MĀWHERA
GREY
DISTRICT COUNCIL

2024/2025

ANNUAL REPORT

Contents

PART A: Introduction

Message from Her Worship the Mayor and the Chief Executive

Welcome to the Grey District Council's 2024/2025 Annual Report.

This report covers Council's income and expenditure for the financial year ended 30 June 2025.

Like the rest of New Zealand, the Grey District continues to face significant financial pressures resulting from the nationwide cost-of-living crisis. Rising costs have placed strain on both households and Council operations, contributing to actual expenses exceeding budget forecasts during the year.

Over the past six months, a new and experienced senior leadership team has been established. This team has implemented stronger financial controls and closer budget monitoring, ensuring robust financial discipline and greater accountability moving forward.

Financial performance for the year

For the 2024/2025 financial year, Council recorded a total operating deficit of $4.78 million.

- Total expenditure was $49 million, compared with a budget of $40 million, resulting in an unfavourable variance of $9 million.
- Council borrowing stands at $38 million; $19 million of this relating to Water, Wastewater and Stormwater.
- Personnel costs increased from $8.012 million to $8.821 million. However, contractor and professional services costs decreased from $15.7 million to $14.7 million, with staff numbers increasing to 95 full-time equivalents from 89 last year.

Financial position at the end of the year

Fixed Assets

Council's fixed assets are now $575 million, an increase of $6 million from the prior financial year.

This is driven primarily by the ongoing works competition of some of our capital projects over the last year. Some of the highlights arising from Council's work programmes over the year were:

- The new library base build that will create a destination in town for our community.
- The opening of the new toilet block at Anzac Park.
- Installation of the new winch at the Port facility.
- Completion of the Arnott Heights Water Reservoir.
- Continuing to improve many of our retirement units through a programme of work that has included new roofs, installation of heat pumps improved weathertightness and insulation, better security and new driveways.

Despite the challenges of the past year, the Council remains committed to sound financial stewardship, continuous improvement and supporting a resilient future for the Grey District.

Tania Gibson
Mayor

Joanne Soderlund
Chief Executive

Councillors and their portfolios as at 30 June 2025

Tania Gibson

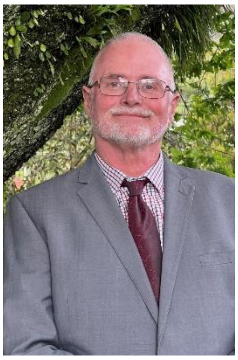
Mayor

Committees:
Chief Executive Employment
Risk and Assurance Subcommittee
Civic Awards
Creative Communities
Sport New Zealand Rural Travel Fund
Tenders Subcommittee
Members Code of Conduct
Greymouth Rating District Joint Committee
Te Tai o Poutini One Plan Committee (TTPP)

Allan Gibson

Councillor Eastern Ward/Deputy Mayor

Committees:
Tenders Subcommittee
Members Code of Conduct Committee
Greymouth Rating District Joint Committee
Te Tai o Poutini One Plan Committee (TTPP)



Robert Mallinson

Councillor Eastern Ward

Committees:
Risk and Assurance
Tenders Subcommittee

Kate Kennedy

Councillor Northern Ward

Committees:
Animal Control
Sport New Zealand Rural Travel
Creative Communities Committee

John Canning

Councillor Southern Ward

Committees:
Animal Control
District Licensing

Jack O'Connor

Councillor Central Ward

Committees:
Risk and Assurance Subcommittee
Animal Control Committee
Creative Communities Committee
Sport New Zealand Rural Travel Fund

Peter Davy

Councillor Central Ward

Committees:
Tenders Subcommittee

Rex MacDonald

Councillor Southern Ward

Committees:
Risk and Assurance Subcommittee
Chief Executive Employment
Tenders Subcommittee

Tim Mora

Councillor Central Ward

Committees:
Risk and Assurance Subcommittee
Civic Awards Committee
Creative Communities Committee
Sport New Zealand Rural Travel Fund
Greymouth Rating District Joint Committee

Francois Tumahai

Kaiwhakahaere
(Iwi Representative)

Council is committed to

Being accountable to its community.	Representing its community strongly and positively.
Consulting its community in the spirit of collective decision-making.	Working with other bodies and institutions pursuing the same goal.
Participating strongly in the activities of organised local government.	Striving towards optimum efficiency and a customer focus.
Displaying equity and transparency in its dealings with its community.	Incorporating the cultural, economic, environmental and social well-being of the community within decision-making.
Sustainability as a basis for development activities in the Grey District.	Creating opportunities for all.
Being a good employer.	A healthy community.
Building on our heritage.	

Executive Leadership Team

Chief Executive	**Paul Pretorius** (to 1 October 2024) **Joanne Soderlund** (from 1 October 2024)
Group Manager Operations	**Aaron Haymes** (to 28 March 2025) **Kurtis Perrin-Smith** (from 3 June 2025)
Group Manager Corporate Services	**Kathryn Ruddle** (from 24 March 2025)
Group Manager Community	**Penny Kirk** (from 10 February 2025)
Group Manager Economic Development and Regulatory Services	**Peter O'Sullivan** (from 10 February 2025)

Key Council contact information

Council contacts	Grey District Council 105 Tainui Street Greymouth 7805
	PO Box 382 Greymouth 7840
	03 769 8600
	info@greydc.govt.nz
	Web: www.greydc.govt.nz Facebook: facebook.com/greydc Instagram: instagram.com/grey.district.council/
Banker	Westpac
Auditor	EY New Zealand, Christchurch on behalf of the Office of the Auditor General, Wellington
Solicitor	Corcoran French, Greymouth
Corporate Services	info@greydc.govt.nz
Environmental Services	environmental.services@greydc.govt.nz
Infrastructure Services	infrastructure@greydc.govt.nz
Grey District Library	18 Albert Street, Greymouth Tel: 03 768 5597 library@greydc.govt.nz
Westland Recreation Centre	83 High Street, Greymouth Tel: 03 768 9076 wrc@greydc.govt.nz
Port of Greymouth	C/- 105 Tainui Street, Greymouth

PART B:
Financial Statements & Notes

Statement of Compliance and Responsibility

Compliance

Council and management of the Grey District Council confirm that all statutory requirements relating to the Annual Report, with the exception of adopting the annual report prior to 31 October 2025, as outlined in the Local Government Act 2002, have been complied with including the requirement to comply with generally accepted accounting practice.

The Statement of Service Performance of the Council has been prepared in accordance with the requirements of Part 3 Schedule 10 of the LGA, including the requirement from section 111 of the LGA to prepare all information in accordance with New Zealand generally accepted accounting practice (NZ GAAP).

Responsibility

Council and management of the Grey District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

Council and management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and the reliability of the financial and service performance reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements and the Statement of Service Performance for the year ended 30 June 2025 fairly reflect the financial position and operations of Grey District Council.

Tania Gibson
Mayor
2 December 2025

Joanne Soderlund
Chief Executive
2 December 2025

Statement of Comprehensive Revenue and Expense

For the Year Ended 30 June 2025

	Note	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
REVENUE				
Rates revenue	3	25,541	25,127	21,483
Subsidies and grants	4	10,471	8,356	9,321
Fees and charges	5	6,166	6,011	5,242
Financial and Development Contributions		289	150	837
Interest revenue	6	134	280	380
Other revenue	7	1,700	495	2,567
Total revenue		**44,301**	**40,419**	**39,830**
EXPENSES				
Personnel costs	9	8,921	7,408	8,012
Finance costs	10	1,323	2,279	1,484
Other expenses	11	25,143	18,562	23,148
Depreciation and amortisation expense	20	13,689	11,754	13,556
Total expenses		**49,076**	**40,003**	**46,200**
Surplus / (deficit) before TAX		**(4,775)**	**416**	**(6,370)**
Income Tax credit (expense)	35	-	-	-
Surplus / (deficit)		(4,775)	416	(6,370)
OTHER COMPREHENSIVE REVENUE AND EXPENSE				
Items that will not be reclassified to surplus/(deficit)				
Gains/(Losses) on revaluations of assets	18	-	-	13,212
Total other comprehensive revenue and expense		-	-	13,212
Total comprehensive revenue and expense		(4,775)	416	6,842

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2025

	Note	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
ASSETS				
Current assets				
Cash and cash equivalents	13	2,938	6,131	3,471
Receivables	14	4,092	4,965	7,351
Prepayments	15	693	-	640
Other financial assets	16	1,188	5,000	1,150
Derivative financial instruments	17	-	-	6
Total current assets		8,911	16,096	12,618
Non-current assets				
Property, plant and equipment	18	574,767	557,154	568,897
Intangible assets	19	132	205	165
Investment property	21	6,142	3,677	5,695
Other financial assets	16	860	618	596
Derivative financial instruments	17	-	-	345
Total non-current assets		581,901	561,654	575,698
Total assets		590,812	577,750	588,316
LIABILITIES				
Current liabilities				
Payables and deferred revenue	22	9,188	5,452	8,064
Employee benefit liabilities	23	515	379	497
Finance lease obligation		93	-	-
Borrowings	25	13,950	7,000	10,000
Derivative financial instruments	17	21	-	-
Total current liabilities		23,767	12,831	18,561
Non-current liabilities				
Employee benefit liabilities	23	180	210	179
Provisions	24	1,784	1,360	1,237
Borrowings	25	24,100	33,600	22,600
Derivative financial instruments	17	12	-	-
Total non-current liabilities		26,076	35,170	24,016
Total liabilities		49,843	48,001	42,577
Net assets		540,969	529,749	545,741
EQUITY				
Accumulated Funds	26	216,413	226,131	221,429
Reserves	26	10,143	2,416	9,900
Revaluation Reserves	26	314,413	301,202	314,413
Total equity		540,969	529,749	545,741

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2025

	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Equity as at 1st July	545,741	529,333	538,899
Total comprehensive income	(4,775)	416	6,842
Equity at 30 June	540,966	529,749	545,741

Statement of Cash Flows

For the year ended 2025

	Note	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Cash Flows from Operating Activities				
Receipts from rates revenue		25,436	26,172	22,324
Receipts from other revenue		12,109	15,012	8,762
Subsidies and grants received		8,135	-	5,616
Interest received		134	280	380
Payments to suppliers and employees		(31,313)	(25,921)	(30,581)
Finance costs		(1,323)	(2,279)	(1,484)
Net cash inflow/(outflow) from Operating Activities	27	13,178	13,264	5,017
Cash Flows from Investing Activites				
Proceeds from sale of property, plant and equipment		109	-	8
Proceeds sale of investments		271	1,312	(546)
Proceeds from sale of investment properties			-	-
Proceeds from realisation of other financial assets			-	-
Purchase of property, plant and equipment & Intangibles		(19,447)	(20,192)	(11,035)
Purchase of other financial assets		(188)	-	-
Net cash inflow/(outflow) from Investing Activites		(19,255)	(18,880)	(11,573)
Cashflows from Financing Activities				
Proceeds from Borrowing		7,700	8,624	9,000
Repayment of Borrowings		(2,157)	(2,396)	(7,000)
Net cash inflow/(outflow) from Financing Activites		5,543	6,228	2,000
Net increase/(decrease) in cash held		(533)	612	(4,557)
Opening Cash Balance 1 July		3,471	5,519	8,028
Closing Balance 30 June		2,938	6,131	3,471
REPRESENTED BY				
Cash & cash equivalents	13	2,938	6,131	3,471

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. Statement of accounting policies

Reporting entity

Grey District Council ("Council") is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The primary objective of Council is to provide goods and services for a community or social benefit rather than making a financial return. The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements of Council are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 2 December 2025.

Basis of preparation

The financial statements have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the year.

The financial statements of Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with NZ GAAP.

The financial statements have been prepared in accordance with and comply with Public Benefit Entity Standards.

Measurement Base

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000), other than the remuneration and the severance payment disclosures in the corresponding note, and the related party transaction disclosures in the corresponding note. The remuneration, severance payment and related party transaction disclosures are rounded to the nearest dollar.

The financial statements have been prepared on a historical cost basis, except for investment properties, some classes of property, plant and equipment, derivative financial instruments and available-for-sale investments, which have been measured at fair value.

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Accounting policies

The following accounting policies which materially affect the measurement of financial performance, financial position and cash flows for Council have been applied:

Revenue

Revenue comprises of the items below and is measured at the fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transactions arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or break-even basis and are not considered to reflect a market return. Most of the Council's revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

Rates

Rates Revenue is recognised by Council as being revenue on the due date of each instalment. Rates are a tax as they are payable under the Local Government (Rating) Act 2002 and are therefore defined as non-exchange.

Water billing revenue is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Subsidies and grants

Council receives funding assistance from Waka Kotahi New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants and subsidies are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Other bequests, and assets vested in Council — with or without conditions — are recognised as revenue when control over the assets is obtained.

Insurance proceeds

Insurance proceeds are recognised as revenue when the compensation becomes receivable. Claims accepted after balance date are not recognised where their receipt was not virtually certain. Refer to 'Other revenue' in Note 7.

Development and financial contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Finance revenue

Interest revenue is included in finance revenue in the statement of comprehensive revenue and expense and recognised using the effective interest method.

Interest earned on assets measured at Fair Value through Surplus or Deficit is recorded using the contractual interest rate.

Other revenue and Fees and Charges

Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue.

Revenue from fines and penalties (e.g., traffic and parking infringements, library overdue book fines, rates penalties) are recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised. Within rendering of services, the only revenues considered to be exchange revenue are from Parking services (meter fees and permits) and commercial leases of some building assets. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Investment property lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities and are recognised as exchange revenue.

Vested Asset Revenue for no nominal consideration is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council. The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

Borrowing costs

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

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re- measured at their fair value at each balance date. Movement in the fair value in interest rate swaps (derivatives) are recognised as a finance expense/revenue through the surplus/deficit.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council’s decision.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Lessee

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the entity. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The entity also recognises the associated lease liability at the inception of the lease, at the same amount as the capitalised leased asset.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in surplus or deficit.

Contingent rents shall be charged as expenses in the period in which they are incurred.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the entity. Operating lease payments are recognised as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Leases

Leases in which the entity does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Rent received from an operating lease is recognised as income on a straight-line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, with a net of outstanding bank overdrafts as they are considered an integral part of the Council's cash management.

Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the face of the statement of financial position.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, and fair value through surplus or deficit. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Council's business model for managing them. The Council initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit, transaction costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model.

The Council's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Council commits to purchase or sell the asset. The Council's financial assets include: cash and cash equivalents, trade receivables from non-exchange transactions, short term deposits and derivatives financial instruments.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in surplus or deficit when the asset is derecognised, modified or impaired.

The Council's financial assets at amortised cost includes cash and cash equivalents, trade receivables from non-exchange transactions and short term deposits.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of financial performance.

This category includes derivative financial instruments, LGFA borrower notes and Civic Assurance Shares.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from council statement of financial position) when:

► The rights to receive cash flows from the asset have expired, or

► Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

a) Council has transferred substantially all the risks and rewards of the asset, or

b) Council has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When Council has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, Council continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Council also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Council has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that Council could be required to repay.

Impairment

Council recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through surplus or deficit. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Council expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables from non-exchange transactions and receivables from exchange transactions, Council applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, Council may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Council. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through surplus or deficit, payables and borrowings.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Council's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- ► Financial liabilities at fair value through surplus or deficit
- ► Financial liabilities at amortised cost

Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Council that are not designated as hedging instruments in hedge relationships as defined by PBE IPSAS 41.

Financial liabilities designated upon initial recognition at fair value through surplus or deficit are designated at the initial date of recognition, and only if the criteria in PBE IPSAS 41 are satisfied. Council has not designated any financial liability as at fair value through surplus or deficit.

Financial liabilities at amortised cost

This is the category of financial liabilities that is most relevant to Council. After initial recognition financial liabilities at amortised costs are subsequently measured at amortised cost using the EIR method. Gains or losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of financial performance.

A financial liability is derecognised when the obligation under the liability is discharged, waived, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of financial performance.
Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if:

a) there is a currently enforceable legal right to offset the recognised amounts; and
b) there is either an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Council uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Derivative assets and liabilities are classified as non-current when the remaining maturity is more than 12 months, or current when the remaining maturity is less than 12 months. The fair values of interest rate swaps are determined using a valuation technique based on cash flows discounted to present value using current market interest rates. Any gains or losses arising from changes in the fair value of derivatives are taken directly to surplus or deficit.

Accounts Receivable

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

Property, Plant and Equipment

Property, plant and equipment consists of:

Infrastructure assets — Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Other fixed assets — these include land, buildings, breakwater and wharves.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

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

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired in a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated Funds.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset Class	Depreciation Method	Life (years)	%
Buildings:			
- Structure	Straight line	40-50	2.0-2.5
- Fit Out	Straight line	10-20	5.0-10
- Services	Straight line	15-30	3.33-6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10-75	1.33-10
Plant and machinery	Straight line	3-30	3-33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3-8	12.5-33
Library stocks	Straight line	8	12.5
Breakwater and wharves	Straight line	40-50	2-2.5
Reserve board assets	Not depreciated		
Infrastructure assets:			
Roading networks:			
- Formation	Not depreciated		
- Pavement structure - sealed	Straight line	40-50	2-2.5
- Pavement structure - unsealed	Straight line	3-22	4.5-33
- Pavement surfacing	Straight line	8-16	6.25-12.5
- Kerb and channelling	Straight line	50-150	0.67-2
- Bridges	Straight line	15-100	1- 1.67
- Footpaths	Straight line	15-50	2-6.67
- Drainage: surface water channels	Straight line	10-80	1.25-10

Asset Class	Depreciation Method	Life (years)	%
Water supply systems:			
- Pipe network	Straight line	50-100	1-2
- Pumps and electrical	Straight line	10-80	1.25-10
- Reservoirs	Straight line	60-80	1.67-10
Stormwater and sewerage:			
- Pipe network	Straight line	50-100	1 - 2
- Pumps and electrical	Straight line	10-80	1.25-10
- Ponds	Straight line	60	1.67
Heritage assets:	Straight line		
Heritage assets	Straight line	40	2.5
Landfill sites:			
Landfill sites	Straight line	10-50	2-10
Landfill capitalised aftercare costs	Straight line	8	12.5
Stormwater: culverts and catch pits	Straight line	50-150	0.67-2
- Traffic signs and pavement marking	Straight line	5-15	0.67-20
- Streetlights	Straight line	22-40	2.5-4.0
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sports fields and parks improvements	Straight line	5-100	1-20

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

Valuation

The measurement base for each class of asset is described below.

Infrastructural assets	Valuation basis
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed cost, carried at cost and not depreciated
Stormwater	Optimised depreciated replacement cost
Flood protection system	Depreciated historical cost
Sewerage	Optimised depreciated replacement cost
Water supply systems	Optimised depreciated replacement cost
Landfill site	Depreciated historical cost

Fixed assets	Valuation basis
General land	Fair value

Fixed assets	Valuation basis
Other land	Historical cost
Buildings	Fair value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost
Aerodrome	Fair value
Parking developments	Depreciated historical cost
Reserve Board Assets	Historical Value
Sports fields and parks	Depreciated historical cost
Heritage assets	Depreciated historical cost

Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Those asset classes that are revalued are valued on a three yearly valuation cycle on the basis described above. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Intangible Assets

Computer software acquisition and development

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

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software is amortised on a straight-line basis over its useful life. The useful life of software is estimated as one to four years. Annual computer software licences are fully expensed in year one.
Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.
Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

Investment property

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

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

After initial recognition, Council measures all investment property at fair value at each reporting date.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus/deficit.

Investment in Associates and Joint Ventures

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of another entity but has no control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement have rights to the net assets of the arrangement. joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Council's investment in associates and joint ventures is accounted for at cost in the Council's separate financial statements. In the Councils separate statement of financial performance, dividends receivable form associates or joint ventures are recognised as revenue

Impairment of non-financial assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the Council would, if deprived of the asset, replace its remaining future economic benefits or service potential. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For 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/deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/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 surplus/deficit, a reversal of the impairment loss is also recognised in the surplus/deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus/deficit.

Trade and other payables

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

Employee benefits

Short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

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

Long-term benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

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

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

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When Council expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Rehabilitation provision – landfill

The Council has a legal obligation under its resource consent to operate the landfill. Under this resource consent, the Council has a legal obligation to provide ongoing maintenance and monitoring of the landfill site after its closure.

Council records a provision for post-closure rehabilitation costs that are expected to be incurred in connection with the closure of the landfill. Rehabilitation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the landfill asset.

The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the rehabilitation liability. The unwinding of the discount is expensed as incurred and recognised in surplus or deficit as a finance cost. The estimated future costs of rehabilitation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.
The impact of climate-related matters on remediation of environmental damage is considered when determining the rehabilitation provision which has been disclosed in Note 24.

Restructuring provisions

Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. Council has a constructive obligation that gives rise to a restructuring provision only when:

- A detailed formal plan identifies the operating unit or part of the operating unit concerned, the location and number of employees affected, a detailed estimate of the associated costs and an appropriate timeline; and
- The employees affected have been notified of the plan's main features and therefore, have a valid expectation that the plan will be implemented.

If the effect of the time value of money is material, the estimated restructure costs are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Borrowings

Borrowing on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

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

Equity

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

The components of equity are:

- Ratepayers' equity (Retained earnings)
- Special funds reserves
- Trusts, bequests and other reserves
- Asset revaluation reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. 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. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves comprise the cumulative net change in the fair value of assets classified as fair value though other comprehensive revenue and expense.

Goods and Service Tax (GST)

All items in the financial statements including the Statement of Cashflows are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by Council at the beginning of the year in its 2024/2025 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

Cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

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

Critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill aftercare provision

The associated note to the financial statements discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural assets and property carried at fair value

There are a number of assumptions and estimates are used when valuing infrastructure and property assets using the depreciated replacement cost method. These include:

- The replacement costs where appropriate reflect optimisation due to over-design or surplus capacity.
- Estimating the replacement cost of the asset. The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location. If recent contract cost information is considered out of date, it is indexed using Statistics New Zealand's Capital Goods Price Index (based on the March 2025 quarter index) for civil constructions to convert them to current dollar value at the valuation date.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or underestimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provide further assurance over useful life estimates.

Critical judgements in applying council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2025:

Classification of property

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

Classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into perpetuity. Council has determined that the risks and rewards of ownership are retained by the Grey District Council and therefore have classified the leases as operating leases.

Classification of property

Council's leasehold property has been classified as Investment Property as the primary purpose is to earn rental revenue for the Council and is not directly related to service delivery.

Statement of cash flows

The following are the definitions of terms used in the statement of cash flows:

"Operating Activities" include cash received from all revenue sources of Council and record the cash payments made for the supply of goods and services.

"Investing Activities" are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.

"Financing Activities" are those activities change the equity and debt capital structure of Council.

"Cash" is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

Service Performance Reporting (PBE FRS 48)

The Statement of service performance is formally classified in part C of this report.

The relevant legislation governing the requirement of reporting of the Council's service performance is Part 3 of Schedule 10 of the Local Government Act 2002.

The statement of service performance of the Council has been prepared in accordance with PBE standards and is for the year ended 30 June 2025.

In preparing the statement of service performance, the Council has made judgement on the application of reporting standards and has made estimates and assumptions concerning the measurement of certain service performance targets.

Standards issued and not yet effective that have been early adopted

There were no standards issued and not yet effective that have been early adopted.

Standards issued and not yet effective and not early adopted

There were no standards issued and not yet effective that have not been early adopted.

New accounting standards applied

There have been no new accounting standards introduced during the year ended 30 June 2025.

2. Summary revenue and expenditure for groups of activities

	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Revenue			
Land Transport	8,351	9,597	10,374
Stormwater	1,607	2,201	1,242
Wastewater	3,556	3,574	3,433
Water Supply	3,874	4,379	3,206
Solid Waste	4,523	4,120	4,112
Environmental Services	3,746	3,507	3,113
Commercial & Property	4,054	6,709	3,721
Community & Recreation	10,568	6,395	7,344
Democracy & Administration	4,022	8,596	3,284
Total activity revenue	44,301	49,078	39,830
Expenditure			
Land Transport	9,611	10,032	11,276
Stormwater	2,507	2,207	2,539
Wastewater	4,914	4,106	4,773
Water Supply	4,523	3,478	3,981
Solid Waste	4,954	4,085	4,122
Environmental Services	4,024	3,179	3,953
Commercial & Property	3,843	3,097	3,698
Community & Recreation	8,809	7,525	7,916
Democracy & Administration	5,891	2,704	3,942
Total Expenditure	49,076	40,413	46,200

This shows a breakdown of the Total Revenue and Operating Expenditure, as shown on the Statement of Comprehensive Revenue and Expense, between each Group of Activities.

3. Rates revenue

Total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 (i.e. including targeted water supply rates and lump sum contributions) is as follows:

		Actual 2025 $000	Actual 2024 $000
General Rate	Non Exchange	10,273	8,531
Uniform Annual General Charge	Non Exchange	5,188	4,439
Water Supply	Non Exchange	3,169	2,766
Water Supply by Meter	Exchange	688	293
Wastewater	Non Exchange	3,315	2,873
Solid Waste	Non Exchange	2,242	2,103
Community & Recreation	Non Exchange	48	-
Democracy & Administration	Non Exchange	349	348
Rates Penalties	Non Exchange	269	131
Other rates revenue		-	(1)
Total Rates		25,541	21,483
Exchange		688	293
Non Exchange		24,853	21,190
Total Exchange/Non Exchange		25,541	21,483

Rating base information

This information is provided in terms of Schedule 10 clause 30A of the Local Government Act 2002:

- The annual report must state—
- the number of rating units within the district or region of the local authority at the end of the preceding financial year:
- the total capital value of rating units within the district or region of the local authority at the end of the preceding financial year:
- the total land value of rating units within the district or region of the local authority at the end of the preceding financial year.

Ratings base	**June**	**June**
Revenue from rates for Grey District Council was billed on the following information:	**2025**	**2024**
Number of rating units at end of preceding year	9,234	9,186
Total capital value of rating units at end of preceding year	5,062,208,600	3,879,194,450
Total land value of rating units at end of preceding year	2,272,314,800	1,749,147,750

4. Subsidies and grants

	Actual 2025 $000	Actual 2024 $000
Government Grants		
Grants received - Government NZTA	4,728	5,737
Transportation	7	1,262
3 Waters	-	361
Other Government Grants and Subsidies	3,357	1,860
Total Government Grants	**8,092**	**9,220**
Non Government Grants		
Development West Coast	147	10
Other Non Government Funding	2,232	91
	2,379	**101**
Total Non Government Grants		
Total Subsidies and Grants	**10,471**	**9,321**

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2024: nil)

Total Non Exchange Revenue for the year from Subsidies and Grants was $10,471 million. (2024: $9.321 million)

5. Fees and Charges

		Actual 2025 $000	Actual 2024 $000
Solid waste	Exchange	1,650	1,482
Animal control	Exchange	208	201
Building and planning consents	Exchange	1,330	920
Other environmental services	Exchange	245	218
Swimming pool and stadium	Exchange	1,236	1,037
Community housing	Non Exchange	914	824
Port	Exchange	185	172
Other fees and charges	Exchange	398	388
Total Fees and Charges		6,166	5,242
Exchange		5,252	4,418
Non Exchange		914	824
Total Exchange/Non Exchange		6,166	5,242

6. Interest revenue

	Actual 2025 $000	Actual 2024 $000
Finance revenue		
Interest revenue	134	380
Total Finance Revenue	134	380

Total exchange revenue for the year $134,000, (2024:$380,000).

7. Other revenue

		Actual 2025 $000	Actual 2024 $000
Lease revenue	Exchange	484	381
Donations	Non Exchange	-	1
Infringements	Non Exchange	112	55
Petrol Tax	Non Exchange	121	134
Gain on disposal of PPE	Exchange	35	17
Gains on fair value derivatives	Exchange	-	(249)
Gains on fair value investment property	Exchange	663	1,825
Other Revenue	Exchange	285	403
Total Other Revenue		1,700	2,567
Exchange		1,467	2,377
Non Exchange		233	190
Total Exchange/Non Exchange		1,700	2,567

7a. Operating leases as lessor

	Actual 2025 $000	Actual 2024 $000
Not later than one year	437	378
Later than one year and not later than two years	404	277
Later than one year and not later than five years	1,167	713
Later than five years	5,759	4,346
Total Operating leases as lessor	7,767	5,714

The majority of these leases are ground leases and have a non-cancellable term of 21 years

8. Revenue exchange / non-exchange

	Actual 2025 $000	Actual 2024 $000
Revenue from exchange transactions		
Rates Revenue	688	293
Subsidies and Grants	-	-
Fees & Charges	5,252	4,418
Other Revenue	1,467	2,377
Finance Revenue	134	380
Development and Financial Contributions	-	-
Total revenue exchange	7,541	7,468
Revenue from non-exchange transactions		
Rates Revenue	24,853	21,190
Subsidies and Grants	10,471	9,321
Fees & Charges	914	824
Other Revenue	233	190
Development and Financial Contributions	291	837
Total revenue non-exchange	36,762	32,362

9. Personnel costs

	Actual 2025 $000	Actual 2024 $000
Salaries and wages	8,646	7,761
Defined contribution plans	275	251
	8,921	8,012

Employer contributions to defined contributions plans include contributions to KiwiSaver.

During the year the total remuneration and value of other non-financial benefits received by or payable to the Mayor, other Councillors and Chief Executive of the Council were as follows (note there is no rounding in this note):

	Actual 2025 $	Actual 2024 $
Gibson T.K. (Mayor)	121,406	118,869
Gibson A.J.	56,502	55,276
MacDonald R.R.	41,389	40,462
Mora T.F.	42,377	41,562
Mallinson, R	47,421	44,924
O'Connor, J	42,089	41,262
Canning, J	43,544	43,572
Davy, P	45,953	43,341
Kennedy, C	43,139	42,082
Chief Executive total remuneration paid or payable for the year	302,041	364,005

Remuneration for employees by band as at 30 June

	Actual 2025	Actual 2024
>$180,000	2	4
$150,000 - 179,999	5	
$120,000 - 149,999	6	9
$100,000 - 119,999	9	9
$80,000 - 99,999	15	14
$60,000 - 79,999	24	24
< $60,000	53	37
	114	97

The number of full time equivalent (FTE) employees as at 30 June 2025 was 95 (2024: 89) where 32 hours a week is considered full time.

For the year ended 30 June 2025 Council made severance payments to three employees to the value of $190,300 (2024: $164,650).

10. Finance costs

	Actual 2025 $000	Actual 2024 $000
Finance expenses		
Interest expense	1,323	1,484
Total Finance Expense	1,323	1,484

11. Other expenses

	Actual 2025 $000	Actual 2024 $000
<u>Expenses include:</u>		
Fees to principal auditor		
Audit fees for financial statement audit (EY)	210	223
Audit fees for long term plan audit (EY)	130	
Audit fees for Debenture Trust Deed audit (EY)	5	4
Fees to other auditors	-	3
Insurance	1,470	1,436
Contractors and Professional Services	14,711	15,712
Utilities	1,481	1,019
Minimum lease payments	318	319
Grants	627	810
Loss on fair value derivatives	486	
Loss on Disposal PPE	96	1
Other operating expenses	5,609	3,621
Total other expenses	25,143	23,148

12. Operating leases as lessee

	Actual 2025 $000	Actual 2024 $000
Not later than one year	340	312
Later than one year and not later than five years	1,028	885
Later than five years	1,343	1,140
Total Operating Lease Commitments	2,711	2,337

Operating leases relate to land and equipment leases. Grey District Council leases land and office equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 21 years for land and four (4) years for office equipment. The future aggregate minimum lease payments to be paid under non-cancellable operating

13. Cash and cash equivalents

	Actual 2025 $000	Actual 2024 $000
Cash at bank and in hand	2,938	3,471
Term Deposits with maturities under 3 months	-	-
Total cash and cash equivalents	2,938	3,471

The carrying value of cash at bank, call deposits, and short-term deposits with maturities less than three months (which are held for meeting short-term cash commitments) approximates their fair value.

The total value of cash and cash equivalents that can only be used for a specified purpose as outlined in the relevant trust deeds is $237,000 (2024: $235,000).

14. Trade and other receivables

	Actual 2025 $000	Actual 2024 $000
Rates receivables	1,603	1,499
Trade receivables	2,733	5,641
GST receivable	-	503
Unused Amounts Reversed	(244)	(292)
Total receivables	4,092	7,351
Total receivables comprise:		
Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates	3,832	7,048
Receivables from exchange transactions - this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	260	303
	4,092	7,351

Fair Value

Debtors and other receivables are generally short-term and non-interest bearing, therefore, their carrying value of approximates their fair value.

Impairment

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

The Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid for (4) months, after the due date for payment. If payment has not been made within three (3) months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

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 effect of discounting is material.

The status of receivables as at 30 June are detailed below:

2025	Gross $000	Impairment $000	Net $000
Council			
Not past due	1,744		1,744
Past due 1 - 3 months	492		492
Past due 3 to 6 months	2,100	(244)	1,856
Total	4,336	(244)	4,092

2024	Gross $000	Impairment $000	Net $000
Council			
Not past due	1,837	-	1,837
Past due 1 - 3 months	1,980	-	1,980
Past due 3 to 6 months	3,826	(292)	3,534
Total	7,643	(292)	7,351

All receivables greater than 30 days in age are considered to be past due.

The unused amounts reversed has been calculated based on a review of specific overdue receivables. Individually impaired receivables have been determined to be impaired because of significant financial difficulties being experienced by the debtor.

	Actual 2025 $000	**Actual 2024 $000**
Balance at 1st July	292	235
Additional provisions made during year	(48)	57
Balance at 30th June	244	292

15. Prepayments

	Actual 2025 $000	**Actual 2024 $000**
Prepayments	693	640
Total prepayments	693	640

16. Other financial assets

	Actual 2025 $000	Actual 2024 $000
Current portion		
Short term deposits	1,000	1,000
LFGA borrower notes	188	150
Total Current Portion	1,188	1,150
Non-current portion		
Investments in other entities		
LFGA borrower notes	828	565
Civic Assurance Shares	32	31
Total investments in other entities	860	596
Investments in other entities		
Total Non-Current Portion	860	596

Short term deposits with maturities of less than 90 days from inception is classified as cash and cash equivalents.

Fair Value

Term Deposits

The carrying amount of term deposits approximates their fair value.

Borrower Notes

The carrying amount of borrower notes are measured at fair value.

Unlisted Shares

Unlisted shares are recognised at fair value. Due to the immaterial size and nature of the Council's investment in the New Zealand Local Government Insurance Corporation Limited (Civic Assurance), the Council has estimated the fair value of this investment based on the LGFA's net asset backing as at 30 June.

Impairment

There were no impairment expenses or provisions for other financial assets. At balance date, none of these financial assets are either past due or impaired.

17. Derivative financial instruments

	Actual 2025 $000	Actual 2024 $000
Current asset portion -		
Interest Rate Swaps		6
	-	6
Non-current asset portion		
Interest Rate Swaps	-	345
	-	345
Total derivative financial instrument Asset	-	351
Current asset portion -		
Interest Rate Swaps	21	-
	21	-
Non-current liability portion		
Interest Rate Swaps	12	-
	12	-
Total derivative financial instrument liability	33	-

The notional principle amounts of the outstanding interest rate swap contracts at 30 June 2025 were $17,000,000 (2024: $13,500,000). Maturity dates range from 15 May 2025 to 16 April 2029.

At 30 June 2025, the interest rates for interest rate swaps vary from 3.39% to 4.63% (2024: 3.39% to 4.95%).

The fair value of interest rate swaps have been determined by calculating the expected cashflows under the terms of the swaps and discounting these values to present value.

18. Property, plant and equipment (PPE)

COUNCIL 2025	Cost/ valuation 01-Jul-24	Accumulated depreciation & impairment charges 01-Jul-24	Carrying amount 01-Jul-24	Current year additions	Current year disposals / transfers at cost	Accumulated depreciation on disposals	Accumulated Depreciation on Reval reversal	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ valuation 30-Jun-25	Accumulated depreciation & impairment charges 30-Jun-25	Carrying amount 30-Jun-25
INFRASTRUCTURAL ASSETS													
Roading Network	202,722	(5,323)	**197,399**	3,310					(5,208)		**206,032**	(10,531)	**195,501**
Land Under Roads	68,733	-	**68,733**	-							**68,733**	-	**68,733**
Stormwater	61,163	(1,629)	**59,534**	172					(1,624)		**61,335**	(3,253)	**58,082**
Sewerage	107,443	(2,208)	**105,235**	1,041					(2,203)		**108,484**	(4,411)	**104,073**
Water Supply Systems	53,047	(1,506)	**51,541**	484	2,355				(1,496)		**55,886**	(3,002)	**52,884**
Landfill Site	5,803	(3,048)	**2,755**	(107)	2,313				(82)		**8,009**	(3,130)	**4,879**
Work in progress	3,327	-	**3,327**	548	(2,363)						**1,512**	-	**1,512**
TOTAL INFRASTRUCTURAL ASSETS	**502,238**	**(13,714)**	**488,524**	**5,448**	**2,305**	**-**	**-**	**-**	**(10,613)**	**-**	**509,991**	**(24,327)**	**485,664**
OTHER FIXED ASSETS													
General Land	11,607	(2)	**11,605**	-							**11,607**	(2)	**11,605**
Other Land	2,952	-	**2,952**	2	263				-		**3,217**	-	**3,217**
Buildings	50,609	(2)	**50,607**	417	1,019				(2,357)		**52,045**	(2,359)	**49,686**
Plant & Machinery	4,061	(2,013)	**2,048**	332	267				(234)		**4,660**	(2,247)	**2,413**
Furniture & Fittings	673	(475)	**198**	6					(22)		**679**	(497)	**182**
Computer Equipment	2,832	(2,256)	**576**	256					(100)		**3,088**	(2,356)	**732**
Library Stocks	2,484	(2,217)	**267**	49					(63)		**2,533**	(2,280)	**253**
Breakwaters & Wharves	6,842	(4,351)	**2,491**	1					(118)		**6,843**	(4,469)	**2,374**
Aerodrome	1,756	(132)	**1,624**	2					(64)		**1,758**	(196)	**1,562**
Parking Developments	650	(245)	**405**	-					(18)		**650**	(263)	**387**
Reserve Board Assets	290	-	**290**	-							**290**	-	**290**
Sports fields and Parks	5,425	(1,450)	**3,975**	3	-				(77)		**5,428**	(1,527)	**3,901**
Heritage Assets	1,238	(425)	**813**	-					(23)		**1,238**	(448)	**790**
Work in progress	2,525	-	**2,525**	13,048	(3,862)						**11,711**	-	**11,711**
TOTAL OTHER FIXED ASSETS	**93,944**	**(13,568)**	**80,376**	**14,116**	**(2,313)**	**-**	**-**	**-**	**(3,076)**	**-**	**105,747**	**(16,644)**	**89,103**
TOTAL PPE	**596,182**	**(27,282)**	**568,900**	**19,564**	**(8)**	**-**	**-**	**-**	**(13,689)**	**-**	**615,738**	**(40,971)**	**574,767**

COUNCIL 2024	Cost/ valuation 01-Jul-23	Accumulated depreciation & impairment charges 01-Jul-23	Carrying amount 01-Jul-23	Current year additions	Current year disposals/ transfers at cost	Accumulated depreciation on disposals	Accumulated Depreciation on Reval reversal	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ valuation 30-Jun-24	Accumulated depreciation & impairment charges 30-Jun-24	Carrying amount 30-Jun-24
INFRASTRUCTURAL ASSETS													
Roading Network	198,661	-	**198,661**	4,061	-		-	-	(5,323)		**202,722**	(5,323)	**197,399**
Land Under Roads	68,733	-	**68,733**	-	-	-	-	-	-	-	**68,733**	-	**68,733**
									-		**-**		
Stormwater	60,154	-	**60,154**	926	83	-	-	-	(1,629)		**61,163**	(1,629)	**59,534**
Sewerage	106,913	-	**106,913**	415	115	-	-	-	(2,208)		**107,443**	(2,208)	**105,235**
Water Supply Systems	50,581	-	**50,581**	1,035	1,431	-	-	-	(1,506)		**53,047**	(1,506)	**51,541**
Landfill Site	5,450	(2,976)	**2,474**	-	353	-	-	-	(72)	-	**5,803**	(3,048)	**2,755**
Work in progress	4,064	-	**4,064**	892	(1,629)	-	-	-		-	**3,327**	-	**3,327**
TOTAL INFRASTRUCTURAL ASSETS	494,556	**(2,976)**	**491,580**	**7,329**	**353**	**-**	**-**	**-**	**(10,738)**	**-**	**502,238**	**(13,714)**	**488,524**
OTHER FIXED ASSETS													
General Land	5,801	(1)	**5,800**	-	1,426	-	1	-	(1)	4,380	**11,606**	(1)	**11,605**
Other Land	3,300	-	**3,300**	78	(426)	-	-	-	-	-	**2,952**	-	**2,952**
Buildings	45,907	(2,005)	**43,902**	445	(497)	1	4,084	-	(2,083)	8,832	**50,603**	(3)	**50,600**
Plant & Machinery	3,724	(1,928)	**1,796**	461	(118)	123	-	-	(208)	-	**4,066**	(2,013)	**2,054**
Furniture & Fittings	603	(460)	**143**	71	-	-	-	-	(15)	-	**673**	(475)	**198**
Computer Equipment	2,705	(2,150)	**555**	126	-	-	-	-	(106)	-	**2,832**	(2,256)	**576**
Library Stocks	2,428	(2,150)	**278**	56	-	-	-	-	(67)	-	**2,484**	(2,217)	**267**
Breakwaters & Wharves	6,696	(4,234)	**2,462**	146	-	-	-	-	(117)	-	**6,842**	(4,351)	**2,491**
Aerodrome	2,473	(91)	**2,382**	283	(1,000)	-	-	-	(41)	-	**1,756**	(132)	**1,624**
Parking Developments	650	(227)	**423**	-	-	-	0	-	(18)	-	**650**	(245)	**405**
Reserve Board Assets	290	-	**290**	-	-	-	-	-	-	-	**290**	-	**290**
Sports fields and Parks	5,324	(1,359)	**3,965**	101	-	-	-	-	(91)	-	**5,425**	(1,450)	**3,975**
Heritage Assets	1,238	(402)	**836**	-	-	-	-	-	(23)	-	**1,238**	(425)	**813**
Work in progress	442	-	**442**	2,225	(142)	-	-	-	-	-	**2,524**	-	**2,524**
TOTAL OTHER FIXED ASSETS	**81,581**	**(15,007)**	**66,574**	**3,990**	**(757)**	**124**	**4,085**	**-**	**(2,770)**	**13,212**	**93,940**	**(13,568)**	**80,373**
TOTAL PPE	**576,137**	**(17,983)**	**558,154**	**11,319**	**(404)**	**124**	**4,085**	**-**	**(13,508)**	**13,212**	**596,178**	**(27,282)**	**568,897**

Core assets

Included within the infrastructure assets above are the following core Council assets:

	Closing Book Value $000	Additions: constructed by Council $000	Additions: transferred to Council $000	Most recent replacement cost estimate for revalued assets $000
2025				
Water Supply Systems:				
- treatment plants and facilities	9,211	931	-	21,052
- other assets (such as reticulation systems)	43,673	-	-	81,896
Wastewater:			-	-
- treatment plants and facilities	23,305	1,039	-	38,779
- other assets (such as reticulation systems)	80,768	-	-	114,677
Stormwater	58,082	174	-	141,501
Roads and footpaths	195,501	3,418	-	338,351
2024				
Water Supply Systems:				
- treatment plants and facilities	7,868	2,466	-	20,121
- other assets (such as reticulation systems)	43,673	-	-	81,896
Wastewater:				
- treatment plants and facilities	24,467	530	-	37,740
- other assets (such as reticulation systems)	80,768	-	-	114,677
Stormwater	59,534	1,009	-	141,327
Roads and footpaths	197,399	4,061	-	334,933

* Council does not own any assets in this class.

The replacement cost for Water Supply Systems, Sewerage, Stormwater, and Roads and footpaths are based on the optimised replacement cost estimate amounts in the valuation for the 2022/2023 plus additions..

Valuation

Other fixed assets: general land and buildings

At fair value as determined from market-based evidence where possible and optimised depreciated replacement cost by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited, and the valuation is effective as at 30 June 2024.

The Council also has an investment property portfolio that was revalued as at 30 June 2025.

Other fixed assets: aerodrome

Improvements – At fair value determined on a depreciated replacement cost basis by Hannah Te Riini (BEng (Hons) Eng Sci), BECA. The valuation is effective as at 30 June 2023.

Infrastructure asset classes

Sewerage, water supply systems and stormwater

At fair value determined on a depreciated replacement cost basis by Council's Utilities Engineer Team Leader. The valuation has been independently reviewed by Kerry Mayes Technical Principal: Valuations and Economic Advisor at WSP Ltd. The valuation is effective as at 30 June 2023.

Roading network

At fair value determined on a depreciated replacement cost basis by Hannah Te Riini (BEng (Hons) Eng Sci), BECA. The valuation is effective as at 30 June 2023.

The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0.

Land under roads

Land under roads was valued based on fair value of adjacent land determined by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDip Bus Admin ADEM MIPENZ AFNZIM, effective 30 June 2005. Land under roads is no longer revalued.

Impairment

Council has reviewed its fixed asset register on a line by line basis to consider whether there is an impairment of any assets. We are not aware of any issue that would cause any significant change in asset value. The relevant issues considered were:

- Change in use
- One off events that damaged the assets
- Market value changes
- Decreases in earning potential

The Port assets and Council's earthquake prone buildings were all assessed on the above criteria and were determined to either be not impaired or already appropriately considered in the carrying values. Council has carried out initial assessments on the public buildings it is responsible for to assess whether buildings are potentially earthquake-prone buildings and is currently completing detailed assessments on the buildings. The buildings have been assessed for impairment and it has been determined that any necessary impairments were appropriately considered and reflected in the market valuations applied as at 30 June 2024 when the asset class was revalued. No additional impairment has been determined for the 2025 financial year.

Work in progress

Property, plant, and equipment in the course of construction by class of asset is detailed below:

	Actual 2025 $000	**Actual 2024 $000**
Buildings	11,468	1,911
Plant & Equipment	33	109
Breakwaters and Wharves	150	195
Sportfields and Parks	60	206
Roading Network	167	59
Wastewater	115	115
Water Supply Systems	1,230	3,146
Stormwater	-	8
Waste	-	95
	13,223	5,844

Asset insurance

The following information relates to the insurance of Council assets as at 30 June.

	Actual 2025 $000	Actual 2024 $000
The maximum amount to which insured assets (PPE) are insured	141,119	409,415
The total value of all Council assets covered by insurance contracts (PPE)	281,811	280,286

Capital commitments

The amount of contractual commitments for acquisition of property, plant and equipment is:

	Actual 2025 $000	Actual 2024 $000
Roading Network	-	52
Sewerage	1,122	116
Water Supply Systems	658	417
Council Property	33	41
Solid Waste	116	25
Community & Recreation	9,865	-
Stormwater	-	20
	11,794	671

Gains/losses on revaluation of assets

	Actual 2025 $000	Actual 2024 $000
Land & Buildings	-	13,212
Aerodrome	-	-
Roading	-	-
Water Supply Schemes	-	-
Publc Conveniences	-	-
Stormwater and Sewer	-	-
	-	13,212

19. Intangible assets

	Computer Software $000
Balance as at 1 July 2024	
Cost	704
Accumulated amortisation and impairment	(539)
Opening carrying amount	165
Year ended 30 June 2025	
Additions	15
Amortisation charge	(48)
Balance as at 30 June 2025	
Cost	719
Accumulated amortisation and impairment	(587)
Closing carrying amount	**132**
Balance as at 1 July 2023	
Cost	701
Accumulated amortisation and impairment	(492)
Opening carrying amount	209
Year ended 30 June 2024	
Additions	3
Amortisation charge	(47)
Balance as at 30 June 2024	
Cost	704
Accumulated amortisation and impairment	(539)
Closing carrying amount	**165**

There are no restrictions over the title of intangible assets. No intangibles are pledged as security for liabilities.

20. Depreciation and amortisation expense

Activity	Actual 2025 $000	Actual 2024 $000
Land Transport	5,208	5,323
Stormwater	1,624	1,630
Wastewater	2,203	2,208
Water Supply	1,496	1,506
Solid Waste	82	82
Environmental Services	16	11
Commercial & Property	946	871
Community & Recreation	1,872	1,693
Democracy & Administration	242	232
	13,689	13,556

21. Investment property

	Actual 2025 $000	Actual 2024 $000
Balance as at 1 July	5,695	3,870
Disposals	(216)	-
Fair value gains/(losses) on valuation (note 7)	663	1,825
Balance as at 30 June	6,142	5,695

Council's investment properties are valued annually at fair value effective 30 June 2025 for the financial year by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited. All investment properties are valued based on open market evidence.

The fair value of investment property has been determined using the capitalisation of net revenue and discounted cashflow methods. These methods are based on assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates. Where just the land value has been assessed, a 'market comparison' approach has been adopted. This method involves reference to sales of properties which have similar attributes to the subject property. Comparisons are drawn between the subject property and the sales evidence. Subjective adjustments are applied where necessary to account for factors which have a direct impact on the sale price and value.

There are no contractual obligations in relation to investment properties at balance date not recognised in the financial statements (2024: Nil).

Investment in Associates and Joint Ventures

Council has an interest in the West Coast Amateur Sports Trust by virtue of the fact the Mayor can appoint up to three trustees to the board of the Trust. Other than this, there has been no formal involvement in setting the policies or objectives and has no rights to the net assets of the Trust.

Due to Council having no tangible investment in the Trust and concluding the operation is immaterial from a financial reporting perspective, Council has elected not to disclose its share of the Trust's net assets.

22. Payables and deferred revenue

	Actual 2025 $000	Actual 2024 $000
Trade creditors and accruals	6,713	7,245
Retentions & Bonds	258	196
Total trade and other payables	6,971	7,441
Revenue in advance	3,435	623
Total payables and deferred revenue	10,406	8,064

Payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

23. Employee entitlements

	Actual 2025 $000	Actual 2024 $000
Accrued salaries and wages	35	157
Annual leave	649	417
Long service leave	11	76
Retiring gratuities	-	26
Total employee benefits	695	676
Comprising:		
Current	515	497
Non-current	180	179
Total employee benefits	695	676

Key assumptions in measuring retirement and long service leave obligations

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns. A weighted average discount rate of 4.69% (2024: 4.69%) and an inflation factor of 2.5% (2024: 2.3%) were used.

24. Provisions

Landfill aftercare provision	Actual 2025 $000	Actual 2024 $000
Opening balance	1,237	1,360
Amounts used during the year	(18)	(17)
Increase/(decrease) due to discount rate changes and assessment of liability	(132)	(137)
Discount unwinding	39	31
Closing balance	1,126	1,237

Financial guarantees	Actual 2025 $000	Actual 2024 $000
Opening balance	-	-
Increase/(decrease) due to discount rate changes and assessment of liability	658	-
Closing balance	658	-
Total Provisions	1,784	1,237

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major site is McLean's Pit.

The cash outflows for landfill post-closure are expected to occur in between 2063 and 2093 (2024: 2065 and 2095). The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a range of the discount rates of 3.14% to 5.99% (2023: 4.74% to 5.3%).

Landfill aftercare provision

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major site McLean's Pit. There are post-closure responsibilities such as:

- Treatment and monitoring leachate
- Groundwater and surface monitoring
- Gas monitoring and recovery
- Implementation of remedial measures such as needed for cover and control systems
- On-going site maintenance for drainage systems, final cover and vegetation.

The management of the landfill will influence the timing of the recognition of some liabilities.

Financial Guarantees

The Council is listed as the sole guarantor for a loan agreement between the West Coast Theatre Trust and Nelson Building Society. At 30 June 2025, Grey District Council assesses the likelihood of this guarantee being called upon as likely.

25. Borrowings

At amortised cost	Actual 2025 $000	Actual 2024 $000
Current		
Westpac short term loan	2,450	0
Secured Loans	11,500	10,000
Non-current		
Secured loans	24,100	22,600
Total borrowings	38,050	32,600

	Balance 30 June 2024	New Loans Raised	Principal Repaid	Balance 30 June 2025
Council Borrowings	32,600,000	7,700,000.00	(2,250,000)	38,050,000

Council's loans are secured over either separate or general rates of the Council. Interest is charged on a floating rate basis. At balance date the current weighted average effective interest rate on the bank borrowings is 4.10% (2024: 5.21%). Maturity dates range from 16 September 2025 to 15 May 2030 (2024:15 May 2025 to 15 May 2028).

26. Equity

	Actual 2025 $000	Actual 2024 $000
Accumulated funds		
As at 1 July	221,431	228,725
Surplus/(deficit) for the year	(4,775)	(6,370)
Reserve Transfers		
Special Funds	(3)	(7)
Separate funds	(240)	(913)
As at 30 June	216,413	221,431
Restricted reserves		
As at 1 July	234	226
Transfers to Retained Earnings	3	8
As at 30 June	237	234
Council reserves		
As at 1 July	9,666	8,747
Transfers to Reserves	240	919
As at 30 June	9,906	9,666
Asset revaluation reserves		
As at 1 July	314,413	301,201
Revaluation gains/(losses)	-	13,212
As at 30 June	314,413	314,413
Asset revaluation reserves consist of:		
Land & Building Revaluation Reserve	45,138	45,138
Aerodrome Revaluation Reserve	892	892
Roading Revaluation Reserve	110,866	110,866
Water Revaluation Reserve	32,482	32,482
Investment Revaluation Reserve	52	52
Parking Developments	88	88
Drainage and Sewerage Revaluation Reserve	124,894	124,894
Total	314,412	314,412
Total Equity	540,968	545,743

Capital management

The 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 Council to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's 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 the 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 in place asset management plans 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 Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP. Council has the following Council created reserves:

- reserves for different areas of benefit
- self-insurance reserves; and
- trust and bequest reserves

Reserves for different areas of benefit are used where there is a discrete set of rate payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

Information about reserve funds held for a specific purpose is provided on the following page.

2025: Special Funds

Reserve	Activities to which the reserve relates	Balance 01 July $000	Transfers into fund $000	Transfers out of fund $000	Balance 30 June $000
Special funds					
Te Kinga Infra Upgrade Reserve	All activities	111	1	-	112
Rural Sewerage Capital Works Reserve	Wastewater	343	5	-	348
Cobden Stormwater Mitigation Reserve	Stormwater	63	1	-	64
Barrytown Area Infra Reserve	All activities	62	1	-	63
Ahaura Area Infra Reserve	All activities	206	3	-	209
Haupiri Area Infra Reserve	All activities	142	2	-	144
Nelson Creek Infrastructure Reserve	All activities	21	0	-	21
Ngahere Infrastructure Reserve	All activities	236	3	-	239
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	291	4	-	295
Kaiata Stillwater Area Infra Reserve	All activities	207	3	-	210
Karoro Infrastructure Development Reserv	All activities	784	11	-	795
South Beach/Paroa Infrastructure Reserve	All activities	508	7	-	515
Camerons Infrastructure Reserve	All activities	95	1	-	96
Gladstone Infrastructure Reserve	All activities	206	3	-	209
Arnold Valley Area Infra Reserve	All activities	104	1	-	105
Lake Brunner Area Infra Reserve	All activities	120	2	-	122
Hohonu Area Infra Reserve	All activities	48	1	-	49
Infra Renewal Reserve	All activities	1,206	16	-	1,222
Moana Water Supply	Water supply	11	0	-	11
Flood Protection Reserve	Stormwater/Flood protection	142	2	-	144
Cemetery Extension Reserve	Cemeteries	60	1	-	61
Cemetery Maintenance Reserve	Cemeteries	463	6	-	469
Footpath Reserve	Land transport	76	1	-	77
Roading Reserve - Exp Committed	Land transport	517	7	-	524
Land Fill Reserve	Solid waste management	99	1	-	100
Airport Runway Reserve	Airport	55	1	-	56
Airport Maintenance Reserve	Airport	558	8	-	566
Disaster Recovery Reserve	All activities	297	4	-	301
Civil Defence Reserve	Emergency management	2	-	-	2
Rural Fire Authority Reserve	Rural fire authority	2	-	-	2
Economic Development Reserve	All activities	(7)	-	-	(7)
Harbour Endowment LS Reserves	Port	530	117	-	647
Land Sale Reserve	All activities	190	3	-	193
Reserves Subdivision Contributions	Community facilities and parks	533	7	-	540
Maori Land Compensation Reserve	Council property	142	2	-	144
TDS Reserve	Port	76	1	-	77
Town Clock Reserve	Community facilities and parks	27	0	-	27
Gas Management Plan Reserve	Council property	21	0	-	21
District Planning Reserve	District planning	5	-	-	5
Plant and Machinery Reserve	All activities	483	7	-	490
Building & Property Gen Reserve	Council property	80	1	-	81
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	57	1	-	58
Ogilvie Reserve Reserve	All activities	17	0	-	17
Corp Equip and Furniture Reserve	Council administration	641	9	-	650
Sunshine Coach Reserve	Council administration	8	-	-	8
Rental Housing Reserve	Retirement housing	(204)	(3)	-	(207)
Library Reserve	Libraries	30	0	-	30
Total special funds		**9,666**	**240**	**-**	**9,906**

2025: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July $000	Transfers into fund $000	Transfers out of fund $000	Balance 30 June $000
Trusts and bequests					
McGlashan Trust	Community facilities and parks	22	0	-	22
E White Bequest	Community facilities and parks	49	1	-	50
Mayoral Flood Relief Fund	Democracy	10	-	-	10
Citizens Emergency Relief Fund	Democracy	84	1	-	85
Peters Bequest - Talking Books	Libraries	10	0	-	10
Vera Corbett Bequest	Libraries	39	1	-	40
Thomas Dehenny Bequest	Community facilities and parks	20	0	-	20
Total trusts and bequests		**234**	**3**	**-**	**237**
TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS		**9,900**	**243**	**-**	**10,143**

2024: Special Funds

Reserve	Activities to which the reserve relates	Balance 01 July $000	Transfers into fund $000	Transfers out of fund $000	Balance 30 June $000
Special funds					
Special Fund Interest Suspense		-	-	-	-
Greymouth Sewerage Fund	Wastewater	-	-	-	-
Te Kinga Infra Upgrade Reserve	All activities	107	4	-	111
Rural Sewerage Capital Works Reserve	Wastewater	330	13	-	343
Cobden Stormwater Mitigation Reserve	Stormwater	60	2	-	63
Barrytown Area Infra Reserve	All activities	60	2	-	62
Atarau Area Infra Reserve	All activities	0	0	-	0
Ahaura Area Infra Reserve	All activities	198	8	-	206
Haupiri Area Infra Reserve	All activities	136	5	-	142
Nelson Creek Infrastructure Reserve	All activities	21	1	-	21
Ngahere Infrastructure Reserve	All activities	227	9	-	236
Blackball Area Infra Reserve	All activities	1	0	-	1
Runanga Area Infra Reserve	All activities	280	11	-	291
Kaiata Stillwater Area Infra Reserve	All activities	199	8	-	207
Karoro Infrastructure Development Reserv	All activities	753	30	-	784
South Beach/Paroa Infrastructure Reserve	All activities	488	20	-	508
Camerons Infrastructure Reserve	All activities	92	4	-	95
Gladstone Infrastructure Reserve	All activities	198	8	-	206
Arnold Valley Area Infra Reserve	All activities	100	4	-	104
Lake Brunner Area Infra Reserve	All activities	115	5	-	120
Hohonu Area Infra Reserve	All activities	46	2	-	48
Infra Renewal Reserve	All activities	567	639	-	1,206
Moana Water Supply	Water supply	10	0	-	11
Flood Protection Reserve	Stormwater/Flood protection	136	5	-	142
Cemetery Extension Reserve	Cemeteries	58	2	-	60
Cemetery Maintenance Reserve	Cemeteries	445	18	-	463
Footpath Reserve	Land transport	73	3	-	76
Roading Reserve - Exp Committed	Land transport	497	20	-	517
Land Fill Reserve	Solid waste management	95	4	-	99
Airport Runway Reserve	Airport	55	-	-	55
Airport Maintenance Reserve	Airport	809	27	(278)	558
Disaster Recovery Reserve	All activities	286	11	-	297
Civil Defence Reserve	Emergency management	2	0	-	2
Rural Fire Authority Reserve	Rural fire authority	2	0	-	2
Economic Development Reserve	All activities	(7)	-	-	(7)
Harbour Endowment LS Reserves	Port	510	20	-	530
Land Sale Reserve	All activities	183	7	-	190
Reserves Subdivision Contributions	Community facilities and parks	284	249	-	533
Maori Land Compensation Reserve	Council property	137	5	-	142
TDS Reserve	Port	73	3	-	76
Town Clock Reserve	Community facilities and parks	26	1	-	27
Gas Management Plan Reserve	Council property	20	1	-	21
District Planning Reserve	District planning	4	0	-	5
Plant and Machinery Reserve	All activities	458	25	-	483
Building & Property Gen Reserve	Council property	77	3	-	80
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	55	2	-	57
Ogilvie Reserve Reserve	All activities	29	1	(13)	17
Corp Equip and Furniture Reserve	Council administration	617	25	-	641
Staff Costs Reserve	Council administration	0	0	-	0
Sunshine Coach Reserve	Council administration	8	0	-	8
Rental Housing Reserve	Retirement housing	(204)	-	-	(204)
Pike River Memorials Maintenace Reserve	Memorial Maintenance	-	-	-	-
Library Reserve	Libraries	29	1	-	30
SPECIAL FUNDS - Committed Expenditure	All activities	-	-	-	-
Total special funds		**8,744**	**1,211**	**(292)**	**9,664**

2024: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July $000	Transfers into fund $000	Transfers out of fund $000	Balance 30 June $000
Trusts and bequests					
McGlashan Trust	Community facilities and parks	21	1	-	22
E White Bequest	Community facilities and parks	47	2	-	49
Mayoral Flood Relief Fund	Democracy	9	0	-	10
Citizens Emergency Relief Fund	Democracy	81	3	-	84
Perotti Bequest	Community facilities and parks	-	-	-	-
Peters Bequest - Talking Books	Libraries	12	0	(2)	10
Vera Corbett Bequest	Libraries	38	2	-	39
Thomas Dehenny Bequest	Community facilities and parks	20	1	-	20
Total trusts and bequests		**227**	**9**	**(2)**	**235**
TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS		**8,972**	**1,220**	**(293)**	**9,898**

Purpose of each reserve fund

Special funds	
Greymouth Sewerage Fund	To fund the wider Greymouth Area Sewerage Scheme.
Te Kinga Infrastructure Upgrade Reserve	To fund land transport, water, and/or wastewater infrastructure upgrades required in the Te Kinga area.
Rural Sewerage Capital Works Reserve	To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.
Cobden Stormwater Mitigation Reserve	To fund enhancement of stormwater management in Cobden.
Barrytown Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ahaura Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Haupiri Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ngahere Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Blackball Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Runanga Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Kaiata Stillwater Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro/Gladstone Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro Infrastructure Development Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
South Beach/Paroa Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Camerons Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Gladstone Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Arnold Valley Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Lake Brunner Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Hohonu Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.

Special funds *(continued)*	
Infrastructure Renewal Reserve	To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of land transport (including footpaths), wastewater, water supply, stormwater and solid waste
Moana Water Supply	To fund any design options for a reticulated water supply servicing Moana (not signalled in this plan).
Flood Protection Reserve	To fund capital works to enhance flood protection measures in the District for which Council is responsible for.
Cemetery Extension Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Cemetery Maintenance Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Footpath Reserve	To fund the development or renewal of footpaths in the District (land transport activity).
Roading Reserve - Expenditure Committed	To spread funding of key roading (land transport) renewal projects, given that they do not have an equal funding requirement year to year.
Landfill Reserve	To fund capital works required for solid waste management
Airport Maintenance Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Airport Runway Resealing Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Disaster Recovery Reserve	To fund Council's excess on the loss of Council assets in the event of a major disaster (all activities).
Civil Defence Reserve	To fund any extraordinary expenditure associated with providing Council's emergency management function.
Economic Development Reserve	To fund economic development, including a share of land transport, wastewater, water supply, and stormwater development expenditure incurred via subdivision.
Harbour Endowment LS Reserves	To fund any operating deficits of port related activities
Land Sale Reserve	To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property; and to fund other significant projects as decided by Council as part of the Annual Plan.
Reserves Subdivision Contributions	To fund the creation of new recreational areas/reserves.
Māori Land Compensation Reserve	To fund part of the rent increases on land leased from the Mawhera Incorporation (all activities with associated leases).
Town Development Strategy Reserve	To fund a portion of any projects that may arise as a result of the Town Development Strategy.
Town Clock Reserve	To fund renewal/major maintenance of town clock.

Special funds *(continued)*	
District Planning Reserve	To fund any large costs arising from District Plan reviews or one-off projects associated with planning and regulations.
Plant and Machinery Reserve	To replace existing plant (vehicles), or effect major maintenance to existing plant.
Building & Property General Reserve	To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves (property activity).
Westland Rec Centre Maintenance Reserve	To fund major maintenance and renewal of the Westland Recreation Centre including fit-out.
Spring Creek Pool	To assist in the promotion, development and maintenance of Spring Creek Pool
Ogilvie Reserve	To fund on-going maintenance costs associated with the Ogilvie Reserve.
Corp Equip and Furniture Reserve	To fund the upgrade and renewal of office equipment and furniture; and to fund new office equipment and investment in new technology
Staff Costs Reserve	To fund the cost of recruiting and replacing staff (all activities)
Sunshine Coach Reserve	To fund any renewal and significant maintenance cost associated with the 'Sunshine Coach'
Rental Housing Reserve	To maintain in perpetuity, Council's retirement housing stock.
Westland Recreation Centre Reserve	To fund the proposed Miners' Recreation Centre.
Library Reserve	To fund any key maintenance work or equipment upgrades required at Council's District library.
Special Funds - Committed Expenditure	Holds amounts already committed by Council from other Special Funds, but not yet spent.
Ogilvie Reserve Reserve	Money held to benefit the Ogilvie Reserve from old Oglivie Re- serve Committee.

Trusts and bequests	
McGlashan Trust	Maintenance development of war memorial areas in the District.
E White Bequest	Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue (parks and reserves, parking).
Mayoral Flood Relief Fund	To assist victims of flooding and other adverse events.
Citizens Emergency Relief Fund	To assist victims of flooding and other adverse events.
Perotti Bequest	A bequest for general municipal purposes (any activities).
Peters Bequest - Talking Books	To purchase talking books for the library.
Vera Corbett Bequest	To purchase library books.
Thomas Dehenny Bequest	A bequest for general municipal purposes (any activities).

27. Reconciliation of operating surplus/(deficit) to net cash inflows/(outflows) from operating activities

	Actual 2025 $000	Actual 2024 $000
Surplus/(deficit) after tax	(4,775)	(6,370)
Add/(less) non-cash items:		
Depreciation and amortisation	13,689	13,555
(Gains)/losses in fair value of investment property	(663)	(1,825)
(Gains)/losses in fair value of financial instruments	-	249
Movement in provision	(19)	14
Other	81	(23)
Add/(less) items classified as investing or financing activities:		
(Gains)/losses on disposal of property, plant		-
Add/(less) movements in working capital items:		
Accounts receivable	3,259	(1,705)
Prepayments	(53)	(88)
Accounts payable	1,124	1,247
Employee Entitlements	(12)	86
Provisions	547	(123)
Net cash inflow/(outflow) from operating activities	13,178	5,017

28. Explanation of major variances against budget

Explanation of major variances from Council's estimated figures in the 2024/2025 budget, as reflected in the 2024/2025 Enhanced Annual Plan.

Comprehensive Income and Expenditure

Council has a net deficit of $4,775,000 against a budgeted surplus of $416,000.

Subsidies and grants were $2,115,000 above budget due to the library building grant funding not being included in the Enhanced Annual Plan.

Other revenue was $1,200,000 above budget. This has occurred due to some rent reviews being completed later than expected and falling into the 2024/25 year and the revaluation increase in investment property.

Personnel costs are $1,500,000 above budget due to a budgeting error which fell mainly in the in the community and recreation activity. This was identified and reported to Council during the year.

Other expenses are $5,900,000 higher than budget. There was a high reliance on consultants to backfill key vacancies which were unable to be filled, such as the production of the LTP and Solid Waste budget identified as being insufficient to cover the actual costs.

Depreciation was $1,900,000 higher than budget due to a higher than anticipated revaluation for the 2023/2024 year.

Financial Position

Other financial assets are $3,800,000 below budget. The result of the 2023/2024 year when investments were used to pay for operations affected the opening balance which was not in line with budget, the level of other financial assets for the year is in line with the closing balance from 2023/2024.

Property Plant and Equipment is $17,600,000 higher than budget due to large increase in the 2023/2024 PPE land and building revaluation being completed after the 2024/2025 budget so was not included.

Payables and deferred revenue are higher than budgeted due to $2,800,000 in subsidies for the library build being received in advance.

Borrowings are $2,000,000 below budget overall due to timing of capital project completion and the anticipated draw down of funds for those projects.

29. Related party transactions

Transactions with Related Parties

During the year Councillors and key management were involved in minor transactions (for example, payment of rates) with the Council as part of a normal customer relationship.

Related party disclosures have not been made for transactions with related parties that are:

- Within a normal supplier or client/recipient relationship: and
- On terms and conditions no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

	Actual 2025 $	Actual 2024 $
Councillors		
Full-time equivalent members	9	9
Remuneration	483,820	471,349
Senior management team, including the Chief Executive		
Full-time equivalent members	5	3
Remuneration	659,317	726,796
Total full-time equivalent personnel	**14**	**12**
Total key management personnel remuneration	**1,143,137**	**1,198,145**

30. Contingent liabilities and financial guarantees

Westurf Recreation Trust

The Council has agreed to act as a sole guarantor for a Westurf Recreation Trust loan, up to a maximum of $200,000, for the purposes of upgrading their artificial turf at the Greymouth Hockey Stadium. This is contingent on final Council satisfaction on the project being financially sustainable. As at balance date the trust has not yet proceeded with uplifting of a loan and has indicated to Council that they are unlikely to require the loan.

West Coast Theatre Trust

The Council is listed as a sole guarantor for a loan agreement that the West Coast Theatre Trust has entered into. The loan details are:

Lender	Nelson Building Society
Principal	$655,541
Term	13 years
Expiry	May 2038

The exercising of the guarantees are dependent on the financial stability of the West Coast Theatre Trust. At balance date, the Grey District Council believes that the West Coast Theatre Trust does not have the financial stability to meet all its obligations under the loans, therefore as payment of the balance is now likely a liability has been recognised in the 2025 year.

Local Government Funding Agency

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

Council is one of the local authority guarantors of the NZ LGFA. The aggregate amount of uncalled shareholder capital ($20 million) is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the council is a guarantor of all of NZLGFA's borrowings. At 30 June 2025, LGFA had borrowings totalling $25,530 billion (2024: $23,030 billion).

Accounting standards require Council to recognise the guarantee liability at fair value. However, Council has not been able to determine a sufficiently reliable fair value for the guarantee and has therefore not recognised the liability. Council considers that the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in New Zealand; and

- local government legislation would enable local authorities to set a rate to raise sufficient funds to meet any debt obligations if further funds were required.

New Zealand Mutual Liability Riskpool Scheme

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

31. Contingent assets

Financial contributions – resource consents

Council has entered into a number of bonding arrangements with various sub dividers, whereupon the financial contributions payment to Council is delayed until the sale of each individual lot. The actual contributions are adjusted based on relative price indices and are underwritten by a third-party guarantor. As at 30 June 2025, the payments to be made to Council in the future totalled Nil (2024: $24,995).

32. Severance payments

There were severance payments totalling $190,300 during the 2024/2025 year that meet the definition of a severance payment as in clause 33 of schedule 10 of the Local Government Act 2002 (2024: $164,650). The severance payments were paid to 3 employees in amounts of $48,000. $52,300, and $90,000. These amounts are included in note 9 personnel costs.

33. Bonds receivable and bonds payable

Council is party to a surety bond agreement along with the West Coast Regional Council and Buller District Council with regards to a number of resource consents. The agreements are jointly executed by the three Councils, with said funds only called upon if remedial action is required per the conditions of the resource consents. As Council has no automatic right of claim over the funds, it is not recognised in the statement of financial position as an asset or liability.

34. Capital management

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 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. Ratepayer's 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 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, Council has in place asset management plans 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 Council to make adequate and effective provision in its Long-Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans and the Act sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's LTP.
Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donate.

35. Tax

Council has taxable losses of $12,289 million to offset against future years taxable income (2024: $11.892 million).

	Actual 2025 $000	Actual 2024 $000
Components of tax expense		
Current tax expense	-	-
Adjustments to current tax in prior years	-	-
Deferred tax expense	-	(112)
Tax expense	-	(112)
Relationship between tax expense and accounting profit		
Net surplus/(deficit) before tax	(4,775)	(6,370)
Tax at 28%	(1,337)	(1,784)
Plus (Less) tax effect of:		
Non-Deductable expenditure	1,226	1,653
Removal of buildiing depreciation	-	252
Deferred tax losses	134	-
(Recognition of tax losses)/Unrecognised tax losses	(22)	(233)
Other adjustments	-	-
Tax Expense	-	(112)

Deferred tax asset (liability)

	Property Plant and Equipment	Employee Entitlements	Other Provisions	Tax Losses	Total
Balance at 30 June 2023	(923,940)	-	-	923,940	-
Charged to Surplus or deficit	(16,321)	-	5,414	122,429	111,522
Charged to other comprehensive income	(111,522)	-	-	-	(111,522)
Balance at 30 June 2024	(1,051,783)	-	5,414	1,046,369	-
Charged to Surplus or deficit	(132,209)	-	(1,340)	133,548	-
Charged to other comprehensive income	-	-	-	-	-
Balance at 30 June 2025	(1,183,992)	-	4,074	1,179,917	-

36. Financial instrument risk

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

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

	Actual 2025 $000	Actual 2024 $000
FINANCIAL ASSETS		
Mandatorily measured at FVTSD		
Derivative financial instrument assets	-	351
Other financial assets:		
- LFGA Borrower Notes	1,016	715
- Civic Assurance Shares	32	31
Total at FVTSD (2022: Held for Trading)	1,048	1,097
Amortised Cost		
Cash and cash equivalents	2,938	3,471
Trade and other receivables	2,489	5,523
Other financial assets:		
- Term deposits	1,000	1,000
- Community loans	-	-
Total at Amortised Cost	6,427	9,994
FINANCIAL LIABILITIES		
Mandatorily measured at FVTSD		
- Derivative financial instrument liabilities – not hedge accounted	33	-
Amortised Cost		
Trade and other payables	6,971	7,441
Borrowings:		
- Bank overdraft	-	-
- Lease liabilities	93	-
- Secured loans	38,050	32,600
Other financial liabilities	-	-
Total financial liabilities at amortised cost	45,114	40,041

FVTSD = Fair value through surplus and deficit.

Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.
- Level 2 – Valuation technique using observable inputs – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable
- Level 3 – Valuation techniques with significant non-observable inputs – Financial instruments valued using models where one or more significant inputs are not observable

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	Total	**Level 1 Quoted market price**	**Level 2 Observable inputs**	**Level 3 Significant non-observable**
	$000	$000	$000	$000
30 Jun 2025				
Financial assets				
Derivative financial instrument assets	-	-	-	-
Short Term Deposits	1,000	-	1,000	
LGFA Borrower Notes	1,016	-	1,016	-
Civic Assurance Shares	32	-	-	32
Financial liabilities				
Derivatives financial instruments	33	-	33	-
30 Jun 2024				
Financial assets				
Derivatives	351	-	351	-
Short Term Deposits	-	-	-	-
LGFA Borrower Notes	715	-	715	-
Civic Assurance Shares	31	-	-	31
Financial liabilities				
Derivatives financial instruments	-	-	-	-

There were no transfers between the different levels of the financial hierarchy.

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the operating balance to the closing balance for the level 3 fair value measurements:

	2025	**2024**
	$000	**$000**
Balance as at 1 July	31	30
Balance as at 30 June	32	31

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value. We assessed the latest audited financial statements as at 31 March 2025 of Civic Assurance and assessed there is no material change in net assets impacting the Council's investment in shares of $32k.

Contractual maturity analysis financial liabilities (excluding derivatives)

	Carrying amount $000	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000
2025					
Trade and other payables	6,971	6,971	-	-	-
Derivative financial instruments	33	21	-	31	(19)
Secured loans	38,050	13,950	8,000	16,100	-
Total	**45,054**	**20,942**	**8,000**	**16,131**	**- 19**
2024					
Trade and other payables	7,441	7,441	-	-	-
Secured loans	32,600	10,000	7,500	15,100	-

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 table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at the balance date tc

	Carrying amount $000	Less than 1 year	1-5 years $000	More than 5 years $000
Council 2025				
Cash and cash equivalents	2,938	2,938	-	-
Trade and other receivables	2,489	2,489	-	-
Unlisted shares				
- term deposits	1,000	1,000	-	-
- investment in debt securities	1,016	188	828	-
Derivative Financial Instruments	-	-	-	-
Total	7,443	6,615	828	-
Council 2024				
Cash and cash equivalents	3,471	3,471	-	-
Trade and other receivables	5,852	5,852	-	-
Unlisted shares	31	-	-	31
- term deposits	1,000	1,000	-	-
- investment in debt securities	715	150	565	-
Derivative Financial Instruments	351	6	345	-

Financial instruments risks

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

Interest rate risk

The interest rates on Council's cash and cash equivalents are disclosed in note 13 and on Council's borrowings in note 25.

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. Borrowing issued at fixed rates expose Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to economically hedge the fair value interest rate risk arising where Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose Council to fair value interest rate risk.

If interest rates on cash and cash equivalents and other financial assets at 30 June 2025 had fluctuated by plus or minus 3.25% (2024: 3.25%), the effect would have been to decrease/increase the surplus/deficit by $134,095 (2024: $145,307).

Based on financial instrument disclosures at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2025 had fluctuated by plus or minus 3.25% (2024: 3.25%), the effect would have been to decrease/increase the surplus after tax by $1,148,060 (2024: $879,547) as a result of higher/lower interest expense on floating rate borrowings.

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 Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and its investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the Council only invests funds with those entities, which have a Standard and Poor's credit rating of at least A2 for short term and A– for long-term investments.

Accordingly, the Council does not require any collateral or security to support these financial instruments.

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

	Actual 2025 $000	Actual 2024 $000
Cash at bank and term deposits	3,938	4,471
Trade and other receivables	2,489	5,349
Investments in debt securities	1,016	715
Derivative financial instrument assets	-	351
Total credit risk	7,443	10,886

All cash at bank and term deposits are neither past due nor impaired and are made with registered banks with Standard and Poor's credit ratings of A1 or better short term.

Liquidity risk

Liquidity risk is the risk that 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. Council aims to maintain flexibility in funding by keeping committed credit lines available.

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

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These policies have been adopted as part of Council's Long-Term Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of $100,000 (2024: $550,000) plus available credit on a credit line facility with Westpac of $5,000,000 (2024: $5,000,000). There are no restrictions on the use of this facility.

The maturity profiles of Council's interest bearing investments and borrowings are disclosed in notes 16 and 25 respectively.

	Carrying amount $000	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000
2025					
Trade and other payables	6,971	6,971	-	-	-
Derivative financial instruments	33	21	-	31	(19)
Secured loans	38,050	13,950	8,000	16,100	-
Total	**45,054**	**20,942**	**8,000**	**16,131**	**- 19**
2024					
Trade and other payables	7,441	7,441	-	-	-
Secured loans	32,600	10,000	7,500	15,100	-

37. Events subsequent to balance date

Local Water done Well -Waters Services Delivery Plan

On the 18th of November 2025 the Department of Internal Affairs approved the Joint Water Services Delivery Plan for Grey, Buller and Westland district Council. The Water Services Delivery Plan sets out how the districts will sustainably deliver and fund safe and reliable water services over the next decade.

Key Points of the Water Services Delivery plan:

- The three councils will set up a Council Controlled Organisation to deliver drinking water, wastewater and stormwater services;
- The proposed investment programme is financially sustainable; and
- The plan will focus resources on water, and compliance, with financial monitoring.

The transition and implementation period is expected to be over the next two years with the new Council Controlled Organisation being operational from the 1 July 2027.

The water services reform has had no impact on the financial and non-financial performance reported in this annual report. However, with the Department of Internal Affairs accepting the Water Services Delivery Plan, there will be significant implications for Grey District Council. The Water Services Delivery Plan outlines these implications with an estimate of the financial effects in **Part E**. In summary, Grey is likely to transfer approximately $215 million of assets and $19 million of liabilities in the 2026/2027 across 3 Waters (drinking water, wastewater and stormwater).

Statutory Deadline

Clause 98(3) of the Local Government Act 2002 requires that Council adopts its annual report within four months after the end of the financial year. Council was not able to comply with this requirement for the year ended 30 June 2025 and the annual report was not adopted until 2 December 2025, this was due to staff availability due ti commitments to Local Water Done Well legislative requirements.

Funding impact statement for whole of Council

For the year ended 30 June 2025

	Budget 2023-24 $000	Actual 2023-24 $000	Budget 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING				
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	13,730	13,665	15,445	15,757
Targeted Rates (other than metered water supply rates)	8,378	8,383	9,676	9,783
Subsidies and grants for operating purposes	1,925	4,863	2,342	3,425
Fees and charges	4,808	5,242	6,271	6,813
Interest and dividends from investments	171	380	8,405	8,414
Local authorities fuel tax, fines, infringement fees and other receipts	1,116	974	775	2
Total Operating Funding	30,128	33,507	42,914	44,194
Applications of operating funding				
Payments to staff and suppliers	24,173	31,159	24,456	33,135
Finance costs	1,421	1,484	2,279	1,323
Internal charges and overheads	-	-	7,928	8,849
Other operating funding applications	-	-		20
Total applications of operating funding	25,594	32,643	34,663	43,327
SURPLUS / (DEFICIT) OF OPERATING FUNDING	4,534	864	8,251	867
CAPITAL FUNDING				
Sources of capital funding				
Subsidies and grants for capital expenditure	3,171	4,457	6,012	7,046
Development and financial contributions	65	837	150	291
Increase/(decrease) in debt	6,251	2,000	5,600	3,166
Gross proceeds from the sale of assets	-	8	-	698
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	9,487	7,303	11,762	11,201
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	7,636	2,476	2,110	13,441
- to replace existing assets	6,986	8,568	16,239	6,111
Increase/(decrease) in reserves	(601)	(2,877)	1,500	(7,484)
Increase/(decrease) of investments	-	-	-	-
Total applications of capital funding	14,021	8,167	19,849	12,068
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	(4,534)	(864)	(8,087)	(867)
FUNDING BALANCE	-	-	163	-

Financial reporting and prudence disclosures

The government introduced the Local Government (Financial Reporting and Prudence) Regulations 2014 which has a series of measures and benchmarks, disclosed in the following pages. These measures further highlight the financial performance of Council in a way that is consistent and standardised.

These measures allow for comparison of financial performance with other councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Grey District Councils' results with other councils due to their size, location and provision of services.

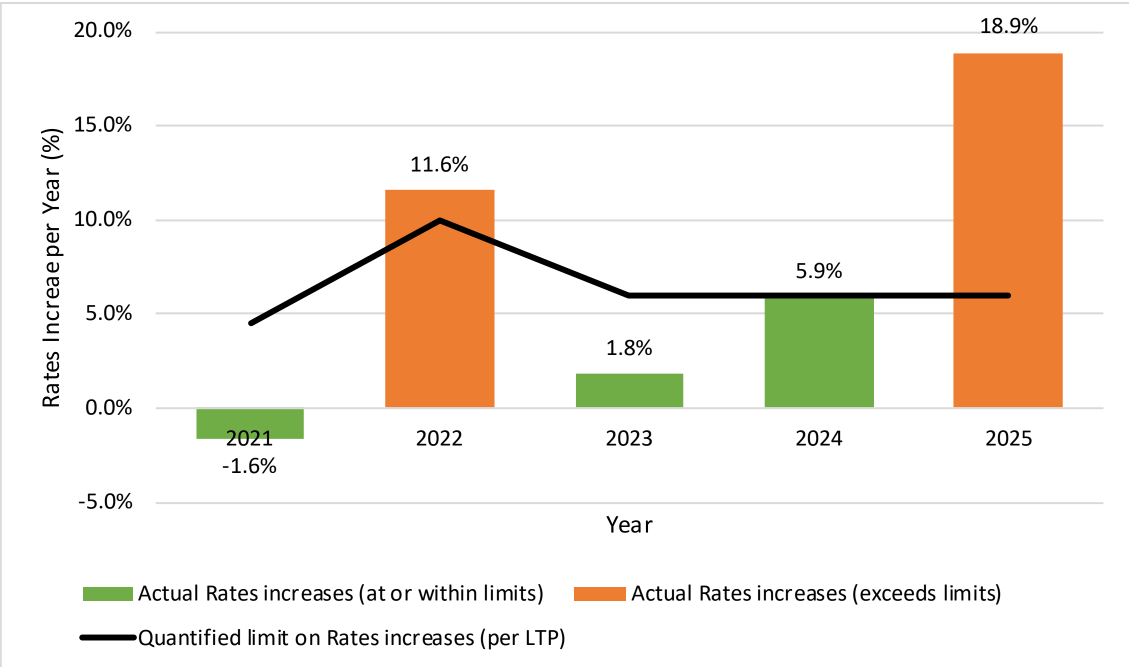
1. Rate affordability benchmarks

The Council meets the rates affordability benchmark if —

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

Total actual rate income percentage increases

- For 2021, the limit as contained within Council's financial strategy (per the 2018 – 2028 Long-Term Plan) is for the total rate increase in any year to be no more than 4.5% (4.5% being the benchmark).
- For 2022, the limit as contained within Council's financial strategy (per the 2021 – 2031 Long-Term Plan) is for the total rate increase in the 2022 year to be no more than 9.98% (9.98% being the benchmark).
- For 2023 onwards, the limit as contained within Council's financial strategy (per the 2021 – 2031 Long Term Plan) is for the total rate increase for 2023 and subsequent years to be no more than 6.00% (being the benchmark).

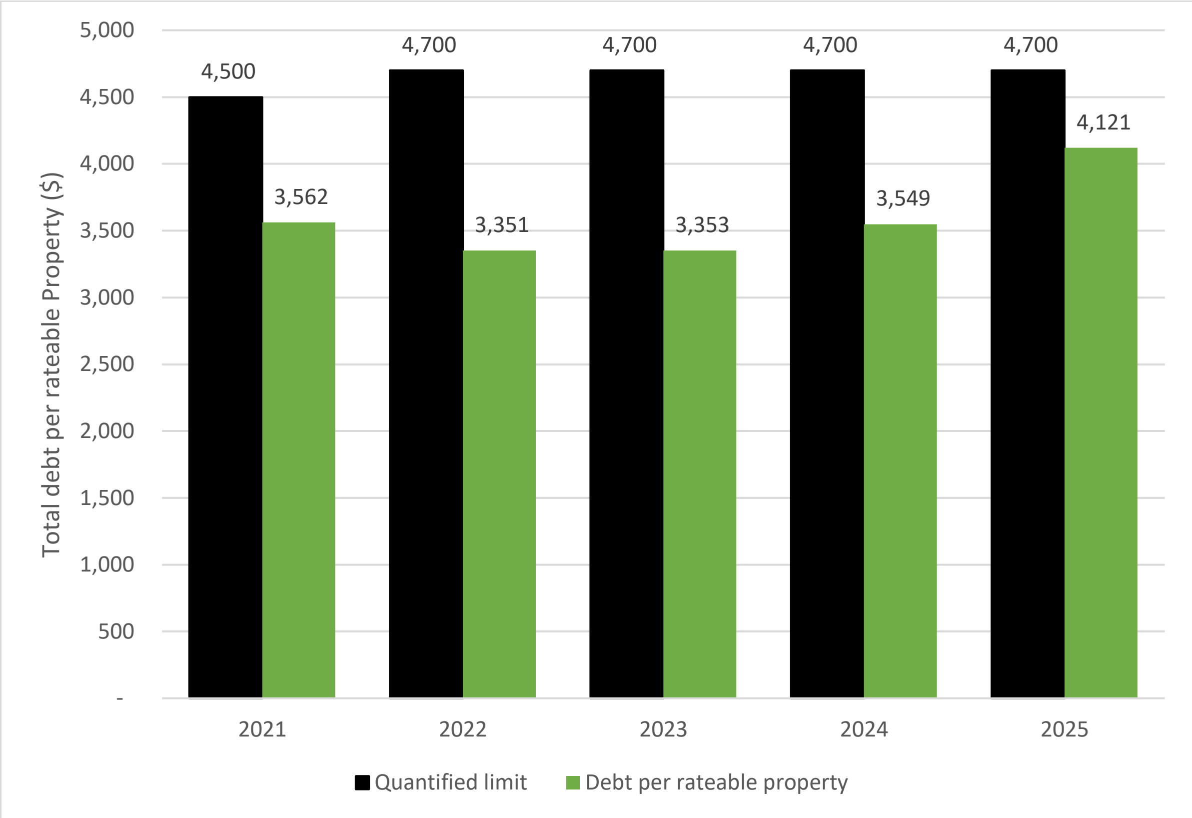


2. Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The Council has three measures for debt affordability and these are set out below.

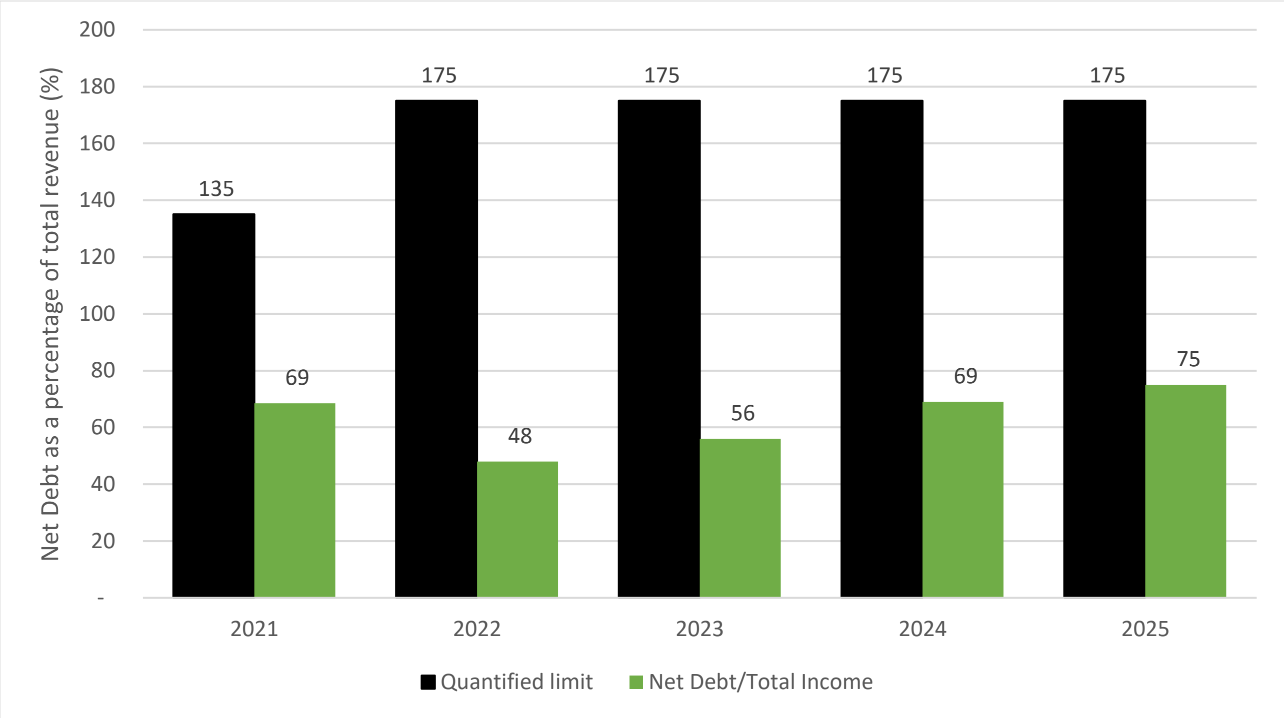
Total actual debt per rateable property

The following graph displays the total actual debt per rateable property. Council's benchmark is for total debt per rateable property to remain less than $4,500 for the 2021/2022 year and $4,700 for the 2022/2023 and subsequent years (per the 2021 – 2031 Long-Term Plan).



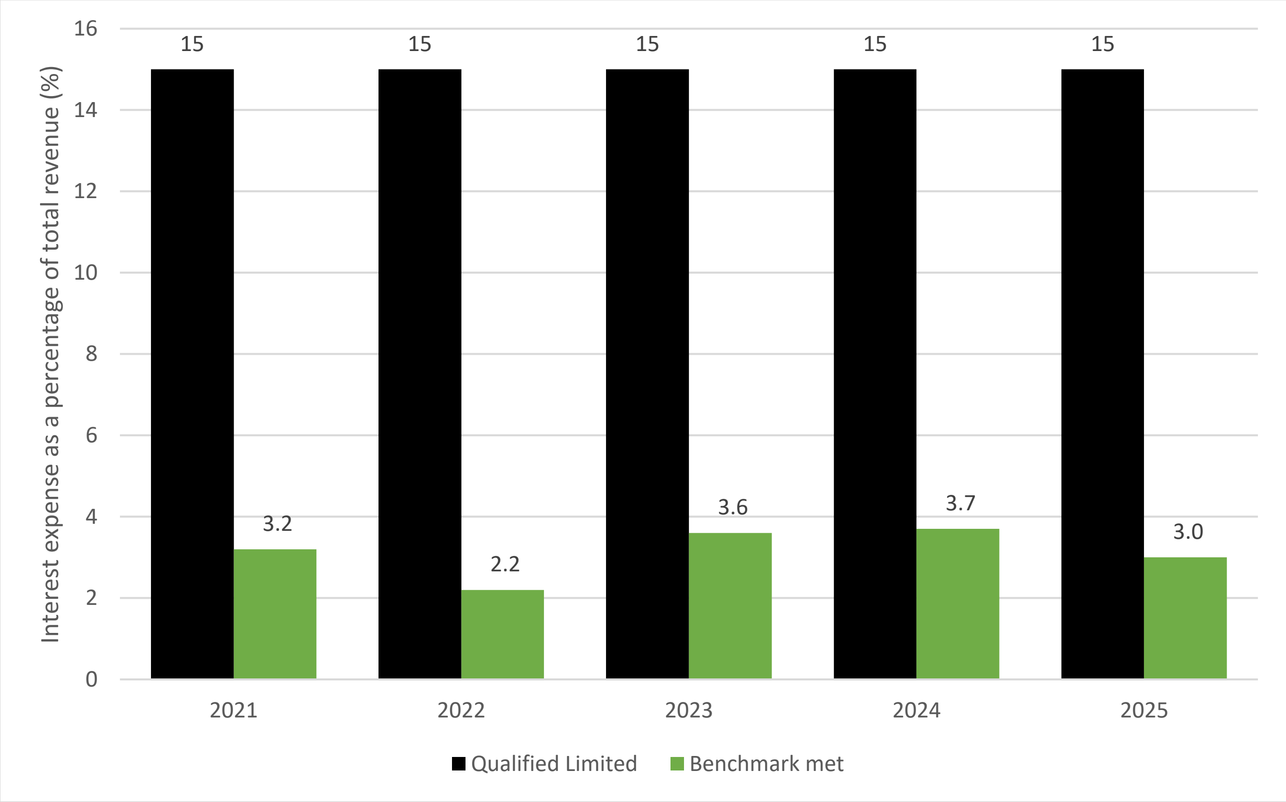
Total net debt as a percentage of total revenue

The following graph displays total actual net debt as a percentage of total revenue. Council's benchmark is for total net debt to remain less than 135% of total revenue for the year 2020 to 2021 (per the 2018 – 2028 Long-Term Plan) and 175% for the 2022 year (per the 2021 – 2031 Long-Term Plan).



Total interest expense as a percentage of total actual revenue

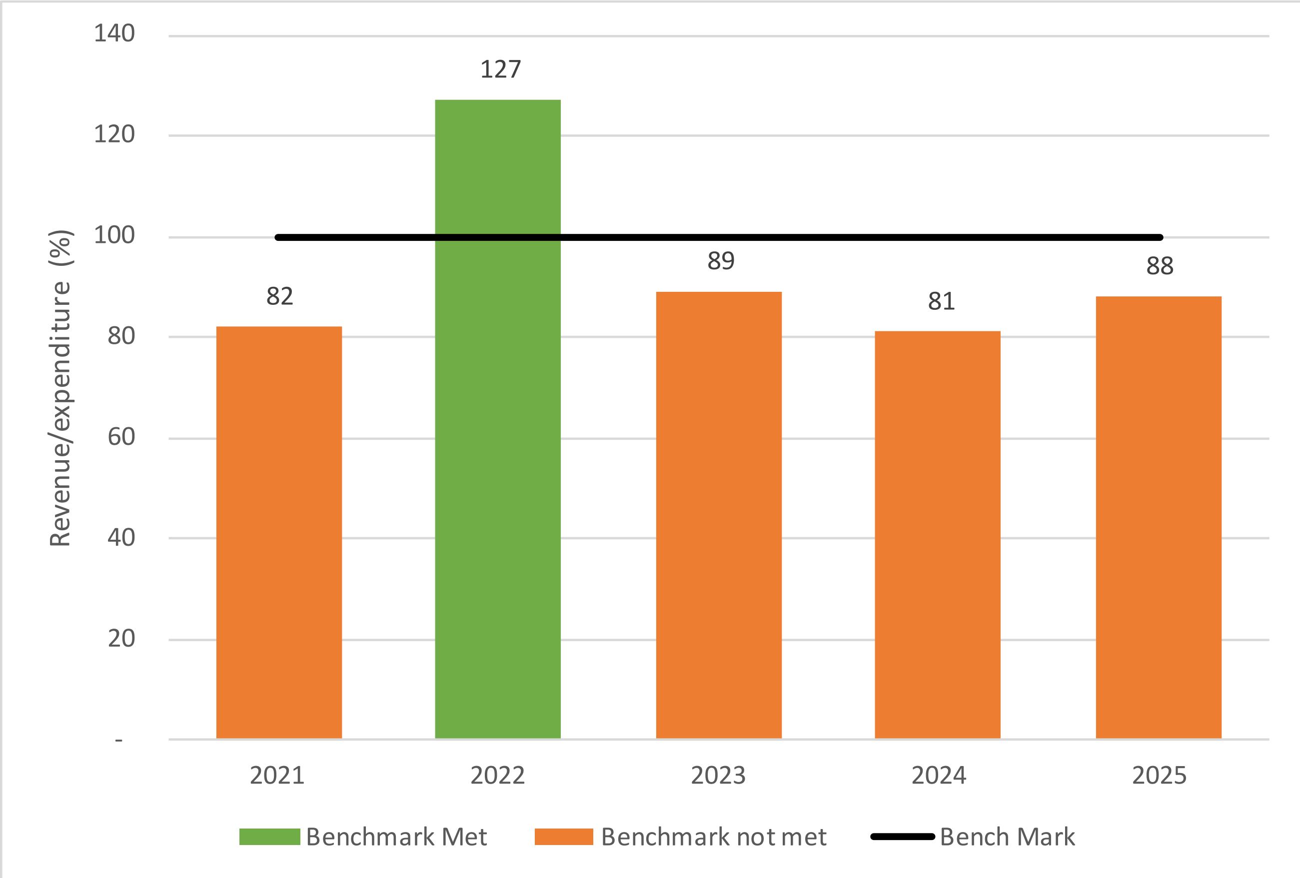
The following graph displays total actual interest expense as a percentage of total revenue. Council's benchmark is for total interest expenses to remain less than 15% of total revenue.



3. Balanced budget benchmark

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

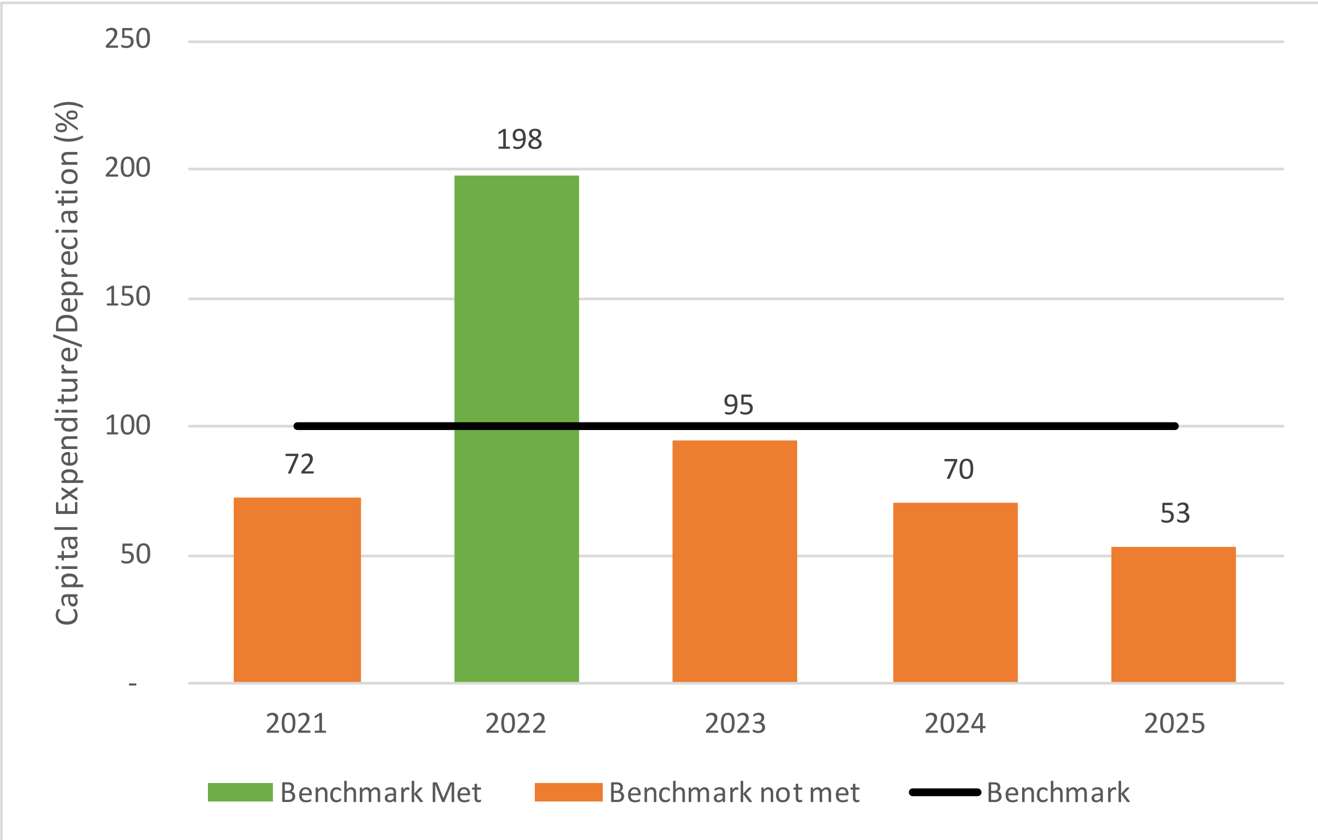
The 2021 year included a one-off expenditure item of $6.72 million for the transfer of the Grey Flood wall asset to the West Coast Regional Council. If this had not occurred, the 2021 measure would have been 98.40%.



4. Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

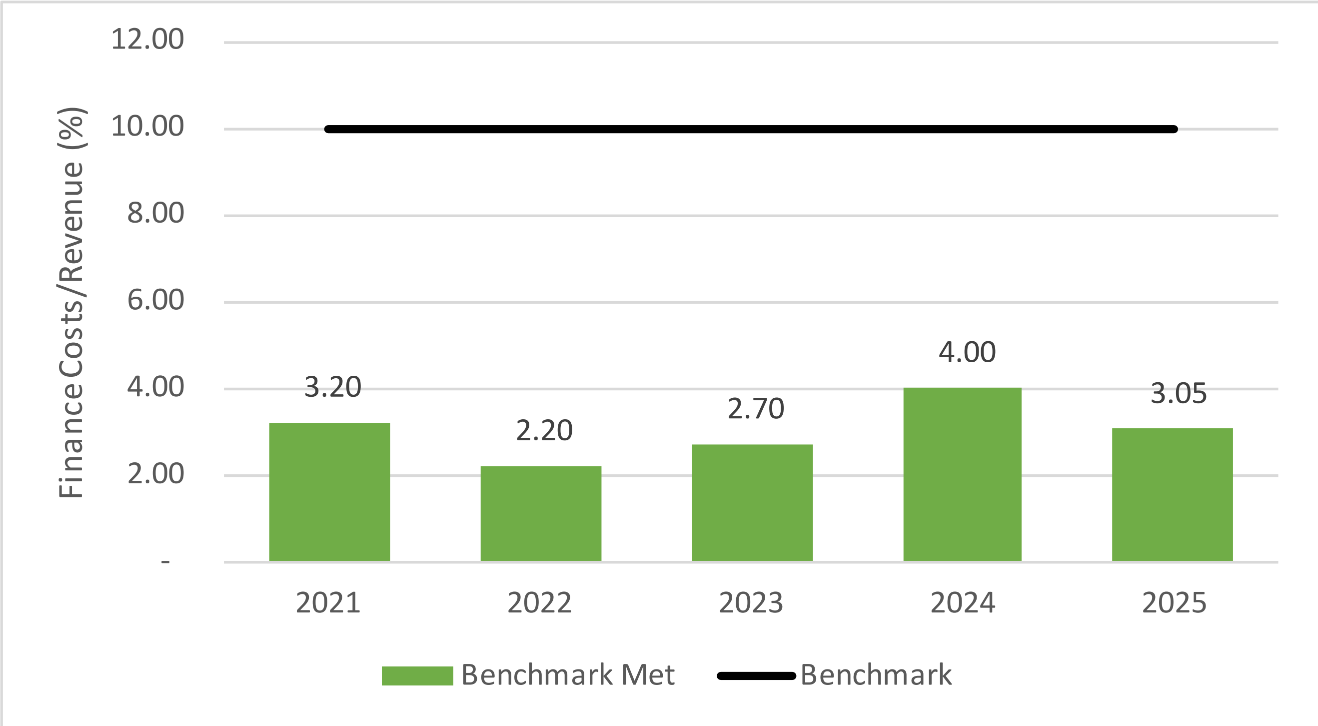
Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



5. Debt servicing benchmark

The following graph displays Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

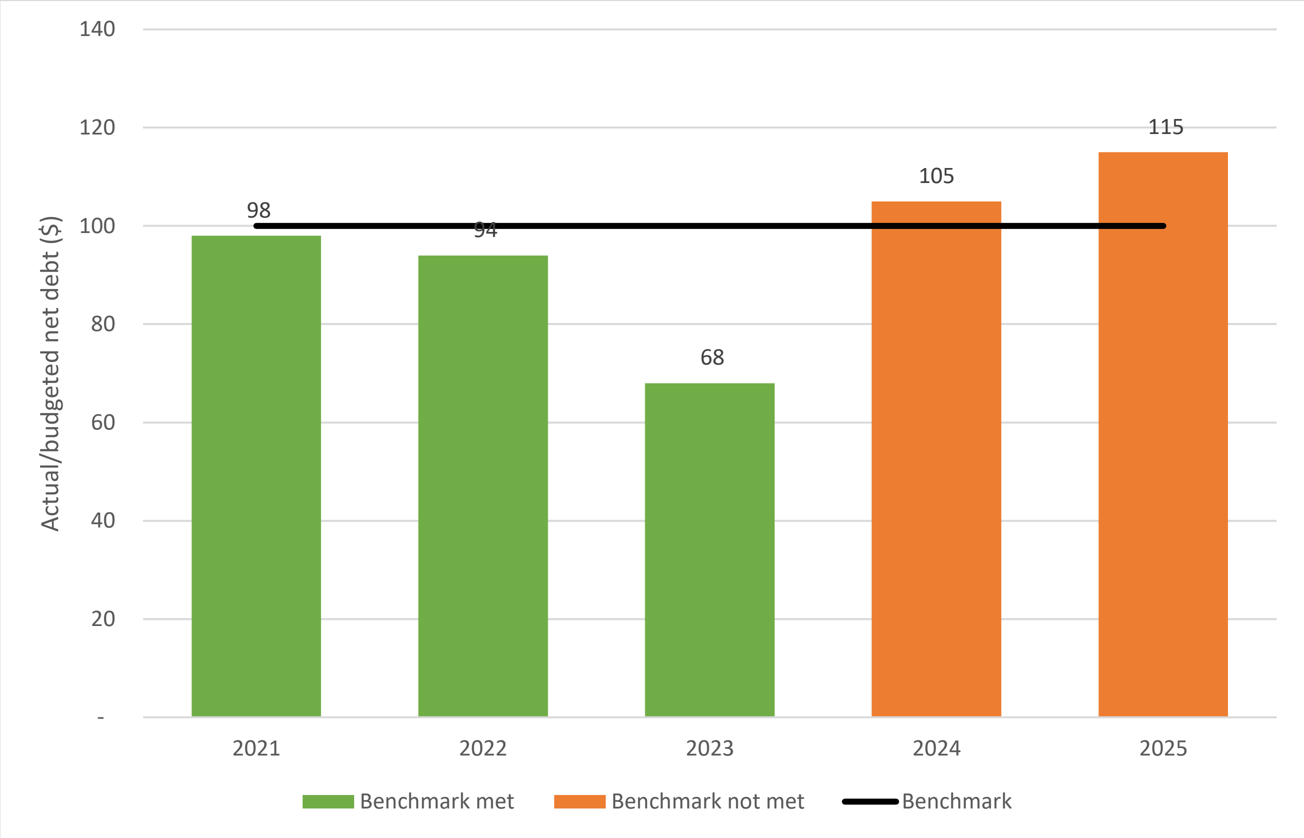
Because Statistics New Zealand projects the council's population will grow no faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



6. Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

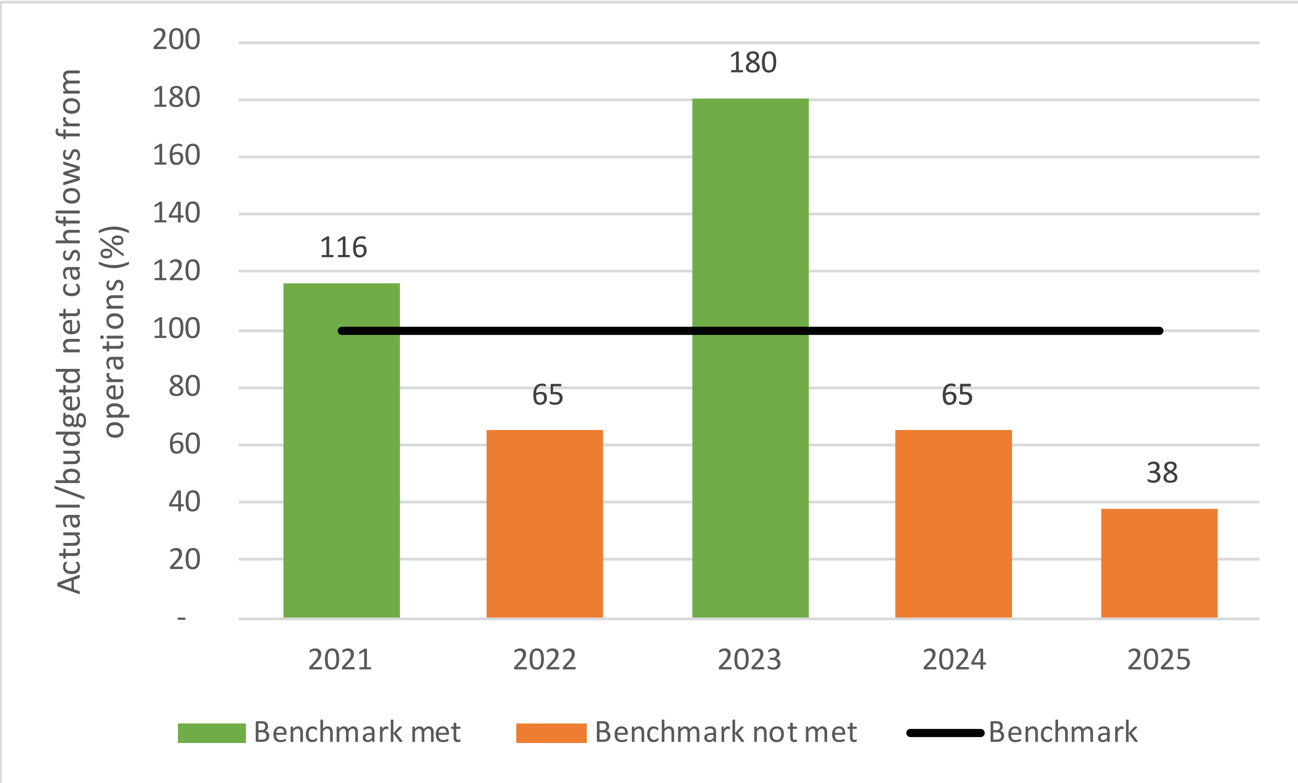
Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



7. Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



PART C: Groups of Activity Statements

Introduction

Council provides a wide range of services for and on behalf of the residents of the Grey District. For planning and reporting purposes, these services are grouped together as groups of activities. Our plans for each of the of the groups of activities are set out in our Long-Term Plan 2021-2031 (LTP).

The purpose of this section of the Annual Report is to report on the degree to which Council achieved what it set out to do for each of the groups of activities in both financial and non-financial terms, and its actual performance for the year.

This section of the Annual Report provides the following information for each group of activities:

- The services included in each group.
- An explanation of why Council provides these services.
- A summary of how the services help achieve Council's community outcomes.
- An overview of performance for the year.
- Performance measures that show the level of service Council has provided compared with the targets set out in the LTP.
- A funding impact statement that shows the cost of providing the of group of activities and how they have been paid for.

Council has made a number of judgements in preparing its service performance information. The judgements exercised do not have a significant effect on the selection, measurement, aggregation and presentation of the Council's service performance information.

Summary of activity performance

Based on our annual Resident Survey, 63.3% of residents surveyed are satisfied with Council's performance. 24.1% indicated they were dissatisfied and 12.6% did not express an opinion. The most common reasons for being satisfied with the council is the mayor doing a good job, the stance Council has taken over three waters as well as providing good communication.

Council achieved 34 of its 72 (47%) activity-based performance targets for the financial year. This is not ideal but is an improvement of 7% from the 2023/2024 year. Council is working hard in 2026/2027 to see further improvement on these. Response times regarding issues with services Council provided were mostly met, however some measures relating to facilities and infrastructure maintenance were not met, which in a large part is due to severe staff resource constraints. The capacity of Council to be able to attend to some aging infrastructure such as ageing pipes is limited at present.

Some of the highlights arising from Council's work programmes over the year were as follows:

- The new library base build that will create a destination in town for our community.
- The opening of the new toilet block at Anzac Park.
- Installation of the new winch at the Port facility.
- Completion of the Arnott Heights Water Reservoir.
- Continuing to improve many of our retirement units through a programme of work that has included new roofs, installation of heat pumps improved weathertightness and insulation, better security and new driveways.

Resident Satisfaction Survey

Results from the 2024/2025 resident satisfaction survey have been used for a number of the activity performance measures.

Council carried out the resident satisfaction survey through its Have Your Say platform. The survey consisted of a self-selecting sample of 202 Grey District residents aged 18+ completing on-line and paper surveys. The survey took place between October 2024 and March 2025.

Land Transport

Land Transport

Activities included in this group

Land Transport includes the following key functions:

- Council roads including associated facilities such as streetlights, cycle lanes and road signs (excluding State Highways, as Waka Kotahi New Zealand Transport Agency (NZTA) administer them)
- Footpaths
- Bridges and large culverts
- Bus shelters
- Promotion of road safety

The car parking function is dealt with under the 'Commercial & Property' section.

The management and maintenance of the Greymouth to Taramakau Bridge section of the West Coast Wilderness Trail is included in this activity.

Why we are involved in this activity/these activities

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and streetlights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

Modern society cannot function without access. Access is important as it enables the convenient movement of people and goods to places of work, trade, health services, education and recreation.

Promotion of road safety is also important to avoid damage to property, injury and deaths while people are using land transport infrastructure.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable Prosperous	▪ Well maintained roading and bridge network to provide access within the district. ▪ Well maintained footpaths to provide access.
Social Wellbeing	
Safe	▪ The well-maintained roading network, cycle lanes, footpaths, cycleways ensure safe travel for motorists, pedestrians and cyclists. ▪ Streetlights and lighting for community safety. ▪ The provision of bus shelters for safety of school children. ▪ Road safety promotion activities enhance the safety of the community.
Connected	▪ Well maintained roading network, footpaths, cycle lanes and cycle paths for connection to activities, businesses, communities and industry.

Our performance in 2024/2025

Land Transport

Overview

The proportion of residents satisfied with the Council's roading network decreased in 2024/2025 to 66% (2023/2024: 69%.) This was below the target of 72%. Overall, the Council achieved six of its 11 performance targets for land transport. In 2024/2025, there were no deaths and 4 serious injury crashes on council-managed local roads. 91% or more of the council roads meet the smooth roads standard. One of the bridge-related performance measures was not met and the plan is to include the bridge not meeting the standards on FWP and repair/upgrade it to meet the required standard. We continue to work on getting bridges to specification and standards alongside the associated funding constraints and programme delay.

A significant amount of work has been done throughout the district this year in maintaining, operating and renewing roads, bridges and other infrastructure.

Based on the recent NZTA National Land Transport Programme funding announcements/approval, additional bridge, road, and footpath maintenance works are planned for the upcoming years.

Performance measures – Land Transport

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with Council's roading network	*72%*	69%	**66%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	% of residents are satisfied with the way local roads are maintained	*54%*	55%	**54%**	**Target Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	% of residents are satisfied with the way footpaths are maintained	*50%*	34%	**42%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	% of customer requests responded to within 10 working days	*87%*	73%	**49%**	**Target Not Achieved** 170 service requests out of 345 were responded to within 10 working days. Some requests required additional time due to adverse weather conditions and the need for better planning. As a result, the work could not be completed within the original timeframe.
The condition of our roads, bridges and footpaths	% of roads which meet smooth roads standard	*90%*	91%	**91%**	**Target Achieved** Smooth is defined as less than 150 NAASRA. Note: This was calculated on the smooth travel exposure (STE) value assessed by NZTA. It was subsequently identified by NZTA that this data had been calculated incorrectly and the STE was re-assessed. Council evaluated the impact of the incorrect data on this measure and considered it to be minor, therefore it has not been updated.
	% of sealed road network resurfaced per year	*7%*	4%	**1.69%**	**Target Not Achieved** Overall contracted and planned forward work programme was completed for the year 2024/2025. This year, we had to complete asphalt works in the CBD, which are significantly more costly than chip sealing. As a result, the overall sealing length was reduced to

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
The condition of our roads, bridges and footpaths *continued*					accommodate the CBD projects, leading to lower reseal quantities this year. This impact will be mitigated in the coming year.
	% of footpaths at service standard of "fair" or better (as measured against condition ratings set in the Combined West Coast Land Transport AMP)	*80%*	81%	**85%**	**Target Achieved** Footpath condition rating survey data shows that 85% of footpaths in the district are rated fair or better. Condition rating was completed by in house staff.
	% of bridges posted more than Class 1 – 44 tonnes	*93%*	91%	**93.6%**	**Target Achieved** 93.6% of bridges are posted more than class 1. Only 13 bridges out of 206 bridges cannot be passed by class 1 trucks as per the latest inspection reports.
	% of bridges can cross 50 MAX or HPMV	*90%*	90.38%	**85.43%**	**Target Not Achieved** GDC have 30 structures restrictive to 50MAX loading from previous screening. This is as per data provided by our Overweight Permit team.
The safety of our roads	Maximum % of fatalities/serious injury crashes on local roads contributed to by road factors	*<17%*	9.7%	**0%**	**Target Achieved** Refer to the provided detailed CAS report downloaded from the NZTA portal. There were four (4) fatal/serious injury crashes happened in our roads this year but none of them are reported to be contributed by road factors.
	Change in number of fatalities/serious injury crashes from previous year on local roads 2024/2025: 4 fatal/serious crashes *(reduction of 4 from previous year)* 2023/2024: 8 fatal/serious crashes *(increase of 6 from previous year)* 2022/2023: 2 fatal/serious crashes	*Reduction > 1*	+ 6 serious crashes	**- 4 serious crashes**	**Target Achieved** Refer to the provided detailed CAS report downloaded from the NZTA portal. Only four (4) serious/fatal crashes reported in 2024/25 compared to eight (8) on year 2023/24.

Funding Impact Statement - Land Transport

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	2,738	3,308	3,366
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1,918	2,171	2,368
Fees and charges	74	76	42
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	162	165	135
Total Operating Funding	4,892	5,720	5,911
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	2,666	2,972	3,488
Finance costs	63	68	5
Internal charges and overheads	720	824	909
Other operating funding applications	-	-	-
Total applications of operating funding	3,449	3,864	4,402
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**1,443**	**1,856**	**1,509**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	3,567	3,121	2,410
Development and financial contributions	-	-	30
Increase/(decrease) in debt	169	(101)	(52)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	3,736	3,020	2,388
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	963	13	30
- to replace existing assets	4,104	5,000	3,388
Increase/(decrease) in reserves	112	(137)	479
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	5,179	4,876	3,897
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(1,443)**	**(1,856)**	**(1,509)**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget – Land Transport

- Payments to staff and suppliers is $516,000 higher due to an increased budget in the 2024/2025 Annual Plan and additional emergency works required due to storms during the year.
- Capital expenditure to replace existing assets is $1,600,000 under budget due to staff availability. Staff and contractors were engaged in emergency works repairs therefore capacity was reduced and the capital programme was incomplete.

Identified effects of these activities on the community

- On-going minor safety improvements have decreased the risk to users of the district's roading network.
- Continued reduction in funding (in real terms) from the NZTA for subsidised works in line with the Government Policy Statement on Land Transport Funding (i.e., no adjustment for inflation) has placed a higher financial burden on the local community.

Stormwater

Stormwater

Activities included in this group

Stormwater includes the following key functions:

- Management of Stormwater systems (mostly in urban residential areas) including public open drains.
- Flood prevention. This includes maintaining urban watercourses.

Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

It also maintains and operates flood pump stations at Johnston Street and Tarry Creek Greymouth as part of the Greymouth Flood Scheme on behalf of the Greymouth Rating District Joint Committee (a joint Grey District Council and West Coast Regional Council committee).

Why we are involved in this activity/these activities

Council needs to control stormwater to protect our community's health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ The effective management and strategic approach of the stormwater system provides continuity of access to infrastructure and property throughout the district.
Social Wellbeing	
Safe	▪ The effective management of the stormwater system provides community, industry, and business with assurances of safety.
Environment Wellbeing	
Practical Resilient Sustainable	▪ The effective management and strategic approach of the stormwater system provides for resiliency and a sustainable environment throughout the district.

Our performance in 2024/2025

Stormwater

Overview

The proportion of residents satisfied with the way their property drains stormwater (in urban and residential areas) increase in 2024/2025 to 56% (2023/24: 51%). Overall, Council achieved eight of its ten performance targets for stormwater.

Improving stormwater systems is a priority for the Council as the region faces the challenge of more regular and more intense rain events.

A number of stormwater assets are at or close to the end of their useful life. We are therefore focusing on the most critical parts of the system as well as responding to weather events as they happen. The increasing cost of materials means that making progress on reducing the backlog of deferred renewals is likely to require additional funding in the future.

Performance measures - Stormwater

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme)	*Total complaints: 30* *Per 1,000 properties: 4.8* *(6271 connections)*	Total complaints: 54 Per 1,000 properties: 7.39 (7,307 Connections)	**Total complaints: 80** **Per 1,000 properties: 10.38** **(6271 Connections)**	**Target Not Achieved** 80 complaints were received and resolved regarding Council's stormwater services, which is a slight decrease on last year and is higher than our target. Storm events are being more frequent with higher rainfall intensities, resulting in more surface ponding and flood events. The community are becoming more freely giving us feedback than in the past. Area's of historic flooding have new residents that are not aware of long term flooding. Aging infrastructure is also a factor.
The reliability and efficiency of the stormwater system	% of residents are satisfied with the way their property drains stormwater in urban and residential areas	*70%*	51%	**56%**	**Target Not Achieved** The Resident's satisfaction survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	Maximum number of flooding events * * Note: a flood event is defined as a 50 year flood, which is a flood event that has a 2% probability occurring in any given year. To measure this Council will obtain information on corresponding storm event rainfall intensities.	*Nil*	Nil	**Nil**	**Target Achieved** No significant flood events as defined by a 1:50 return period for 2024/2025.

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
The reliability and efficiency of the stormwater system	For each flooding event, maximum number of habitable floors affected (per 1,000 properties connected to a Council scheme). Note: Council is only measuring reported incidents in urban areas where the stormwater network is. Number of serviced properties includes all urban properties, whether connected to the Council service or not. Some properties discharge stormwater via their own property stormwater system to watercourses.	*Total floors: 2* *Per 1,000 properties: 0.32* *(6271 connections)*	Nil	**Nil**	**Target Achieved** There were no habitable floors affected by flooding (for properties connected to a Council scheme).
	Median response time to attend a flooding event	*3 hours*	Nil	**Nil**	**Target Achieved** There was no significant flood events in 2024/2025.
Stormwater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	*2*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of infringement notice	*1*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of enforcement orders	*Nil*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of successful prosecutions	*Nil*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Total for all enforcement actions	*3*	Nil	**Nil**	**Target Achieved** None received for this financial year.

Funding Impact Statement - Stormwater

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	1,663	2,008	1,600
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	6
Total Operating Funding	1,663	2,008	1,606
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	608	621	623
Finance costs	32	42	33
Internal charges and overheads	212	216	227
Other operating funding applications	-	-	-
Total applications of operating funding	852	879	883
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**811**	**1,129**	**723**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(3)	406	(483)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	(3)	406	(483)
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	283	258	4
- to replace existing assets	1,180	1,138	170
Increase/(decrease) in reserves	(655)	139	66
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	808	1,535	240
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(811)**	**(1,129)**	**(723)**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget - Stormwater

- Capital expenditure to improve the level of service and to replace existing assets were under budget $1,200,000 due to insufficient staff numbers to complete the planned workload. This issue has been addressed in the 2025-2034 Long Term Plan where five more Operations Staff have been allowed for.
- The corresponding variance in debt drawn down of $889,000 reflects the lack of progress with capital projects.

Identified effects of these activities on the community

- The nature of some of Council's stormwater network is such that overflows in higher rainfall are not uncommon. This has short term negative effects as overflows can enter private property and flow down secondary flow paths (such as roads).
- The on-going effects of climate change are potentially leading to more frequent high intensity storms which reduce the ability of stormwater systems to cope.
- The ongoing Greymouth wastewater upgrade is starting to demonstrate results for the Greymouth stormwater system working more efficiently.

Wastewater

Wastewater (sewerage)

Activities included in this group

Sewerage includes collection, treatment and disposal in the six Council schemes of:

- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

This activity does not cover on-site individual property waste disposal systems or public schemes that are owned and operated by other individuals or businesses.

Why we are involved in this activity/these activities

By collecting, treating, and disposing of wastewater, Council provides a service to residents and businesses that supports development in the district and protects the physical environment and our community's health.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong **Sustainable**	▪ The effective management, treatment and maintenance of waste and wastewater systems is integral to providing for a strong and sustainable economy.
Social Wellbeing	
Safe	▪ The effective management, treatment and maintenance of waste and wastewater systems is fundamental to the health and safety of people within the community.
Environment Wellbeing	
Practical **Resilient** **Strategic**	▪ The effective and strategic management, treatment and maintenance of waste and wastewater systems ensures resiliency of the Environment now and into the future.

Our performance in 2024/2025

Wastewater

Overview

The proportion of residents satisfied with the wastewater service in 2023/2024 was 65%. This was on target of 65% and improved from the prior years' performance of 62%. Overall, Council achieved nine of its ten performance targets for wastewater.

The Council's wastewater systems are generally in good condition and continued to perform well during the 2024/2025 year. Much of the network is relatively modern as a result of the investments in the Greymouth treatment plant plus the construction and upgrade of other schemes over the past ten years. This means there is less of a deferred renewals challenge for wastewater systems as many of the assets are well within their useful life. Our focus remains on keeping the systems running well and increasing the number of household connections.

Performance measures - Wastewater

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with wastewater service (where the service is available)	*65%*	62%	**65%**	**Target Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	Number of complaints received, e.g. about odour, faults, blockages, response times (per 1,000 sewerage connections)	*Total complaints: 50* *Per 1,000 properties: 9.0* *(5,448 connections)*	Total complaints: 101 Per 1,000 properties: 18.53 (5,488 connections)	***Total complaints: 71*** ***Per 1,000 properties: 13.03*** ***(5,479 connections)***	**Target Not Achieved** 71 complaints were received and resolved in 2024/2025. This is an increase on complaints received last year and significantly higher than target. Two odour complaints were received. The complaints were mainly to do with blocked sewers. Extended dry period between December – March which would have resulted in no flush flowing within the combined sewer / stormwater systems that led to blockages.
The reliability and efficiency of the wastewater system	Number of wastewater overflows into houses due to faults in the public reticulation	*Nil*	Nil	Nil	**Target Achieved** No wastewater overflows into houses were reported in 2024/2025.
	Number of dry weather sewerage overflows (per 1,000 sewerage connections)	*Total overflows: 9* *Per 1,000 properties: 1.8* *(5,448 connections)*	Total overflows: 4 Per 1,000 properties: 1.1 (5,448 connections)	***Total overflows: 9*** ***Per 1,000 properties: 1.6*** ***(5,479 connections)***	**Target Achieved** 9 dry weather sewerage overflows were reported in 2024/2025.

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
The reliability and efficiency of the wastewater system *continued*	Median response times to reported faults • to get to site (timed from notification) • to resolve the problem (timed from notification) (Where contaminated sites are discovered or identified through site investigations, response times will be longer if consents are required to remove and dispose of material)	*1 hour* *5 hours*	1 hour 38 Minutes 3 hour 40 minutes	**49 Minutes** **2 hour 14 Minutes**	**Target Achieved**
Treated wastewater discharges are managed without adversely affecting the receiving environment	Number of abatement notices	*2*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of infringement notices	*1*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of enforcement orders	*Nil*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of successful prosecutions	*Nil*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Total for all enforcement actions	*3*	Nil	**Nil**	**Target Achieved** None received for this financial year.

Funding Impact Statement - Wastewater

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted rates	3,109	3,091	3,315
Subsidies and grants for operating purposes	-	-	-
Fees and charges	94	96	138
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	10
Total Operating Funding	3,203	3,187	3,463
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	1,412	1,441	1,821
Finance costs	473	463	562
Internal charges and overheads	270	275	329
Other operating funding applications	-	-	-
Total applications of operating funding	2,155	2,179	2,712
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**1,048**	**1,008**	**751**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	94
Increase/(decrease) in debt	1,118	(2)	322
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	1,118	(2)	416
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	99	400	740
- to replace existing assets	2,067	606	299
Increase/(decrease) in reserves	-	-	128
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	2,166	1,006	1,167
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(1,048)**	**(1,008)**	**(751)**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget - Wastewater

There were no major variances in wastewater from Year 4 of the 2021-2031 Long Term Plan. The most significant variance for the activity is the increase in targeted rates revenue of $224,000, which reflect costs increase from the Plan over the four years.

Identified effects of these activities on the community

The on-going upgrades and new schemes have placed a recognised financial burden on those required to fund them. Whilst this has a negative impact, it is considered that they are outweighed by the positive impacts, such as reduced discharges to the environment.

Water Supply

Water Supply

Activities included in this group

Water supply includes sourcing, treatment and distribution from the following Council water supply schemes:

- Wider Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa, Taylorville, Dobson and Stillwater)
- Runanga/Dunollie/Rapahoe (currently fed from Greymouth Scheme)
- Blackball

Why we are involved in this activity/these activities

Water is a basic need and an essential service. We provide quality, affordable water and, in the process contribute to:

- Our community's health
- Community safety (through water supply for firefighting)
- Industrial and residential development

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ The effective management, treatment and maintenance of water and water supply systems is integral to providing for a strong and sustainable economy.
Social Wellbeing	
Safe	▪ The effective management, treatment and maintenance of water supply systems is fundamental to the health and safety of people within the community.
Environment Wellbeing	
Practical Resilient Strategic	▪ The effective and strategic management, treatment and maintenance of water and water supply systems ensures resiliency of the Environment now and into the future.

Our performance in 2024/2025

Water Supply

Overview

The proportion of residents satisfied with the overall water service in 2024/2025 was 66% (2023/2024:56%). This was above the target of 58%. Overall, Council achieved five of its 16 performance targets for water supply.

Much of the Council's water supply network is ageing and we have used the Government's three waters stimulus funding to help address the problem. In 2021/2022 the replacement of reservoirs began. These projects are significant Tasman View and Arnott's Height's reservoirs are complete and others are still a work in progress as at 30 June 2025. Council expects these projects to be completed before the 30 June 2026.

Reducing the level of deferred renewals for water supply systems presents a big task for the Council with old pipes, periodic breakages and high leakage rates. Addressing this will take time. We have been concentrating on renewing the critical water mains that provide key lifelines for the district so that we are less vulnerable to natural disaster. The increasing cost of materials has though limited the amount of work that can be completed within existing budgets.

Performance measures - Water Supply

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with overall water supply service	58%	56%	**66%**	**Target Achieved** The Resident's satisfaction survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	Maximum number of complaints received about water clarity, taste, odour, pressure/ flow, continuity of supply or Council's response to reported issues (per 1,000 water supply connections)	Total complaints: 133 Per 1,000 properties: 28.6 (5,140 connections)	Total complaints: 66 Per 1,000 properties: 12.5 (5,268 connections)	**Total complaints : 31** **Per 1,000 properties: 5.9** **(5,233 connections)**	**Target Achieved** 31 complaints were received and resolved in 2024/2025, which is under our target of 133 complaints.
Council is providing a reliable, efficient and safe water supply	Maximum number of notifiable water supply transgressions with Drinking Water Standards per year:				
	• Greymouth (now includes Taylorville/Dobson/ Stillwater/ Runanga/Rapahoe/ Kaiata)	*Nil*	1 Conserve Water Notice	**2 Boil Water Notice** **3 Conserve Water Notice**	**Target Not Achieved** There was an E.coli transgression in April 2025 and UV treatment transgressions over four days in September 2024. Eight occasions of low chlorine in some areas of reticulation.
	• Blackball	*Nil*	1 boiled water notice issued. 1 conserve water notice (continuation from previous year).	**2 Boil Water Notice** **1 Conserve Water Notice**	**Target Not Achieved** E.coli compliant throughout the year however the UV treatment non-compliance was notified in February 2025.
Council is providing a reliable, efficient, and safe water supply	Maximum % of real water loss from reticulation system (water loss measured from the reservoirs at least once per year):				**Target Not Achieved** A desktop analysis was completed through the Greater Greymouth, Runanga, Rapahoe & Blackball areas[1]. This review suggests that leakage is similar to the previous 2024-25 review, although leak reduction
	• Greymouth (now includes Taylorville/Dobson/ Stillwater)	*69%*	65%	65%	
	• Blackball	*40%*	42%	42%	

[1] Based on estimated leakage from desktop analysis.

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
	• Runanga/Rapahoe	*15%*	69%	55%	has been improved in the Blackball Supply. Council is moving forward with splitting the scheme reticulation within the respective schemes to enable better monitoring and identification of leakage.
	Drinking water supply compliance with following sections of the drinking water standards:				
	Part 4 – bacteria[2] compliance criteria - These results are provisional, pending the assessment of compliance by the independent Drinking Water Assessor.				
Council is providing a reliable, efficient, and safe water supply *continued*	• Greymouth (now includes Taylorville/Dobson/ Stillwater/ Runanga/Rapahoe/ Kaiata)	*Achieved*	Not Achieved	**Not Achieved**	New Drinking Water Quality Assurance Rules came into effect on the 1 January 2023. Changes in treatment regulations result in non-compliance of Greymouth water treatment due to inability to achieve new UV dose requirements. 1 E.coli (boil water notice April 2025).
	• Blackball	*Achieved*	Not Achieved	**Achieved**	Bacteria compliance achieved. A sampling non-compliance occurred due to one sampling being taken on a consecutive week day contra to specifications.
	Part 5 – protozoal compliance criteria - These results are provisional, pending the assessment of compliance by the independent Drinking Water Assessor.				
	• Greymouth (now includes Taylorville/Dobson/ Stillwater/ Runanga/Rapahoe/ Kaiata)	*Achieved*	Not Achieved	**Not Achieved**	Protozoa compliance not achieved for 2024/2025. New drinking water quality assurance rules came into effect on the 1 January 2023. UV treatment requirements was not met over periods of times over a four day period in September 2024.
	• Blackball	*Achieved*	Achieved	**Not Achieved**	No UV treatment for 50 minutes during operation in February 2025 on one occasion.

[2] Bacteria (e.g. E.coli) and protozoa (e.g. Giardia and Cryptosporidium) are small living organisms (bugs and such like) that are harmful to humans. Bacteria can be removed by chlorine disinfection whereas protozoa cannot and require higher levels of treatment.

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Average consumption of drinking water per day per resident	Average litres per person per day	*< 640 litres per person per day*	741 Litres per person per day	**995 Litres per person per day**	**Target Not Achieved** Council is actively undertaking leak detection throughout all water schemes. It is hoped that leak resolution and pipework renewals will result in a decrease in average consumption rates moving forward. Council's program of installing flow meters will also assist in identifying leak locations and leak reduction. During this year there was a significant long extended dry period leading to increased demand in consumption.
Our response times to reported faults	Median response times to faults or unplanned interruptions: (Where contaminated sites are discovered or identified through site investigations response times will be longer if consents are required to remove and dispose of material)				
	Attendance time for urgent call-outs (from notification)	*1 hour*	17.57 hours	**3 Hour 45 Minutes**	**Target Not Achieved** Contractor has not met the required response timeframes under the maintenance contract.
	Resolution time for urgent call-outs (from notification)	*5 hours*	19.21 hours	**23 Hour 48 Minutes**	**Target Not Achieved** Contractor has not met the required response timeframes under the maintenance contract.
	Attendance time for non- urgent call-out	*1.5 working days*	47.27 hours	**21.1 Hours**	**Target Achieved** Contractor has met the required response timeframes under the maintenance contract.
	Resolution time for non- urgent call-outs	*5 working days*	43.22 hours	**20 Hour 27 minutes**	**Target Achieved** Contractor has met the required response timeframes under the maintenance contract.

Funding Impact Statement - Water Supply

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,976	3,081	3,857
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	(25)
Total Operating Funding	2,976	3,081	3,832
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	1,327	1,357	2,104
Finance costs	243	241	359
Internal charges and overheads	325	331	564
Other operating funding applications	-	-	-
Total applications of operating funding	1,895	1,929	3,027
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**1,081**	**1,152**	**805**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	42
Increase/(decrease) in debt	(70)	(78)	(1,680)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	(70)	(78)	(1,638)
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	82	81	114
- to replace existing assets	885	949	817
Increase/(decrease) in reserves	44	44	(1,764)
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	**1,011**	**1,074**	**(833)**
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(1,081)**	**(1,152)**	**(805)**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget – Water Supply

Payment to staff and suppliers were $747,000 higher than anticipated in Year 4 of the Long Term Plan due to increased costs in electricity and insurance.

Decrease in debt was $1,680,000 larger than anticipated in Year 4 of the Long Term Plan as loan balances were reviewed during the 2024/25 year and a loan that had been drawn down for Kaiata water supply was subsequently funded via a grant so the debt was repaid.

Identified effects of these activities on the community

All water supplies provided by Council in the district are chlorinated, with chlorine residue monitored within the reticulations. In recent years Council water supplies have, at times, struggled to maintain supply due to extended warm, dry periods of weather, where river and creek levels around intake facilities run low.

To mitigate this, Council has invested in an additional bore at the Greater Greymouth Water Treatment Plant and ensured that the emergency intakes at Sids Road can supply treated water if required. A new intake gallery has been installed under Blackball Creek, which will ensure sufficient water can be taken for the Blackball Water Supply. This work will result in both of Council's water supplies being more resilient into the future.

Solid Waste

Solid Waste (refuse and recycling)

Activities included in this group

Waste management involves:

- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill- Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

Litter control is a Regulatory function and is covered under the Environmental Services activity.

Why we are involved in this activity/these activities

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ Efficient and responsible management of solid waste is an integral to providing for a strong and sustainable economy.
Social Wellbeing	
Safe	▪ Efficient and responsible management of solid waste is fundamental to the health and safety of people within the community.
Environment Wellbeing	
Practical Resilient Strategic	▪ Effective, strategic, and responsible management of solid waste provides for resiliency of the environment.

Solid Waste

Overview

The proportion of residents satisfied with the household rubbish and recycling collection service reduced in 2024/2025 to 71% from 84% in the 2023/2024 year. This was inconsistent with prior years' performance and was below the target of 85%. Overall, Council achieved one of its three performance targets for solid waste.

The Council continues its commitment to reducing waste and improve its recycling. The appointment of a dedicated waste minimisation officer along with collaboration with other West Coast Councils should drive the reduction of waste and improve recycling.

Performance measures - Solid Waste

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents satisfied with the household rubbish and/or recycling collection service provided by the Council	*85%*	84%	**71%**	**Target Not Achieved** The Resident's satisfaction survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
Facilities and services are managed without adversely affecting the receiving environment	Maximum number of resource consent infringements	*Nil*	Nil	**Nil**	**Target Achieved** None received for 2024/2025.
	% of waste is recycled	*20%*	19%	**16%**	**Target Not Achieved** Council has not previously recorded greenwaste and untreated timber. The reason for including these in the % of waste recycled is because these two material's also make up this %. This was a requirement of the last MFE audit 1 July 2022. Greenwaste of 996 tonnes and untreated timber total of 240 tonnes. If these were recorded then 15% of waste was recycled.

Funding Impact Statement - Solid Waste

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	577	581	304
Targeted rates	1,913	1,949	2,242
Subsidies and grants for operating purposes	50	51	271
Fees and charges	835	869	1,712
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	(6)
Total Operating Funding	3,375	3,450	4,523
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	2,713	2,821	4,480
Finance costs	32	77	82
Internal charges and overheads	135	138	291
Other operating funding applications	-	-	20
Total applications of operating funding	**2,880**	**3,036**	**4,873**
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**495**	**414**	**(350)**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	69	70	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(378)	(407)	973
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	(309)	(337)	973
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	28	28	2,238
- to replace existing assets	148	39	(113)
Increase/(decrease) in reserves	10	10	(1,502)
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	**186**	**77**	**623**
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(495)**	**(414)**	**350**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget – Solid Waste

Fees and charges are $843,000 higher than LTP Year 4 budget due to higher fees and charging for greenwaste.

Payments to staff and suppliers are $1,659,000 higher than LTP Year 4 attributable partly to higher waste levy costs and higher waste contract charges that were not accounted for in Year 4 of the LTP.

Capital expenditure to improve the level of service was $2,210,000 higher than Year 4 of the LTP along with an increase in debt of $1,380,000 are reflective of the competition of cell three at Mcleans Pitt, which was expected to occur in Year 2 of the LTP.

Identified effects of these activities on the community

The continuation of kerbside services, both refuse and recycling (including separate glass collection), has continued to see results for Council. This is seen by the significant increase in the percentage of waste being recycling by Council, which sits at 16% for the 2024-25 year. This has ultimately reduced the volume of waste that was disposed to landfill. This has a long term positive impact as the landfill facility can offer a longer useful life.

The provision of environmentally compliant solid waste management services comes at a relatively high cost. Whilst this is accepted by most, a minority choose to dispose of refuse illegally. The cost of illegal dumping is, wherever possible, recovered from the offending party.

Environmental Services

Environmental Services

Activities included in this group

Environmental services include:

District Planning

- District Plan
- Policy
- Resource Management (land use)
- Monitoring

Building Control

As a Building Consent Authority (BCA) Council carries out the following tasks:

- Processes building consent applications
- Grants and issues building consents
- Undertakes building inspections
- Issues Notices to Fix
- Issues Code Compliance Certificates
- Investigation of complaints relating to building work and illegal buildings
- Issues compliance schedules
- Any other functions and duties specified in the Building Act 2004 As a **Territorial Authority (TA**) Council carries out the following tasks:
- Performs functions relating to our Dangerous, Earthquake-Prone and Insanitary Buildings Policy
- Administration and audit of building warrants of fitness (BWOF)
- Investigation of building work related complaints where consents have not been applied for or issued
- Issues project information memorandum (PIM)
- Issues building consent discretionary exemptions under Schedule 1(2)
- Processes and Issues Certificates of Acceptance (CoA)
- Issues and amends compliance schedules
- Decides the extent to which buildings must comply with the building code when they're altered, are subject to a change of use, or their specified intended life changes
- Carries out any other functions and duties specified in the Building Act

Other Regulation

- Council bylaws
- District Plan (including noise), Building Act and freedom camping compliance

Health Regulation

- Inspection and licensing of food premises under the Food Hygiene Regulations 1974 and the Food Act 2004
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors, mortuaries and mobile shops, together with other duties under the Health Act 1956
- Responding, investigating and reporting on noise complaints and other duties under the Resource Management Act 1991 and the District Plan
- Ensuring appropriate steps are in place to limit the impact of commercial or industrial noise and ensure

compliance within the noise provisions of the District Plan

- Inspection of liquor premises (participation in stakeholder compliance visits), licensing of liquor premises, reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the Grey District Licensing Committee (DLA) and administering new applications or renewals of managers certificates

Emergency Management

Civil Defence and Emergency Management, including:

- Developing, implementing and monitoring District-wide emergency management plans
- Promoting community preparedness for emergencies
- Working with other authorities, both locally and in the Region, to plan for and respond to hazards, risks and emergencies
- Mobilising and responding in the event of an emergency

Dog/Stock Control

- Investigation of complaints about dogs including barking, wandering, menacing and dangerous dogs
- Enforcing legislation and Council's bylaws which govern where dogs are permitted, control of dogs on a leash and fencing of dogs within a property boundary
- Impounding wandering dogs and taking steps to identify the owner of the dog
- Maintaining a register of dogs generally and for those classified as menacing or dangerous
- Responding to wandering stock complaints

Local Government legislation requires that Council, where possible, maintain a clear division between its operational and regulatory functions. Local authorities, as facilitators of development and growth, also have to comply with statutory requirements and administer legislative powers in a fair and objective manner and avoid conflicts of interest. It is for this reason that these activities are in the same grouping.

Why we are involved in this activity/these activities

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment.

- The district planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the District's buildings and other associated structures (such as swimming pools) are safe, habitable and meet National legislative requirements. Of particular importance is Council's role in advising on and, where necessary, enforcing the statutory provisions relating to earthquake prone buildings.
- Other regulation activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Health regulation services aim to protect our community from infectious and notifiable diseases by promoting food safety practices in food establishments. This activity also aims to ensure that hairdressing businesses, gaming machines, camping grounds and those selling liquor conform to appropriate standards.
- Emergency Management is in place make sure that our District is prepared for emergencies. The District is not only in a high rainfall area and, therefore subject to flooding, but inundation, cyclones and tornados have in the past caused problems. Most importantly, the District is a high risk earthquake area. Council subscribes to the principles of "reduce, readiness, response, and recovery" and "get ready – get thru".
- The dog and stock control service aims to provide a safer District by reducing dog-related offences through ensuring the registration of dogs, the education of their owners and the investigation of complaints. In addition, this service seeks to support safer road and rail corridors by responding to complaints about wandering stock and working with landowners to maintain stock proof fencing. Council undertakes this activity

in accordance with its obligations under the Dog Control Act 1996 and Impounding Act 1955.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong **Sustainable**	▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provides a platform for a strong and sustainable economy. ▪ The provision of effective emergency preparedness and activated emergency activities ensures the ongoing operation of the economy in times and following emergency situations.
Social Wellbeing	
Safe **Enabled**	▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide assurances of safety for all sectors of the community, business, and industry. ▪ The provision of emergency preparedness and activated emergency activities provides for safety of the community, as well as enabling communities to be prepared for these events.
Environment Wellbeing	
Practical **Resilient** **Strategic**	▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide for resiliency and a future focus for our environment.

Our performance in 2024/2025

Environmental Services

Overview

The proportion of residents satisfied with the Council's regulation of land use throughout the district in the 2024/2025 year was 31%. This number was lower than the previous year (38%), it was below the target of 60% and it has given us valuable feedback on areas for improvement. Overall, Council achieved three of its ten performance targets for environmental services. Notably, multiple of the remaining measures were very close to achieving their targets.

The past year has been incredibly dynamic for our environmental services teams. The building control team issued 253 Code of Compliance Certificates for completed building work. Furthermore, 145 non-notified land use consents, that allow a change in land activity, were drafted during the financial year. This upswing illustrates an increase in residential building activity within the district and reflects a large number of infill subdivisions, and some larger rural-residential and rural lifestyle subdivisions that are now able to proceed. This is a promising indicator of growth and development within the district.

Performance measures - Environmental Services

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Council is efficiently processing information requests and consent applications within statutory time limits	% of Land Information Memoranda (LIMs) issued within 10 working days of application	*100%*	99.35%	**97.44%**	**Target Not Achieved** 343 of 352 LIMs were issued within 10 working days in 2024/2025. 9 LIM's were outside the statutory timeframe due to inability to resource the department at certain times of the year.
	% of non-notified land use consents processed within 20 working days	*100%*	50%	**50%**	**Target Not Achieved** 72 of 145 non-notified consents were processed within 20 days. 43 consents took over 20 days to process. However 23 had s37 extensions approved.
	% of building consent applications issued within statutory time limits	*100%*	93.71%	**97%**	**Target Not Achieved** 257of 263 building consent applications issued within statutory time frame.
	% of Code of Compliance Certificates (CCC) issued within statutory time limits	*100%*	87.5%	**96%**	**Target Not Achieved** 263 of 253 CCC's issued within statutory timeframes. 10 CCC's were outside the statutory timeframe.
	% of building inspection undertaken at agreed times	*95%*	Not Measured	**Not Measured**	**Target Not Measured** Council currently does not have the capability to measure building inspections that are carried out at agreed times.
We are ensuring that buildings within the District are safe and meet national quality standards	Grey District Council maintains accreditation as a building consent authority	*Achieved*	Achieved	**Achieved**	**Target Achieved** BCA Accreditation has been maintained.

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
We are responding to service requests in a timely manner	% of after-hours noise complaints responded to within two hours	*98%*	95%	**97%**	**Target Not Achieved** Council contracts a security company to provide this service. Reports of complaints are monitored and checked by our staff daily.
	% of after-hours animal control complaints responded to within two hours	*100%*	100%	**100%**	**Target Achieved**
	% of complaints about breaches of bylaws and District Plan rules are responded to within five working days	*100%*	100%	**100%**	**Target Achieved** Only a small number of complaints (6) were received, and these were dealt with within the required timeframe.
Our District Plan is effective in developing and maintaining sustainable development and a satisfactory environment	% of residents satisfied with Council's regulation of land use throughout the District	*60%*	38%	**31%**	**Target Not Achieved** While 31% were dissatisfied, 33% recorded that they did not know and 5% skipped this question.

Funding Impact Statement - Environmental Services

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	1,613	1,695	1,675
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	989	986	1,872
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	314	321	74
Total Operating Funding	2,916	3,002	3,621
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	734	741	2,771
Finance costs	5	5	11
Internal charges and overheads	2,162	2,203	1,238
Other operating funding applications	-	-	-
Total applications of operating funding	2,901	2,949	4,020
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**15**	**53**	**(399)**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	31	32	125
Increase/(decrease) in debt	5	495	(210)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	36	527	(85)
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	34	534	16
- to replace existing assets	6	16	-
Increase/(decrease) in reserves	11	41	(500)
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	51	591	(484)
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(15)**	**(64)**	**399**
FUNDING BALANCE	**-**	**(11)**	**-**

Variations from budget – Environmental Services

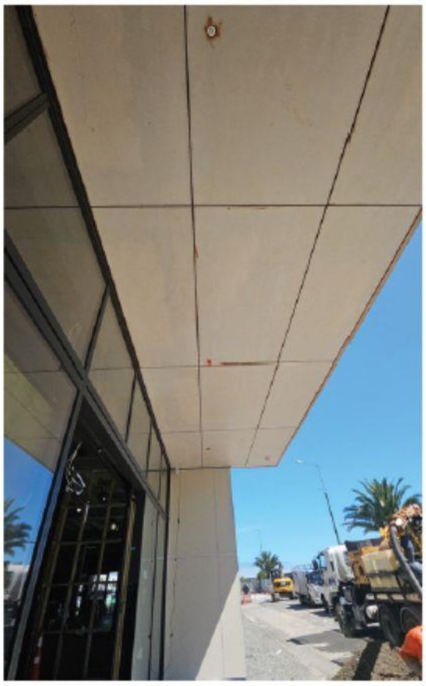
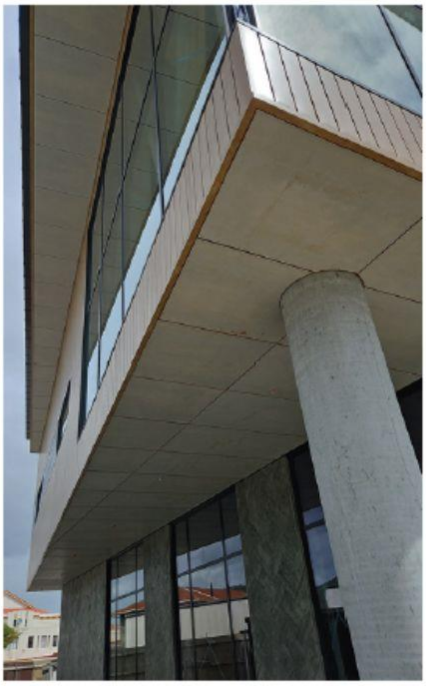
Fees and Charges were $886,000 more than LTP Year 4 due to higher fees being charged and a change in deposit recognition.

Payments to staff and suppliers were $2,041,000 higher than LTP Year 4 due to an increase contractor reliance due to high staff turnover in the Building and Planning areas. This is partially offset by a $965,000 lower than expected expenditure on internal charges and overheads, which is reflective of the use of consultants.

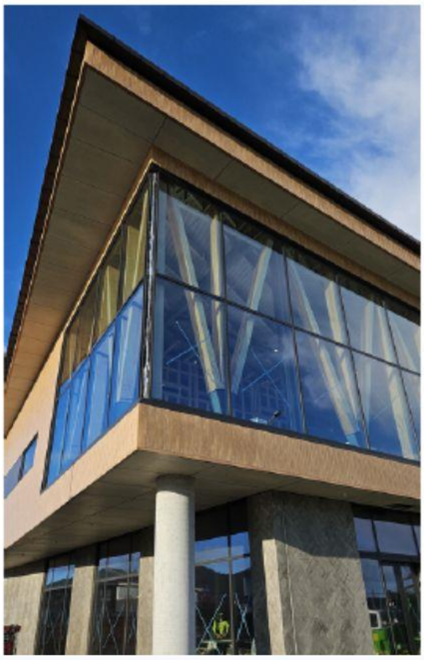
Debt and capital expenditure are lower than expected in Year 4 of the LTP due to the replacement of the dog pound facility being deferred to a later time.

Identified effects of these activities on the community

During the year Council continued to enforce its Earthquake-Prone Buildings (EQPB) Policy. In developing this policy, the Grey District Council must balance the need to protect public health and safety against the economic implications of requiring significant remedial building work and the community's desire to protect historic structures and the West Coast heritage. Council has continued to proactively engage with the community and building owners concerning their obligations under the policy.






Commercial & Property

Commercial & Property

Activities included in this group

Greymouth Aerodrome

- The aerodrome, including the runway, taxi area, grass runway for use by microlight aircraft as well as navigation lights.
- The Greymouth Aero Club as service provider to incoming and departing aircraft.
- Management of the land portfolio in the form of land leases and rights to occupy.

Parking

- The provision of parking.
- Regulating the use of parking.

Port of Greymouth

- Managing the port, the breakwaters, wharves and the slipway.
- Managing the navigation safety function.
- Managing the land holding portfolio.

Council property (operational)

- A building portfolio involving three leased buildings and the buildings supporting Council's administrative function (Tainui St and Runanga service centre).
- Other buildings enabling the delivery of community services, e.g. Westland Recreation Centre, Grey District Library History House museum, Women's Centre and Left Bank Art Gallery.
- Unused Council land consisting of various titles across the District.
- Management of leases with Mawhera Incorporating regarding land leased by Council.

Retirement Housing

- Maintaining and managing occupation of 118 units.
- Pro-active provision of further retirement housing units.

Why we are involved in this activity/these activities

Council provides these services as part of a much wider array of services aimed at improving the health, safety, enjoyment and connectedness of our community. Each component contributes as follows:

- The aerodrome is an important strategic asset. It not only provides the opportunity for use by smaller commercial and private aircraft but also provides a convenient transport option for Grey Base Hospital for the transfer of patients and staff as well for emergency air rescue services. In addition, it is an important training venue for related activities and defensive driver training. St John's Ambulance and Land Search & Rescue both have headquarters located on the aerodrome site.
- The Parking function is an integral component of a vibrant and growing CBD and important access to other key services in the District. It provides for safety and convenient access to commercial, educational and service industries and venues.
- The ownership of the Port was transferred to Council as part of the 1989 Local Government Reorganisation. Port of Greymouth is an important fishing asset as it is located closest to the lucrative Hokitika Trench fishing grounds. It provides safe berthage to a local and, from time to time, visiting fishing fleet as well. It is home to the fish handling and processing activities of two firms.
- Council is committed to managing its commercial property portfolio responsibly so as to maximise revenue for the benefit of all residents.

- Council provides retirement housing for disadvantaged, elderly persons to give them warm, safe and affordable accommodation.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable Prosperous	▪ The management and operation of Council's commercial property, including the Port and Aerodrome, are essential to enable the district to have a strong economy. ▪ The management and maintenance of parking facilities provide benefit in providing for a strong and sustainable local economy.
Social Wellbeing	
Safe Connected Enabled	▪ The management and operation of Council's commercial property, including the Port and Housing is integral for connection outside of the district for safety and enablement of local and regional economy. ▪ The management, maintenance and provision of safe parking facilities assist with community enablement and safety.
Environment Wellbeing	
Resilient	▪ The management and operation of Council's commercial property, including the Port and Aerodrome assist the district's resiliency under several scenarios.

Our performance in 2024/2025

Commercial & Property

Overview

Overall, Council achieved two of its four performance targets for commercial and property.

Over the past couple of years, the Council has carried out a programme of work to improve our retirement units. This has included new roofs, weathertightness and insulation, installation of heat pumps better security and new driveways. Occupancy of the 118 units for the year was very close to 100% and tenant satisfaction was 93% of those that responded to our survey.

Port operations continue to provide a financial challenge for Council. There has been significant investment in the wharves, the new slipway and the winch shed, which will contribute to it viability going forward. At present the Port remains essentially a fishing port, with limited opportunity to increase revenue to meet its full operating costs. This may change in the future if proposed mining of mineral sand by a local company provides an additional revenue stream and central government announcements around mineral extraction provide opportunities for the Port and wider district. Supporting the Port operation remains important to Council as the economic activity created by the Port provides custom to local business in Greymouth.

The proportion of residents satisfied with the availability of public parking remained high in 2024/25 at 65%. This is less than the target of 70%.

Performance measures - Commercial & Property

Parking

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with the availability of public parking	*70%*	65%	**65%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Port

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	Annual survey of Port users completed in August, measuring satisfaction	*75%*	50%	**Not measured**	**Target Not Achieved** The annual survey for 2023/2024 was conducted in November and December 2024. No survey has been conducted for the 2024/2025 year.

Retirement housing

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
An affordable, well maintained, and efficient retirement housing service is provided	Achievement of minimum percentage of occupancy rates	*95%*	99.84%	**98.97%**	**Target Achieved** All units are effectively let. Council takes the opportunity between tenants to undertake any necessary renewal works.
Customer satisfaction	% of tenants satisfied with the service (annual survey of tenants)	*90%*	92%	**93.22%**	**Target Achieved** In August 2025, 118 surveys were sent out to our tenants, 59 responses were received. 93.22% of those responses were satisfied or very satisfied with the Retirement Housing.

Funding Impact Statement - Commercial & Property

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	506	729	582
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,406	1,455	1,606
Internal charges and overheads recovered	617	636	-
Local authorities fuel tax, fines, infringement fees and other receipts	69	71	18
Total Operating Funding	2,598	2,891	2,206
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	1,719	1,735	1,689
Finance costs	297	314	236
Internal charges and overheads	576	591	972
Other operating funding applications	-	-	-
Total applications of operating funding	2,592	2,640	2,897
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**6**	**251**	**(691)**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	1,150
Development and financial contributions	-	-	-
Increase/(decrease) in debt	406	196	352
Gross proceeds from the sale of assets	-	-	698
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	406	196	2,200
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	100	-	-
- to replace existing assets	309	428	927
Increase/(decrease) in reserves	3	19	582
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	412	447	1,509
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(6)**	**(251)**	**691**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget – Commercial & Property

Subsidies and grants are $1,150,000 higher than indicated in LTP Year 4, which is attributable to an additional grant for the Port slipway and winch.

Capital expenditure on replacement of existing assets is $499,000 higher than anticipated in LTP Year 4 due to the work on the slipway and winch, which was funded by a grant from MBIE.

Identified effects of these activities on the community

The Port operations continue to struggle financially, however there is a more positive outlook with the development of a new fish processing facility in Greymouth.

The aerodrome continues to offer the facilities required to support health services.

With the district economy taking a downturn, the provision of parking enforcement has not been required to the same extent as previous years. Council has reduced the service provided to match the demand.

Community & Recreation

Community & Recreation

Activities included in this group

Community facilities include:

Libraries

- Greymouth Library (including Pioneer Library)
- Runanga Library

Swimming Pools

- Westland Recreation Centre
- Spring Creek Pool, Runanga

Heritage, Arts & Culture

- Museum operations
- Financial support to other Arts, Culture and Heritage bodies

Indoor Sport Centres

- Westland Recreation Centre

Parks and Tracks

- Parks
- Playgrounds
- Walking tracks
- Other open areas accessible to the public.
- Statues and monuments

Public restrooms

- Ten public toilets, some with other facilities

Council's In-house task force

Cemeteries

- Karoro Cemetery
- Gladstone Cemetery
- Stillwater Cemetery
- Barrytown Cemetery
- Blackball Cemetery
- Ahaura Cemetery
- Nelson Creek Cemetery (Ngahere)
- Moonlight Cemetery (not maintained)
- Maori Gully
- Cobden Cemetery
- Greenstone Cemetery
- Dungaville Cemetery (not maintained)
- Notown Cemetery
- Napoleon's Hill Cemetery (not maintained)
- Interment (burial) services
- Application and pre-purchase of burial plots
- Cemetery records

Why we are involved in this activity/these activities

It is a requirement for any community to have access to a wide range of services that makes living in that area and visiting that area attractive and enjoyable. It is often described as services and activities that make any community "whole". These services often "define" a community and give the community identity and a sense of belonging.

Services can be in the form of active and passive recreation and enjoyment.

Facilities offered by Grey District Council are critical services that ensure the wellbeing of our communities and answer the needs of society. Whether those needs be economic, social, environmental, emotional or physical, our facilities are where people can feed their imaginations, rebuild their lives, find direction, upskill themselves and put the theory of growth, understanding and tolerance into practice.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Diverse Sustainable Prosperous	▪ The provision and effective management of recreational and sports facilities, along with the Library and Museum Services contributes to a strong, sustainable, prosperous and diverse economy. ▪ The provision and effective management of retirement housing assists with a strong, sustainable, and diverse economy. ▪ The provision, strategic management, and maintenance of public toilet facilities for the community and visitors assists with a strong, prosperous and sustainable economy. ▪ The enablement of arts facilities assists with a diverse and strong economy. ▪ The management and maintenance of parks, reserves and cemeteries assists with a sustainable and strong economy.
Social Wellbeing	
Safe Inclusive Connected Enabled	▪ The provision and effective management of recreational and sports facilities, along with the Library and Museum Services makes for an inclusive, connected, safe and enabled community. ▪ The provision and effective management of retirement housing enables a safe, enabled and connected community. ▪ The provision, management, and maintenance of public toilet facilities for community and visitors assists with safety in the community. ▪ The enablement of arts facilities assists in an inclusive, enabled and connected community. ▪ The provision and maintenance of parks, reserves and cemeteries provides a safe, connected, and enabled community.
Connected	▪ Well maintained roading network, footpaths, cycle lanes and cycle paths for connection to activities, businesses, communities and industry.
Cultural Wellbeing	
Proud Unique Inter-connected Vibrant	▪ The provision and effective management of recreational and sports facilities, along with the Library and Museum Services contributes to a proud, unique, inter-connected and vibrant culture. ▪ The enablement of arts facilities assists in and proud, unique and vibrant culture. ▪ The provision and maintenance of parks and reserves provide a unique and vibrant culture.
Environment Wellbeing	

OUTCOME	CONTRIBUTION
Practical **Resilient** **Strategic**	▪ The effective and strategic management of parks, reserves and cemeteries contributes to resiliency in the environment.

Our performance in 2024/2025

Community & Recreation

Overview

Council did not achieve any of its performance measures for Community and Recreation in this financial year.

Community and recreation facilities were well utilised during this financial year with a number of larger events at the Westland Recreation Centre. It is especially popular during the long winter sport season. The new library build has been approved, and the project is well underway. This community hub will offer all the current services and programmes in a modern environment and enhance the central business district. Community engagement process ensured community involvement in the project with good feedback for consideration. The customer service feedback system implemented last year across the community and recreation area continues to provide real time feedback with weekly and monthly reports to enhance customer service.

Performance measures - Community & Recreation

Libraries

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with service	*82%*	61%	**62%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Westland Recreation Centre

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of users are satisfied with swimming pools	*75%*	69%	**62%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	% of users satisfied with WRC stadium	*75%*	67%	**47%**	**Target Not Achieved** While only 47% of residents were satisfied a further 40% answered "Don't know". The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.
	% of users satisfied with WRC fitness centres/gyms/group fitness classes	*65%*	53%	**45%**	**Target Not Achieved** While only 45% of residents were satisfied a further 44% answered "Don't know". The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Cemeteries

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents satisfied with the standard of cemetery facilities	*77%*	66%	**63%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Parks and Tracks

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	*85%*	73%	**73%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Public Toilets

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with the service	*72%*	70%	**65%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Funding Impact Statement - Community & Recreation

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	4,643	4,795	5,385
Targeted rates	94	65	48
Subsidies and grants for operating purposes	68	69	258
Fees and charges	1,324	1,350	1,367
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	31	32	24
Total Operating Funding	6,160	6,311	7,082
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	4,689	4,706	5,740
Finance costs	160	154	155
Internal charges and overheads	872	887	1,042
Other operating funding applications	-	-	-
Total applications of operating funding	5,721	5,747	6,937
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**439**	**564**	**145**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	3,485
Development and financial contributions	-	-	-
Increase/(decrease) in debt	46	(117)	4,726
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	46	(117)	8,211
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	6	6	10,285
- to replace existing assets	391	263	232
Increase/(decrease) in reserves	88	178	(2,161)
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	485	447	8,356
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(439)**	**(564)**	**(145)**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget – Community & Recreation

Payments to staff and suppliers are $1,034,000 higher than LTP Year 4 due to higher staff costs at the Westland Recreation Centre ($496,000) and unplanned building repairs and roof remediation ($150,000).

Subsidies and grants were higher than projected in Year 4 of the LTP ($3,485,000) and debt was also higher than LTP Year 4 by $4,843,000. These correspond with the $10,279,000 higher capital expenditure which is due to the Library project, originally budgeted for Year 6 of the LTP.

Identified effects of these activities on the community

Council continues to offer high quality community facilities that form an integral part of making the Grey district an attractive place to live, work and invest. It is recognised that these facilities require a high level of general ratepayer input, and there is not always a direct link between those who pay and those who benefit. Council strives to deliver the services in the most cost-effective manner possible.

Democracy & Administration

Democracy & Administration

Activities included in this group

Democracy and Administration includes Council, public consultation, Council administration and economic development.

Why we are involved in this activity/these activities

A healthy community requires its elected Council to show strong leadership, but, at the same time, to conduct its business in an open, transparent manner.

A vital component of democracy and administration is a Council Administration that executes Council's policies in a professional, objective and fair manner and, in doing so, respects the needs and circumstances of individual residents.

Council is involved with projects which provide economic development benefits to ensure the Grey District is a vibrant, progressive and welcoming environment where people can live, work or visit. Council will focus on the issues of concern that can be controlled, while keeping a watchful eye on those issues of concern which are not within its control.

Council facilitates events in the Grey District to provide vibrancy and enhance community wellbeing. Council will organise events to be held on Council property, e.g., Town Square, community facilities.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong **Diverse** **Sustainable** **Prosperous**	▪ Effective, diverse, and strategic leadership contributes to a strong, sustainable, and prosperous economy. ▪ Effective economic development and event facilitation contributes to a strong, diverse, sustainable, and prosperous economy. ▪ Efficient and strategic administration enables a strong economy.
Social Wellbeing	
Proud **Unique** **Inter-connected** **Vibrant**	▪ Effective, diverse and strategic leadership enables a safe, inclusive and connected community. ▪ Effective economic development, and event facilitation enables an inclusive, connected and enabled community. ▪ Efficient and strategic administration enables the community.
Cultural Wellbeing	
Proud **Unique** **Inter-connected** **Vibrant**	▪ Effective and diverse leadership enables the district to be culturally inter-connected. ▪ Effective economic development and event activities provide for a proud, unique, inter-connected and vibrant culture.
Environment Wellbeing	
Bold **Practical** **Resilient** **Strategic**	▪ Effective and strategic leadership provide for decisions that enable boldness, practicality and resiliency within the environment.

Our performance in 2024/2025

Democracy & Administration

Overview

The proportion of residents satisfied with the overall service from Council offices increased in 2024/2025 to 63% from 61% in 2023/2024.

Performance measures – Democracy & Administration

What we're measuring	How we'll measure	*2024/ 2025 target*	2023/ 2024 measure	2024/ 2025 measure	Notes
Customer satisfaction	% of residents are satisfied with the service they received when they have contacted Council offices	*80%*	61%	**63%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between October 2024 and March 2025. The full report is available on Council's website.

Funding Impact Statement - Democracy & Administration

For the year ended 30 June 2025

	LTP 2023-24 $000	LTP 2024-25 $000	Actual 2024-25 $000
OPERATING FUNDING			
SOURCES OF OPERATING FUNDING			
General Rates, Uniform annual general charges, rates penalties	2,243	2,069	2,844
Targeted rates	129	129	322
Subsidies and grants for operating purposes	26	26	528
Fees and charges	47	48	75
Internal charges and overheads recovered	7,511	7,734	8,414
Local authorities fuel tax, fines, infringement fees and other receipts	135	106	(234)
Total Operating Funding	10,091	10,112	11,949
APPLICATIONS OF OPERATING FUNDING			
Payments to staff and suppliers	7,546	7,462	10,419
Finance costs	-	-	(120)
Internal charges and overheads	2,354	2,482	3,277
Other operating funding applications	-	-	-
Total applications of operating funding	9,900	9,944	13,576
SURPLUS / (DEFICIT) OF OPERATING FUNDING	**191**	**168**	**(1,627)**
CAPITAL FUNDING			
SOURCES OF CAPITAL FUNDING			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	-	(781)
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	0	0	(781)
APPLICATIONS OF CAPITAL FUNDING			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	4	4	14
- to replace existing assets	160	163	390
Increase/(decrease) in reserves	27	1	(2,812)
Increase/(decrease) of investments	-	-	-
Total applications of capital funding	191	168	(2,408)
SURPLUS / (DEFICIT) OF CAPITAL FUNDING	**(191)**	**(168)**	**1,627**
FUNDING BALANCE	**-**	**-**	**-**

Variations from budget – Democracy & Administration

Subsidies and Grants were $502,000 higher than expected due to Majors Taskforce for Jobs funding.

Payments to staff and suppliers are $2,957,000 higher than budgeted in Year 4 of the LTP due to key staff vacancies creating the need for additional consultants for larger projects, such as the production of the Long Term Plan.

Identified effects of these activities on the community

Back in October 2012, key stakeholders identified from a cross section of organisations within the district were invited to be part of the Economic Development Liaison Group (EDLG) to help draft an Economic Development Strategy. Chaired by the Mayor, this group was responsible for overseeing and guiding the development of the Grey District Council's Economic Development Strategy, a ten-year plan to help foster economic growth within the district. A draft Economic Development Strategy was put out to the community for feedback in May and on 11 July 2013, the EDLG met to hear and consider submissions on the draft plan. Following this, a final strategy was developed and subsequently adopted by Council on 12 August 2013. This strategy continues to act as the basis for subsequent Council projects, such as the CBD renewal.

PART D: Consultation with Māori

Through a specific activity, “Efficient and Open Consultation”, Council has set specific performance targets relating to the establishment and maintenance of processes in providing opportunities for Māori to contribute to the decision making processes of the Grey District Council.

At their meeting on 8 April 2019, Grey District Council confirmed the Memorandum of Understanding between Council and Te Runanga O Ngāti Waewae, paving the way for greater acknowledgement of the important role of Māori in our District, both historically and into the future.

The Memorandum was officially signed at the Council meeting on 13 May 2019, at which time the Runanga Chairperson, Mr Francois Tumahai, was appointed a seat at the Council table as part of an informal arrangement pending formalisation at the next Electoral Representation Review.

PART E: Independent Auditors Report

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF GREY DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 June 2025

The Auditor-General is the auditor of Grey District Council (the Council). The Auditor-General has appointed me, Brendan Summerfield, using the staff and resources of Ernst & Young, to carry out the audit on his behalf.

We have audited the information in the annual report of the Council that we are required to audit in accordance with the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as "the disclosure requirements" in our report.

Opinion on the audited information

In our opinion:

- the financial statements of the Council on pages 10 to 69:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2025;
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards;
- the Council's performance information for the year ended 30 June 2025 on 81 to 146:
  - provides an appropriate and meaningful basis to enable readers to assess the Council's actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
  - fairly presents, in all material respects, the Council's actual levels of service for each group of activities, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and

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- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards;

- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025 on 81 to 146, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act;

- the funding impact statement for each group of activities of the Council for the year 30 June 2025 on pages 81 to 146 has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act.

- the funding impact statement of the Council for the year ended 30 June 2025 on 70, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.

Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 to the Act for the year ended 30 June 2025; and

- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2025 are complete and accurate.

Date

We completed our work on 2 December 2025. This is the date on which we give our opinion on the audited information and our report on the disclosure requirements.

Emphasis of Matter – future of water delivery

Without modifying our opinion, we draw attention to Note 37 on pages 68 and 69, which outlines that in response to the Government's Local Water Done Well reforms, the Council has decided to establish a multi-owned water organisation with Westland District Council and Buller District Council to deliver water, wastewater and stormwater services from 1 July 2027.

The financial impact of this decision is unknown because details of the exact arrangements are still being considered.

Basis for our opinion on the audited information and the disclosure requirements

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the audited information and the disclosure requirements* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information and our report on the disclosure requirements.

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Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing its ability to continue as a going concern.

Responsibilities of the auditor for the audited information and the disclosure requirements

Responsibilities for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate whether the performance information includes all groups of activities that we consider are likely to be material to the readers of the annual report.

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- We evaluate whether the measures selected and included in the performance information for groups of activities present an appropriate and meaningful basis that will enable readers to assess the Council's actual performance. We make our evaluation by reference to generally accepted accounting practice in New Zealand.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of Schedule 10 to the Act and Part 2 of the Regulations; and

- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the Council's audited information and, where applicable, the Council's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Council in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code*

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of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out an assurance engagement in relation to the Council's long-term plan and debenture trust deed, which is compatible with independent requirements. Other than these engagements we have no relationship with or interests in the Council.

Brendan Summerfield
Ernst & Young
Chartered Accountants
On behalf of the Auditor-General
Christchurch, New Zealand