

2024/2025

Annual Report Summary

From the Mayor and CEO

Welcome to this summary of the 2024/2025 Annual Report, an overview on Council's performance during the period 1 July 2024 to 30 June 2025.

In this summary we list some of our achievement highlights from the previous 12 months, how we have performed and what it has all cost.

The result is deficit of \$4.78 million, compared with a budgeted surplus of \$416,000.

Refer to the summary financial statements section for further details of this deficit, as well as the full Annual Report. The Annual Report is an important way of demonstrating Council's accountability to you – its community. We encourage everyone to take the time to read the complete document.



Tania Gibson
Mayor



Joanne Soderlund
Chief Executive

This summary was authorised for issue by Grey District Council management on 2 December 2025.

Highlights & achievements from the last 12 months

Commencement of the new library build, which 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.

Improvements to many of our retirement housing units through a programme of work which has included new roofs, installation of heat pumps, better security and new driveways.

New cell for McLeans Pit landfill.

Overview

(\$4.78M)

Deficit

We report a deficit of \$4.78 million as opposed to the budgeted surplus of \$416,000. Refer to the summary financial statements for details.

\$38.05M

Total debt

Council uses debt to fund projects with long-term benefits such as sewerage schemes and water supplies.

9,234

Total number of rating units

Total capital value of rating units - \$5,062M
Total land value of rating units - \$2,272M

\$19.55M

Capital expenditure

Amount spent on asset renewals and new assets

\$591M

Total asset value

This includes Council's property, plant, equipment (e.g. roadng network, sewerage systems, water supply systems etc) as well as cash and term investments.

Non-financial performance measures

How we have performed

What Council has spent and where is outlined in the summary financial statements section. Council also measures non-financial performance against a number of different targets across our activities - you can find the complete list of these within the full Annual Report.

Our activity groups

Council is responsible for a wide range of activities. As a practical measure, activities of a similar output are grouped together.

How we measure our non-financial performance

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. The full survey is available in our website.

Performance by activity

We've listed a few of the performance measures for our activities below. A complete list of performance measures, together with supporting information, is available in the full Annual Report.

Democracy and administration

Includes Council, consultation, administration and economic development

63%

Percentage of residents satisfied with the service they received when they have contacted Council offices
► Target: 80%

Community and recreation

Includes libraries, swimming pools, heritage, recreation centres, cemeteries, parks and tracks, in-house task force and public toilets

65%

Percentage of residents satisfied with our public toilets
► Target: 72%

62%

Percentage of users satisfied with swimming pools
► Target: 75%

Land transport

Includes roading and footpaths

54%

Percentage of residents satisfied with the way local roads are maintained
► Target: 54%

93.6%

Percentage of bridges posted more than Class 1 (44 tonnes)
► Target: 93%

Commercial and property

Includes aerodrome, parking, Port, Council property and retirement housing

65%

Percentage of residents satisfied with the availability of public parking
► Target: 70%

98.9%

Percentage occupancy rate was achieved for our retirement housing units
► Target: 95%

Environmental services

Includes district planning, building control, animal control, health regulation, liquor licensing, regulatory enforcement and emergency management

97%

Percentage of building consents applications issued within statutory time limits
► Target: 100%

100%

Percentage of after-hours animal control complaints responded to within two hours
► Target: 100%

Solid waste

Includes refuse collection, refuse disposal and recycling

71%

Percentage of residents satisfied with the household rubbish and/or recycling collection service provided by Council
► Target: 85%

16%

Percentage of waste is recycled
► Target: 20%

Performance by activity

Stormwater

Includes Council’s stormwater network including pipes and pumping stations

- 56%

Percentage of residents satisfied with the way their property drains stormwater (urban and residential areas only)
▶ **Target: 70%**
- 80

Number of complaints received in 2024/2025 regarding Council’s stormwater system – this is equivalent to 10.38 complaints per 1,000 properties (6,271 connections)
▶ **Target: 30 complaints (4.8 per 1,000 properties)**

Water supply

Includes Council’s water supply network including pipes and treatment stations

- 66%

Percentage of residents satisfied with overall water supply service
▶ **Target: 58%**
- 995

litres per person per day
Average consumption of drinking water per day per resident
▶ **Target: Less than 640 litres per person per day**

Wastewater (sewerage)

Includes Council’s wastewater network including pipes and pumping stations

- 65%

Percentage of residents satisfied with overall wastewater service
▶ **Target: 65%**
- 71

Number of complaints received in 2024/2025 about Council’s wastewater system, e.g. about odour, faults, blockages, response times etc – this is equivalent to 13.03 complaints per 1,000 properties (5,479 connections)
▶ **Target: 50 complaints (9.0 per 1,000 properties)**

Summary financial statements

Grey District Council is a public benefit entity (PBE). Council is classified as a Tier 2 reporting entity but has elected to report under Tier 1 and has applied full PBE Standards.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards (PBE Standards) and authoritative notices that are applicable to entities that apply PBE Standards.

Basis of preparation

Council has prepared the summary financial statements to give an overview of its performance. The specific disclosures included in the summary financial report have been extracted from the full audited Annual Report, which was approved and adopted by Council on 2 December 2025. The Annual Report was adopted later than required by section 98 (7) of the Local Government Act 2002.

The full financial statements comply with PBE standards and received an unqualified audit opinion with an Emphasis of Matter on the future of water delivery.

Readers should note that the summary information contained here cannot be expected to provide as complete an understanding as provided by the full financial statements of the financial performance, financial position, cash flows, accounting policies and service performance measures of the Council. Users who would like additional information should read the full Annual Report, available online at www.greydc.govt.nz and Council offices.

The summary financial statements are presented in New Zealand dollars and are rounded to the nearest thousand dollars (\$000) where indicated. These summary financial statements have been prepared in accordance with PBE FRS 43: Summary Financial Statements.

Summary financial statements

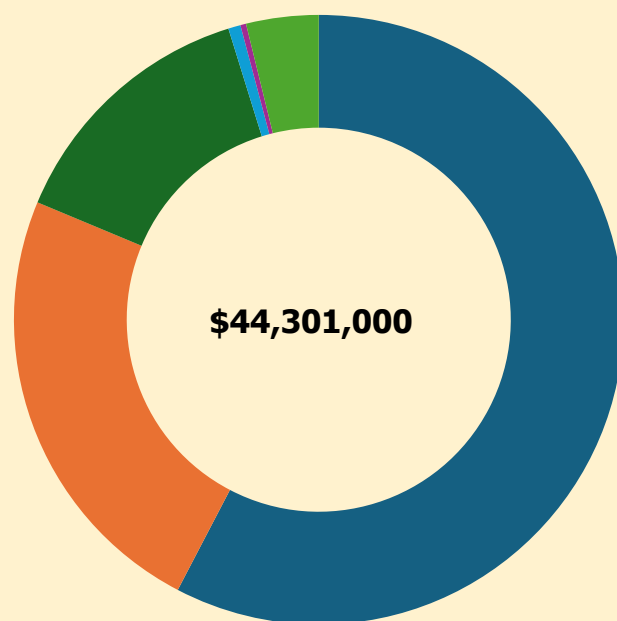
Summary Statement of Comprehensive Revenue and Expense for year ended 30 June 2025

		Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000
	Note			
Total revenue	1	44,301	40,419	39,830
Finance costs	2	(1,323)	(2,279)	(1,484)
Other expenditure	2	(47,753)	(37,724)	(44,716)
Surplus/(deficit) before tax		(4,775)	416	(6,370)
Income tax expense		-	-	-
Surplus/(deficit) after tax		(4,775)	416	(6,370)
Other comprehensive income and expense				
Gains/(losses) on revaluation of assets		-	-	13,212
Total comprehensive revenue and expense		(4,775)	416	6,842

Significant variations from budget include:

- 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.

NOTE 1: REVENUE Sources of revenue



Rates (incl. targeted water supply rates and metered water)	\$25,541,000	57.7%
Subsidies and grants	\$10,471,000	23.6%
Fees & charges	\$6,166,000	13.9%
Financial & development contributions	\$289,000	0.7%
Interest revenue	\$134,000	0.3%
Other revenue	\$1,700,000	3.8%

Want to read the whole report?

This document is a summary of the 2024/2025 Annual Report and is intended to provide an overview only of the full report.

The full 2024/2025 Annual Report provides detailed information about our performance for the year ended 30 June 2025 and if you would like to know more, a copy is available from:

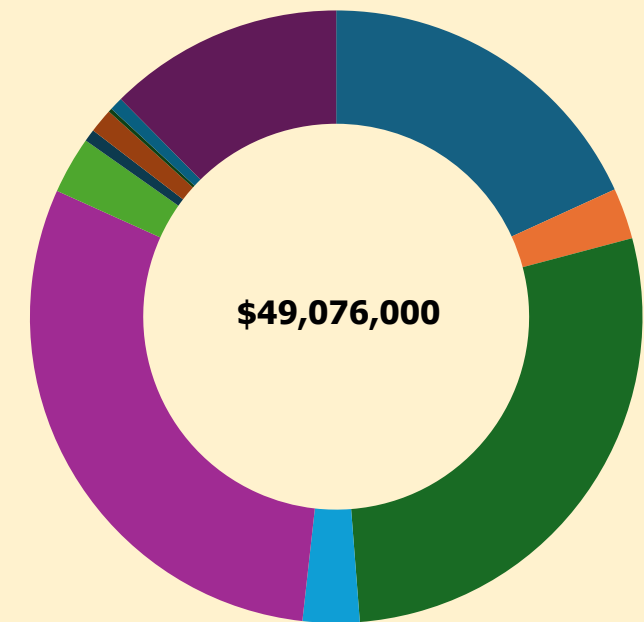
- Council's website, www.greymouth.govt.nz;
- or
- Pick up a copy from Council offices at 105 Tainui Street, Greymouth



Summary financial statements

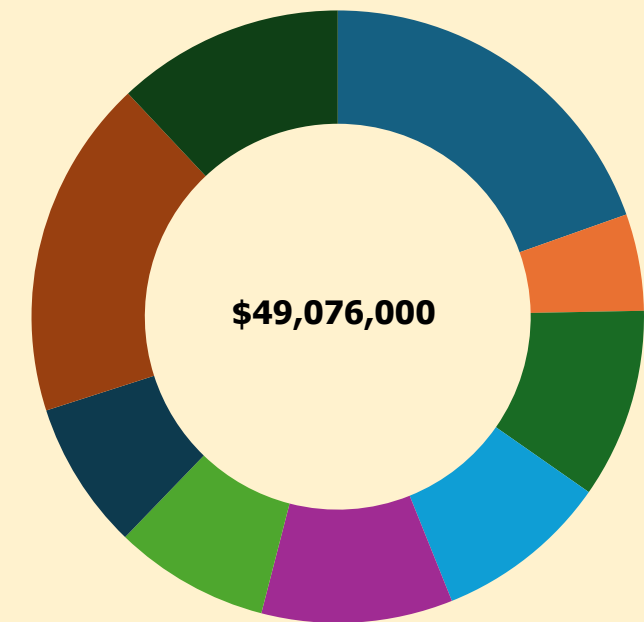
NOTE 2: TOTAL OPERATIONAL EXPENDITURE (incl finance costs)

Operational expenditure by type



Personnel costs	\$8,921,000	18.2%
Finance costs	\$1,323,000	2.7%
Depreciation & amortisation expense	\$13,689,000	27.9%
Insurance	\$1,470,000	3.0%
Contractors & professional services	\$14,711,000	30.0%
Utilities	\$1,481,000	3.0%
Minimum lease payments	\$318,000	0.6%
Grants	\$627,000	1.3%
Loss on disposals PPE	\$96,000	0.2%
Audit fees	\$345,000	0.7%
Other operating expenses	\$6,095,000	12.4%

Operational expenditure by activity



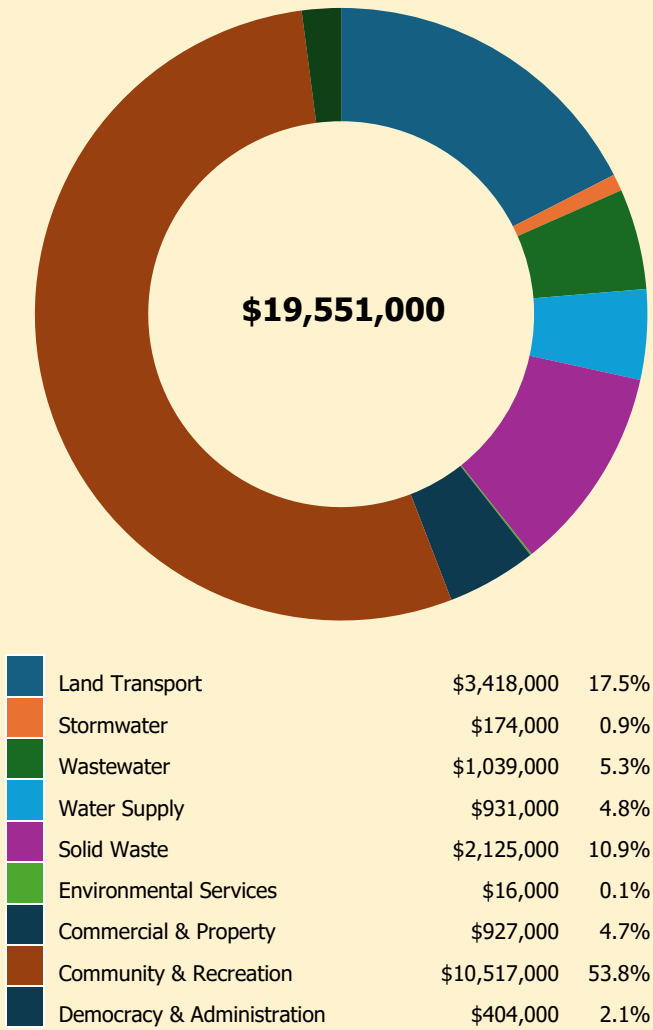
Land Transport	\$9,611,000	19.6%
Stormwater	\$2,507,000	5.1%
Wastewater	\$4,914,000	10.0%
Water Supply	\$4,523,000	9.2%
Solid Waste	\$4,954,000	10.1%
Environmental Services	\$4,024,000	8.2%
Commercial & Property	\$3,843,000	7.8%
Community & Recreation	\$8,809,000	17.9%
Democracy & Administration	\$5,891,000	12.0%



Anzac Park Toilets

Summary financial statements

Capital expenditure by activity



Of the **\$19,551,000** Council spent in 2024/2025 on replacing existing assets and acquiring/building new assets (noting the following may not be the complete project cost), here are some of the more significant projects:

Project/Asset	2024/2025 Expenditure
New Greymouth Library (works year to date)	\$10,045,228
New toilet block, Anzac Park	\$105,747
New winch, Port facility	\$515,161
Arnett Heights water reservoir	\$59,215
Retirement housing improvements	\$361,005
Mcleans Pit new cell	\$2,217,637

Summary Statement of Changes in Equity for year ended 30 June 2025

	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000
Balance at 1 July	545,741	529,333	538,899
Total comprehensive revenue and expense	(4,775)	416	6,842
Balance at 30 June	540,966	529,749	545,741

Summary Statement of Financial Position as at 30 June 2025

	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000
Current assets	8,911	16,096	12,618
Non-current assets	581,901	561,654	575,698
Total assets	590,812	577,750	588,316
Current liabilities	23,767	12,831	18,561
Non-current liabilities	26,076	35,170	24,016
Total liabilities	49,843	48,001	42,577
Accumulated funds	216,413	226,131	221,429
Reserves	10,143	2,416	9,900
Revaluation reserves	314,413	301,202	314,413
Total equity	540,969	529,749	545,741
Total equity and liabilities	590,812	577,750	588,318

- Significant variations from budget include:**
- 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 (PPE) 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.

Summary financial statements

Summary Statement of Cashflows for year ended 30 June 2025

	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000
Cash inflows/(outflows) from operating activities	13,178	13,264	5,017
Cash inflows/(outflows) from investing activities	(19,255)	(18,880)	(11,573)
Cash inflows(outflows) from financing activities	5,543	6,228	2,000
Net increase/(decrease) in cash and cash equivalents	(534)	612	(4,556)
Opening cash balance 1 July	3,471	5,519	8,028
Cash and cash equivalents at the end of the year	2,938	6,131	3,471

Summary of contingent assets and contingent liabilities

A full disclosure of contingent assets and liabilities is disclosed in the full Annual Report statements, relating to the following.

Westurf Recreation Trust

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

Council is listed as a sole guarantor for a loan agreement that the West Coast Theatre Trust has entered into with the Nelson Building Society for \$655,541 for a term of 13 years.

The exercising of the guarantee is dependent on the financial stability of the West Coast Theatre Trust. At balance date, Council believes that the West Coast Theatre Trust does not have the financial stability to meet all its obligations under the loan. 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 and 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

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 year 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-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight 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.

INDEPENDENT AUDITOR'S REPORT

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

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

The summary of the annual report comprises the following information on pages 2 to 8:

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

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2025 in our auditor's report dated 2 December 2025. Our auditor's report also includes an emphasis of matter paragraph drawing attention to the disclosure in note 37 of the full annual report 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.



**Shape the future
with confidence**

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

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

In addition to 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 independence requirements. Other than these engagements, we have no relationship with, or interests in the Council.

A handwritten signature in dark ink, appearing to read 'B Summerfield', written in a cursive style.

Brendan Summerfield,
Ernst & Young
On behalf of the Auditor-General
Christchurch, New Zealand
4 December 2025