internal Interest Charged	818	963	698
	28,693	27,107	29,849
Total Expenditure per Statement of Comprehensive Income	<b>29,636</b>	<b>27,550</b>	<b>30,846</b>
<b>Variance</b>	<b>943</b>	<b>443</b>	<b>997</b>
<b>Reconciling Items: Finance Costs not Included in COS</b>	<b>943</b>	<b>443</b>	<b>997</b>
<b>Costs not included in Cost of Service Statements</b>	<b>943</b>	<b>443</b>	<b>997</b>



<b>Note 2 Rates</b>	<b>Actual and consolidated 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Actual 2011 \$000</b>
General Rates			
General Rate	725	714	633
Uniform Annual General Charge	1,575	1,567	1,387
<b>Total General Rates</b>	<b>2,300</b>	<b>2,281</b>	<b>2,020</b>
Targeted rates attributable to activities			
Roading Rate	6,443	6,356	6,458
Community Services	1,839	1,794	1,794
Library Rate	661	660	703
Solid Waste Uniform Charge	441	439	484
Wastewater	1,558	1,542	1,689
Water	1,913	1,893	1,696
Stormwater and Drainage	565	562	511
Utilities Cap	785	771	507
Taihape Mainstreet Development	60	58	3
Bulls Main St Development	-	7	-
Bulls Main St Undergrounding	49	55	55
Scotts Ferry Roading	8	8	11
Taihape-Napier Road	184	178	178
Huntermville Stormwater	13	13	13
<b>Total Rates</b>	<b>16,819</b>	<b>16,617</b>	<b>16,122</b>

Revenue is shown net of rates on non-rateable land. Under the LGA 2002 a number of properties cannot be rated for general rates, resulting in a reduction of revenue.

In addition the Council's Rate Remission Policies provide for rates to be remitted for non-commercial community services and non-commercial recreational opportunity providers within the Rangitikei District. Details of all these remissions are shown in the table below:

	<b>Actual and consolidated 2012 \$000</b>	<b>Actual 2011 \$000</b>
Hospitals		
Sports and Charitable organisations	134	86
Other Penalty and Rate Remissions	451	455
<b>Net Cost</b>	<b>585</b>	<b>541</b>

<b>Note 3: Explanation of Significant Revenue and Expenditure</b>	<b>Actual 2012 \$000</b>	<b>Actual 2011 \$000</b>
<b>Activity Revenue</b>		
Rate Penalties	320	279
Miscellaneous fees	30	60
Sundry receipts	30	185
User charges	639	871
Residential rents (Community housing)	254	280
Regulatory fees	175	173
Consent fees	295	357
Water charges - Metered supply	1,205	1,189
Petrol tax	111	106
Other	51	338
<b>Total</b>	<b>3,110</b>	<b>3,838</b>
<b>Subsidies</b>		
NZTA There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.	10,492	12,612
Duddings Trust	42	42
Sport Wanganui	20	-
Veterans Affairs	93	-
Government Departments	178	188
<b>Total</b>	<b>10,825</b>	<b>12,842</b>
<b>Other Expenditure</b>		
Emergency works repairs	3,768	4,650
Maintenance	4,147	4,084
Professional services	1,816	1,854
Contractors	1,881	1,978
Electricity	524	491
Grants	506	561
Forestry expenditure	2	344
Materials and consumables	514	441
Elected Members remuneration	313	300
Consultants	258	386
Insurance	307	98
Legal fees	79	96
Audit fees-Financial Statements	98	85
Audit Fees- additional prior year	24	
Audit Fees- LTP	75	
Audit Disbursements (including Mayoral Flood Relief Fund)	16	11
Operating lease	81	46
Impairment of receivables	172	53
Other operating expenditure	2,377	2,922
<b>Total</b>	<b>16,958</b>	<b>18,400</b>

<b>Note 3A: Finance Income and Finance Costs</b>	<b>Council 2012</b>	<b>2011</b>	<b>Consolidated 2011</b>
<b>Finance Income</b>			
Interest Income			
Term Deposits	161	210	210
Related Party Loans	1	1	1
Local Authority & Government Bonds	281	345	345
<b>Total Finance Income</b>	<b>443</b>	<b>556</b>	<b>556</b>
<b>Finance Costs</b>			
Interest Expense			
Interest on Bank Borrowings	89	0	0
Total Finance Costs	89	0	0
<b>Net Finance Costs</b>	<b>354</b>	<b>556</b>	<b>556</b>

<b>Note 4: Taxation</b>	<b>Parent</b>		<b>Consolidated</b>
	<b>Actual 2012 \$000</b>	<b>Actual 2011 \$000</b>	<b>Actual 2011 \$000</b>
Surplus (Deficit) for the year	1,623	2,931	2,960
Prima facie tax expense at 28% (2011 30%)	454	879	888
Plus (less) tax effect of:	-	-	-
Deferred tax not recognised			
Prior year adjustment			
Tax loss not recognised			
Permanent differences	(454)	(879)	(888)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Note 5: Accumulated Funds</b>	<b>Parent</b>		<b>Consolidated</b>
	<b>Actual 2012 \$000</b>	<b>Actual 2011 \$000</b>	<b>Actual 2011 \$000</b>
Opening Balance at 1 July	457,926	455,260	455,733
Surplus/(Deficit)	1,623	2,931	2,960
Transfer (to) from Reserves	157	(264)	(264)
<b>Closing Balance at 30 June</b>	<b>459,706</b>	<b>457,926</b>	<b>458,429</b>

<b>Note 6: Sinking Funds, Reserves and Special Funds</b>	<b>Parent</b>		<b>Consolidated</b>
	<b>Actual 2012 \$000</b>	<b>Actual 2011 \$000</b>	<b>Actual 2011 \$000</b>
<b>Reserve and Special Funds</b>			
Opening Balance at 1 July	3,518	3,253	3,253
Interest on Funds	170	170	170
Receipts	161	157	157

Note 6: Sinking Funds, Reserves and Special Funds	Parent		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
Withdrawals	(347)	(62)	(62)
<b>Closing Balance at 30 June</b>	<b>3,502</b>	<b>3,518</b>	<b>3,518</b>
<b>Asset Revaluation Reserves</b>			
Opening Balance at 1 July	17,557	18,730	18,730
Revaluation losses	-	(1,173)	(1,173)
Transfer to retained earnings on disposal of property, plant and equipment	(141)	-	-
<b>Closing Balance at 30 June</b>	<b>17,416</b>	<b>17,557</b>	<b>17,557</b>
Asset revaluation reserves consist of:			
Operational Assets:			
Land	2,026	2,019	2,019
Buildings	4,208	4,208	4,208
Infrastructural Assets:			
Sewerage systems	588	597	597
Water systems	5,534	5,627	5,627
Stormwater network	2,275	2,321	2,321
Roading network	1,139	1,139	1,139
Waste Transfer Stations	82	82	82
Restricted Assets:			
Land	1197	1,197	1,197
Buildings	367	367	367
<b>Total</b>	<b>17,416</b>	<b>17,557</b>	<b>17,557</b>
<b>Fair value through Equity Reserve</b>			
Balance at 1 July	267	193	193
Net revaluation – Gains/Losses	(62)	74	74
Balance at 30 June	<b>205</b>	<b>267</b>	<b>267</b>
<b>Total Asset Revaluation Reserves</b>	<b>17,621</b>	<b>17,824</b>	<b>17,824</b>
<b>Total Reserves</b>	<b>21,123</b>	<b>21,342</b>	<b>21,342</b>

Note 7: Trade and Other Receivables	Parent		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
General Debtors	1,473	2,956	2,959
Rates Receivables	1,361	1,191	1,191
Related Party Receivables	-	-	-
Gross Debtors and other receivables	2,834	4,148	4,150

Less Impairment of receivables	(568)	(397)	(397)
<b>Total Debtors and other receivables</b>	<b>2,266</b>	<b>3,751</b>	<b>3,753</b>

The carrying value of Trade and Other Receivables approximate to their fair value and receipt is normally on 30-day terms.

Rangitikei District Council has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the impact of discounting is material. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within three months of the Court's judgment, then the Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

The status of receivables as at 30 June 2012 and 2011 is detailed below:

	2012			2011		
	Gross	Impairment	Net	Gross	Impairment	Net
Council						
Not past due	1,200	-	1,200	2,720	-	2,720
Past due 1 - 60 days	925	-	925	143	-	143
Past Due 61 - 120 days	57	-	57	155	-	155
Past due > 120 days	652	568	84	1,130	397	733
<b>Total Individual Impairment</b>	<b>2,834</b>	<b>568</b>	<b>2,266</b>	<b>4,148</b>	<b>397</b>	<b>3,751</b>

	2011		
	Gross	Impairment	Net
Consolidated			
Not past due	2,720	-	2,720
Past due 1 - 60 days	143	-	143
Past Due 61 - 120 days	155	-	155
Past due > 120 days	1,130	397	733
<b>Total Individual Impairment</b>	<b>4,148</b>	<b>397</b>	<b>3,751</b>

The impairment provision has been calculated based on expected losses for Rangitikei District Council's pool of debtors. Expected losses have been determined based on an analysis of RDC's losses in previous periods and review of specific debtors.

	Council		Consolidated
	2012 \$000	2011 \$000	2011 \$000
At 1 July	397	395	395
Additional provisions made during the year	171	53	53

Provisions reversed during the year		(51)	(51)
Receivables written-off during the period			
<b>At 30 June</b>	<b>568</b>	<b>397</b>	<b>397</b>

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

Note 8A: Plant, Property and Equipment Council	Opening Balances 1/07/11											Closing Balances 30/06/12			
	Parent	Cost \$000	Accum Depn \$000	NBV \$000	Vested Assets	Additions/Transfers \$000	Disposals \$000	Depn on Disposals \$000	Transfers \$000	Depn for year \$000	Impairment \$000	Val Change \$000	Cost/Val \$000	Accum Depn \$000	NBV \$000
<b>Operational Assets:</b>															
At Valuation:															
Land	3,834	-	3,834	-	5	14	-	(501)	-	-	-	3,324	-	3,324	
Buildings	10,458	-	10,458	-	229	-	-	(50)	621	-	-	10,637	621	10,016	
At Cost:															
Plant and Vehicles	1,649	906	743	40	253	140	(113)	(27)	157	-	-	1,775	950	825	
Office Equipment	617	531	86	-	23	-	-	-	14	-	-	640	545	95	
Computer Hardware	1,035	791	244	-	206	-	-	-	86	-	-	1,241	877	364	
Library Books	1,744	1,274	470	-	75	-	-	-	69	-	-	1,819	1,343	476	
<b>Total Operational Assets</b>	<b>19,337</b>	<b>3,502</b>	<b>15,835</b>	<b>40</b>	<b>791</b>	<b>154</b>	<b>(113)</b>	<b>(578)</b>	<b>947</b>	<b>-</b>	<b>-</b>	<b>19,436</b>	<b>4,336</b>	<b>15,100</b>	
<b>Infrastructural Assets</b>															
At Cost or Valuation:															
Roads	91,598	-	91,598	-	7,394	1	(1)	(1,161)	5,438	-	-	97,830	5,437	92,393	
Land Formation	208,700	-	208,700	-	-	-	-	1,161	-	-	-	209,861	-	209,861	
Land Under Roads	42,438	-	42,438	-	-	-	-	-	-	-	-	42,438	-	42,438	
Bridges	44,926	-	44,926	-	176	-	-	-	857	-	-	45,102	857	44,245	
Water	32,731	-	32,731	-	3,125	160	(4)	-	999	-	-	35,696	995	34,701	
Wastewater	18,489	-	18,489	-	477	9	-	-	465	-	-	18,957	465	18,492	
Stormwater	9,963	-	9,963	-	285	46	(1)	-	230	-	-	10,202	229	9,973	
Waste Transfer Stations	944	-	944	-	9	-	-	-	16	-	-	953	16	937	
Remediation at cost	482	-	482	-	-	-	-	-	-	-	-	482	-	482	
<b>Total Infrastructural Assets</b>	<b>450,271</b>	<b>-</b>	<b>450,271</b>	<b>-</b>	<b>11,466</b>	<b>216</b>	<b>(6)</b>	<b>-</b>	<b>8,005</b>	<b>-</b>	<b>-</b>	<b>461,521</b>	<b>7,999</b>	<b>453,522</b>	
<b>Restricted Assets</b>															
Land	4,314	-	4,314	-	167	-	-	-	-	-	-	4,481	-	4,481	
Buildings	1,903	-	1,903	-	31	-	-	(16)	82	-	-	1,918	82	1,836	
<b>Total Restricted Assets</b>	<b>6,217</b>	<b>-</b>	<b>6,217</b>	<b>-</b>	<b>198</b>	<b>-</b>	<b>-</b>	<b>(16)</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>6,399</b>	<b>82</b>	<b>6,317</b>	
<b>Total Plant, Property and Equipment</b>	<b>475,825</b>	<b>3,502</b>	<b>472,323</b>	<b>40</b>	<b>12,455</b>	<b>370</b>	<b>(119)</b>	<b>(594)</b>	<b>9,034</b>	<b>-</b>	<b>-</b>	<b>487,356</b>	<b>12,417</b>	<b>474,939</b>	
<b>Work In Progress</b>	<b>122</b>	<b>-</b>	<b>122</b>		<b>3,888</b>			<b>3,366</b>				<b>644</b>		<b>644</b>	

The Work in Progress is already included in the Plant, Property and Equipment figures above. Work in Progress comprises Buildings \$23,000 (2011 \$23,000), Waste Water \$504,822 (2011 \$27,880), Water \$116,025 (2010 \$1,421,000) Stormwater \$0.00 (2011 \$6,067).

Note 8B: Plant, Property and Equipment Council	Opening Balances 1/07/10											Closing Balances 30/06/11			
	Parent	Cost/Val \$000	Accum Depn \$000	NBV \$000	Vested \$000	Additions/Transfers \$000	Disposals \$000	Depn On Disposals \$000	Transfers \$000	Depn For Year \$000	Impairment \$000	Val Change \$000	Cost/Val \$000	Accum Depn \$000	NBV \$000
<b>Operational Assets:</b>															
At Valuation:															
Land	3,380	-	3,380	-	677	-	-	-	-	-	(222)	3,834	-	3,834	
Buildings	10,833	1,196	9,637	-	221	-	-	-	627	-	1,228	10,458	-	10,458	
At Cost:															
Plant and Vehicles	1,693	871	822	-	170	215	129	-	164	-	-	1,649	906	743	
Office Equipment	584	513	71	-	33	-	-	-	18	-	-	617	531	86	
Computer Hardware	908	728	180	-	127	-	-	-	64	-	-	1,035	791	244	
Library Books	1,644	1,199	445	-	99	-	-	-	74	-	-	1,744	1,274	470	
<b>Total Operational Assets</b>	<b>19,043</b>	<b>4,507</b>	<b>14,536</b>	<b>-</b>	<b>1,327</b>	<b>215</b>	<b>129</b>	<b>-</b>	<b>948</b>	<b>-</b>	<b>1,005</b>	<b>19,337</b>	<b>3,503</b>	<b>15,834</b>	
<b>Infrastructural Assets</b>															
At Cost or Valuation:															
Roads	82,710	9,478	73,232	-	6,465	-	-	-	5,135	-	17,037	91,598	-	91,598	
Land Formation	178,031	-	178,031	-	2,266	-	-	-	-	-	28,403	208,700	-	208,700	
Land Under Roads	42,439	-	42,439	-	-	-	-	-	-	-	-	42,439	-	42,439	
Bridges	95,052	2,573	92,479	-	140	-	-	-	1,289	-	(46,404)	44,926	-	44,926	
Water	31,520	2,145	29,376	-	1,874	64	4	-	1,033	-	2,575	32,731	-	32,731	
Wastewater	20,315	1,022	19,293	-	3,311	148	5	-	533	-	(3,439)	18,489	-	18,489	
Stormwater	10,649	485	10,164	-	453	97	7	-	270	-	(294)	9,963	-	9,963	
Waste Transfer Stations	919	37	882	-	3	-	-	-	23	-	82	944	-	944	
Remediation at cost	482	-	482	-	-	-	-	-	-	-	-	482	-	482	
<b>Total Infrastructural Assets</b>	<b>462,117</b>	<b>15,740</b>	<b>446,377</b>	<b>-</b>	<b>14,512</b>	<b>309</b>	<b>16</b>	<b>-</b>	<b>8,285</b>	<b>-</b>	<b>(2,040)</b>	<b>450,272</b>	<b>-</b>	<b>450,272</b>	
<b>Restricted Assets</b>															
Land	4,680	-	4,680	-	-	-	-	-	-	-	(367)	4,314	-	4,314	
Buildings	1,877	170	1,707	-	127	87	10	-	82	-	228	1,903	-	1,903	
<b>Total Restricted Assets</b>	<b>6,558</b>	<b>170</b>	<b>6,388</b>	<b>-</b>	<b>127</b>	<b>87</b>	<b>10</b>	<b>-</b>	<b>82</b>	<b>-</b>	<b>(139)</b>	<b>6,217</b>	<b>-</b>	<b>6,217</b>	
<b>Total Plant, Property and Equipment</b>	<b>487,717</b>	<b>20,417</b>	<b>467,301</b>	<b>-</b>	<b>15,966</b>	<b>611</b>	<b>155</b>	<b>-</b>	<b>9,314</b>	<b>-</b>	<b>(1,173)</b>	<b>475,826</b>	<b>3,503</b>	<b>472,323</b>	
<b>Work In Progress</b>	<b>2,808</b>	<b>-</b>	<b>2,808</b>	<b>-</b>	<b>5,639</b>	<b>-</b>	<b>-</b>	<b>8,325</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122</b>	<b>-</b>	<b>122</b>	

The Work in Progress is already included in the Plant, Property and Equipment figures above. Work in Progress comprises Buildings \$23,000 (2010 \$23,000), Waste Water \$27,880 (2010 \$1,138,000), Water \$64,850 (2010 \$1,421,000), Stormwater \$6,067 (2010 \$57,000).



Note 8C: Plant, Property & Equipment Consolidated	Opening Balances 1/07/10			Vested Assets \$000	Additions/Transfers \$000	Disposal \$000	Depn On Disposal \$000	Transfers \$000	Depn For Year \$000	Impairment \$000	Val Change \$000	Closing Balances 30/06/11		
	Consolidated	Cost/Val \$000	Accum Depn \$000									NBV \$000	Cost/Val \$000	Accum Depn \$000
<b>Operational Assets:</b>														
At Valuation:														
Land	3,380	-	3,380	-	677	-	-	-	-	-	(222)	3,834	-	3,834
Buildings	11,061	1,260	9,801	-	329	-	-	-	642	-	1,228	10,794	80	10,714
At Cost:														
Plant and Vehicles	1,839	979	860	-	176	214	129	-	172	-	-	1,800	1,022	778
Office Equipment	592	520	72	-	33	-	-	-	19	-	-	626	538	87
Computer Hardware	908	728	180	-	127	-	-	-	64	-	-	1,035	791	244
Library Books	1,644	1,199	445	-	99	-	-	-	74	-	-	1,744	1,274	470
<b>Total Operational Assets</b>	<b>19,424</b>	<b>4,687</b>	<b>14,737</b>	<b>-</b>	<b>1,442</b>	<b>214</b>	<b>129</b>	<b>-</b>	<b>971</b>	<b>-</b>	<b>1,006</b>	<b>19,833</b>	<b>3,706</b>	<b>16,128</b>
<b>Infrastructural Assets</b>														
At Cost or Valuation:														
Roads	82,710	9,478	73,232	-	6,465	-	-	-	5,135	-	17,037	91,598	-	91,598
Land Formation	178,031	-	178,031	-	2,266	-	-	-	-	-	28,403	208,700	-	208,700
Land Under Roads	42,439	-	42,439	-	-	-	-	-	-	-	-	42,439	-	42,439
Bridges	95,052	2,573	92,479	-	140	-	-	-	1,289	-	(46,404)	44,926	-	44,926
Water	31,520	2,145	29,375	-	1,874	64	4	-	1,033	-	2,575	32,731	-	32,731
Wastewater	20,315	1,022	19,293	-	3,311	148	5	-	533	-	(3,439)	18,489	-	18,489
Stormwater	10,649	485	10,164	-	453	97	7	-	270	-	(294)	9,963	-	9,963
Waste Transfer Stations	919	37	882	-	3	-	-	-	23	-	82	944	-	944
Remediation at cost	482	-	482	-	-	-	-	-	-	-	-	482	-	482
<b>Total Infrastructural Assets</b>	<b>462,117</b>	<b>15,739</b>	<b>446,377</b>	<b>-</b>	<b>14,513</b>	<b>309</b>	<b>16</b>	<b>-</b>	<b>8,284</b>	<b>-</b>	<b>(2,040)</b>	<b>450,272</b>	<b>-</b>	<b>450,272</b>
<b>Restricted Assets</b>														
Land	4,680	-	4,680	-	-	-	-	-	-	-	(367)	4,314	-	4,314
Buildings	1,877	170	1,709	-	127	87	10	-	82	-	228	1,903	-	1,903
<b>Total Restricted Assets</b>	<b>6,557</b>	<b>170</b>	<b>6,389</b>	<b>-</b>	<b>127</b>	<b>87</b>	<b>10</b>	<b>-</b>	<b>82</b>	<b>-</b>	<b>(139)</b>	<b>6,217</b>	<b>-</b>	<b>6,217</b>
<b>Total Plant, Property and Equipment</b>	<b>488,097</b>	<b>20,595</b>	<b>467,503</b>	<b>-</b>	<b>16,082</b>	<b>610</b>	<b>155</b>	<b>-</b>	<b>9,337</b>	<b>-</b>	<b>(1,173)</b>	<b>476,320</b>	<b>3,706</b>	<b>472,616</b>
<b>Work In Progress</b>	<b>2,808</b>	<b>-</b>	<b>2,808</b>	<b>-</b>	<b>5,639</b>	<b>-</b>	<b>-</b>	<b>8,325</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122</b>	<b>-</b>	<b>122</b>

The Work in Progress is already included in the Plant, Property and Equipment figures above. Work in Progress comprises Buildings \$23,000 (2010 \$23,000), Waste Water \$27,880 (2010 \$1,138,000), Water \$64,850 (2010 \$1,421,000), Stormwater \$6,067 (2010 \$57,000).

Note 8D: Plant, Property & Equipment	Council		Consolidated	
	2012 \$000	2011 \$000	2012 \$000	2011 \$000
<b>Non-Current Assets held for Sale are:</b>				
Land Ripaka Street, Koitiata	1	0	1	0
Land Kensington Road, Marton	500	0	500	0
	<b>501</b>	<b>0</b>	<b>501</b>	<b>0</b>

A Council owned section in Koitiata and a section in Kensington Road, Marton have been presented as held for sale. Council has approved the sale of these properties as they will provide no further use for Council.

The accumulated property revaluation reserve recognised in equity for the sale of Ripaka Street land at 30 June 2012 is \$1,200. There is none for the Kensington Road property.

Council has revalued its Land, Buildings and Infrastructural assets as at 30 June 2011.

For Roothing assets, the valuation was carried out independently by Julian Watts (BAppSc-AgEng), Jayanthi Rangamuwa (BSc (Eng)) and Ian Marshall of GHD, and was peer-reviewed by David Jeffrey (BBS, ACMA), Principal Infrastructure Strategy Consultant of GHD. The total fair value of rooding valued by GHD amounted to \$387,663,404

Land and Buildings (including Waste Transfer Stations) have been revalued independently by Kerry Stewart (FPINZ, FNZIV) of Darroch Corporate Advisory. The total fair value of land and buildings valued by Darroch's amounted to \$18,709,682

Water, wastewater and stormwater assets were revalued by James Torrie (BE) of Rangitikei District Council and peer-reviewed jointly by the following persons of MWH New Zealand Ltd: technical review by Robert van Bentum (BAgrSc, MPhil (Eng), CPEng, MIPENZ) and financial review by Brian Smith (BE). The total fair value of Water, wastewater and stormwater assets valued by RDC, peer reviewed by MWH amounted to \$62,126,403

Stormwater, wastewater and water assets have been valued using a "brown fields" approach, i.e. it assumes the surface above the pipes will need to be removed and then replaced. Current contract costings have been used to determine material values.

Land and Buildings have been valued using current sales data where available as well as condition assessment on all major properties.

The Roothing infrastructure valuation is based on the application of appropriate replacement costs and effective lives and experience by GHD of other local authorities' transportation asset components. They are within the ranges specified in the New Zealand Infrastructure Valuation and Depreciation Guidelines.

Note 9: Accounts Payable	Parent		Consolidated
	Actual	Actual	Actual
	2012 \$000	2011 \$000	2011 \$000
Trade Payables	3,127	4,181	4,205
General and Accruals	325	288	288
Deposits Held	374	377	377
Current Portion Landfill	21	21	21
	<b>3,847</b>	<b>4,867</b>	<b>4,890</b>

The carrying value of Trade and Other Accounts payable approximate to their fair value and contractual cash flows.

Creditors and other payables are non-interest bearing and are normally settled on 30 day terms therefore approximate their Fair Value.

Note 10: Intangible Assets	Parent	Consolidated
	Computer Software \$000	Computer Software \$000
<b>Balance at 1 July 2011</b>		
Cost	691	691
Accumulated amortisation and impairment	(461)	(461)
<b>Closing carrying amount</b>	<b>230</b>	<b>230</b>
<b>Year ended 30 June 2012</b>		
Additions	-	-
Amortisation charge	(50)	(50)
<b>Closing carrying amount</b>	<b>180</b>	<b>180</b>
<b>Balance at 30 June 2012</b>		
Cost	691	691
Accumulated amortisation and impairment	(511)	(511)
<b>Closing carrying amount</b>	<b>180</b>	<b>180</b>
<b>Balance at 1 July 2010</b>		
Cost	488	488
Accumulated amortisation and impairment	(445)	(445)
<b>Open carrying amount</b>	<b>43</b>	<b>43</b>
<b>Year ended 30 June 2011</b>		
Additions	203	203
Amortisation charge	(16)	(16)
<b>Closing carrying amount</b>	<b>230</b>	<b>230</b>
<b>Balance at 30 June 2011</b>		
Cost	691	691
Accumulated amortisation and impairment	(461)	(461)
<b>Closing carrying amount</b>	<b>230</b>	<b>230</b>

There are no restrictions over the title of Rangitikei District Council's intangible assets, nor are any intangible assets pledged as security for liabilities.

There were no impairment indicators identified for 'at cost' intangible assets therefore no impairment cost is recognised for the year.

Note 11: Other Financial Assets	Parent		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Current Portion</b>			
Community Loans	1	1	1
Marton Aquatic Trust Loan	27	4	-
Held to Maturity:			
Short Term Deposits	3,000		
	<b>3,028</b>	<b>5</b>	<b>1</b>
<b>Non-Current Portion</b>			
Community Loans	-	1	1
Marton Aquatic Trust Loan	-	28	-
Unlisted Shares NZ Local Govt Insurance	37	37	37
Corporate Bonds	3,560	5,197	5,197
MW LASS	1	1	1
Total non-current portion	<b>3,598</b>	<b>5,263</b>	<b>5,236</b>
Total other financial assets	<b>6,626</b>	<b>5,268</b>	<b>5,237</b>

The carrying value of Other Financial Assets (apart from Community Loans) approximate to their fair value. The Marton Aquatic Leisure Trust loan is charged a variable rate of interest based on the market rate so is considered to be of fair value. The Loan is shown as current due to the activities coming back into Council in the 2012/13 year.

The fair value of unlisted shares in NZ Local Govt Insurance was calculated based on the net asset backing of the shares.

The fair value of listed available for sale Corporate Bonds has been determined directly by reference to published price quotations in an active market.

There were no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

Note 11A: Borrowings	Parent		Consolidated	
	Actual 2012	Actual 2011	Actual 2012	Actual 2011
Current Portion – Secured Loans	2,000	-	2,000	-
<b>Total Current Portion</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>	<b>-</b>
Non Current Portion – Secured Loans	2,500	-	2,500	-
<b>Total Non Current Portion</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>	<b>-</b>
<b>Total Borrowings</b>	<b>4,500</b>	<b>-</b>	<b>4,500</b>	<b>-</b>

The Council's secured debt of \$4,500,000 is at fixed rates of interest. \$2 million of debt matures within the next 12 months. The carrying amounts of borrowings approximate their fair value as the effect of discounting is not significant. The borrowing is covered by the debenture giving security over Council's ability to rate. The interest on the borrowing has ranged between 4.75% to 5.5%.

Note 12: Cash and Cash Equivalents	Council Actual 2012	Actual 2011	Group	Actual 2011
Cash at bank and on hand	5,396	3,262		3,285
Short Term Deposits with maturities of three months or less from date of acquisition	-	-		207
<b>Total Cash and Cash Equivalents</b>	<b>5,396</b>	<b>3,262</b>		<b>3,492</b>

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

Note 13: Employee Benefit Expenses	Parent		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
Salaries and Wages	2,484	2,160	2,317
Employer contributions to KiwiSaver plans	36	26	26
Increase/(decrease) in employee benefit liabilities	50	(11)	(11)
<b>Total employee benefit expenses</b>	<b>2,570</b>	<b>2,175</b>	<b>2,332</b>

### Severance Payments

- For the year ended 30 June 2012 the Council made two (30 June 2011: 1) severance payments to employees totalling \$9500 ( One of \$8,000 and one of \$1,500) (2011 \$3,000).

Note 14: Forestry Assets	Parent		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
Balance as at 1 July	268	573	573
Increases due to purchases	-	-	-
Gain or Loss arising from changes in fair value less	(69)	24	24
Decreases due to harvest	-	(329)	(329)
<b>Balance as at 30 June</b>	<b>199</b>	<b>268</b>	<b>268</b>

The Council owns 25.1 hectares of forest in 11 stands at varying stages of maturity.

Forestry assets were valued at 30 June 2012 by Allan Bell & Associates. A pre-tax discount rate of 10% has been used in calculating the value. It is Council's policy to revalue Forestry assets every year.

Information from recent and past harvesting operations has been used in the valuation including predicted yields, harvest costs, potential markets and log prices.

The following valuation assumptions have been adopted in determining the fair value of Forestry Assets:

<b>Basis for Value</b>	Stand-based schedules using discounted future cashflows and, where applicable, compound costs
<b>Discount Rate</b>	10.0% applied to pre-tax cashflows
<b>Compound Rate</b>	3.0%
<b>Tax Treatment</b>	Cashflows are pre tax
<b>Basis of Log Prices</b>	Current prices from actual harvesting operations, trend prices from MAF 12 quarter log prices

The Council is exposed to financial risks arising from fluctuations in the price of timber. As a long-term forestry investor, Council does not expect timber prices to decline significantly in the foreseeable future. Therefore no measures have been taken to manage the risks of a decline in timber prices. Council regularly reviews timber prices in considering the need for active financial risk management.

<b>Note 15: Reconciliation of Net Surplus to Net Cash Inflow (Outflow) from Operating Activities</b>	<b>Parent</b>		<b>Consolidated</b>
	<b>Actual 2012 \$000</b>	<b>Actual 2011 \$000</b>	<b>Actual 2011 \$000</b>
<b>Operating Surplus (Deficit) from Operations</b>	1,623	2,931	2,960
Add Non-Cash Items:			
Depreciation/Amortisation	9,082	9,329	9,356
Newly identified/Vested Assets	(40)	-	-
Unrealised Gain/(Loss) on Forestry	69	(24)	(24)
Gain on Sale of Assets			
Loss on Sale of Assets	511	386	386
Loan repayment Marton Aquatic Leisure Trust		1	1
Movements in Capex related Payables	(257)	-	-
Reduction in non current landfill provision	(67)	(40)	(40)
Movement in Employee Entitlements (non current)	(1)	4	4
Net GST	(123)	-	-
<b>Movements in Working Capital Items:</b>			
Accounts Payable	(392)	1,195	1,217
Employee Entitlements	51	(4)	(4)
Income in Advance	(4)	52	52
Accounts Receivable	1,494	(711)	(715)
Prepayment	(19)	8	(18)
<b>Net Cash Inflow from Operating</b>	<b>11,927</b>	<b>13,127</b>	<b>13,175</b>

**Note 16: Contingencies****Ownership of Turakina Beach Road**

All procedural requirements were met for the Maori Land Court over transfer of this land and settlement has been made.

**Emissions Trading Scheme**

Council may have a liability relating to the ETS and NZ Units that will be required to offset emissions following the harvesting of forestry holdings. This is contingent on our being able to get an exemption from the scheme. Application for exemption is in progress. The estimated liability is \$195,000.

**AGM Contracting**

We are currently in dispute with this company relating to extra work carried out to remediate work on a project. Council admits no liability in this matter but judicial redress is being sought by the plaintiffs.

**Potaka Stormwater**

Council has agreed to undertake a catchment investigation and works with a possible cost up to \$100,000 for Mr Potaka. Work cannot proceed until conditions have been fulfilled by the landowner.

**Note 17: Remuneration**

For the year ended 30 June 2012, the total annual cost to the Rangitikei District Council of the remuneration package being received by the Mayor, Councillors, Committee Members and the Chief Executive are calculated as follows:

Note 17: Remuneration	Annual Salary \$	Allowances		Tel/Fax	Total \$
		Non Salary* \$	Mileage \$	Non- Financial \$	
<b>Mayor</b>					
R C Leary	68,500	-	6,325	675	75,500
<b>Total for Mayor 2011/12</b>	<b>68,500</b>	<b>-</b>	<b>6,325</b>	<b>675</b>	<b>75,500</b>
<b>Councillors</b>					
R Aslett	17,034	-	1,086	750	18,870
J Byford	17,034	272	2,424	750	20,480
E Cherry	17,034	-	2,354	750	20,138
M Fox	17,034	-	-	750	17,784
S Harris	20,040	-	89	750	20,879
M Jones	17,034	-	-	750	17,784
D McManaway	17,034	-	-	750	17,784
R Peirce	17,034	-	29	750	17,813
S Peke-Mason	17,034	-	52	750	17,836
L Sheridan	17,034	-	-	750	17,784
A Watson	17,034	-	-	750	17,784
<b>Total for Councillors 2011/12</b>	<b>190,380</b>	<b>272</b>	<b>6,034</b>	<b>8,250</b>	<b>204,936</b>
<b>Total for Mayor and Councillors 2011/12</b>	<b>258,880</b>	<b>272</b>	<b>12,359</b>	<b>8,925</b>	<b>280,436</b>



Note 17: Remuneration	Annual Salary \$	Allowances		Tel/Fax	Total \$
		Non Salary* \$	Mileage \$	Non-Financial \$	
In 2010/11 the following was paid:					
Total for Mayor 2010/11	67,230	-	7,605	949	75,784
Total for Councillors 2010/11	187,938	2,210	8,900	8,149	207,197
<b>Total for Mayor and Councillors 2010/11</b>	<b>255,169</b>	<b>2,210</b>	<b>16,505</b>	<b>9,097</b>	<b>282,981</b>

Note 17: Remuneration (cont'd)	Annual Salary \$	Allowances		Tel/Fax	Total \$
<b>Taihape Community Board 2011/12</b>					
M Fannin	2,856	-	-	-	2,856
A Gordon (Chair)	3,457	-	-	-	3,457
G Larsen	2,856	-	-	-	2,856
P Leigh	2,856	-	-	-	2,856
<b>Total Taihape Community Board</b>	<b>12,025</b>	-	-	-	<b>12,025</b>
<b>Total Taihape Community Board 2010/11</b>	<b>11,274</b>	-	-	-	<b>11,274</b>
<b>Ratana Community Board 2011/12</b>					
G Hipango (Chair)	2,305	-	-	-	2,305
D Gardiner	1,904	-	-	-	1,904
T Pene	1,904	-	-	-	1,904
P Williams	1,904	-	-	-	1,904
<b>Total Ratana Community Board</b>	<b>8,017</b>	-	-	-	<b>8,017</b>
<b>Total Ratana Community Board 2010/11</b>	<b>7,858</b>	-	-	-	<b>7,858</b>

\*Non-Salary:

The determination issued by the Remuneration Authority also provides for the payment of hearing fees for those Councillors who sit as members on hearings of resource consent and plan changes applications lodged under the Resource Management Act 1991. The fees for members who act in this capacity are paid at the rate of \$85 per hour for the Chair and \$68 for other members of the Committee. Councillors are also able to claim an allowance for mileage as set by the Remuneration Authority for use of their personal vehicle to travel to and from these hearings. The level of fees and mileage re-imburement received by Councillors who have sat on resource consent hearings for the 2011/12 financial year are included under the heading Remuneration – Non Salary.

### Attendance at Council Meetings

There were 15 Council meetings from 1 July 2011 to 30 June 2012.

Name	Number of meetings attended July 2011-June 2012	Apology
His Worship the Mayor, Chalky Leary	15	0
Councillor Richard Aslett	13	2
Councillor Jan Byford	12	3
Councillor Ed Cherry	14	1
Councillor Michelle Fox	10	4
Councillor Sarah Harris (Deputy Mayor)	10	5

Name	Number of meetings attended	
	July 2011-June 2012	
Councillor Mike Jones	14	1
Councillor Dean McManaway	11	4
Councillor Richard Peirce (Oct 2010+)	14	1
Councillor Soraya Peke-Mason	14	1
Councillor Lynne Sheridan	15	0
Councillor Andy Watson	15	0

### Remuneration of Chief Executive

The Chief Executive of the Rangitikei District Council, appointed under Section 42 of the Local Government Act 2002 received a gross salary of **\$187,037** (2011 \$178,240). In addition, in the terms of the contracts, the Chief Executive also received the following additional benefits:

	2012 \$	2011 \$
Gross Salary	187,037	178,240
Performance payment	-	-
Mileage Payments	-	-
Benefit of Car	13,725	13,724
Telephone Rental	-	-
Employer Contribution Kiwi Saver	3,741	3,617
<b>Total</b>	<b>204,503</b>	<b>195,581</b>

For the year ended 30 June 2012, the total annual cost to the Rangitikei District Council of the remuneration package being received by the Chief Executive is calculated at **\$204,503** (2011 \$195,581).

Note 18: Employee Benefit Liabilities	Parent		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
Accrued Pay	47	35	35
Annual Leave	169	134	134
Long Service Leave	19	16	16
<b>Total Employee Benefit Liabilities</b>	<b>235</b>	<b>185</b>	<b>185</b>
<i>Comprising</i>			
Current	228	177	177
Non-current	7	8	8
<b>Total Employee Benefit Liabilities</b>	<b>235</b>	<b>185</b>	<b>185</b>

<b>Note 19: Related Party Transactions</b>	<b>2012</b> \$	<b>2011</b> \$
RDC is settlor of the Marton Aquatic and Leisure Trust During the year the related party transactions for Marton Aquatic and Leisure Trust (GST exclusive) were as follows:		
Cash Grant to the Trust provided by RDC	204,208	208,715
Costs paid on behalf of Trust	12,377	18,570
Audit Fee for Trust	11,420	5,450
Interest on loan paid to RDC	1,315	1,060
Capital repayments on loan from RDC	3,733	2,317
Balance of Loans Outstanding	27,455	31,189
Cash refund paid to RDC for Trusts expenses (Ins)	7,148	3,807
<b>Other Related Party Transactions</b>		
Aorangi Awarua Trust Easement cost	7,020	6,170
Ratana Communal Board of Trustees – service contract	63,078	52,976
Taihape Rotary-Grant for neighbourhood watch	-	1,450
Friends of Taihape Community Development Trust-community grant	-	36,433
Taihape Community Development Trust-Pool Account –service contract	181,340	207,679
<b>MW LASS</b>		
MW LASS- Share Call	-	-
Insurance Levies	70,955	3,054
Aerial Photography	-	24,386
Debt Recovery	-	500
Rating and Shared Valuation	-	500
Shared valuation database	7,139	5,700
Regional Archives Project	68,664	66,921

In addition, during the year Rangitikei District Council purchased services from Byfords Construction Company Ltd and Taihape Contracts Ltd, contracting firms in which the husband of Mrs Byford, a Councillor, is a director and shareholder. These services cost \$1,366 (2011 \$1,092) and were supplied on normal commercial terms. Mrs Byford is also a member of the Taihape Rotary Club.

During the year the Council gave grants to several entities on which Councillors served as Board members or Chairs. Apart from this, during the year, Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with the Council (such as payment of rates). Councillor Peke-Mason has interests in the Aorangi Awarua Trust and is a member of the Ratana Communal Board of Trustees. Councillor Cherry is a friend of the Taihape Community Development Trust.

<b>Note 20: Key Management Personnel Compensation</b>	<b>2012</b> \$	<b>2011</b> \$
Salaries and other short-term employee benefits	727,484	720,594
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination Benefits	-	-
<b>Total Key Management Personnel Compensation</b>	<b>727,484</b>	<b>720,594</b>

Key management personnel include the Mayor, Councillors, Chief Executive and the other two members of the management team.

**Note 21: Non Consolidation of Subsidiaries**

Rangitikei District Council has a 33% interest in the Ruapehu Wanganui Rangitikei Economic Development Trust, whose reporting date is 30 June.

Movements in the carrying amount of investment in associates

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 July</b>	6	2
Share of total revenues and expenses	(6)	4
<b>Balance as at 30 June</b>	0	6
Summarised financial information of associate company		
Total Assets	3	23
Total Liabilities	12	17
Total Revenues	65	32
Surplus/(Deficit)	(1)	11

Ruapehu Wanganui Rangitikei Economic Development Trust is an unlisted company and accordingly, there are no published price quotations to determine the fair value of this investment.

The following Council subsidiary has not been consolidated using the purchase method of accounting.

#### Marton Aquatic and Leisure Trust (MALT)

The Marton Aquatic and Leisure Trust (the Trust) was set up by the Council to operate and maintain the Marton Swimming Pool facilities. The Council has no direct financial interest in the Trust. However, the Trust is dependent upon the Council for more than 50% of its income and under the Trust Deed is required to provide a detailed annual report and annual accounts to Council, be guided by Council on certain decisions, only make alterations to the Trust Deed as are approved by Council and must distribute any surplus on winding up to the Council. The Trust is therefore deemed to be controlled by the Council in accordance with NZ IAS 27.

	<b>2012</b>	<b>2011</b>
	<b>\$000</b>	<b>\$000</b>
Summarised financial information of subsidiary Trust		
Total Revenues	392	401
Surplus/(Loss)	(79)	33
Total Assets	478	558
Total Liabilities	54	54

**Note 22: Financial Instruments****Financial Instrument Categories**

The accounting policies for financial instruments have been applied to the line items below:

Financial assets	Note	Council		Consolidated
		Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Loans and receivables</b>				
Cash and cash equivalents	12	5,396	3,262	3,492
Accounts receivable	7	2,322	3,751	3,753
Other financial assets:				
Term deposits with maturities of 4-12 months	11	3,000	-	-
Community loans	11	1	2	2
Marton Aquatic Trust Loan	11	27	32	
<b>Total loans and receivables</b>		<b>10,746</b>	<b>7,047</b>	<b>7,247</b>
<b>Fair value through other comprehensive income</b>				
Other financial assets:				
NZ Local Government Insurance Corp Ltd	11	37	37	37
Corporate Bonds	11	3,560	5,197	5,197
MW Lass	11	1	1	1
<b>Total fair value through other comprehensive income</b>		<b>3,598</b>	<b>5,235</b>	<b>5,235</b>
<b>Financial Liabilities</b>				
Borrowings – Secured Loans	11A	4,500		
Accounts payable	9	3,847	4,867	4,890
<b>Total financial liabilities at amortised cost</b>		<b>8,347</b>	<b>4,867</b>	<b>4,890</b>

**Fair Value Hierarchy Disclosures**

Rangitikei District Council has policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimize exposure from its treasury activities. It has established Borrowing and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into. Council invests funds only in deposits with registered banks and Corporate Bonds with a Standard and Poors rating of A, A+, A1 or better, and limits the amount of credit exposure to any one institution or organisation.

Corporate Bonds held by the Council recognised at fair value in the statement of financial position are determined according to the following hierarchy:

Quoted Market Price – Quoted prices for identical Bonds in an active market.

**Financial Instrument Risk**

## Credit Risk

Credit risk is the risk that a third party will default on its obligation to Rangitikei District Council causing the Council to incur a loss. The maximum amount of credit risk for each class is the carrying amount in the Statement of Financial Position.

The Council has no significant concentrations of credit risk, as it has a large number of credit customers and only invests funds with registered banks with specified credit ratings. The Council has minimal credit risk in its holdings of various financial instruments. These financial instruments include bank balances, Corporate Bonds and accounts receivable.

The Council invests significant funds only in deposits with registered banks and high-grade Corporate Bonds and limits the amount of credit exposure to any one institution or organisation. Accordingly, the Council does not require any collateral or security to support the financial instruments with organisations it deals with.

### Maximum exposure to credit risk

Council's maximum credit exposure for each class of financial instrument is as follows:

	Note	Council		Consolidated
		Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
Cash at bank and term deposits	12	8,396	3,262	3,492
Accounts receivable	7	2,266	3,751	3,753
Loans to Marton Aquatic Trust and Community	11	28	32	2
<b>Total credit risk</b>		<b>10,690</b>	<b>7,047</b>	<b>7,247</b>

### Credit quality of financial assets

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

	Council		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
<b>Counterparties with Credit Ratings</b>			
Cash at bank and term deposits:			
AA Rating	8,396	3,262	3,492
<b>Total Cash at Bank and Term Deposits</b>	<b>8,396</b>	<b>3,262</b>	<b>3,492</b>
Other investments			
AA rating	3,560	5,235	5,235
<b>Total Other Investments</b>	<b>3,560</b>	<b>5,235</b>	<b>5,235</b>
<b>Counterparties without Credit Ratings</b>			
Local authority stock, community and rural housing loans:			

	Council		Consolidated
	Actual 2012 \$000	Actual 2011 \$000	Actual 2011 \$000
Existing counterparty with no defaults in the past	38	37	2
<b>Total Local Authority Stock, Community and Rural Housing Loans</b>	<b>38</b>	<b>37</b>	<b>2</b>

## Market Risk

### Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Rangitikei District Council's exposure to fair value interest rate risk is limited to its borrowings and short-term bank deposits.

### Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Council to cash flow interest rate risk.

The Council's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements.

The Council currently has no variable interest rate debt or investments.

## Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

No financial instrument of Rangitikei District Council has a foreign currency component and therefore there is no exposure to currency risk.

## Liquidity Risk

Liquidity risk is the risk that Rangitikei District Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a target level of investments that must mature within 12 months.

The Council manages its borrowings in accordance with its funding and financial policies, which include a Liability Management Policy. These policies were adopted at the same time as Council's 2012/22 Long Term Plan.

### Contractual maturity analysis of financial liabilities

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

	Carrying Amount \$000	Contractual Cashflows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Financial Liabilities					
<b>Council 2012</b>					
Accounts payable	3,904	3,904	3,904	-	-
Borrowings – Secured Loans	4,500	4,500	2,000	2,500	-
<b>Total</b>	<b>8,404</b>	<b>8,404</b>	<b>5,904</b>	<b>2,500</b>	<b>-</b>
<b>Council 2011</b>					
Accounts payable	4,867	4,867	4,867	-	-
<b>Total</b>	<b>4,867</b>	<b>4,867</b>	<b>4,867</b>	<b>-</b>	<b>-</b>
<b>Consolidated 2011</b>					
Accounts payable	4,910	4,910	4,910	-	-
<b>Total</b>	<b>4,910</b>	<b>4,910</b>	<b>4,910</b>	<b>-</b>	<b>-</b>

### Contractual Maturity Analysis of Financial Assets

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

Financial Assets	Carrying Amount \$000	Contractual Cashflows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
<b>Council 2012</b>					
Cash and cash equivalents	5,396	5,396	5,396	-	-
Accounts receivable	2,266	2,266	2,266	-	-
Other financial assets:					
Term deposits	3,000	3,000	3,000	-	-
Community/Marton Aquatic loans**	28	28	28	-	-
Other investments*	3,560	3,560	-	3,560	-
<b>Total</b>	<b>14,250</b>	<b>14,250</b>	<b>10,690</b>	<b>3,560</b>	<b>-</b>
<b>Council 2011</b>					
Cash and cash equivalents	3,262	-	-	-	-
Accounts receivable	3,751	3,751	3,751	-	-



Financial Assets	Carrying Amount \$000	Contractual Cashflows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Other financial assets:					
Term deposits	-	-	-	-	-
Community/Marton Aquatic loans**	32	46	7	20	19
Other investments*	5,197	4,847	1,181	1,733	1,933
<b>Total</b>	<b>12,242</b>	<b>8,644</b>	<b>4,939</b>	<b>1,754</b>	<b>1,952</b>
<b>Consolidated 2011</b>					
Cash and cash equivalents	3,492	-	-	-	-
Accounts receivable	3,753	3,753	3,751	-	-
Other financial assets:					
Term deposits	-	-	-	-	-
Community/Marton Aquatic loans	2	2	1	3	-
Other investments*	5,197	4,847	1,181	1,733	1,933
<b>Total</b>	<b>12,444</b>	<b>8,602</b>	<b>4,933</b>	<b>1,736</b>	<b>1,933</b>

#### \*Other Investments

Other Investments includes investments with no maturity date; an assumption has been made that these investments will be realised in one year at current carrying value.

#### \*\*Marton Aquatic Leisure Trust Loan

Interest is based on 2009/19 LTP interest rates assumptions.

#### Sensitivity Analysis

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at the balance date.

Council	Explanation Note Below	2012				2011			
		-100bps		+100bps		-100bps		+100bps	
		Profit \$000	Other Equity \$000	Profit \$000	Other Equity \$000	Profit \$000	Other Equity \$000	Profit \$000	Other Equity \$000
Interest Rate Risk									
Financial assets									
Cash and cash equivalents & Term Deposits	1	(54)	-	54	-	(33)	-	33	-
Other financial assets:									
Term deposits	2	-	-	-	-	-	-	-	-
Marton Aquatic Trust Loans	3	-	-	-	-	-	-	-	-

Other Investments	4	(10)	-	10	-	(10)	-	10	-
Total sensitivity to interest rate risk		(64)	-	64	-	(43)	-	43	-

## Explanation of Sensitivity Analysis – Council

### Financial Assets

#### 1 Cash and cash equivalents

Cash and cash equivalents include deposits at call totalling \$5,396,000 (2011 \$3,262,000) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$53,960 (2011 \$32,620). Council has two fixed rate short term deposits of \$3,000,000 (2011 \$0). A movement in market interest rates has no impact to interest income on these deposits.

#### 2 Term Deposits

Council has no fixed rate term deposits, (2011 \$0) held to maturity other than those disclosed in cash and cash equivalents above.

#### 3 Marton Aquatic and Leisure Trust loans

Council has floating rate loans to Marton Aquatic Trust with a principal amount totalling \$27,455 (2011 \$31,189). A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$274 (2011 \$331).

#### 4 Other investments

Council has floating rate Corporate Bonds totalling \$1,028,318 (2011 \$1,028,318). A movement in market interest rates of plus or minus 1% has an effect on interest income of \$10,283 (2011 \$10,283). Council has fixed rate Corporate Bonds totalling \$2,500,000 (2011 \$4,075,000). A movement in market interest rates does not have an impact to interest income on these fixed rate Corporate Bonds.

Consolidated	Explanation Note Below	2011							
						-100bps		+100bps	
						Profit \$000	Other Equity \$000	Profit \$000	Other Equity \$000
Interest Rate Risk									
Financial assets									
Cash and cash equivalents	1				(35)	-	35	-	
Other financial assets:									
Term Deposits	2				-	-	-	-	
Community/Marton Aquatic Trust Loan	3				-	-	-	-	
Other Investments	4				(10)	-	10	-	
Total sensitivity to interest rate risk					(45)	-	45	-	

## Explanation of Sensitivity Analysis – Consolidated

### Financial Assets

#### 1 Cash and cash equivalents

Cash and cash equivalents include deposits at call totalling \$5,396,000 (2011 \$3,262,000) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$53,960 (2011 \$32,620). Council has two fixed rate short term deposits of \$3,000,000 (2011 \$0). A movement in market interest rates has an impact to interest income on these deposits.

#### 2 Term Deposits

Council has no fixed rate term deposits, (2011 \$0) held to maturity. A movement in market interest rates does not have an impact to interest income on these investments.

#### 3 Community loans

Council has Community Loans which are interest free totalling \$1,000 (2011 \$2,000). A movement in market interest rates does not have an impact to interest income on these loans.

#### Other Investments

Council has floating rate Corporate Bonds totalling \$1,028,318 (2011 \$1,028,318). A movement in market interest rates of plus or minus 1% has an effect on interest income of \$10,283 (2011 \$10,283). Council has fixed rate Corporate Bonds totalling \$2,500,000 (2011 \$4,075,000). A movement in market interest rates does not have an impact to interest income on these fixed rate Corporate Bonds.

### Interest Rate Risk

Cash investments are held until maturity, and therefore, no allowance has been made for any potential loss and due to the nature and general short-term maturity of these investments no allowance for interest rate risk is considered necessary. Effective interest rates for these investments ranged from 0% to 7.75%.

### Fair Value

The fair value of financial assets and financial liabilities held by RDC and group is estimated as being equal to the carrying value of those assets and liabilities shown in the financial statements.

It is Council's intention to hold its long-term corporate bonds to maturity. Therefore the fair value of these financial assets is estimated as being equal to their carrying value.

**Note 23: Post Balance Date Events**

Rangitikei District Council has no post balance date events.

**Note 24: Landfills Aftercare Provision**

Rangitikei District Council has responsibility to provide ongoing maintenance and monitoring of 17 closed landfills in the district. There are closure and post-closure responsibilities as follows:

Closure responsibilities:

- Final cover application and vegetation
- Incremental drainage control features
- Completion facilities for leachate collection and monitoring
- Completing facilities for water quality monitoring
- completing facilities for monitoring of gas

Post-closure responsibilities:

- Treatment and monitoring of leachate
- Ground water and surface monitoring
- Gas monitoring and recovery
- Implementation of remedial measures such as needed for cover, and control systems
- Ongoing site maintenance for drainage systems, final cover and vegetation

The management of the landfills will influence the timing and recognition of some liabilities. The cash outflows for the landfills are expected to occur over the next 30 years. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 8%.

	Parent		Consolidated	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Current Liabilities – ( included in Note 9: Trade and other Accounts Payable)	21	21	21	21
Non Current Liabilities	417	484	417	484
<b>Total</b>	<b>438</b>	<b>505</b>	<b>438</b>	<b>505</b>
Opening Balance	505	545	505	545
Provision used	(67)	(40)	(67)	(40)
<b>Total</b>	<b>438</b>	<b>505</b>	<b>438</b>	<b>505</b>

**Note 25: Capital Management**

Rangitikei District Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

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

The Act requires the Council to make adequate and effective provision in its Long Term Council Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the revenue and financing policy in the Long Term Plan.

Rangitikei District Council has the following Council created reserves:

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

*Council-created reserves* are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council

**Note 26: Explanation of the Variance to Budget Surplus**

The Council has an actual Total Comprehensive Income of \$1,561,000 as opposed to a budgeted \$573,000 in the Annual Plan. The most significant items are in Roading where Flood Damage was higher, resulting in higher expenditure and also in a higher subsidy from the New Zealand Transport Agency.

	\$000	\$000
<b>Revenue</b>		
Roading revenue above budget due to flood damage	3,036	
War Veterans Subsidy from Community Assets	93	
Increase in subsidies for Economic Development	159	
Interest Income Decreased	(58)	
Reduction in Landfill Provision	(67)	
Vested Asset for Community Support	40	
Other Sundries	(67)	

	\$000	\$000
<b>Total Increase (Decrease) in Surplus Attributable to Revenue</b>		<b>3,136</b>
<b>Expenditure</b>		
Reduction for expenditure on elected representatives due to altered mileage policies from the Remuneration Authority and reduced expenditure on training and conference attendance	(154)	
Roading expenses higher through flood damage and emergency works	2,526	
Lower expenditure than planned for Water Management (excluding overhead allocation) because anticipated new plant not in place	(1,031)	
Less maintenance costs for Community and Leisure Assets (excluding overhead allocation) due to reduced maintenance requirements	(130)	
Rate Remissions	585	
Rural Fire Costs Reduced	(69)	
More activities undertaken in District Promotion funded through external grants	263	
Sundries	96	
<b>Total Increase (Decrease) in Surplus Attributable to Expenditure</b>		<b>2,086</b>
<b>Operating Surplus Higher than Expected</b>		<b>1,050</b>
<b>Budgeted Operating Surplus</b>		<b>573</b>
<b>Actual Operating Surplus</b>		<b>1,623</b>

#### Note 27: Explanation of the Variance to Budget Statement of Financial Position

Rangitikei District Council has net assets of \$480,829,000 as opposed to \$533,382,000 in the Annual Plan. The following are the reasons for the variances.

	\$000	\$000
<b>Equity</b>		
Accumulated Funds higher because of above budget surplus	2,048	
Decrease in Reserves due to less interest and expenditure	(211)	
Reduction from revaluation of all assets	(54,390)	
		(52,553)
<b>Assets/Liabilities</b>		
Cash and Cash equivalents higher as delays in capital works	1,896	
Trade and other receivables lower due to better collection rates	(384)	
Reduction in Prepayments	(33)	
Other financial assets higher	3018	
Land held for sale shown separately	501	
Employee benefits higher due to additional staff	(15)	
Trade and other accounts payable higher due to work-in-progress	(247)	
Reduction in Income in Advance due to fewer people paying early	137	
Property and Infrastructural Assets lower through valuations	(62,487)	
Other Financial Assets higher (non-current) as lower capital spend needed	3,598	
Landfill provision reduction	130	
Term Liabilities lower as borrowing reduced	1,333	
		(52,553)

## Statement of Capital Works

Community Leadership	Actual 2012 \$000	Annual Plan 2012 \$000	Funding Mechanism
Marton Office building and equipment	10	7	DISP
<b>Total Community Leadership</b>	<b>10</b>	<b>7</b>	

Roads and Transportation	Actual 2012 \$000	Annual Plan 2012 \$000	Funding Mechanism
<b>Renewals</b>			
Bridge Renewals	175	525	DISP
Footpath Renewals	82	97	DISP
Unsealed Roads	334	-	DISP
Drainage Renewals	264	378	DISP
Reseals	1,820	1,865	DISP
Area Wide Pavement Treatment	3,303	3,250	DISP
Traffic Services	273	334	DISP
Taihape Main Street	96	-	DISP
General maintenance	-	650	
<b>New Capital</b>			
Taihape Napier Road	270	-	LOAN
Footpath Construction	62	60	LOAN
Minor Safety projects	891	830	NZTA/RATES
Transport Planning	-	-	LOAN
Associated Improvements	-	-	LOAN
Carpark [Gumboot Park, Taihape]	-	22	LOAN
<b>Total Roads and Transportation</b>	<b>7,570</b>	<b>8,011</b>	

Stormwater	Actual 2012 \$000	Annual Plan 2012 \$000	Funding Mechanism
<b>Renewals</b>			
Marton	49	61	DISP
Taihape	167	70	DISP
Bulls	-	17	DISP
Mangaweka	-	-	DISP
Hunterville	-	5	DISP
Ratana	-	-	DISP
<b>New Capital</b>			
Marton	35	115	LOAN
Taihape	35	-	LOAN
Bulls	-	14	LOAN
Mangaweka	-	10	LOAN
Hunterville	-	26	LOAN
Ratana	-	15	LOAN
<b>Total Stormwater</b>	<b>286</b>	<b>333</b>	

Wastewater	Actual 2012 \$000	Annual Plan 2012 \$000	Funding Mechanism
<b>Renewals</b>			
Marton	112	288	DISP
Taihape	108	214	DISP
Bulls	8	-	DISP
Mangaweka	-	-	DISP
Hunternville	52	-	DISP
Ratana	-	5	DISP
<b>New Capital</b>			
Marton	18	75	LOAN
Taihape	164	-	LOAN
Bulls	-	*420	LOAN
Hunternville	12	-	LOAN
Koitiata	-	*275	LOAN
Ratana	-	450	LOAN
Bulls	2		LOAN
<b>Total Wastewater</b>	<b>476</b>	<b>1,727</b>	

*\*Full amount is carry forward from 2010/11*

Water	Actual 2012 \$000	Annual Plan 2012 \$000	Funding Mechanism
<b>Renewals</b>			
Marton	142	972	DISP
Taihape	186	143	DISP
Bulls	247	95	DISP
Mangaweka	13	12	DISP
Hunternville	55	58	DISP
Ratana	30	25	DISP
Erewhon Rural Water	108	126	DISP
Hunternville Rural Water	29	132	DISP
Omatane Rural Water	-	2	DISP
<b>New Capital</b>			
Marton	1973	**3440	LOAN
Taihape	74	113	LOAN
Bulls	99	125	LOAN
Hunternville	39	75	LOAN
Mangaweka	56	40	LOAN
Ratana	43	690	LOAN
Hunternville Rural Water	32	38	LOAN
<b>Total Water</b>	<b>3,126</b>	<b>6,086</b>	

*\*\*\$2.2 Million is a carry forward from 2010/11*



<b>Community and Leisure Assets</b>	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Funding Mechanism</b>
<b>Renewals</b>			
<b>Swimming Pools</b>			
Marton	81	50	DISP
Taihape	44	50	DISP
Huntermville	-	5	DISP
<b>Libraries</b>			
Library Books	75	120	DISP
Library Renovations/Building repairs	6	10	DISP
Library Shelving and Furniture/Office equipment	11	6	DISP
Computer Renewal	10	6	DISP
<b>Community Housing</b>			
Marton	15	15	DISP
Taihape	14	7	DISP
Bulls	5	7	DISP
Ratana	4	5	DISP
<b>Parks and Reserves</b>			
Marton Parks	24	3	DISP
Taihape Parks	13	12	DISP
Bulls Parks	11	3	DISP
Koitiata	-	-	DISP
Mangaweka Parks	-	14	DISP
Huntermville Parks	2	3	DISP
Dudding Lake	-	-	DISP
<b>Public Toilets</b>			
Marton	-	-	
Taihape	-	-	DISP
Bulls	-	150	LOAN
Koitiata	-	-	DISP
<b>Halls</b>			
Marton	10	12	DISP
Taihape	2	18	DISP
Bulls	2	-	DISP
Others - Koitiata	8	20	DISP
Mangaweka	10	-	DISP
Huntermville	15	-	DISP
<b>Cemeteries</b>			
Marton	102	-	DISP
Taihape	36	-	DISP
New Capital			
Marton cemetery – roading and carparking	22		LOAN
Taihape cemetery – headstone footing	4		LOAN
Bulls toilets	-	150	LOAN
Bulls cemetery		4	LOAN
<b>Total Leisure and Community Assets</b>	<b>526</b>	<b>670</b>	

<b>Rubbish and Recycling</b>	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Funding Mechanism</b>
<b>Renewals</b>			
WTS – Bulls	2	-	DISP
WTS - Marton	7	-	DISP
District-wide litterbins	-	8	DISP
<b>Total Rubbish and Recycling</b>	<b>9</b>	<b>8</b>	

<b>Community Support</b>	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Funding Mechanism</b>
Civil Defence equipment	-	4	DISP
Rural Fire equipment (hose packs etc.)	4	4	DISP
Rural fire vehicle	40	40	DISP
<b>Total Community Safety</b>	<b>44</b>	<b>48</b>	

<b>*Miscellaneous</b>	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Funding Mechanism</b>
<b>Miscellaneous</b>			
Computer Software	-	10	DISP
Computer Hardware	175	255	DISP
Telephone system	11	5	DISP
Pound	19	250	DISP <sup>23</sup>
Vehicles	233	167	DISP
Plant & Equipment Utilities Department	5	10	DISP
Office Equipment	7	5	DISP
<b>Total Miscellaneous</b>	<b>448</b>	<b>702</b>	

<b>Summary</b>	<b>Actual 2012 \$000</b>	<b>Annual Plan 2012 \$000</b>	<b>Funding Mechanism</b>
<b>Grand Total</b>	<b>12,495</b>	<b>17,592<sup>24</sup></b>	

#### \* Miscellaneous

Capital expenditure which is not directly related to a significant activity of Council but is related to Council overheads

<sup>23</sup> The Annual Plan provision (for a new dog pound) was loan funded. The holding pens actually built were DISP funded.

<sup>24</sup> The total in the Annual Plan is \$17,587,000. However, the subtotal for Water is understated by \$2,000 and the subtotal for Community and Leisure Assets is understated by \$3,000 in the Annual Plan due to addition errors.

## Statement of Resources

Area .....	4,538 sq km
Population .....	14,712
<i>Census 2006</i>	
Rateable Properties .....	8,503
Non-rateable Properties .....	608
Gross Capital Value .....	\$3,632,659,800
Net Capital Value .....	\$3,461,605,850
Gross Land Value .....	\$2,296,628,200
Net Land Value .....	\$2,236.252,400
Date of Last Revision of Values .....	September 2011
Length of Roads .....	1,237 km
• Sealed .....	783 km
• Unsealed .....	454 km
Water Supplies	
• Urban .....	6
• Rural .....	4
Wastewater Systems .....	7
Solid Waste Disposal Sites (Landfills) .....	0
Waste Transfer Stations .....	5
Amenity Buildings	
• Libraries .....	3
• Swimming Pools .....	3
• Halls – Urban .....	7
• Houses .....	3
• Halls – Rural .....	15
• Pensioner Flats .....	72
• Toilets and Restrooms .....	9
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**Rangitikei**  
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# Rangitikei District Council

## Section 4: Other Information

## Contact Details

### Council Offices

#### Marton

46 High Street  
Private Bag 1102  
Marton 4741

Tel 06 327 0099  
0800 422 522  
Fax 06 327 6970

#### Taihape Library and Service Centre

90-92 Hautapu Street  
Taihape 4720

Tel 06 388 0604  
Fax 06 388 1919

#### Bulls Library and Service Centre

73 High Street  
Bulls 4818

Tel 06 327 0083  
Fax 06 322 0113

#### Email

[info@rangitikei.govt.nz](mailto:info@rangitikei.govt.nz)

#### Website

[www.rangitikei.govt.nz](http://www.rangitikei.govt.nz)

### Mayor and Councillors

Contact details for the Mayor and Councillors are located on page 11.

### Members of Community Boards, Te Roopu Ahi Kaa, and Community Committees

Contact details are provided on page 12.

## Development of Māori capacity to contribute to decision-making processes

### Introduction

Clause 5 of Schedule 10 of the Local Government Act 2002 requires that the Council outline any steps it might take to foster the development of Māori capacity building to contribute to its decision-making processes.

The key provision in the Local Government Act 2002 regarding the Council's relationship with Māori is section 81, which requires all councils to fulfil three primary tasks:

- a) Establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority; and
- b) Consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority; and
- c) Provide relevant documentation to Māori for the purposes of the above two paragraphs.

### The Memorandum of Understanding: Tutohinga

The Memorandum of Understanding, initially signed in 1998, recognises the fundamental role of Iwi in the District and the essential partnership between Iwi and the Rangitikei District Council. The key mechanism for delivering on the partnership intent of the Memorandum is Te Roopu Ahi Kaa, a standing advisory committee of the Council. Tangata Whenua of the District are represented on the Komiti, as is the Ratana Community. Komiti members have been regularly briefed on progress in reviewing the District Plan and in developing the LTP, and have reviewed the policies/statements of particular relevance to Māori.

The Memorandum is subject to review at the same time as each Representation Review. So the last review was in 2006 and the next will begin in August 2012.

During the last triennium, Te Roopu Ahi Kaa reviewed its strategic plan, adopted in December 2006. This plan identifies a number of actions to achieve three goals – building stronger relationships between Council and Te Roopu Ahi Kaa, building stronger relationships between Council and Iwi, hapu, whanau and Māori communities, and building cultural awareness. Considerable time has been spent reflecting on foundations for closer engagement with the Council. Improved communication is a factor, and Elected Members have responded to the Komiti's invitation to attend their bi-monthly meetings. In addition, and immediately more significant, the Komiti recognised that several Iwi lacked the capacity to develop and drive a strategic plan. Ensuring that the Komiti retains relevance to its members is critical. In 2011, feedback from the authorities who nominated members: all were either fairly or very satisfied with opportunities to participate in Council decision-making through Te Roopu Ahi Kaa.

### Building on current strategies

One of the early components of the Representation Review is consideration whether one or Māori wards should be established in the District. Council referred this matter to the Komiti for its consideration in August 2011. The Komiti did not make a recommendation on this proposal. Instead it resolved that the future of Te Roopu Ahi Kaa as an advisor group be considered against the value of direct relationships between Iwi and Council. Further workshop discussion has clarified that this is not

an 'either-or' question but one of establishing complementary relationships, understanding both the potential advantages and disadvantages of both.

The Iwi Advisory Komiti is an opportunity for Iwi/hapu without the capacity to engage independently are supported to engage in a relationship with Council. However, the Iwi Advisory Komiti does not pre-empt the opportunity for individual Iwi/hapu to have a direct relationship with Council.

During the next three years developing these complementary relationships will be a significant matter for the Council, the Komiti and particular Iwi. In addition, it is intended to continue the pilot Community Development project, currently involving the Otaihape Māori Komiti (OTMK). This project has been a 12 month programme in two parts. The first element supports three community events in Taihape (Whanau Sports Day, Waitangi Day and Matariki celebratory events). The second element provides for facilitated caucusing of Mokai Patea representatives to Te Roopu Ahi Kaa in order to provide a more focused voice at the Komiti from the northern rohe.

Finalisation of Treaty claims is a significant development in the Rangitikei. Ngati Apa's claim has been settled, and they have already expressed interest in seeking closer working relationships with Council. At present the Taihape claim is proceeding. Settlement is some time away but, when this is done, it is also likely to promote stronger working relationships with Council.

Reflecting the intention of the Memorandum of Understanding: Tutohinga, the Council and Te Roopu Ahi Kaa are committed to looking for more effective ways to ensure that Māori are well informed, have an ability to have input into processes and, when they do so, understand the reasons for the Council's response.





**Rangitikei**  
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# Rangitikei District Council

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