

ATTACHMENTS

UNDER SEPARATE COVER 1

Ordinary Council Meeting

16 December 2025

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5.3 Adoption of the Annual Report 2024/25

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TAUPŌ DISTRICT COUNCIL

ANNUAL REPORT

2024/2025

PURPOSE AND CONTENTS

The Annual Report 2024/25 outlines Council's performance and delivery for the year. It sets out what we delivered and how that compares against our plan for the year¹, including whether:

- our service delivery met our quality standards and performance targets
- we remained within our budgets
- we delivered our planned capital investments
- we met our financial targets such as maintaining prudent borrowing levels and achieving a balanced budget.

The report also provides a full set of financial statements for the 2024/25 year.

¹ As set in Council's [Long-term Plan 2024 – 34](#)

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OVERVIEW AND HIGHLIGHTS

A MESSAGE FROM YOUR MAYOR

Tēnā koe. Welcome to Taupō District Council's Annual Report 2024/25. I'm pleased to share what your Council has delivered over the past year.

We have faced numerous challenges and major changes from central government, particularly the Local Water Done Well reform and the Resource Management Act review. But even with all that going on, Council has made great progress on several key initiatives and projects that will benefit our community for years to come.

Thanks to careful planning by this and previous Councils, we are in a strong position with our three waters infrastructure. I'm really proud of the way we operate and deliver our water services. In response to the government's Local Water Done Well reforms, we consulted on different options for the future of our water services and decided, after careful consideration, that retaining control of our water for now is the best outcome for our district. But we will also remain open to the option of later joining a regional water services entity, if this proves to be of benefit to our communities.

Our district is growing fast. We now have over 42,000 people living here – that's a 20 per cent increase in the last two decades. This rapid growth has brought significant challenges, and we must continue to invest in our infrastructure to meet demand and plan for future growth. This year we have delivered about \$78 million in capital projects including replacing 12.4km of water pipes, upgrading major wastewater infrastructure along Lake Terrace, improving our reservoirs and making safety upgrades to Poihipi Road and Whangamata Road. We have also continued to invest in our water treatment plants to ensure we comply with stricter drinking water quality standards.

Our district's successes have not gone unnoticed. We received two accolades this year that continue to enhance our reputation for excellence. We were finalists in the IXOM National Water Taste Competition and won the Buddle Findlay Award for Excellence in Māori-Council Partnerships. These accolades reflect the hard work and dedication of our teams and the community, and show what can be achieved when we work together.

Taupō District is also continuing to be noticed nationally and internationally. We continue to host major events that bring visitors, boost local businesses, and make our town a more exciting and vibrant place to live. Last year was particularly successful, with the VinFast IRONMAN 70.3 World Championship and another successful round of the ITM Taupō Super400 (Supercars Championship).

During the year, we developed Council's Annual Plan 2025-26. Through this process we had to make difficult trade-offs, but our goal was always to keep the rates increase as close as possible to what we promised in our LongTerm Plan 2024-34. We are fully aware that rates increases bring pain to our communities but they are also necessary for Council to continue to respond to the increasing expense of infrastructure and the cost of providing the services and facilities the community expects of us.

Thank you to everyone who has contributed to our mahi over the past year. Your support and involvement makes all the difference.

Ngā mihi nui ki a koutou katoa,



David Trewavas JP
Taupō District Mayor

WHAT TAUPŌ DISTRICT COUNCIL DOES FOR YOU

Council provides a wide range of facilities and services on behalf of the community. We group these as follows for financial and performance reporting:



Water supply services

We supply safe, treated drinking water to homes and businesses across 15 urban areas and small communities.



Wastewater services

We collect and treat wastewater from 11 communities to ensure safe, environmentally sustainable disposal.



Stormwater services

We manage stormwater through pipes, channels, swales, and pollutant traps to protect roads, lakes, and rivers.



Transport network services

We provide safe and efficient transport networks including roads, footpaths, cycleways, signage, and safety education.



Waste and environmental management services

We provide rubbish and recycling collection, public bins, transfer stations, and a landfill and resource recovery centre.



Community facilities

We offer libraries, pools, parks, sportsgrounds, community venues, public art, and cemeteries across the district.



Regulatory and emergency management activities

We regulate things like building, food, and alcohol. We also help manage civil defence and public safety.



Community leadership activities

We lead local governance, engage with communities, manage finances, run elections, and advocate for the district.



Strategic property activities

We provide housing for seniors, support affordable first homes, and manage Council land holdings.



District development activities

We support business growth, tourism, and events to build a vibrant and thriving Taupō district.



GREAT LAKE TAUPŌ
Taupō District Council

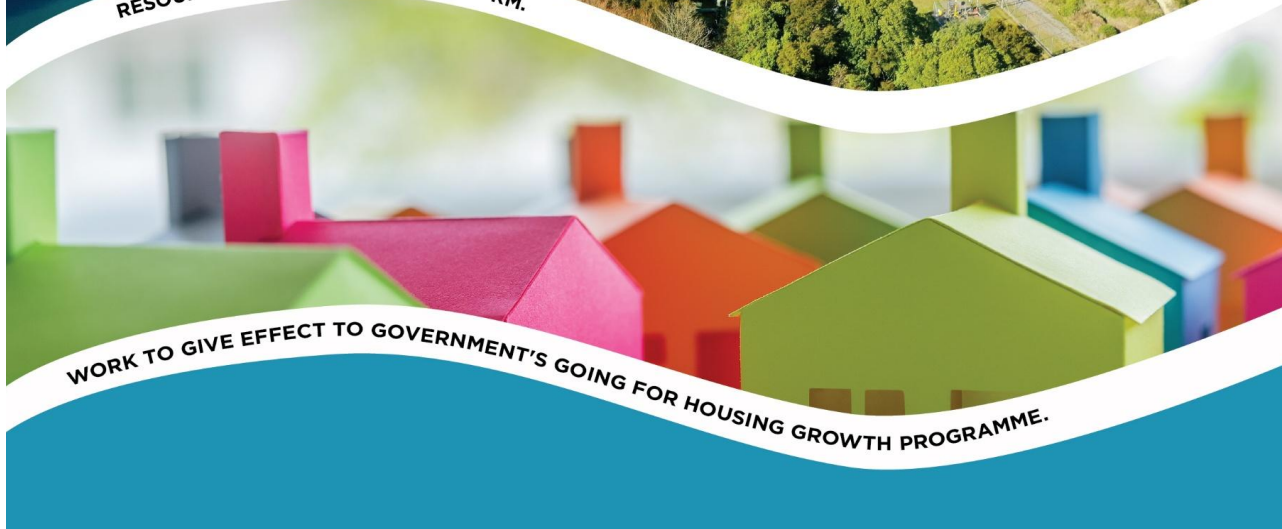
HIGHLIGHTS











YOUR COUNCIL

Elected Members as at 30 June 2025



Mayor
David Trewavas



Deputy Mayor
Kevin Taylor



Councillor
Kirsty Trueman



Councillor
Duncan Campbell



Councillor
Christine Rankin



Councillor
Rachel Shepherd



Councillor
Yvonne Westerman



Councillor
John Williamson



Councillor
Kylie Leonard



Councillor
Karam Fletcher



Councillor
Danny Loughlin



Councillor
Sandra Greenslade

OUR VISION AND COMMUNITY OUTCOMES

Our vision

We will be a district of connected communities who thrive and embrace opportunities

Community outcomes

Our community outcomes describe what we aim to achieve for our community, to promote the social, economic, cultural and environmental wellbeing of our district. They underpin how and why we deliver Council activities.

1. Tangata whenua are acknowledged and respected

- We acknowledge tangata whenua and their ancestral connection to the whenua, ngā maunga and ngā wai.
- Hapū and iwi are acknowledged as distinct communities with their own needs and aspirations.
- We actively listen to the views of tangata whenua and engage early in our decision-making, supported by a strong understanding of tikanga and te reo.

2. Vibrant places and connected communities

- We provide vibrant, safe places that support social connections.
- We celebrate the rich history of iwi throughout our public spaces and facilities.
- We provide choices for safe and effective transport connections.
- We connect people with nature through our reserves and public places.
- We provide venues, infrastructure and support for events that bring us together.
- We support arts and culture adding to the quality of life.

3. Resilient communities working in partnership

- We provide resilient infrastructure that meets our community's intergenerational needs.
- We partner and collaborate with others to find shared solutions.
- Our community is empowered to lead initiatives, build connections and increase participation.
- We facilitate access to affordable, good quality and resilient homes.

4. Innovative, thriving economy

- We welcome visitors and create inviting public places.
- Our town centres are places of activity and excitement.
- Our infrastructure helps us connect with the rest of the world.
- We build on our strengths and are open to new ideas.
- We think boldly and drive economic growth through innovation.

5. Flourishing environment

- We think and act with an intergenerational view and embrace our role as kaitiaki.
- Our drive for reuse and regeneration helps build a circular economy.
- Our climate response remains agile as we work to reduce our carbon emissions.
- We manage wastewater and stormwater discharges to protect our water quality.
- We encourage and protect our natural ecosystems.

SERVICE PERFORMANCE

INTRODUCTION

This section provides for each of Council's activity areas:

- The activities within that group
- Why Council does them
- What Council delivered in 2024/25
- Whether our service delivery met our quality standards and performance targets
- Whether we remained within our budgets set out in a funding impact statement
- Whether we delivered the planned capital investments set out in a schedule of capital expenditure
- Whether we met our financial targets

Service performance judgements and assumptions

The service performance information in this report is compliant with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and the statement of service performance has been prepared in accordance with Tier 1 PBE financial reporting standards. These standards have been applied consistently throughout the period and comply with PBE financial reporting standards.

Council has mandatory service performance measures² for the following groups of activities:

- Water
- Wastewater
- Stormwater
- Transport

In addition, Council is required to identify any additional service performance measures that it considers will enable the public to assess the level of service for major aspects of groups of activities in its Long-term Plan (LTP). This Annual Report reports against both these mandatory and Council-identified service performance measures as set out in the LTP 2024–34.

In adopting these performance measures in the LTP 2024–34, Council made several judgements when selecting, aggregating and presenting performance information:

- The measures accurately reflect the levels of service we plan to provide to the community.
- They effectively track progress towards achieving the outcomes set out in the LTP 2024-2034. Relevant measurement decisions are noted within each activity group section.
- The views of residents, ratepayers, community boards, and local communities have been considered, incorporating feedback from the Long-Term Plan consultation process.

Guidance from the Department of Internal Affairs (DIA) has been followed for all mandatory measures. To assess the performance of some activities, Council may conduct surveys to collect information and applies statistical tools to analyse the collected data. The surveys are designed internally by Council officers based on their knowledge and expertise on the event or activity being surveyed. Council recognises that the use of surveys may result in risks to the service performance reporting through bias such as low response rates, unintentionally representative sampling or ill-informed questioning. The assumption is that these risks have been addressed and mitigated in the performance measurement process.

² These are set out in the [Non-Financial Performance Measures Rules 2024](#)

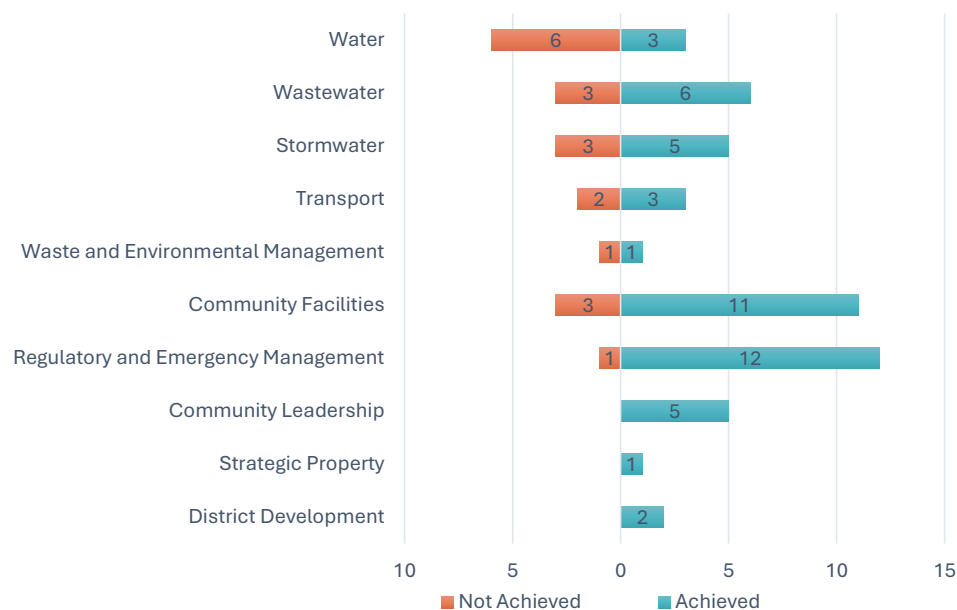
For certain water and roading performance measures, Council uses external experts to conduct performance assessments. These assessments incorporate expert judgements and assumptions. Council acknowledges that they may also introduce bias in the results. It is assumed that these risks have been appropriately managed and mitigated in the final results.

Council recognises there are external conditions that can influence the performance results and may result in a variation from the anticipated or forecasted results. These conditions are outside the control of Council. Examples of this include but are not limited to changes in government policy, global and domestic economic conditions, and international policy that may impact areas such as recruitment, availability of material and supplies for critical infrastructure, volatility in international financial markets, and other unforeseen considerations. Where known, these external factors were identified and their impact on Council's performance is explained.

OVERVIEW OF PERFORMANCE

Council has performance targets for each area of Council's services. Council achieved 49 out of 68 performance targets in 2024/25 (compared to 48 of out 67 in 2023/24).

Achievement of performance targets by area



Discontinued performance targets and measures

We have discontinued the following performance measures that were present in the annual report 2023/24 as part of the 2024-34 LTP because they were not meaningful indicators of good performance or did not contribute to effectively monitoring progress in their respective activity area. The revised set of measures set in the LTP 2024-34 aims to ensure that future reporting is more transparent, relevant, and aligned with the intended results for each activity area.

The discontinued measures are:

- CS01 - The number of community-led events, projects and initiatives.
- CS02 - Percentage of distributing agencies that report annually to Council on the distribution of grants and costs of service for the distribution.
- SW02 - Percentage of service requests relating to waste and recycling that are responded to.
- IN02 - The percentage yield on the TEL fund is greater than the minimum target set in the treasury management policy being >1 per cent above the 90- day bill rate.
- IN03 - The percentage yield on general and special reserve funds is greater than the minimum target set in the treasury management policy being 50 per cent 6-month BKBM midrate (average of reporting month) 50 per cent 6-month BKBM midrate, six months ago (average of month).

Additionally, as part of the LTP 2024-34, we updated our mandatory performance measures under the Non-Financial Performance Measures Rules 2024 set by the Department of Internal Affairs (DIA). The

performance measures assessing the extent to which the Council's drinking water supply complies with the relevant parts of the Drinking Water Standards for New Zealand (DWSNZ) have been consolidated into a single, comprehensive performance measure. Previously, each part of the DWSNZ was reported separately but by merging them, the measure now provides a clearer assessment of overall compliance with drinking water standards.

Reasons for not meeting some of our performance targets

- We have not fully met national water quality standards for all our water supplies. The primary shortfall is that our smaller/rural water supplies do not have protozoa barriers, which is a standard introduced in 2022. We have an ongoing programme of works to upgrade our water treatment plants across the district, starting with the largest water schemes, and including the installation of protozoa barriers. This will ensure that we can then meet the national water standards.
- Water loss from our water reticulation system exceeded our targets in many areas across the district. Our increased annual investment in water pipe replacements (or renewals) is expected to reduce water loss. The Tūrangi area has the highest water loss and is being prioritised for renewals.
- We contract out call-outs to water, wastewater, and transport faults. Unfortunately, due to system integration error affecting the reporting year, accurate response time data is not readily available. The data that was provided contains systematic errors and gaps and it does not match response times achieved onsite. While some additional data was provided in the monthly reporting, we couldn't verify its accuracy. Council has been in ongoing discussions with the contractor to improve data quality and will apply penalties where the contract's data requirements are not met. A new contract with stricter data requirements has been entered into for the financial year 2025/26 and we expect this issue to be resolved moving forward.
- We received 1 abatement notice from the Waikato Regional Council in relation to a sewage overflow. The cause of the overflow has been investigated, and funding has been allocated to upgrade infrastructure and reduce the risk of future incidents.
- There was one flooding event caused by a severe thunderstorm and intense rainfall that resulted in 12 properties being flooded. At its peak, rainfall from this event reached 20mm in a 10-minute period, equating to a 1-in-a-20 year event.
- The total number of fatalities and serious injury crashes on our road network have not reduced from the previous year. There was only one serious crash where the road condition was an attributing factor (as determined by the Police's Crash report) because it did not have a crash barrier. However, there was also heavy rain at the time of the crash. We continue to invest in our road network infrastructure to improve driver and pedestrian safety.
- The percentage of the sealed local road network that was resurfaced did not meet the target of at least 3 percent. This was due to resources being redirected from the road resurfacing programme to the road rehabilitation programme. Although rehabilitated roads are typically resurfaced as part of the process, this work is not counted toward the resurfacing target.
- We did not meet our waste diversion target, which aims to increase the recycling and reuse of materials rather than sending them to landfill. A major factor this year was the large volume of concrete that could not be reused due to asbestos contamination.
- We did not meet our occupancy targets for the Great Lake Centre and Taupō Events Centre. Performance was affected by the Supercars event, which had booked the Great Lake Centre but did not use it. The Taupō Events Centre was also closed for four months for remediation works.

WATER

What we do and why we do it

We supply treated drinking water to 15 urban areas and small communities throughout the district. This involves taking water from lakes, rivers or bores, treating it, storing it and piping it to people's houses and businesses.

We also supply untreated water to the industrial businesses connected to the Centennial Road scheme in Taupō.

Safe, reliable water is a critical service for households and businesses.

We aim to ensure that:

- Drinking water provided by Council is safe to drink (and complies with drinking water regulations).
- There is sufficient capacity to meet current demands and future growth.
- Water treatment plants, water storage reservoirs, pump stations, hydrants and water pipes are maintained in good condition.
- System failures are addressed in a timely fashion.
- Users are satisfied with their water supply (including clarity, taste, odour and pressure).
- Water available for firefighting in urban areas meets required volume and pressure standards.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Water infrastructure upgrades

We completed water treatment plant upgrades including pH correction and UV disinfection processes at Atiamuri, Waihaha and Tirohanga. We installed temporary UV disinfection processes at Motutere and Hatepe and progressed the construction of new water treatment plants in Kinloch, Omori, Motuoapa, and Whareroa. We also upgraded chlorine systems at our Tūrangi and Mangakino water treatment plants and connected the Whakamoenga Point community to the Taupō water supply through installation of a new pump station and 4.5km water pipeline. These efforts reflect a commitment to providing reliable and safe water to the community.

Network renewals

We completed 12.4km of water pipeline renewals throughout the district as follows:

- Taupō - 4.7km
- Tūrangi - 1km
- Whakamaru - 600m

- Tirohanga - 5km
- Motuoapa - 1.1km

Network upgrades and reservoir improvements

We completed the following upgrades improve our water transportation and storage infrastructure:

- A new 2.3km rising main to deliver water from the Omori water treatment plant to the reservoirs to improve resilience of the system.
- An upgrade of 2.3km of water pipeline in the Mapara area to enable growth in the area.
- Toby upgrades to ensure appropriate backflow protection at each connection in Motuoapa, Mangakino, River Road and Acacia Bay and installation of smart water meters on our Whakaroa and River Road water schemes.
- Upgrade and installation of 6 automated water tanker fill points that allow safe, controlled taking of water (by approved contractors) from our networks to meet new legislative requirements.
- Installation of Burst Control Valves on our Omori, Tauhara, Mangakino and Motuoapa Reservoirs to support resilience.
- Renewal of the 2nd water reservoir roof at Mangakino and our Tauhara Ridge reservoir project began construction on site with new pipelines and access track works completed and the reservoir currently being constructed.

Technological and system improvements

We are currently upgrading our water management process control and data systems to modernize our IT systems and to improve the efficient management of our water resources.

Levels of service and performance measures – Water

We provide safe drinking water to communities connected to a Council drinking water scheme				
REF	Performance Measure	Target	Results – FY 2023/24	Results – 2024/25
WS.01	<p>The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:</p> <ul style="list-style-type: none"> (a) 4.4 T1 Treatment Rules; (b) 4.5 D1.1 Distribution System Rule; (c) 4.7.1 T2 Treatment Monitoring Rules; (d) 4.7.2 T2 Filtration Rules; (e) 4.7.3 T2 UV Rules; (f) 4.7.4 T2 Chlorine Rules; (g) 4.8 D2.1 Distribution System Rule; (h) 4.10.1 T3 Bacterial Rules; (i) 4.10.2 T3 Protozoal Rules; and (j) 4.11.5 D3.29 Microbiological Monitoring Rule 	All schemes are compliant with the relevant parts of the drinking water quality assurance rules	Not Achieved 2 out of 17 schemes achieved full compliance	Not Achieved 2 out of 17 schemes achieved full compliance See tables in Appendix 1 for further detail
<p>Explanation of 2024/25 result</p> <p>We have not fully met national water quality standards for all our water supplies. The primary shortfall is that our smaller/rural water supplies do not have protozoa barriers, which is a standard introduced in 2022. We have an ongoing programme of works to upgrade our water treatment plants across the district, starting with the largest water schemes, and including the installation of protozoa barriers. This will ensure that we can meet the national water standards.</p> <p>Schemes that achieved full compliance in 2024/25 are: River Road, Tūrangi, Whakamaru.</p> <p>Schemes did not achieve full compliance in 2024/25 are: Atiamuri, Bonshaw Park, Centennial, Hatepe, Kinloch, Mangakino, Motuoapa, Motutere, Omori, Taupō, Tirohanga, Waihaha, Whakamoenga, Whareroa.</p> <p>See tables in Appendix 1 for further detail.</p>				
Our water reticulation network is efficient				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WS.02	Percentage of real water loss from Council's networks reticulation system.	Urban Schemes –	Not Achieved Urban Schemes –	Not Achieved Urban Schemes –

Our water reticulation network is efficient				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
	Methodology in line with Water NZ “Water Loss guidelines” ³	Current Annual Real Loss = 300 l/connection/day Rural Schemes – Current Annual Real Loss = 6.0 m ³ /km watermain/day	Taupō = 194 l/connection/day Tūrangi = 635 l/connection/day Average of Other Urban Networks = 217 l/connection/day Rural Schemes – Average of Rural Networks = 3.3 m ³ /km watermain/day	Taupō = 150 l/connection/day Tūrangi = 556 l/connection/day Average of Other Urban Networks = 185 l/connection/day Rural Schemes – Average of Rural Networks = 5.3 m ³ /km watermain/day
Explanation of 2024/25 result We have a significant programme of pipeline renewals of \$10.0 million a year to improve water loss performance across the District. This is budgeted for in the Long-Term Plan. The renewals programme is expected to be carried out over the next 10 years and improvements will start to be gradually made as old, leaky pipes are replaced. Tūrangi is one of our worst leakage areas because the pipes are very old. This area is a priority for our renewals programme.				
We respond to faults with our water reticulation network promptly				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WS.03	Median time for attendance for urgent call-outs: from the time that Council receives notification to the time that the service personnel reach the site	Less than 1 hour	Not Achieved 21.0 hours	Not Achieved Data not available
WS.04	Median time for attendance for non-urgent call-outs: from the time that Council receives notification to the time that the service personnel reach the site	Less than 6 days	Achieved 2.0 days	Not Achieved Data not available
Explanation of 2024/25 result				

³ Lambert, A., and Taylor, R., Water New Zealand, “Water Loss Guidelines”, February 2010, <https://www.waternz.org.nz>

We respond to faults with our water reticulation network promptly				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
Due to system integration error affecting the reporting year, accurate response time data is not readily available. The data that was provided contains systematic errors and gaps and it does not match response times achieved onsite. While some additional data was provided in the monthly reporting, we couldn't verify its accuracy. Council has been in ongoing discussions with the contractor to improve data quality and will apply penalties where the contract's data requirements are not met. A new contract with stricter data requirements has been entered into for the financial year 2025/26 and we expect this issue to be resolved moving forward.				
We resolve faults in our water reticulation network promptly				
REF	Performance Measure	Target	Results - 2023/24	Results – 2024/25
WS.05	Median time for resolution of urgent call-outs: from the time that the local authority receives notification to the time that the service personnel confirms resolution of the fault or interruption	Less than 4 hours	Not Achieved 23 hours	Not Achieved Data not available
WS.06	Median time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that the service personnel confirms resolution of the fault or interruption	Less than 7 days	Achieved 3.2 days	Not Achieved Data not available
Explanation of 2024/25 result Due to system integration error affecting the reporting year, accurate response time data is not readily available. The data that was provided contains systematic errors and gaps and it does not match response times achieved onsite. While some additional data was provided in the monthly reporting, we couldn't verify its accuracy. Council has been in ongoing discussions with the contractor to improve data quality and will apply penalties where the contract's data requirements are not met. A new contract with stricter data requirements has been entered into for the financial year 2025/26 and we expect this issue to be resolved moving forward.				
We resolve faults in our water reticulation network promptly				
REF	Performance Measure	Target	Results - 2023/24	Results – 2024/25
WS.07	The number of complaints received by Council on: (a) Drinking water clarity (b) Drinking water taste (c) Drinking water odour (d) Drinking water pressure or flow (e) Continuity of supply	Less than 14 complaints per 1000 connections	Achieved 7.5 complaints per 1000 connections.	Achieved 7.7 complaints per 1000 connections

We resolve faults in our water reticulation network promptly				
REF	Performance Measure	Target	Results - 2023/24	Results - 2024/25
	(f) Council response to these issues This measure is expressed per 1000 connections to Council networked reticulation			
Explanation of 2024/25 result We received 166 calls for the year. There are 21,426 connections to the network as extracted from Council's Rating Database.				
Potable water is used sustainably				
REF	Performance Measure	Target	Results - 2023/24	Results - 2024/25
WS.08	The average consumption of drinking water per day per resident within the district expressed as m ³ /day/HUE	Less than or equal to 1.5m ³ /day/HUE	Achieved 1.0 m ³ /day/ HUE	Achieved 0.8 m ³ /day/ HUE
Explanation of 2024/25 result On average we used 19,286 m ³ /day of water on our domestic schemes, and we have 21,426 HUE (household units).				
There is adequate water for firefighting in urban areas				
REF	Performance Measure	Target	Results - 2023/24	Results - 2024/25
WS.09	Percentage of hydrants tested annually to ensure water pressure in urban areas meets FW2 firefighting code of practice standards	At least 5 percent	Achieved 18 percent	Achieved 7.7 percent
Explanation of 2024/25 result 171 tests were completed from a total of 2,228 fire hydrants with 96% of tests meeting the standard. The decrease in the percentage of tested hydrant from previous year is because in 2023/24, we were catching up with previous years where we did not test a sufficient number of hydrants.				

Funding impact statement – Water

Taupo District Council
Funding impact statement for Water
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	1	1
Targeted rates	13,481	18,006	17,794
Subsidies and grants for operating purposes	-	128	128
Fees and charges	118	350	363
Internal charges and overheads recovered	248	4,032	4,058
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	13,847	22,516	22,344
Applications of operating funding			
Payments to staff and suppliers	6,060	7,968	8,450
Finance costs	2,683	4,245	3,871
Internal charges and overheads applied	62	4,425	4,063
Other operating funding applications	-	-	-
Total applications of operating funding (B)	8,805	16,638	16,384
Surplus (deficit) of operating funding (A – B)	5,042	5,878	5,960
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1,338	1,161	1,094
Increase (decrease) in debt	10,210	12,917	19,502
Gross proceeds from sale of assets	-	53	100
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	11,548	14,132	20,696
Application of capital funding			
Capital expenditure			
• to meet additional demand	2,761	2,781	2,433
• to improve the level of service	6,828	14,142	21,816
• to replace existing assets	6,064	8,052	5,864
Increase (decrease) in reserves	937	(4,965)	(3,457)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	16,590	20,010	26,656
Surplus (deficit) of capital funding (C – D)	(5,042)	(5,878)	(5,960)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Water

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
District - fire flow improvements	100	27	73	MY	1
District - universal smart water metering	500	202	298	MY	2
Kinloch - treatment compliance upgrade	4,000	4,607	- 607	MY	3
Taupō - Tauhara Ridge reservoir and Airport connection	1,500	621	879	S/MY	4
Growth Total	6,100	5,457	643		
Burst valves, level switches - reservoir resilience, renewals and strengthening	150	251	- 101	MY	3
Centennial - treatment compliance upgrade	500	-	500	MY	5
District - backflow protection on tanker fill points	700	546	154	S	4
Hatepe - treatment compliance upgrade (DWSNZ)	1,000	-	1,000	S/MY	5
Motuoapa - treatment compliance upgrade (DWSNZ)	4,255	3,616	639	S/MY	6
Omori - treatment compliance upgrade	1,600	-	1,600	S/MY	6
Taupō - Mapara area capacity increase	1,000	778	222	S/MY	7
Taupō - treatment plant cyanotoxin upgrade	100	4	96	S	8
Taupō - treatment plant resilience upgrade	160	117	43	S/MY	9
Taupo Water Operations Team additional vehicles	120	90	30	A	10
Tirohanga - treatment compliance upgrade	1,500	765	735	S/MY	11
Waihaha - continuity of supply upgrade	350	172	178	S	4
Whareroa - treatment compliance upgrade	560	-	560	S/MY	4
LOS Total	11,995	6,340	5,655		
Renewal	6,880	5,588	1,292	S	12
Grand Total	24,975	17,384	7,591		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Due for completion in Q4 2025/26
- 2 Revisiting planning considering new technology advancements
- 3 Ahead of plan due for completion Q2 2025/26
- 4 Due for completion Q2 2025/26
- 5 Initial work & design commenced Q1 2025/26
- 6 Contract committed delivery has been slower than expected
- 7 First stage of project came in below original estimate
- 8 Delayed due to internal resourcing challenges
- 9 Longer design phase than expected
- 10 Budget released
- 11 Project delayed due to contractor going into liquidation
- 12 \$1m used to cover overspends in renewal budgets last year and carry forward for treatment & reservoir renewals of the balance

WASTEWATER

What we do and why we do it

We supply wastewater services to 11 urban areas and small communities throughout the district. We pipe wastewater from people's houses and businesses, treat it, and dispose of it in a safe and environmentally sustainable manner.

Sanitary and reliable wastewater is a critical service for households and businesses. The safe treatment and disposal of wastewater is essential to protect the health of our environment and communities.

We aim to ensure that:

- Our wastewater treatment and disposal systems comply with environmental standards, regulations and resource consents.
- Our wastewater treatment and disposal does not increase nitrogen levels in the Lake Taupō catchment.
- There is sufficient wastewater capacity to meet current demands and future growth.
- Wastewater treatment plants, pump stations, and pipes are maintained in good condition.
- System failures are addressed in a timely fashion.
- Users are satisfied with their wastewater service.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Infrastructure upgrades and maintenance

We completed installation of the wastewater Southern Trunk sewer main and the View Road wastewater irrigation system.

We continued to conduct regular inspections of our wastewater mains to improve the functionality of the wastewater system. We upgraded the electrical control hardware at several wastewater pump stations to enhance the efficiency and reliability of our wastewater management infrastructure.

Wastewater disposal and environmental compliance

We continued with the process to consent the Turangi wastewater discharge consent at the current site, following Council's Long-term Plan decision, but also continued with our efforts to explore alternative wastewater disposal options for Tūrangi through collaboration with our hapū and iwi partners.

We have continued to work on a programme to reduce the amount of stormwater getting into our wastewater networks.

Levels of service and performance measures – Wastewater

Our sewerage system is maintained to prevent sewerage overflows				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WW.01	Number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 connections	Less than 3 per 1000 connections	Achieved 1.0 per 1000 connections	Achieved 1.9 per 1000 connections
Explanation of 2024/25 result				

We comply with the resource consents conditions relating to our sewerage systems				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WW.02	Number of abatement notices received by Council in relation to sewerage system resource consents	≤ 1 abatement notices	Achieved	Not Achieved 1 abatement notice
WW.03	Number of infringement notices received by Council in relation to sewerage system resource consents	0 infringements	Achieved	Achieved
WW.04	Number of enforcement orders received by Council in relation to sewerage system resource consents	0 enforcement orders	Achieved	Achieved
WW.05	Number of successful convictions received by Council in relation to sewerage system resource consents	0 successful convictions	Achieved	Achieved
Explanation of 2024/25 result <p>We received 1 abatement notice from Waikato Regional Council in relation to a sewage overflow. The cause of the overflow has been investigated, and funding has been allocated to upgrade infrastructure and reduce the risk of future incidents. In total, 38 dry weather overflow events occurred in this financial year. No notices in relation to infringements, enforcement orders or convictions were received from Waikato Regional Council.</p> <p>In the previous financial year (2023/24), we reported receiving one formal notice relating to loading rates at our land disposal system, which had the potential to result in an abatement notice. Waikato Regional Council has not yet completed its audit and investigation of that incident. However, since then we have upgraded the Taupō treatment plant, resulting in significant reductions in nitrogen loading rates. Based on this improvement, we expect a marked increase in overall compliance.</p>				

We respond to faults with our sewerage system promptly				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WW.06	Median attendance time: from the time that Council receives notification of a sewerage overflow resulting from a blockage or other fault in Council's sewerage system to the time that service personnel reach the site of the overflow or other fault	Less than 1 hour	Achieved 0.9 hours	Not Achieved Data not available
WW.07	Median resolution time: from the time that Council receives notification of a sewerage overflow resulting from a blockage or other fault in Council's sewerage system, to the time that service personnel confirm resolution of the fault or blockage	Less than 4 hours	Achieved 3.7 hours	Not Achieved Data not available
Explanation of 2024/25 result Due to system integration error affecting the reporting year, accurate response time data is not readily available. The data that was provided contains systematic errors and gaps and it does not match response times achieved onsite. While some additional data was provided in the monthly reporting, we couldn't verify its accuracy. Council has been in ongoing discussions with the contractor to improve data quality and will apply penalties where the contract's data requirements are not met. A new contract with stricter data requirements has been entered into for the financial year 2025/26 and we expect this issue to be resolved moving forward.				
Our customers are satisfied with the sewerage network				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WW.08	The number of complaints received by Council on: a) Sewage odour, b) Sewerage system faults, c) Sewerage system blockages; and d) Council's response to issues with its sewerage system. This is expressed per 1000 connections to the sewerage system.	Less than 10 complaints per 1000 connections	Achieved 6.2 complaints per 1000 connections	Achieved 6.8 complaints per 1000 connections
Explanation of 2024/25 result We received 134 complaints out of 19,741 connections, which equates to 6.8 complaints per 1000 connections.				

We will maintain the reduction in nitrogen discharged from wastewater treatment plants in the Lake Taupō catchment				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WW.09	Maintain the reduction of total nitrogen discharged from wastewater treatment plants within the Lake Taupō catchment. Reduction of 20 percent of the benchmark average has been achieved.	Maintain the 20% reduction from baseline	Achieved 30% reduction from baseline	Achieved 56% reduction from baseline
Explanation of 2024/25 result The benchmark target is set in the infrastructure strategy 2024-34 The baseline is 10,320 kg and the nitrogen discharge in 2024/25 was 4,502 kg.				

Funding impact statement – Wastewater

Taupo District Council
Funding impact statement for Wastewater
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	15,943	21,100	20,902
Subsidies and grants for operating purposes	-	-	-
Fees and charges	282	380	322
Internal charges and overheads recovered	-	-	196
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	16,225	21,480	21,420
Applications of operating funding			
Payments to staff and suppliers	7,457	8,257	7,470
Finance costs	2,337	2,872	2,583
Internal charges and overheads applied	186	2,205	2,203
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9,980	13,333	12,256
Surplus (deficit) of operating funding (A – B)	6,245	8,146	9,164
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1,723	1,584	642
Increase (decrease) in debt	4,510	1,952	4,562
Gross proceeds from sale of assets	-	8	29
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	6,233	6,233	5,233
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	3,064	9,489
• to improve the level of service	7,859	1,697	1,561
• to replace existing assets	4,356	3,625	2,033
Increase (decrease) in reserves	263	3,305	1,314
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	12,478	11,691	14,397
Surplus (deficit) of capital funding (C – D)	(6,245)	(8,146)	(9,164)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Wastewater

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Control gates bridge buffer storage tanks	200	83	117	MY	1
Taupō side stream - solids filtrate treatment	100	37	63	MY	2
Taupō southern trunk main upgrade	3,911	3,422	489	S	3
Growth Total	4,211	3,542	669		
Acacia Bay WAS tank #2	350	-	350		4
Taupō WWTP building alteration	200	19	181	S	5
LOS Total	550	19	531		
Renewal	3,625	1,775	1,849	S	6
Grand Total	8,386	5,336	3,050		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Completion on track for Q4 2025/26
- 2 Budget released 25/26 budget will be adequate
- 3 Due for completion in Q1 2025/26
- 4 Due for completion in Q2 2025/26
- 5 Design commenced early 2025/26
- 6 Reticulation renewals carried forward into 25/26

STORMWATER

What we do and why we do it

We provide stormwater collection and disposal networks to prevent regular flooding of our transport networks, houses, properties and businesses. We do this by providing a primary network of pipes and channels sufficient to cope with the run-off from our roads from frequent rainfall events. We provide a secondary stormwater system including swales, gullies, roads, kerb and channel and both formal and informal overland flow paths sufficient to control stormwater from less frequent rainfall events. We provide pollutant traps and other treatment devices to reduce debris and prevent contaminants from entering our lakes and rivers.

Sanitary, environmentally sustainable, and reliable disposal of stormwater from regular rainfall events is a critical service for households and businesses. The safe management and disposal of stormwater is essential to protect the health of people and the environment.

We aim to ensure that:

- our stormwater networks minimise regular flooding.
- we minimise erosion from the stormwater network.
- stormwater discharges comply with environmental standards, regulations and resource consents.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Stormwater monitoring and quality improvements

Throughout the year, we carried out regular monitoring of stormwater across the district, along with sediment monitoring from quality improvement devices to ensure that the stormwater network operated efficiently and complied with environmental standards.

Work was awarded to consultants to begin work on renewing our existing three stormwater discharge consents with preliminary engagement and desktop studies completed.

Construction started on a new treatment device in Tūrangi but completion has been delayed due to difficult ground conditions, completion now expected in September 2025.

Infrastructure maintenance and assessment

We continued our CCTV inspection and condition assessment programme of our stormwater system in Taupō. This is to support our maintenance and renewals program and ensure that stormwater infrastructure remains in good condition.

We continued to engage with developers to ensure that stormwater designs for new subdivisions meet required standards, supporting sustainable growth and development.

Environmental conservation and community engagement

Erosion control planting was carried out in gullies to prevent degradation, while support was provided to Kids Greening Taupō to continue planting trees in gullies.

Levels of service and performance measures – Stormwater

We manage the stormwater network to protect public health and property without compromising the environment				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
ST.01	The number of flooding events that occur in a territorial authority district	0 flooding events	Achieved 0 flooding events	Not Achieved 1 flooding event
ST.02	For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system)	0 properties affected by flooding inside the habitable dwelling	N/A (no flooding events)	Not Achieved 0.5 per 1000 connections
ST.03	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site	≤1hr	N/A (no flooding events)	Not Achieved Data not available
ST.04	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system <i>Please note that Council's stormwater network drains the roading network so there are no properties that connect to the stormwater network. For the purposes of this performance measure, we have considered that each property within the district benefits from the stormwater network and is therefore "connected" to our stormwater network</i>	Less than or equal to 8 complaints per 1000 connections	Achieved 1.2 complaints per 1000 connections	Achieved 1.8 complaints per 1000 connections
Explanation of 2024/25 result <p>There was one flooding event caused by a severe thunderstorm and intense rainfall that resulted in 12 properties being flooded. At its peak, rainfall from this event reached 20mm in a 10-minute period, equating to a 1-in-a-20 year event.</p> <p>Due to system integration error affecting the reporting year, accurate data on response time is not readily available. The data that was provided contains systematic errors and gaps and it does not match response times achieved onsite. While some additional data was provided in the monthly reporting, we couldn't verify its accuracy. Council has been in ongoing discussions with the contractor to improve data quality and will apply penalties where the contract's data requirements are not met. A new contract with stricter data requirements has been entered into for the financial year 2025/26 and we expect this issue to be resolved moving forward.</p>				

We will comply with our resource consent for discharge from our stormwater system				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
ST.05	Number of abatement notices received by Council in relation to resource consents for discharge from our stormwater system	0 abatement notices	Achieved	Achieved
ST.06	Number of infringement notices received by Council in relation to resource consents for discharge from our stormwater system	0 infringement notices	Achieved	Achieved
ST.07	Number of enforcement orders received by Council in relation to resource consents for discharge from our stormwater system	0 enforcement orders	Achieved	Achieved
ST.08	Number of convictions received by Council in relation to resource consents for discharge from our stormwater system	0 convictions	Achieved	Achieved
Explanation of 2024/25 result No abatement notices, infringement notices, enforcement orders or convictions were received from Waikato Regional Council				

Funding impact statement – Stormwater

Taupo District Council
Funding impact statement for Stormwater
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	2,201	2,907	2,880
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	27
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	2,201	2,907	2,907
Applications of operating funding			
Payments to staff and suppliers	949	1,195	1,087
Finance costs	103	141	101
Internal charges and overheads applied	-	498	441
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,052	1,834	1,629
Surplus (deficit) of operating funding (A – B)	1,149	1,073	1,278
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	467	998	335
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	467	998	335
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	605	1,109	432
• to replace existing assets	107	165	40
Increase (decrease) in reserves	904	798	1,141
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	1,616	2,072	1,613
Surplus (deficit) of capital funding (C – D)	(1,149)	(1,073)	(1,278)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Stormwater

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Hawai reserve detention pond	234	59	175	S	1
Mangakino flood mitigation	212	33	179	S/MY	2
Miro street industrial area reticulation upgrade	48	5	43	MY	3
Mobil station stormwater improvement device	377	16	361	S	4
Motuoapa stormwater flood mitigation around wastewater pump station	55	32	23	S	5
Pukawa flood mitigation	100	14	86	S/MY	6
Tūrangi stormwater flood mitigation (SH1)	55	-	55	S/MY	4
Two Mile Bay flood mitigation	26	3	23	S/MY	2
LOS Total	1,109	163	946		
Renewal	165	35	130	S	7
Grand Total	1,274	198	1,076		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Design work completed, local consultation with local residents to be completed with construction to commence early in 2026
- 2 Completion due Q3 25/26
- 3 Survey & investigations work progressing in 25/26
- 4 Completion due Q4 25/26
- 5 Completion due Q1 25/26
- 6 Project on hold
- 7 Work expected to commence in Q3 25/26

TRANSPORT

What we do and why we do it

Council provides a comprehensive local transport network to allow people and goods to move around the district safely and efficiently. This network includes the provision of local roads, footpaths, streetlights, cycle paths, bridges, bus shelters, traffic signals, carparking and signage.

We also provide education and promotion activities to improve road safety and ensure people enjoy easy access to different modes of transport, such as walking and cycling.

Public transport in the district is operated by Waikato Regional Council, however we determine the appropriate service levels and provide the required Council funding to ensure it is accessible for our residents.

We work in partnership with other transport agencies including the New Zealand Transport Agency, which is responsible for managing the state highways within the Taupō district, and the New Zealand Police, which is responsible for enforcing road rules.

Provision of transport networks to allow for the safe and efficient movement of people and goods is a critical service for households and businesses.

We aim to ensure that:

- our transport networks are safe.
- our transport networks are maintained in good condition.
- our transport networks are efficient, reliable, and easy to use.
- our transport networks are walking and cycling friendly to support sustainable transport choices.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Safety and sustainability enhancements

We implemented several road safety projects including the completion of a Whangamata Road shared path and intersection improvements along Whangamata Road. We continued several pedestrian safety projects including new central refuge islands and crossing points on Taharepa Road, Spa Road and Richmond Avenue to improve accessibility. We have also completed designs for the next year's improvement projects which include roundabouts, shared paths, Napier Road retaining wall and new accessibility improvements.

Maintenance

Our newly appointed road maintenance contract kicked off in August 2024. The new team established and delivers renewals and maintenance. Some of the deliverables in the year were:

- Responding to 138 emergency dispatches, ranging from treefall, embankment slips to vehicle crashes.
- The team filled in 1,235 potholes and programmed permanent repairs in a forward works programmer for investment right sizing.
- 118 dispatches were resolved related to footpath tripping hazards and 1,035 dispatches related to sign maintenance and new sign placements.
- We swept 595km of concrete channel and mowed 1,257km of berm.
- Our lighting contractor attended to 757 dispatches ranging from network faults to tightening bolts and hardware replacements.

Community engagement and road safety

We continued to undertake road safety campaigns including undertaking a number of vehicle fatigue stops and truck fatigue stops, cycle skills in schools, Road Safety Week recognising our Road safety heroes and working with our road safety partners Police, Fire and Emergency New Zealand, St John Ambulance and Greenlea Rescue Helicopter, etc with the focus on reducing deaths and serious crashes on the Taupō district road network.

Levels of service and performance measures – Transport

The number of serious and fatal crashes on Council roads is falling				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
TR.01	Reduction from the previous financial year in the number of fatalities and serious injury crashes on the local road network	Decrease from previous year	Not Achieved 19 (3 deaths, 16 serious injuries).	Not Achieved 19 (4 deaths, 15 serious injuries)
Explanation of 2024/25 result In 2024/25 there were 3 fatal crashes resulting in 4 deaths and 2 serious injuries. There were also 12 serious crashes resulting in 13 serious injuries. There was only one serious crash where the road condition was an attributing factor (as determined by the Police's Crash report) because it did not have a crash barrier installed. However, there was also heavy rain at the time of the crash.				
Our roading network is adequately maintained and in good condition				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
TR.02	The average quality of ride on a sealed road network, measured by percentage of smooth travel exposure Methodology in line with NZTA Smooth Travel Exposure (STE) Index for sealed roads.	At least 90 percent	Achieved 92 percent for all roads (rural and urban)	Achieved 93 percent for all roads (rural and urban)
TR.03	The percentage of the sealed local road network that is resurfaced.	At least 3 percent	Achieved 3.2 percent for all roads (rural and urban)	Not Achieved 1.6 percent for all roads (rural and urban)
Explanation of 2024/25 result We extended our rehabilitation programme and this has diverted resources away from our road resurfacing programme. The district has a total area of sealed roads of around 6 million m ² . In 2024/25, we sealed 94 thousand m ² , which equates to 1.6% of total sealed roads. In this year, we have also changed how we measure the length of roads that are renewed from using metres to metres squared. This is a more accurate way of measuring the length of roads that are resurfaced and is in-line with the Waikato Guideline For Measurement Processes.				
Footpaths are adequately maintained and in good condition				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25

TR.04	Percentage of footpaths in the district that fall within the level of service or service standard for the condition of footpaths that is set out in the Territorial Local Authority's Asset Management Plans (maintenance intervention when displacement is greater than 10mm for Taupō CBD, Taupō urban areas and Tūrangi and other urban areas).	80 percent in the years assessed	Not Achieved 77 percent	Achieved 98 percent
Explanation of 2024/25 result Council staff and the road maintenance contractor undertake routine inspections for the road networks, including footpaths on a regular basis. The inspection is also undertaken after footpath remedial or construction works. At that time footpath condition may be reassessed. This performance measure was calculated in accordance with the Waikato Guideline For Measurement Processes.				
We will respond to customer service requests				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
TR.05	Percentage of customer service requests relating to Council roads and footpaths that are responded to within five working days	At least 90 percent	Not Achieved 87 percent	Achieved 91 percent
Explanation of 2024/25 result We received 1,536 service requests, which continues to be high. We had 139 requests where the 1 st response was more than 5 working days. We consider that a customer service request is responded to when Council staff reply to the customer that the issue is being resolved or has been resolved, i.e. first contact to the customer from the roading team. Our IT system generates the first response date and time based on when an assigned team member manually records sufficient details in the system. Our IT system also does not automatically record the roading team's response time to the respective customer. Furthermore, in some cases, council staff have not manually recorded sufficient details in the system for the response to the complainant. For afterhours callouts handled by our contractors, council staff can only log their response and resolution times the next working day when they create and record a work request in the system and in some cases, council staff have not manually recorded sufficient details in the system for the response to the complainant. We are currently upgrading our customer service request system to improve accuracy and transparency. The new system will automatically notify customers when their issue has been resolved and will record detailed time stamps from when a request is received through to its resolution.				

Funding impact statement – Transport

Taupo District Council
Funding impact statement for Transport
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	8,557	13,055	12,933
Targeted rates	-	-	-
Subsidies and grants for operating purposes	2,564	2,811	2,599
Fees and charges	181	171	358
Internal charges and overheads recovered	542	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	478	920	409
Total operating funding (A)	12,322	16,957	16,299
Applications of operating funding			
Payments to staff and suppliers	6,609	7,615	7,762
Finance costs	689	1,302	996
Internal charges and overheads applied	551	1,744	1,649
Other operating funding applications	-	-	-
Total applications of operating funding (B)	7,849	10,661	10,407
Surplus (deficit) of operating funding (A – B)	4,473	6,296	5,892
Sources of capital funding			
Subsidies and grants for capital expenditure	3,295	3,006	2,982
Development and financial contributions	1,102	2,331	468
Increase (decrease) in debt	(12)	2,046	2,508
Gross proceeds from sale of assets	-	23	32
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	4,385	7,406	5,990
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	354	1,805
• to improve the level of service	4,328	3,216	6,642
• to replace existing assets	3,858	7,811	609
Increase (decrease) in reserves	672	2,321	2,826
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	8,858	13,701	11,882
Surplus (deficit) of capital funding (C – D)	(4,473)	(6,296)	(5,892)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Transport

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Footpath link at Nga Roto Estate	37	-	37	X	1
Northern Gateway	150	34	116	X/MY	2
Wairakei Drive and Karetoto Road intersection	25	-	25	X	3
Growth Total	211	34	177		
Accessibility audit improvements (Including Lake Settlements)	200	13	187	MY	4
Broadlands Road improvements	147	-	147	X	3
Bus infrastructure (urban bus services)	25	-	25	X	3
Bus shelters on school bus routes	10	2	8	S	5
Crossing facilities on Spa Road	39	-	39	S/MY	6
Crossing point on Tongariro St at Victorias	25	-	25	X	3
Cycling facilities	25	20	4	A	3
Flag lighting at high risk rural intersections	12	-	12	M	7
Footpath link on Ingle Avenue	17	18	1	A	
Guardrail & drainage improvements on Forest Road	15	-	15	S/MY	6
Infill lighting	40	-	40	X	3
Lighting along footpaths	25	-	25	X	3
Mokai Marae safety improvements - Forest Road & Tirohanga Road	50	12	38	MY	8
New footpaths in Kinloch	49	-	49	X	3
New road marking & signs - (including new Marae signage)	60	13	47	S	9
Omori playground parking	132	5	127	X	10
On street parking	40	-	40	S	11
Poihipi Road improvements	338	418	80	MY	12
Rural berm drainage widening & improvements	30	-	30	S	13
School travel plan infrastructure	196	4	192	X	14
Seal extension	600	177	423	M	15
Shared path on Lake Road, Mangakino	250	1	249	S/MY	16
Speed management infrastructure	98	17	81	S	17
Streetlight lighting Anzac Memorial Drive	120	-	120	M	18
Streetlight lighting Lake Terrace between Wharewaka Road and Ernest Kemp Rise	147	-	147	M	19
Taharepa Road and Crown Road intersection	100	78	22	MY	6
Tauhara Road and AC Baths Avenue intersection	39	-	39	MY	6
Tirohanga Road improvements	25	-	25	X	20
Titiraupenga Street and Roberts Street intersection	350	43	307	S/MY	6
Two Mile Bay parking improvements	50	13	37	S	21
Underpass safety enhancement	50	42	8	MY	22
Vehicles for pedal safe/road safety team	65	2	63	S	23
Wairakei Drive and Lake Terrace cycle lanes	39	21	18	S/MY	24
Whangamata Road Safety Improvements	49	37	12	MY	25
Zebra crossing improvements	39	-	39	S	26
LOS Total	3,495	936	2,558		
Renewal	7,675	5,169	2,505	S	27
Grand Total	11,380	6,139	5,241		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Completed as part of Southern trunk main project - budget released
- 2 Budget released budget held in future years for further work

- 3 Budget released to other projects
- 4 \$100,000 required to continue actions from audit balance released to other projects
- 5 Design complete just need to procure bus shelters
- 6 Design in progress
- 7 Carried forward to combine with 25/26 budget to purchase lights
- 8 \$20,000 required to complete project, balance of budget released to other projects
- 9 \$43.5k required for new signage on Poihipi balance released to other projects
- 10 Budget released project not moving forward due to community feedback
- 11 To be added to Titiraupenga/Roberts Street intersection to adjust on street parking
- 12 Overspend covered by budget transfers from other projects
- 13 High shoulder programme still in progress
- 14 Budget released have budget in 2025/26 if required
- 15 Baker Rd programmed for sealing in 2025/26 will use this budget plus the 25/26 budget
- 16 Affected by timing of Mangakino Lakefront project
- 17 Speed reversals imposed by central government delayed prioritisation of this work
- 18 Budget combined with Lake Terrace budget below and then deferred
- 19 Budget deferred due to delay of Maunganamu Rd Roundabout
- 20 Budget transferred to Poihipi Rd improvements
- 21 Part of a larger project initial scope and design in progress
- 22 Work continuing in 2025/26
- 23 Vehicle purchased October 2025
- 24 Delayed due to timing of Lake Terrace reseal
- 25 Additional safety improvements to be completed in 2025/26
- 26 Will be utilised at Spa Road crossing
- 27 Main items carried forward into 25/26: \$1.3m Sealed Rd rehabilitation, \$655,000 for Napier Rd Footpath Bridge & \$250,000 for Norman Smith cycle lane enhancements

WASTE & ENVIRONMENTAL MANAGEMENT

What we do and why we do it

We provide a comprehensive solid waste management system for refuse and recyclables, including the following services:

Litter control	the provision of public bins and litter collection.
Solid waste collection	kerbside rubbish collection in our urban areas
Solid waste disposal	kerbside recycling collection in our urban areas, and the operation of five transfer stations around the district and Council's landfill and resource recovery centre at Broadlands Road.

We provide these services to ensure that our district looks attractive and prevent harm to our communities and environment from the inappropriate disposal of waste.

Sanitary and environmentally responsible waste collection and disposal is a critical service for households and businesses.

We aim to ensure that:

- we provide suitable rubbish collection and disposal services across the whole district.
- our rubbish collection and disposal services are environmentally sustainable and support the minimisation of waste.
- our rubbish collection and disposal services are efficient, reliable, safe, and easy to use.
- our landfill and transfer stations comply with environmental standards, regulations and resource consents.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Waste minimisation and diversion

We diverted 34% our waste from the landfill by finding ways to reuse and recycle material that would otherwise have been dumped. We also expanded our battery recycling programme to include transfer stations in Broadlands Road, Tūrangi, Kinloch, and Mangakino and continued the car seat recycling programme with SeatSmart. We wrapped Big Belly and recycling bins with clearer, educational signage to encourage recycling in public spaces.

Educational initiatives and community engagement

We continued to provide our community with education and support through the Resource Wise programmes and by holding public workshops such as Waste Free Living and Food Lover's Masterclass. We supported schools directly through Resource Wise Schools and indirectly via

Enviroschools. We funded Para Kore to support waste minimisation in marae. We hosted four Repair Café events, Clean Up week schools competition, and introduced Junktown – an op shop garage sale. We've also focused on internal waste minimisation in our new building by making waste sorting stations and composting food scraps. We continued to administer the Waste Minimisation Grant.

Environmental compliance

We continued to be compliant with national regulations and the waste levy audit by the Ministry for the Environment. We carried out environmental monitoring for the three closed landfills and the Broadlands Road Landfill to ensure safety and sustainability. We negotiated a new waste services contract, which incorporates the operation of kerbside collections, facility operations, waste haulage, and recycling.

Levels of service and performance measures – Waste and Environmental Management

We will divert suitable waste from landfill				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WM.01	The quantity of material (tonnes) diverted from landfill as a percentage of the total waste stream	48 percent	Not Achieved 41 percent	Not Achieved 34 percent
Explanation of 2024/25 result Council stopped concrete diversion because of issues with asbestos found in this material. This has impacted our total divertible tonnages and contributed significantly to us not meeting our diversion target. Currently staff are working with the market to expand diversion opportunities to timber, flat glass, and other construction and demolition materials to allow us to achieve our target in the future.				
We comply with the resource consent conditions for our landfills				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
WM.02	Percentage of resource consent conditions for our landfills that are complied with	100 percent	Achieved 100 percent	Achieved 100 percent
Explanation of 2024/25 result We are required to comply with 34 separate conditions to operate our landfill. We have complied with all requirements and received full resource consent compliance from the Waikato Regional Council.				

Funding impact statement – Waste and Environmental Management

Taupo District Council
Funding impact statement for Waste & Environmental Management
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	805	854	854
Targeted rates	2,177	3,825	3,779
Subsidies and grants for operating purposes	168	640	782
Fees and charges	4,095	6,550	6,636
Internal charges and overheads recovered	-	552	745
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	7,245	12,421	12,796
Applications of operating funding			
Payments to staff and suppliers	6,559	10,721	11,496
Finance costs	113	88	91
Internal charges and overheads applied	10	1,091	1,218
Other operating funding applications	-	-	-
Total applications of operating funding (B)	6,682	11,900	12,805
Surplus (deficit) of operating funding (A – B)	563	521	(9)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(331)	89	42
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(331)	89	42
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	251	336	293
• to replace existing assets	139	227	158
Increase (decrease) in reserves	(158)	48	(418)
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	232	610	33
Surplus (deficit) of capital funding (C – D)	(563)	(521)	9
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Waste and Environmental Management

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Power upgrade Broadlands transfer station	220	220	-	S	1
Tūrangi recyclables storage shed extension	77	-	77	S	2
Waste compactor bin	39	35	3	A	3
LOS Total	336	255	80		
Renewal	227	144	82	S/X	4
Grand Total	562	400	163		

Key

- A Achieved
M Deliberate move to future years

- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Further budget of \$50k approved to complete project
- 2 Work commenced August 2025
- 3 Budget released
- 4 \$14k carried forward and \$71k released as not required

COMMUNITY FACILITIES

What we do and why we do it

We provide a range of community facilities across the district to provide opportunities for arts, culture, recreation and sporting activities that support Taupō district being a great place to live, work, and visit. These facilities include:

- Libraries in Taupō, Tūrangi and Mangakino
- Heritage, Culture & Public Art - including the Taupō Museum and Art Gallery
- The Great Lake Centre, Taupō Events Centre, Waiora House and community halls
- AC Baths, the Tūrangi Turtle Pools and the Mangakino Community Pool
- Sportsgrounds, parks, reserves, playgrounds and gardens
- Public conveniences
- Cemeteries

We aim to ensure that:

- Our community facilities are highly used, valued, and meet the community's needs.
- Our community facilities are safe, well maintained, and attractive for users.
- Our community facilities are inclusive and accessible so everyone in our community can get out and enjoy them.
- Our community facilities support a range of activities for different interests, ages, and abilities.
- Our community reserves enhance the local environment.

These are mostly non-critical services, but we provide them to support our district being an enjoyable and attractive place to live with good amenities. These services support the wellbeing of residents, support attracting visitors, and support attracting and retaining workers and businesses.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy

What we did in 2024/25

Major events delivery

Taupō successfully delivered two global events - VinFast IRONMAN70.3 World Championship and ITM Taupo Super440. Both events attracted large global audiences, international visitation and economic benefit – reconfirming Taupo's position as the 'events capital of New Zealand'.

New and upgraded sports and recreational facilities

We completed the Owen Delany Park lighting upgrade, and major ground reinstatement work under Taupō Event Centre. We purchased new fitness equipment for the Fitness Suite and upgraded the power supply to the Amphitheatre and Riverside park. We purchased new sports equipment for Owen Delany park and Crown Park. These new and upgraded facilities led to higher community engagement in health and wellness activities and use of our facilities. Memberships within the district wide aquatic

facilities and fitness suite continues to increase. District wide aquatic centres achieved annual independent audit reconfirming the great work of the operational staff.

Cultural and educational programmes

Libraries saw growth in their use. We have continued to improve our service through the removal of fees, e-book platform, book renewals, toddler time and school holiday programs. Following community consultation, the Mangakino library has had a complete refresh. At the Taupō Museum nine touring exhibitions were successfully held and recorded growing in visitor numbers.

Levels of service and performance measures – Community Facilities

The library is accessible and offers a range of services for the community				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CF.01	The total number of physical items loaned to library members is maintained or increased	At least 227,303 physical items	Achieved 281,707 physical items	Achieved 271,089 physical items
CF.02	The total number of e-books loaned to library members is maintained or increased	At least 30,367 e-books / e-audio items loaned	Not Achieved 27,845 e-books / e-audio items loaned	Achieved 32,835 e-books / e-audio items loaned
CF.03	The number of active library card users is maintained or increased	At least 7,346 members used their library card	Achieved 11,182 members used their library card	Achieved 14,149 members used their library card
CF.04	The percentage of library users who indicated that they were satisfied with their experience.	75 percent	Not Applicable (new measure for 2024/25)	Achieved 88 percent
Explanation of 2024/25 result 7,585 members used their library card for physical books and 6,564 members used their card for e-books/e-audio, totalling 14,149 active card users. The customer satisfaction survey began in February 2024, with response numbers varying across our facilities. Customers indicated how satisfied they were by completing a survey using an electronic feedback terminal when they visit our facilities. We received 68 responses for the Taupō Library, 6 for the Museum, and 1 for the Tūrangi Library. To improve participation at the Museum and Tūrangi Library, staff will actively promote the survey and relocate the electronic feedback terminal to more visible areas within each facility.				
The Great Lake Centre and Taupō Events Centre are accessible and provide the community with a range of services				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CF.05	The occupancy rate of the Great Lake Centre and Taupō Events Centre	The Great Lake Centre and Taupō Events Centre are occupied at least 84 percent of the time	Not Achieved 68 percent for the Great Lake Centre 117 percent for the Taupō Events Centre	Not Achieved 76 percent for the Great Lake Centre 64 percent for the Taupō Events Centre

Explanation of 2024/25 result

The occupancy at the Great Lake Centre was impacted by the Supercars event because this venue was put on hold for a month, which heavily reduced its occupancy. The occupancy at the Taupō Events Centre was impacted due to this venue being closed for 4 months to carry out ground reinstatement work on this facility.

Residents and visitors are satisfied with the exhibitions at the Taupō Museum and Art Gallery

REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CF.06	Total number of visitors (physical and virtual) to the museum is maintained or increased	Visits are maintained or increased	Achieved 46,598 total visits	Not Achieved 45,255 total visits
CF.07	Number of exhibitions is maintained or increased	Exhibitions are maintained or increased	Achieved 11 exhibitions	Achieved 13 exhibitions
CF.08	The percentage of Taupō Museum and Art Gallery users who indicated that they were satisfied with their experience	75 percent	Not Applicable (new measure for 2024/25)	Achieved 97 percent

Explanation of 2024/25 result

Visits to the museum were made up of 23,489 physical visits, 17,952 website views and 3,814 Facebook visits.

The decrease in visitors from the previous year is primarily due to fewer children visiting the museum likely because of significantly less content being shared via social media and the website compared to the previous year. Diversifying the programme and increasing events for children and developing social media content and training will be a priority.

The customer satisfaction survey began in February 2024, with response numbers varying across our facilities. We received 68 responses for the Taupō Library, 6 for the Museum, and 1 for the Tūrangi Library. To improve participation at the Museum and Tūrangi Library, staff will actively promote the survey and relocate the electronic feedback terminal to more visible areas within each facility.

Residents and visitors are satisfied with the parks, open spaces, playgrounds and sports grounds

REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CF.09	Percentage of service requests responded to relating to Council-owned parks and open space	At least 90 percent responded to within 5 working days	Not Achieved 63 percent	Achieved 99 percent

CF.10	Percentage of service requests responded to relating to Council playgrounds	At least 90 percent responded to within 5 working days	Not Achieved 89 percent	Achieved 97 percent
CF.11	Percentage of service requests responded to relating to sportsgrounds	At least 90 percent responded to within 5 working days	Achieved 94 percent	Not Achieved 75 percent

Explanation of 2024/25 result

We received 831 service requests relating to our parks and open spaces and 9 requests were not responded to within 5 working days. A request is responded to when a council staff has reached out to the customer making the request to obtain more information or resolve the issue.

We received 62 service requests relating to our playgrounds and 2 requests were not responded to within 5 working days.

We received 8 service requests relating to our sportsground and 2 requests were not responded to within 5 working days.

Our pools are safe, well maintained, and attractive for users

REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CF.12	We maintain Pool Safe accreditation at AC Baths and Tūrangi Turtle Pools	Pool safe accreditation maintained	Achieved	Achieved
CF.13	The percentage of pool users who indicated that they were satisfied with their experience	75 percent	Not Applicable (new measure for 2024/25)	Achieved 85 percent

Explanation of 2024/25 result

Pool safe accreditation was achieved for both AC Baths and Turtle Pools. The PoolSafe audit is an independent assessment of public lifeguarded pools in New Zealand. It involves annual peer-to-peer assessment by certified PoolSafe Assessors to help facilities meet best practice standard. This requires the submission of a facility's governance and operational documentation, a site inspection and staff knowledge verification.

The Mangakino community pools opened for an extended period over summer.

Public toilets are clean, safe and fit for purpose				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CF.14	Percentage of service requests responded to relating to public toilets	At least 90 percent responded to within 5 working days	Achieved 100 percent	Achieved 97 percent
Explanation of 2024/25 result We received 87 service requests relating to our public toilets and 3 requests were not responded to within 5 working days.				

Funding impact statement – Community Facilities

Taupo District Council
Funding impact statement for Community Facilities
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	20,490	25,112	24,882
Targeted rates	-	-	-
Subsidies and grants for operating purposes	149	113	140
Fees and charges	2,612	3,047	3,052
Internal charges and overheads recovered	-	1,496	1,416
Local authorities fuel tax, fines, infringement fees, and other receipts	9	-	36
Total operating funding (A)	23,260	29,596	29,526
Applications of operating funding			
Payments to staff and suppliers	16,500	15,767	14,078
Finance costs	1,203	1,579	1,447
Internal charges and overheads applied	420	6,863	5,733
Other operating funding applications	-	-	-
Total applications of operating funding (B)	18,123	24,210	21,258
Surplus (deficit) of operating funding (A – B)	5,137	5,386	8,268
Sources of capital funding			
Subsidies and grants for capital expenditure	100	-	1,845
Development and financial contributions	2,125	2,681	563
Increase (decrease) in debt	318	1,825	(1,404)
Gross proceeds from sale of assets	-	118	230
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,543	4,624	1,234
Application of capital funding			
Capital expenditure			
• to meet additional demand	1,985	1,678	-
• to improve the level of service	2,675	3,944	3,473
• to replace existing assets	2,499	3,594	2,714
Increase (decrease) in reserves	521	794	3,315
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	7,680	10,010	9,502
Surplus (deficit) of capital funding (C – D)	(5,137)	(5,396)	(8,268)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Community Facilities

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Secombe Park development plan	40	-	40	MY	1
Taupo South - reserve land purchases for new local parks	1,631	-	1,631		
Wharewaka Point reserve development plan	40	-	40	MY	1
Growth Total	1,711	-	1,711		
Atiamuri footpath	46	-	46	M	2
Community art space	22	-	22	M	3
Community heritage space redevelopment	180	16	164	S	4
Crown Park sports equipment	110	105	5	A	
Extension to Kinloch Hall	120	-	120	X	5
Great Lake Taupō shared path	80	49	31	MY	1
Library books	315	309	6	A	
Mangakino lakefront development plan	304	100	204	S/MY	6
Northcroft Reserve provision for market operations	256	15	241	S	7
Owen Delany Park machinery & plant	116	72	44	S	8
Owen Delany Park sports equipment	15	13	3	A	
Playground shade improvements	300	5	295	S/MY	9
Portable changeroom infrastructure	330	47	283	S	10
Recycling, rubbish and dog litter bins	149	143	6	S	11
Reserve resilience	37	16	21	S	12
Reserve security and safety	64	64	-	A	
Riverside Park/Amphitheatre - power and lighting switchboard upgrade	91	83	8	A	
Sculpture Trail	20	12	8	M	13
Taupō Event Centre install anchor points on TEC roof	37	1	36	S	14
Tongariro Street, Tongariro North Domain power and Northcroft Reserve upgra	490	9	481	S/MY	9
Tūrāngitukua Park - Hirangi Rd carpark drainage	500	87	413	S	15
Tūrāngitukua Park - Te Aonini carpark seal	385	132	253	S	15
Two Mile Bay parking improvements	50	10	40	MY	16
Youth play spaces	35	7	28	S	15
LOS Total	4,051	1,295	2,756		
Renewal	3,455	2,127	1,328	X	17
Grand Total	9,217	3,422	5,795		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Project Geotech & design in progress
- 2 Budget moved to Otumuheke stream track for urgent repairs
- 3 Project deferred
- 4 Scope changed and expected to be completed in FY26
- 5 Budget released and \$115k transferred to unbudgeted Kinloch Golf Clubhouse project
- 6 Design contract awarded in May 2025 expecting to go to construction tender in Feb 2026
- 7 Work initiated expected completion by Dec 25
- 8 Second item of plant still to be purchased
- 9 Currently out for tender and awaiting feedback from Unison
- 10 Work commenced July 2025
- 11 Installation works completed in July 2025

- 12 Hole in One steps be completed in FY26
- 13 Groundworks around sculptures to be completed in FY26
- 14 Work Completed in July 2025
- 15 Work progressing in FY26
- 16 Part of a larger project initial scope and design in progress
- 17 \$240k released to other projects, larger projects carried forward: Playground renewals \$392k, Vehicle & plant renewals \$211k, various building renewals \$192k, various ground renewals \$297k

REGULATORY & EMERGENCY MANAGEMENT

What we do and why we do it

We undertake the following activities:

Regulatory services	<p>Council undertakes regulatory activities to ensure that our residents are safe and protected from nuisance. This includes:</p> <ul style="list-style-type: none"> • Animal and noise control • Processing building consent applications, inspecting buildings, and enforcing the Building Act 2004. • Processing resource consents and ensuring compliance with the District Plan and resource consent conditions. • Registering, and ensuring compliance with regulations for food and health premises, alcohol outlets, and electronic gaming machines. • Parking enforcement
Emergency management	<p>Council undertakes Civil Defence and Emergency Management activities to ensure that our local communities and businesses are prepared for when an emergency happens. This includes undertaking public awareness and educational campaigns, training exercises and local response planning.</p>

These are mostly mandated functions of Council that support the safety and wellbeing of residents.

Contribution to community outcomes

These services support the following community outcomes:

- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy

What we did in 2024/25

Regulatory services

We continued to ensure compliance with bylaws, legislation, and regulations through regular inspections across a range of activities, including building safety, food and health premises, alcohol licensing, gambling regulations, and animal control. We also enforced limited-time parking within the central business district (CBD).

Over the past year, we focused on processing resource and building consent applications promptly and in accordance with the District Plan and the Building Act 2004. The rezoning of Rural Lifestyle land enabled a significant number of new subdivisions to be processed, including consent for 30 luxury dwellings at the Wairakei International Golf Course. Work also began on the Te Mihi Power Station extension following the completion of Tauhara II. Our teams monitored and reviewed all consents, with particular attention to higher-risk earthworks consents. In total, we received 1,057 building consent applications over the year.

Emergency management

We have prioritised community outreach to raise awareness about emergency preparedness and developed localised community response plans and hazard response plans to specific risks and vulnerabilities within our district. We continued to train and upskill our staff to enhance our emergency response capabilities.

Levels of service and performance measures – Regulatory and Emergency Management

We process resource consents within legislative timeframes which ensures that property developments are in line with District Plan policy goals				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
RE.01	Percentage of resource consents processed within statutory timeframes as specified under the Resource Management Act 1991	90 percent	Achieved 100 percent	Achieved 100 percent
RE.02	Percentage of resource consents monitored to ensure they comply with the conditions of consent	100 percent	Achieved 100 percent	Achieved 100 percent
Explanation of 2024/25 result We processed and monitored 125 Subdivision consents, 184 Land use consents and 108 other consents that include variations to consent notices, permitted boundary activities, resource management certificates and certificates of compliance. The statutory timeframes specified under the RMA vary depending on the stage of the resource consent process. For example, councils have 20 working days to decide whether or not to notify an application once it has been formally accepted				
We process building consents within legislative timeframes				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
RE.03	Percentage of all building consents applications processed within 20 working days as specified under the Building Act 2004 Section 48(1)	90 percent	Not Achieved 98 percent (target was 100 percent)	Achieved 98 percent
RE.04	Percentage of Building Warrants of Fitness audited yearly	At least 55 percent	Achieved 45 percent (target was 22 percent)	Not Achieved 37 percent
RE.05	Council will maintain accreditation as a Building Consent Authority	Maintain accreditation	Not Applicable (new measure for 2024/25)	Achieved
Explanation of 2024/25 result We received 1,057 building consent applications for processing, with 15 exceeding the statutory deadline. Of these 15 delayed applications, 73% involved large, complex commercial projects. These required extensive input and coordination across multiple agencies, contributing to extended processing durations.				

We completed 280 Building Warrant of Fitness audits out of approximately 712 buildings with compliance schedules. Fewer audits were carried out this year due to changes in staff roles, which reduced the number of hours available for this work. Additional staff time has since been allocated, and we expect to complete a higher number of audits in the coming year.

We maintain a register of dogs in the district				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
RE.06	Percentage of known dogs that are registered each year	At least 99 percent	Not Achieved 98.2 percent	Achieved 99.1 percent
Explanation of 2024/25 result 6,955 dogs were registered from a total of 7,018 known dogs in the district.				

We respond promptly to food safety, dogs and noise complaints				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
RE.07	Percentage of noise complaints that are responded to within two hours	At least 95 percent	Achieved 100 percent	Achieved 100 percent
RE.08	Food safety – Percentage of food complaints responded to within two working days	At least 80 percent	Achieved 100 percent	Achieved 100 percent
RE.09	Dog control – percentage of initial response within 24 hours for dog control complaints	95 percent	Achieved 100 percent	Achieved 100 percent
Explanation of 2024/25 result We received 892 noise complaints, all of which were responded to within two hours. We received 21 Food Safety Complaints, all of which were responded to within 2 days. Four complaints related to MPI registered businesses. We now refer these complaints directly to MPI and are excluded from this measure. We received 2,360 animal control complaints, all of which were responded to within 24 hours.				

We inspect health, alcohol and food premises regularly				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
RE.10	Percentage of health (funeral homes, camping grounds, hairdressers) premises that are registered and inspected annually to ensure they meet minimum legislative standards	100 percent	Achieved 100 percent	Achieved 100 percent
RE.11	Percentage of food premises that are registered and inspected/audited as required to ensure they meet minimum legislative standards	100 percent	Not Achieved 99.8 percent	Achieved 100 percent
RE.12	Percentage of alcohol premises that are registered and inspected annually to ensure they meet the legislative minimum standards	100 percent	Achieved 100 percent	Achieved 100 percent
Explanation of 2024/25 result We completed 40 hairdresser inspections, 4 offensive trade inspections, 2 funeral home inspections and 18 campground inspections. Note that the Ministry for Regulations is revoking the Health (Hairdresser) Regulations 1985 effective 31st July 2025. We completed 294 Scheduled Verifications for food businesses. If revisits are included, the total inspections would be 460 for food premises. We completed 181 inspections of licensed premises and completed 127 interviews for managers certificates.				
We are prepared for emergencies				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
RE.13	The evaluation of our annual exercise as a measure of effectiveness of training delivery	Increasing trend from previous year	Not Achieved 60%	Achieved 65%
Explanation of 2024/25 result Staff evaluation of the annual exercise improved on the previous year's score as per the target. Civil Defence Emergency Management (CDEM) staff will continue to incorporate the feedback received from annual exercises to improve our response capability.				

Funding impact statement – Regulatory and Emergency Management

Taupo District Council
Funding impact statement for Regulatory & Emergency
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	5,492	5,479	5,428
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2,894	4,152	4,288
Internal charges and overheads recovered	-	576	697
Local authorities fuel tax, fines, infringement fees, and other receipts	479	551	630
Total operating funding (A)	8,865	10,759	11,043
Applications of operating funding			
Payments to staff and suppliers	8,648	5,558	6,266
Finance costs	39	50	49
Internal charges and overheads applied	-	4,534	4,350
Other operating funding applications	-	-	-
Total applications of operating funding (B)	8,687	10,143	10,665
Surplus (deficit) of operating funding (A – B)	178	616	378
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	78	(101)	(85)
Gross proceeds from sale of assets	-	26	69
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	78	(75)	(16)
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	165	-	-
• to replace existing assets	388	183	230
Increase (decrease) in reserves	(297)	358	132
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	256	540	362
Surplus (deficit) of capital funding (C – D)	(178)	(616)	(378)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Regulatory and Emergency Management

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Renewal	183	161	21	A	1
Grand Total	183	161	21		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage

X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

1 Budget released to other projects

COMMUNITY LEADERSHIP

What we do and why we do it

The Local Government Act 2002 provides Council with a broad purpose to make decisions and act on behalf of the community. We undertake the following activities:

Leadership, governance and advocacy	<p>Facilitating Council and committee meetings.</p> <p>Processing information requests.</p> <p>Running local government elections.</p> <p>Acting as the district's advocate with regional and national governments, and other stakeholders.</p>
Community engagement and development	<p>Engaging with local communities, including iwi and hapū, to understand their needs and ensure they are supported and connected by Council services.</p> <p>Providing grants on behalf of ratepayers for community groups and organisations.</p>
Policy and planning	<p>Developing and maintaining a District Plan, growth plan, reserve management plans, corporate planning documents, bylaws and policies as required under various legislation.</p> <p>Developing and maintaining other Council strategies and policies.</p> <p>Advocating to regional Councils and central government on various legislative changes and reform.</p>
Communications	<p>Keeping people informed of what's going on and how it might impact them.</p>
Customer services	<p>Receiving and responding to customer queries or complaints about any of Council's services or facilities.</p>
Rates	<p>Managing the rates invoicing and collection process and assessing the revenue requirement.</p>
Project management	<p>Supporting the planning and delivery of infrastructure investment projects.</p>
Investments	<p>Prudently managing Council's financial investments on behalf of the community.</p>

Council undertakes these activities to ensure the effective delivery of Council's statutory roles and to promote effective community engagement, and transparent conduct and decision-making on behalf of our communities.

Contribution to community outcomes

These services support the following community outcomes:

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Māori engagement, relationships and partnering approach

We are referencing the Māori engagement strategy (including project engagement template) and the Te Reo Māori me ōna Tikanga Strategy where appropriate across our workspace and projects. We deferred the reviews of our Joint Management Agreement with both Ngāti Raukawa and the Te Arawa River Iwi Trust, we will likely recommence the reviews in the 2025/26 financial year. We continued our initial review mahi on the Mana Waka Hono ā Rohe agreement with Ngāti Tūrangitukua. We expect to conclude this mahi in the 2025/26 financial year. We have continued negotiations to develop a Joint Management Agreement with the Tūwharetoa Māori Trust Board. This mahi will be concluded in the early part of the 2025/26 financial year.

We are continuing our partnering approach with iwi and hapū on agreed projects including policy and strategy review, infrastructure development, and event planning. Additionally, we actively promoted and supported te Reo Māori and cultural events, including Te Wiki o te Reo Māori, Matariki, and Waitangi Day commemorations, Te Taiopenga Schools kapa haka event, alongside educational capability building initiatives for staff as we strive to be a good partner to iwi and hapū across our district.

Strategic planning and long-term vision

We adopted a Future Development Strategy to replace Taupo District 2050. It will help guide Council's response to the urban growth we expect in the future, setting out growth areas, zoning and infrastructure requirements.

We adopted the Long-term Plan 2024-34 and the Annual Plan for 2025/26. Through the Annual Plan process we had to make a number of trade-offs for the coming year to ensure rates were kept in line with what we had forecast in the Long-term Plan.

We made District Plan Changes 38 and 40-43 operative:

- Plan Change 38 – Strategic Directions
- Plan Change 40 – Taupō Town Centre
- Plan Change 41 – Removal of Fault Lines
- Plan Change 42 – General Rural and Rural Lifestyle Environments
- Plan Change 43 – Taupō Industrial Land

We also began work on Plan Changes 44-47. Additionally, we completed the reformatting of the district plan into the national planning standards format.

Policy, bylaws and reserve management

We reviewed bylaws related to water supply and trade waste to make sure that they are valid and up to date. We also updated the Dangerous, Affected and Insanitary Buildings Policy to ensure it was compliant with the most recent legislative changes.

We developed and adopted a Freedom of Expression Policy to help guide the way that Council makes decisions on what is appropriate public discourse.

Over the past year, the review of the Motutere Reserve Management Plan in partnership with Ngāti Te Rangiita ki Waitetoko and campground owners was completed. The Motutere Reserve has great cultural significance to Ngāti Te Rangiita, a hapū of Ngāti Tūwharetoa. The reserve management plan seeks to ensure that the reserve provides for recreation, and the protection of amenity, cultural and scientific values.

We also restarted work on a reserve management plan for all Tūrangī reserves. Some work had been undertaken prior to COVID but then went on hold for a prolonged period of time. Our focus moved to

checking back in with the community to see if their previous feedback was still valid and then starting to prepare the draft management plan with Ngati Turangitukua.

Advocacy

We advocated on behalf of our community on a range of matters including submissions to Waikato Regional Council's regional transport rating approach, responding to Central Government's Local Water Done Well reforms and we submitted on the Resource Management (Freshwater and Other Matters) Amendment Bill.

The Taupō Electricity Limited investment fund

On September 5, 1995, Council sold its investments in Taupō Electricity Ltd (TEL) and Taupō Generation Ltd (TGL) providing a net investment fund of \$61.3 million. In June 2023, Council appointed Forsyth Barr to manage the fund. A Statement of Investment Policies & Objectives (SIPO) was developed and Forsyth Barr manage the fund under the parameters of the SIPO. The management of the TEL fund is excluded from the Treasury Management Policy.

In the past, investment income has been used for debt repayment, funding of projects, rates subsidies and fund growth. The total impact of these activities is shown in the reconciliation below. Council's primary goal now is to build the value and inflation proof the fund so it can be used for community benefit in the future without further eroding the capital.

Initial proceeds on sale September 1995	\$61,273,557
Cumulative Investment Gains / Losses	\$100,410,345
Cumulative Rates Subsidies, Project Funding / Debt Repayment	-\$84,996,004
Balance of TEL Investment as at 30 June 2025	\$76,687,898
Previous year's TEL Investment Fund value	\$70,625,493

Levels of service and performance measures – Community Leadership

We manage investment assets in accordance with the Treasury Management Policy				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CL.01	The value of the TEL Fund is maintained relative to inflation	Actual year prior value plus inflation	Achieved \$70.6 million	Achieved \$76.7 million
Explanation of 2024/25 result The TEL fund increased in value from \$70.6 million at 1 July 2024 to \$76.7 million at 30 June 2025 - an increase of 8.6% for the year. The CPI rate was used. Forsyth Barr actively managed the fund according to Statements of Investment Policy & Objectives (SIPO) guidelines.				
Growth and development is planned while our natural and physical resources are managed in a sustainable manner				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CL.02	Plan Changes, initiated by Council and privately, to the District Plan are undertaken in accordance with legislative processes and timeframes	100 percent	Not Applicable (new measure for 2024/25)	Achieved 100 percent
Explanation of 2024/25 result Plan changes have met legislative requirements and are recorded in the national monitoring system.				
Corporate planning documents, long-term plans, annual plans and annual reports are delivered for our community				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CL.03	Corporate plans meet legislative timeframes	100 percent	Not Applicable (new measure for 2024/25)	Achieved 100 percent
Explanation of 2024/25 result The Long-term Plan 2024 - 34, Annual Plan 25/26 and Annual Report 2023/24 were all completed within statutory timeframes.				

Council operates an open and honest decision-making process that generates confidence and trust in the democratic system				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
CL.04	Bylaw reviews are undertaken in accordance with legislative timeframes	100 percent	Achieved 100 percent	Achieved 100 percent
CL.05	Percentage of requests for official information that are responded to within 20 working days	99 percent	Achieved 100 percent	Achieved 99.3 percent
Explanation of 2024/25 result We have received 270 Local Government Official Information and Meeting Act (LGOIMA), all but two we responded to within 20 working days. The two LGOIMA that missed the statutory timeframe were misfiled and responded to once the error was found.				

Funding impact statement – Community Leadership

Taupo District Council
Funding impact statement for Community Leadership
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	10,666	11,573	11,017
Targeted rates	86	-	-
Subsidies and grants for operating purposes	-	-	160
Fees and charges	38	592	648
Internal charges and overheads recovered	-	26,286	27,177
Local authorities fuel tax, fines, infringement fees, and other receipts	-	7,092	4,587
Total operating funding (A)	10,790	45,543	43,589
Applications of operating funding			
Payments to staff and suppliers	10,789	28,154	24,831
Finance costs	-	1,226	1,533
Internal charges and overheads applied	-	10,597	13,495
Other operating funding applications	-	-	-
Total applications of operating funding (B)	10,789	39,977	39,859
Surplus (deficit) of operating funding (A – B)	1	5,566	3,730
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	6
Increase (decrease) in debt	-	5,610	6,525
Gross proceeds from sale of assets	-	4,231	7,536
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	9,842	14,067
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	-	6,748	5,771
• to replace existing assets	56	961	2,965
Increase (decrease) in reserves	(55)	6,100	1,791
Increase (decrease) of investments	-	1,600	7,270
Total applications of capital funding (D)	1	15,408	17,797
Surplus (deficit) of capital funding (C – D)	(1)	(5,566)	(3,730)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Community Leadership

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Central Administration Building fitout	4,950	4,788	162	A	1
Core network and infrastructure modernisation programme	22	21	1	A	
Cybersecurity improvement programme	17	-	17	S	2
Digital solutions hardware	33	33	0	A	
Digital Solutions Hardware - New - New building	23	23	0	A	
Expand engagement assets	35	35	-	A	
Fleet EV charging infrastructure new building	80	36	44	S/MY	2
Project Quantum phase 3+	1,271	292	978	S/MY	2
Safer communities - CCTV	403	3	399	S	2
Storage space for project related materials (including fragile art works)	110	44	66	A	3
Storytelling - connecting Iwi/Hapu to our customer and visitor spaces	12	-	12	S	4
LOS Total	6,956	5,276	1,680		
Renewal	753	298	455	X	5
Grand Total	7,709	5,574	2,135		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage
- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Work completed awaiting finalisation of charges
- 2 Work progressing in FY26
- 3 Budget released
- 4 Scoping work underway
- 5 \$347k released to other projects balance carried forward mainly due to timing of work

STRATEGIC PROPERTY

What we do and why we do it

We are working with construction partners to provide some quality first home options to working families. In partnership we will produce new, quality, attractive houses to buy that are similar to the market homes in this area – but are smaller and more affordable for everyday people who would then be able to service a mortgage.

We provide 57 ratepayer-subsidised housing for the elderly units in Taupō, Tūrangi and Mangakino.

Council also owns some commercial and residential land, where we seek to maximise the return to ratepayers, pay down debt, and support the appropriate provision of land supply to meet housing development needs.

These are non-critical services, but we provide them to allow some limited affordable options for our elderly, local businesses' staff and working families, to promote development of housing to meet demand, and to ensure good financial management of residential and commercial land assets. These services support the wellbeing of residents and support business to attract and retain workers.

Contribution to community outcomes

These services support the following community outcomes:

- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy

What we did in 2024/25

We've undertaken several initiatives to address housing needs across our district. Working in partnership with construction companies, we have delivered quality first-home options for working families at prices more affordable than the wider market. This development is now known as Oroko Rise.

We've also made significant investments in developing both residential and commercial land through the Strategic Property Fund. A Property Management company has been engaged to oversee the Housing for the Elderly (HFE) portfolio, which includes 57 units — 40 in Taupō, 6 in Tūrangi, and 11 in Mangakino. Council retains responsibility for maintaining, renewing, and upgrading these homes to ensure they continue to meet Healthy Homes Standards.

In addition, we completed an industrial property development on Council-owned land adjacent to Crown Road, offering 18 industrial lots for sale. We have also continued to manage our forestry land holdings, harvesting 55 hectares within the Tirohanga Forest and replanting the area to maintain sustainability.

Levels of service and performance measures – Strategic property

Council facilitates the actions identified in the Housing Strategy				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
SP.01	The number of actions undertaken which were identified in the Housing Strategy	At least one for each focus area Note: there are 5 focus areas identified in the strategy	Not Applicable (New measure for 2024/25)	Achieved
<p>Explanation of 2024/25 result</p> <p>We've progressed a range of initiatives has been delivered across all focus areas to help address the District's housing needs.</p> <p>Working in partnership with construction providers, the Council has supported the development of high-quality first-home options for working families at prices below typical market levels.</p> <p>Significant investment has also been directed into developing new residential and commercial land through the Strategic Property Fund.</p> <p>A professional Property Management company now oversees the Housing for the Elderly (HFE) portfolio, comprising 57 units — 40 in Taupō, 6 in Tūrangi, and 11 in Mangakino. Council maintains responsibility for upgrades, renewals, and ongoing compliance with Healthy Homes standards to ensure warm, safe homes for older residents.</p> <p>Industrial land development has progressed as well, with an 18-lot industrial subdivision completed on Council-owned land adjacent to Crown Road and now available for sale.</p> <p>Council's forestry land holdings continue to be actively managed, including the recent harvesting and replanting of 55 hectares in the Tirohanga Forest.</p>				

Note: A copy of Council's Housing Strategy can be found on our website

Funding impact statement – Strategic property

Taupo District Council
Funding impact statement for Strategic Property
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	97	1,418	1,408
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	778	6,935	785
Internal charges and overheads recovered	625	-	10
Local authorities fuel tax, fines, infringement fees, and other receipts	1,953	128	71
Total operating funding (A)	3,453	8,482	2,274
Applications of operating funding			
Payments to staff and suppliers	(704)	5,259	561
Finance costs	782	671	886
Internal charges and overheads applied	186	635	1,017
Other operating funding applications	-	-	-
Total applications of operating funding (B)	264	6,564	2,464
Surplus (deficit) of operating funding (A – B)	3,189	1,917	(190)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,764	(2,506)	9,207
Gross proceeds from sale of assets	4,777	-	3,000
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	7,541	(2,506)	12,207
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	4,239	2,133	10,215
• to replace existing assets	1,081	412	124
Increase (decrease) in reserves	5,410	(3,133)	1,678
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	10,730	(588)	12,017
Surplus (deficit) of capital funding (C – D)	(3,189)	(1,917)	190
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – Strategic property

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Contribution to water and wastewater infrastructure	646	432	214	A	1
EUL affordable housing - Stage 1 & 2	852	-	852	MY	2
Housing for Elderly Taupo - security screen doors	35	36	1	A	
Investment Property Opportunity Fund	600	105	495	A	3
LOS Total	2,133	574	1,559		
Renewal	412	110	302	X	4
Grand Total	2,545	684	1,861		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project

- S Slippage
X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Budget released
- 2 Stage 2 not yet commenced
- 3 Budget release to EUL
- 4 Budgets released will work within budgets for 25/26

DISTRICT DEVELOPMENT

What we do and why we do it

To support our district's economy and vibrancy we provide a range of district development, visitor support, and events services. We have an in-house events team that supports event organisers to run both community and commercial events. We promote Taupō district as a holiday and visitor destination through Destination Great Lake Taupō (a Council controlled organisation), visitor centres in Taupō, Tūrangi and an information desk in Mangakino. We contract Amplify, an independent trust, to provide business development services throughout the district. We support Town centre Taupō – a member-based organisation focusing on the development of a vibrant, well-managed and innovative Taupō central business district.

These are non-critical services, but we provide them to support our district being an enjoyable and attractive place to live with good amenities. These services support the wellbeing of residents, support attracting visitors, the local economy and support attracting and retaining workers and businesses.

Contribution to community outcomes

These services support the following community outcomes:

- Vibrant places and connected communities
- Innovative, thriving economy
- Flourishing environment

What we did in 2024/25

Event support and major events

We attracted and facilitated several major events in our district, including the VinFast IRONMAN 70.3 World Championship, ITM Taupō Super440, IRONMAN New Zealand, Taupo Summer Concert, Ruia Taitea Kapa Haka festival, New Zealand Cross Country Championships, Taupō Ultramarathon, Lake Taupō Cycle Challenge and Super Rugby Next Generation Tournament. These major, high-profile events drew large crowds to our district and provided economic opportunities for our retail, hospitality, tourism and ancillary sectors. They add to the vibrancy of our town, provide business-to-business opportunities, and increase occupancy levels of our facilities. Total economic benefit from the delivery of district wide events for the 2024/25 financial year is estimated at \$64million.

Tourism promotion and destination marketing

We set up information desks in Taupō, Tūrangi, and Mangakino to provide visitor support and enhance the district's visibility to tourists.

We continued to contract and provide funding support to Destination Great Lake Taupō (DGLT) to actively promote our district as a premier holiday and visitor destination.

Business development and economic growth

We contracted and provided funding to Amplify, an independent trust, to provide business development services across the district. Amplify promoted our district to attract investment in industries like geothermal energy, forestry and tourism.

Towncentre Taupō

We facilitated targeted rates funding to support Towncentre Taupō to coordinate and create a thriving commercial hub that benefits both local businesses and residents.

Levels of service and performance measures – District development

We facilitate and support economic development in the district				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
DD.01	Enterprise Great Lake Taupo (trading as Amplify), Destination Great Lake Taupō and Towncentre Taupō report at least half-yearly to Taupō District Council on the manner of distribution of the grant as well as performance measures in line with their contracts for service and statements of intent	100 percent report at least half yearly	Achieved 100 percent	Achieved 100 percent
Explanation of 2024/25 result				

We attract, support and encourage sporting, cultural and other events around the district				
REF	Performance Measure	Target	Results – 2023/24	Results – 2024/25
DD.02	The district will have a minimum number of events in Tūrangi and Mangakino each year. Reporting to Council will consist of narratives on actual events including location and economic impact figures	At least 3 events in Tūrangi. At least 3 events in Mangakino	Achieved 25 events in Tūrangi 15 events in Mangakino	Achieved 26 events in Tūrangi 15 events in Mangakino
Explanation of 2024/25 result <p>Tūrangi and its surrounding communities hosted a variety of events to celebrate sport, music, and local culture and community. These events included the Tūrangi flower show, the Matariki laser show, Tūrangi Christmas in the Park and several tournaments such as the National Lead Championships 24/25, the Tūrangi Junior Annual Tri competition, the Kids Catfishing Tournament and Motuoapa Fishing & Boating Club Fishing Tournament. Council contributed to several of these events, either through direct financial support or by assisting with logistics such as venue bookings, event setup, or staffing.</p> <p>Mangakino also hosted several events including the Williams Whānau Golf Day, Lucas Oil Hydro Thunder NZ Series, Lakeland Powerboats, Mangakino Lake Hop, the Christmas Float Parade and Market and Mangakino Summer Concert. Mangakino also hosted a series of high-profile water sport events such as the Wake NZ Junior Festival, Wake NZ North Island Championships, NZ Waterski Oceania Championships & Trans-Tasman 2025, and the Wake NZ National Championships 2025. Council also contributed to several of these events, either through direct financial support or by assisting with logistics.</p>				

Funding impact statement – District development

Taupo District Council
Funding impact statement for District Development
For the year ended 30 June 2025

	2024 Long Term Plan (\$000)	2025 Long Term Plan (\$000)	2025 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,856	4,394	4,351
Targeted rates	179	198	197
Subsidies and grants for operating purposes	-	-	410
Fees and charges	-	-	112
Internal charges and overheads recovered	-	-	43
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	5,035	4,997	5,113
Applications of operating funding			
Payments to staff and suppliers	5,027	4,602	4,699
Finance costs	1	13	5
Internal charges and overheads applied	-	350	324
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5,028	4,964	5,028
Surplus (deficit) of operating funding (A – B)	7	33	85
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(5)	286	(5)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(5)	286	(5)
Application of capital funding			
Capital expenditure			
• to meet additional demand	-	-	-
• to improve the level of service	-	293	6
• to replace existing assets	4	129	10
Increase (decrease) in reserves	(2)	(102)	64
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	2	319	80
Surplus (deficit) of capital funding (C – D)	(7)	(33)	(85)
Funding balance ((A – B) + (C – D))	-	-	-

Schedule of capital expenditure – District development

	LTP 2024/25 (\$000)	Actual 2024/25 (\$000)	Variance (\$000)	Status	Notes
Installation of Flagtrax System for Town Centre and Event Promotion	293	6	287	S	1
LOS Total	293	6	287		
Renewal	129	10	118	S	2
Grand Total	421	16	405		

Key

- A Achieved
- M Deliberate move to future years
- MY Multi-year project
- S Slippage

- X not achieved – major slippage (project will not be complete by 30 September 2025) or project will no longer be carried out

Explanation of major variances against year 1 of the Long-term Plan 24 – 34

- 1 Awaiting quotes work expected to commence in Sept 2025
- 2 Majority of equipment purchases made by October 2025

FINANCIALS

FINANCE PRUDENCE DISCLOSURE STATEMENT

What is the purpose of this statement?

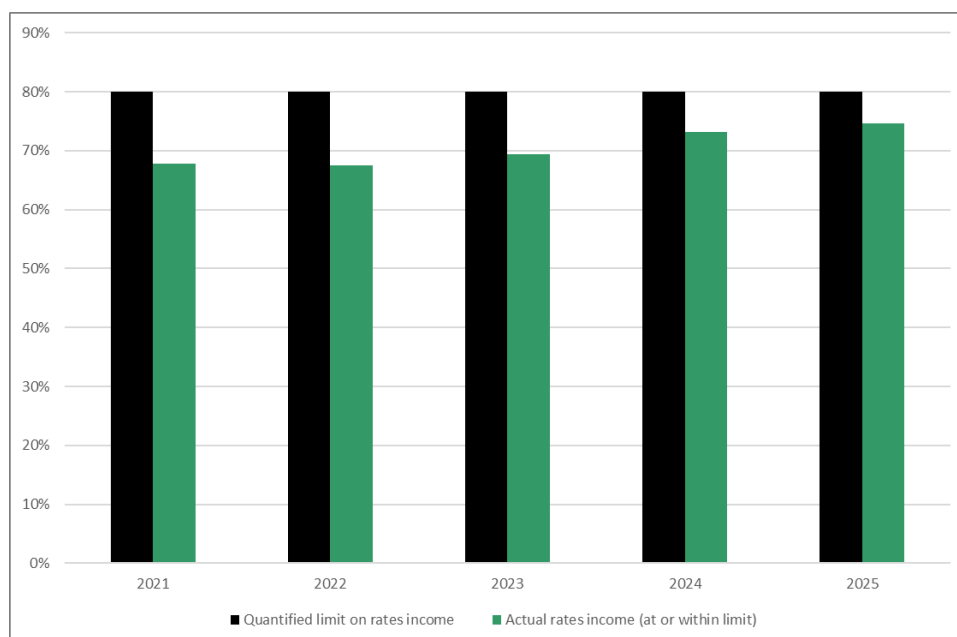
The purpose of this statement is to disclose Council's financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings. Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates (income) affordability

Council meets the rates affordability benchmark if:

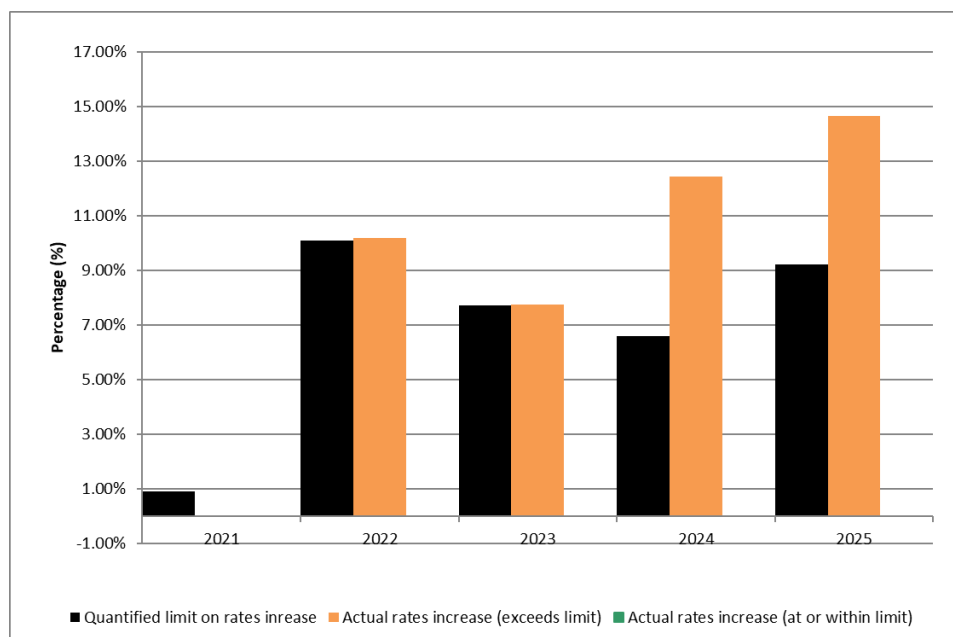
- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rate increases.

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the financial strategy included in the Council's long-term plan. The quantified limit is that total rates revenue must not exceed 80% of operating revenues.



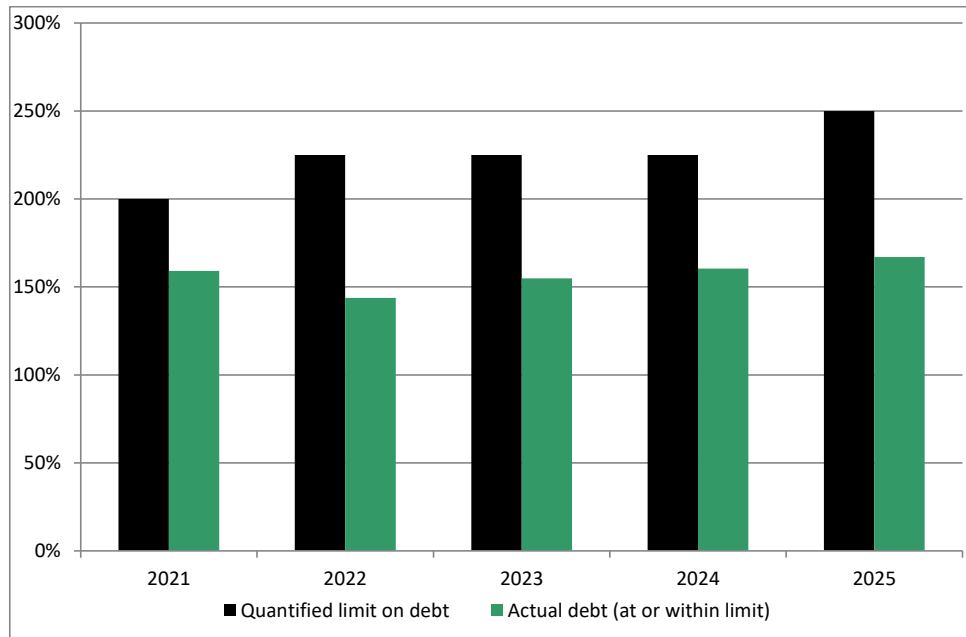
Rates (increases) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's long-term plan. The quantified limit in the 2021-31 LTP is that rate increases may not exceed LGCI + 2.5% and the quantified limit in the 2024-34 LTP is that rate increases may not exceed LGCI + 5%. The 2022 and 2023, results exceed the limit due to a larger-than-normal growth in rateable properties which have contributed more rates revenue for those years. The 2024 and 2025 results exceed the limit by larger than normal rates increases signalled in the respective Annual Plan and Long-term Plan coupled with a larger growth in properties than anticipated. In 2021 a zero percent rates increase was targeted as a measure to alleviate COVID hardship.



Debt affordability benchmark

The following graph compares the Council's actual borrowing 2021 to 2025 with a quantified limit on borrowing stated in the financial strategy included in the Council's long-term plan. The quantified limit in the 2018-28 LTP was that gross external borrowing may not be more than 200% of annual operating income. The quantified limit in the 2021-31 LTP was that gross external borrowing may not be more than 225% of annual operating income. The quantified limit in the 2041-34 LTP was that gross external borrowing may not be more than 250% of annual operating income



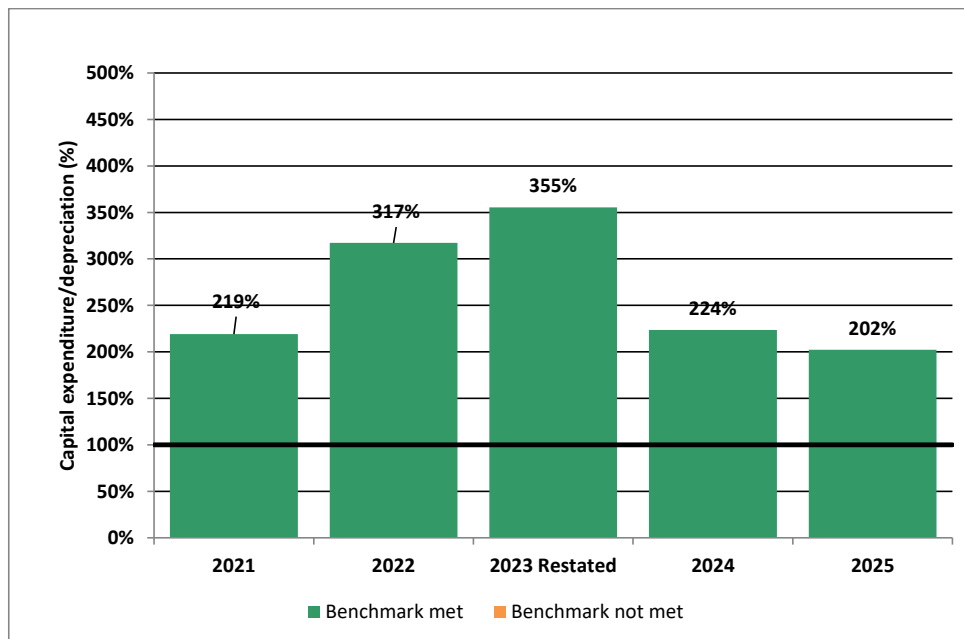
Balanced budget benchmark

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



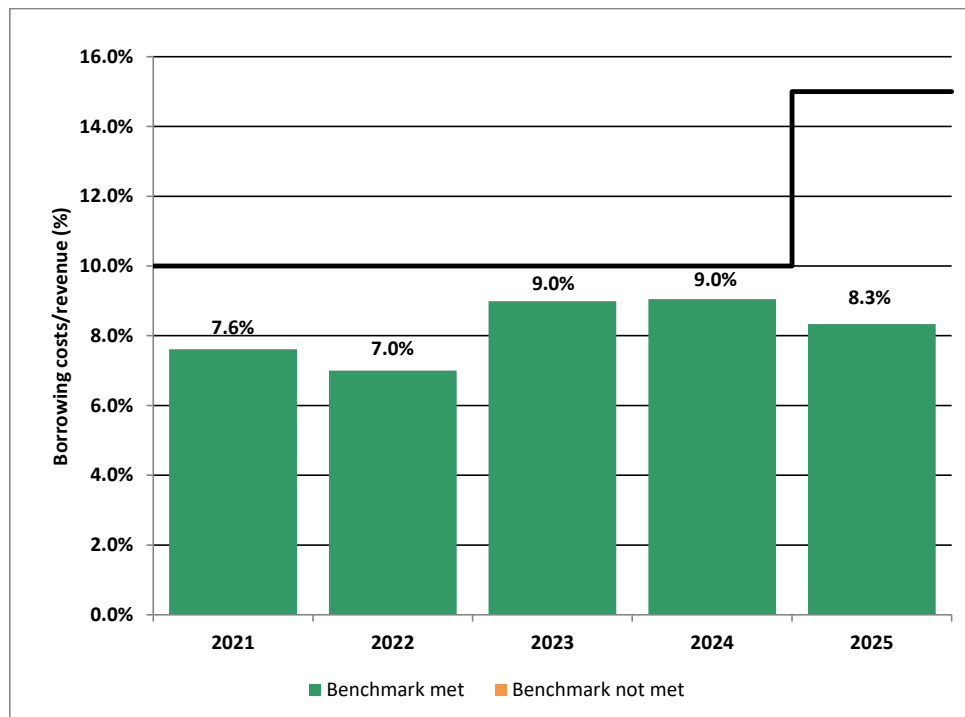
Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Note the 2023 result was restated due to a formula error found in the calculation of the asset base, the result is now a faithful representation of the 2023 year.



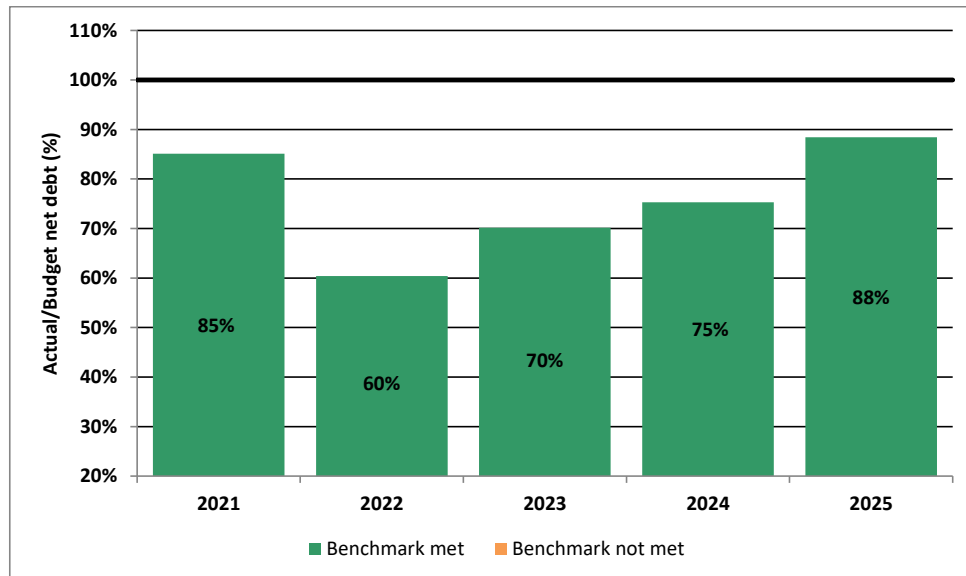
Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of revenue. From 2020 to 2024 Statistics New Zealand projects the Council's population will grow more slowly than the national population growth rate, therefore it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue. In 2025 the benchmark was changed to 15% due to higher growth, Council still meets the debt servicing benchmark against this new level.



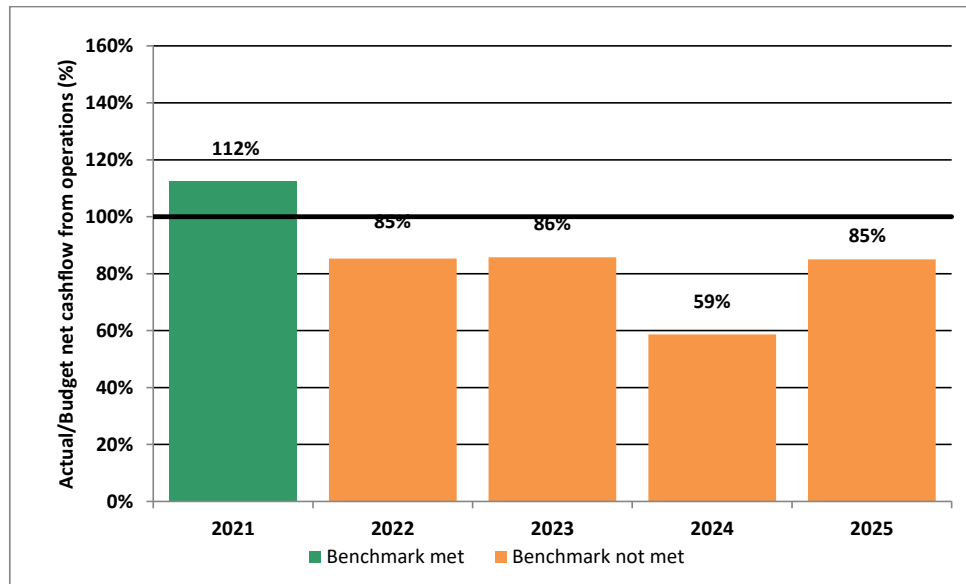
Debt control benchmark

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. The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt. The measurement of net debt includes all financial liabilities and financial assets including derivatives. This increases the volatility of the measure due to the inclusion of market revaluations of derivatives which are not planned for in the LTP.



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. The 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. The result in 2025 has been negatively affected due to a much lower receipt of development contributions than anticipated.



FUNDING IMPACT STATEMENT (WHOLE COUNCIL)

Taupo District Council
Funding impact statement (Whole of Council)
For the year ended 30 June 2025

	2024 Annual Plan (\$000)	2024 Actual (\$000)	2025 Annual Plan (\$000)	2025 Actual (\$000)
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	57,687	57,839	64,793	63,364
Targeted rates	34,887	34,994	43,128	43,061
Subsidies and grants for operating purposes	3,884	4,067	4,066	4,218
Fees and charges	12,228	13,785	22,035	16,442
Interest and dividends from investments	6,849	6,526	7,010	3,676
Local authorities fuel tax, fines, infringement fees, and other receipts	1,145	1,659	1,681	2,057
Total operating funding (A)	116,680	118,870	142,714	132,818
Applications of operating funding				
Payments to staff and suppliers	80,098	83,611	95,096	86,699
Finance costs	11,681	11,830	12,187	11,561
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	91,779	95,441	107,282	98,260
Surplus (deficit) of operating funding (A – B)	24,901	23,429	35,432	34,558
Sources of capital funding				
Subsidies and grants for capital expenditure	3,900	8,102	3,006	4,828
Development and financial contributions	5,079	5,880	7,757	2,773
Increase (decrease) in debt	17,022	19,000	23,118	41,188
Gross proceeds from sale of assets	8,506	4,272	4,459	10,995
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	34,507	37,254	38,341	59,784
Application of capital funding				
Capital expenditure				
• to meet additional demand	2,309	358	7,878	13,727
• to improve the level of service	39,981	41,988	33,616	50,208
• to replace existing assets	15,898	22,984	25,158	14,748
Increase (decrease) in reserves	1,220	(4,647)	5,522	8,389
Increase (decrease) of investments	-	-	1,600	7,270
Total applications of capital funding (D)	59,408	60,683	73,773	94,342
Surplus (deficit) of capital funding (C – D)	(24,901)	(23,429)	(35,432)	(34,558)
Funding balance ((A – B) + (C – D))	-	-	-	-

Council summary – groups of activities income statement FY25

Revenue by group of activities	Actual 2025	Council Budget 2025
Regulatory & Emergency	10,467	10,208
Water	21,371	20,506
Wastewater	23,370	23,914
Stormwater	5,744	3,693
Transport	25,954	25,315
Waste & Environmental Management	12,206	11,869
Community Facilities	31,893	30,899
Community Leadership	21,656	19,306
Strategic Property	21,320	8,482
District Development	5,113	4,997
Total activity revenue	179,095	159,189
Less internal revenue ¹	(1,630)	0
Total revenue	177,465	159,189
Expenses		
Regulatory & Emergency	6,566	5,818
Water	19,257	17,295
Wastewater	19,342	19,200
Stormwater	2,860	2,611
Transport	22,036	20,863
Waste & Environmental Management	12,098	11,162
Community Facilities	23,510	22,681
Community Leadership	31,965	30,483
Strategic Property	3,637	7,258
District Development	4,728	4,646
Total activity expenses	145,998	142,017
Less internal expenses ¹	(1,630)	0
Total expenses	144,368	142,017

¹ Council budget by group of activity is represented net of internal transactions

Council summary – groups of activities income statement FY24

Revenue by group of activities	Actual 2024
Water	22,358
Community Services	14,118
Transport	28,586
Community Facilities	26,826
Solid Waste	10,673
Stormwater	3,288
Wastewater	22,420
Economic Development	4,880
Democracy & Planning	10,941
Investments	27,128
Total activity revenue	171,218
Less internal revenue	(1,991)
Total revenue	169,227
Expenses	
Water	19,159
Community Services	10,324
Transport	25,059
Community Facilities	23,772
Solid Waste	10,083
Stormwater	2,250
Wastewater	18,682
Economic Development	4,878
Democracy & Planning	3,697
Investments	24,794
Total activity expenses	142,698
Less internal expenses	(1,991)
Total expenses	140,707

In the 2024-34 Long term plan the Groups of Activities were revised. The FY24 figures are as reported in the 2023/24 Annual report under the previous Groups of Activity.

FINANCIAL STATEMENTS

Statement of Comprehensive Revenue and Expense						
For the year ended 30 June 2025						
	Note	Council			Group	
		Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Revenue						
Rates	5	106,425	107,921	92,833	106,383	92,806
Subsidies and grants	7	9,020	7,072	12,170	9,113	12,170
Development and financial contributions		1,551	7,757	2,149	1,551	2,149
Fees and charges	6	16,366	22,664	13,674	17,773	14,881
Finance revenue	8	3,711	7,010	6,530	3,764	6,566
Other revenue	9	40,392	6,765	41,871	40,392	41,885
Total revenue		177,465	159,189	169,227	178,976	170,457
Expenses						
Personnel costs	10	32,054	30,615	31,081	33,097	32,119
Depreciation and amortisation expense	20	36,943	34,561	36,917	37,504	37,434
Finance costs	8	11,882	12,193	11,830	11,882	11,830
Other expenses	11	63,381	65,107	60,879	63,291	60,564
Total expenses		144,260	142,476	140,707	145,774	141,947
Income tax (expense)/credit	12	-	-	-	300	(1,662)
Surplus/(deficit) after tax		33,205	16,713	28,520	33,502	26,848
Other comprehensive revenue						
Property, plant & equipment revaluations	29	(6,530)	64,364	-	(6,474)	-
Investments in associates & subsidiaries		1,492	-	2,248	(1)	(4)
Tax on equity items	29	-	-	-	(5)	-
		(5,038)	64,364	2,248	(6,480)	(4)
Total comprehensive revenue		28,167	81,077	30,768	27,022	26,844
Net surplus/(deficit) after taxation attributable to:						
Taupo District Council		33,205	16,713	28,520	33,404	27,811
Non-controlling interest	30	-	-	-	98	(963)
		33,205	16,713	28,520	33,502	26,848
Total comprehensive revenue and expenses attributable to:						
Taupo District Council		28,167	81,077	30,768	26,867	27,809
Non-controlling interests	30	-	-	-	155	(965)
		28,167	81,077	30,768	27,022	26,844
Explanations of major variances against budget are provided in note 34.						
Summary of significant accounting policies and the accompanying notes form part of these financial statements.						

Statement of Financial Position						
as at 30 June 2025						
	Note	Council			Group	
		Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Assets						
Current assets						
Cash and cash equivalents	13	32,240	6,132	26,979	33,149	27,846
Other financial assets	16	35,896	43,822	39,482	36,644	40,202
Trade and other receivables	14	10,538	10,358	9,388	10,709	9,268
Inventories	15	18,865	15,424	13,345	18,865	13,345
Prepayments		1,513	1,635	1,775	1,569	1,820
Derivative financial asset	26	-	-	-	-	-
Non-current assets held for sale	17	-	-	-	-	-
Total current assets		99,052	77,371	90,969	100,936	92,481
Non-current assets						
Other financial assets	16	77,522	72,592	73,594	77,522	73,394
Investment in CCO and other similar entities	16	13,593	10,008	10,684	102	109
Derivative financial asset	26	-	-	599	-	599
Intangible assets	19	5,901	11,338	6,076	6,162	6,194
Investment property	22	51,476	33,345	33,457	51,476	33,457
Biological assets - forestry	21	8,658	8,087	8,568	8,658	8,568
Property, plant and equipment	18	1,970,428	2,040,280	1,938,749	1,994,742	1,962,034
Total non current assets		2,127,578	2,175,650	2,071,727	2,138,662	2,084,355
Total assets		2,226,630	2,253,021	2,162,696	2,239,598	2,176,836
Current liabilities						
Trade and other payables	23	28,803	21,250	24,051	29,070	24,393
Employee entitlements	24	3,933	3,855	3,813	4,016	3,891
Borrowings	25	69,101	48,000	58,608	69,101	58,608
Derivative financial instruments	26	343	-	54	343	54
Provisions		-	-	-	4	-
Total current liabilities		102,180	73,105	86,526	102,534	86,946
Non-current liabilities						
Provisions	27	237	213	167	238	176
Derivative financial instruments	26	2,262	52	-	2,262	-
Borrowings	25	169,066	188,687	145,093	169,066	145,093
Employee entitlements	24	129	-	123	129	123
Deferred tax liabilities	12	-	-	-	2,715	2,958
Total non current liabilities		171,694	188,952	145,383	174,410	148,350
Total liabilities		273,874	262,057	231,909	276,944	235,296
Net assets (assets minus liabilities)		1,952,756	1,990,964	1,930,787	1,962,654	1,941,540
Equity						
Accumulated funds	29	1,237,932	992,580	983,749	1,235,661	982,744
Other reserves	29	714,824	998,384	940,840	719,315	945,382
Non-controlling interests	30	-	-	-	7,678	7,216
Total equity		1,952,756	1,990,964	1,924,589	1,962,654	1,935,342
Explanations of major variances against budget are provided in note 34.						
Summary of significant accounting policies and the accompanying notes form part of these financial statements.						

Statement of Changes in Net Assets/Equity						
For the year ended 30 June 2025						
	Note	Council			Group	
		Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Net Assets/Equity at start of the year		1,924,589	1,909,887	1,893,821	1,935,342	1,906,950
Total comprehensive revenue and expenses for the year		28,167	81,077	30,768	27,022	26,844
Non-controlling interest equity injection		-	-	-	290	806
First time consolidation of Lake Taupo Protection Trust equity		-	-	-	-	742
Total comprehensive revenue and expenses		28,167	81,077	30,768	27,312	28,392
Balance at 30 June		1,952,756	1,990,964	1,924,589	1,962,654	1,935,342
<i>Total recognised revenue and expenses are attributable to:</i>						
Taupo District Council		28,167	81,077	30,768	26,867	27,809
Minority interest		-	-	-	155	(965)
Total comprehensive revenue and expenses		28,167	81,077	30,768	27,022	26,844
Explanations of major variances against budget are provided in note 34.						
Summary of significant accounting policies and the accompanying notes form part of these financial statements.						

Statement of Cashflows						
For the year ended 30 June 2025						
	Note	Council			Group	
		Actual 2025 \$000	Budget 2025 \$000	Restated Actual 2024 \$000	Actual 2025 \$000	Restated Actual 2024 \$000
Cash flow from operating activities						
Rates		103,472	107,921	92,809	103,430	92,782
Subsidies and grants		4,898	4,066	3,587	4,898	3,587
Development and financial contributions		1,855	7,757	2,060	1,855	2,060
Fees and charges		16,366	22,035	14,229	17,765	15,351
Finance revenue		4,303	5,058	6,946	4,371	6,993
Dividends or similar distributions		1,158	-	426	1,158	426
Other revenue		3,299	3,633	4,930	3,389	4,930
Payments to suppliers		(54,586)	(61,659)	(62,124)	(54,579)	(62,050)
Payments to employees		(31,913)	(33,437)	(30,977)	(32,950)	(32,054)
Interest paid		(12,378)	(12,187)	(11,558)	(12,393)	(11,571)
Net GST received/(paid)		295	-	(1,409)	324	(1,404)
Cash flow from operating activities		36,769	43,187	18,919	37,269	19,051
Cash flow from investing activities						
Proceeds from sale of fixed assets		10,995	4,459	4,272	10,995	4,272
Capital subsidies		4,997	3,006	9,833	4,997	9,833
Acquisition of financial assets		(57,321)	-	(181,841)	(58,069)	(182,561)
Proceeds from sales of financial assets		49,611	7,894	190,306	50,131	190,306
Purchase and development of fixed assets		(74,753)	(66,651)	(51,979)	(76,690)	(53,039)
Cash flow from investing activities		(66,471)	(51,292)	(29,409)	(68,636)	(31,189)
Cash flow from financing activities						
Loans raised		194,500	46,343	181,000	194,500	181,000
Net raising of finance lease liabilities		-	-	137	-	137
Capital input from minority interest		-	-	-	1,707	806
Repayment of loans		(159,500)	(23,226)	(162,000)	(159,500)	(162,000)
Net repayment of finance lease liability		(38)	-	(76)	(38)	(76)
Cash flow from financing activities		34,962	23,117	19,061	36,669	19,867
Net increase (decrease) in cash held		5,261	15,012	8,571	5,303	7,729
Add cash at start of year		26,979	(8,884)	18,408	27,846	19,306
Add opening Lake Taupo Protection Trust cash		-	-	-	-	811
Cash, cash equivalents, and bank overdrafts at the end of the year	13	32,240	6,128	26,979	33,149	27,846
The net GST item in the operating activity cashflows reflects the net GST paid or received with the Inland Revenue Department. The GST item is disclosed on a net basis as the gross amounts do not provide meaningful information for financial reporting purposes.						
The budget column under proceeds from sales of financial assets in the investment activity cashflows reflects the net investment activity. Due to how this line is budgeted, a grossing up to split sales and acquisitions is not possible.						
Fixed assets included Property, Plant and equipment, intangible assets, biological assets etc.						
Summary of significant accounting policies and the accompanying notes form part of these financial statements.						

Statement of Cashflows - Reconciliation					
Reconciliation of cashflow from operating activities	Note	Council		Group	
		Actual 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Surplus/(deficit) after tax		33,205	28,520	33,502	26,848
Add/(less) non cash items					
Depreciation and amortisation		36,943	36,917	37,503	37,433
Vested and first time recognition assets		(12,647)	(16,326)	(12,647)	(16,326)
Unrealised (gains)/losses in fair value of biological assets		(447)	(671)	(447)	(671)
Unrealised (gains)/losses in fair value of non-hedge accounted derivatives		3,150	(597)	3,150	(597)
Unrealised (gains)/losses in fair value of investment properties and assets held for sale		(18,019)	(15,007)	(18,019)	(15,007)
Unrealised (gains)/losses on equities		(3,363)	(1,493)	(3,363)	(1,493)
Asset impairment and write-off		1,531	1,836	1,538	1,837
Add/(less) items classified as investing activity					
Net (gain)/loss on sale/write-offs		2,778	4,358	2,778	4,358
Capital Subsidies		(4,997)	(9,833)	(4,997)	(9,833)
(Increase)/decrease in accounts receivable for capital disposals		-	-	-	-
Non-operating movement in deferred tax		-	-	-	1,660
Increase/(decrease) in accounts payable for capital expenditure		532	2,459	532	2,459
Add/(less) movements in working capital items					
(increase)/decrease in accounts receivable		(296)	(112)	(282)	574
(increase)/decrease in inventories		(5,520)	(13,107)	(5,520)	(13,107)
Increase/(decrease) in accounts payable		3,919	1,975	3,541	916
Net cash inflow/(outflow) from operating activities		36,769	18,919	37,269	19,051

FINANCIAL NOTES

Statement of accounting policies				
1.1 Reporting entity				
<p>Taupo District 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 financial statements of Taupo District Council and Group have been prepared in accordance with the provisions of section 98(1) of the Local Government Act 2002.</p> <p>The Group consists of the Taupo District Council and its controlled entities, Taupo Airport Authority (50% owned), Destination Lake Taupo Trust (100% owned), Lake Taupo Protection Trust (100% control), Data Capture Systems Limited (100% owned) and Destination Lake Taupo Limited (100% owned). All of the entities mentioned are domiciled in New Zealand.</p> <p>The primary objective of Taupo District Council and Group is to provide goods and services to the community for social benefit rather than for making a financial return. Accordingly, the Council has designated itself and the Group as a public benefit entity for financial reporting purposes.</p> <p>The Council has designated itself and the group as public benefit entities (PBE's) for the purpose of complying with generally accepted accounting practice.</p> <p>The financial statements of Taupo District Council are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 16 December 2025.</p>				
2 Summary of significant accounting policies				
Significant accounting policies are included in the notes to which they relate.				
Significant accounting policies that do not relate to a specific note are outlined below.				
2.1 Basis of preparation				
The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.				
Statement of compliance				
The financial statements of the Council and Group have been prepared in accordance with the requirements of the Local Government Act 2002, and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with New Zealand generally accepted accounting practice (NZGAAP).				
The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.				
These financial statements comply with PBE standards.				
Measurement base				
The consolidated financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and financial instruments (including derivative instruments).				
Functional and presentation currency				
The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000), other than the remuneration disclosures in note 10 which are rounded to the nearest dollar. The functional currency of Taupo District Council and Group is New Zealand dollars.				
Changes in accounting policies				
Disclosure for Fees for Audit Firms' Services (amendments to PBE IPSAS 1): Requires entities to disclose fees incurred for services received from its audit or review firm, and a description of each service, using the following categories:				
<ul style="list-style-type: none"> • Audit or review of the financial report • Other non-audit and non-review services: <ul style="list-style-type: none"> ◦ Audit or Review Related Services ◦ Other Assurance Services and Other Agreed-Upon Procedures Engagements ◦ Other Services 				
These disclosures were added as part of Note 11 Operating expenses.				
<p>During the financial year ended 30 June 2025, the Council changed its accounting policy for the measurement of land under roads. Previously, land under roads was measured using the revaluation model. Following a review of sector practices, the Council has elected to adopt the cost model, recognising the carrying value of land under roads at the date revaluation ceased as deemed cost.</p> <p>This change has been made in accordance with PBE IPSAS 3: Accounting Policies, Changes in Accounting Estimates and Errors, paragraph 17(b), which permits a change in accounting policy when it results in more relevant or reliable information. The Council considers this approach to be more pragmatic and cost-effective, given the immaterial impact of revaluing land under roads and the absence of depreciation on this asset class.</p> <p>The policy change has been applied prospectively. The revaluation reserve associated with land under roads has been transferred to accumulated funds, and no retrospective adjustments have been made to prior period comparative.</p>				
Standards issued and not yet effective and not early adopted				
Standards, interpretations, and amendments issued but not yet effective that have not been early adopted, and which are relevant to Taupo				
Insurance Contracts in the Public Sector (amending standard PBE IFRS 17): the standards add public sector modifications to include public sector entities and to ensure this Standard is suitable for this sector. Modifications include:				
<ul style="list-style-type: none"> • Information on how to identify arrangements to which PBE IFRS 17 should apply • Specific exemptions relating to sub-growing contracts • An amendment to the initial recognition requirements • Guidance on coverage periods • An accounting policy choice on liability measurement when applying the premium allocation approach • A specific grandfathering transition requirement. 				
Council has concluded the impact of this standard to be immaterial.				

2. Summary of significant accounting policies				
2.2 Basis of consolidation				
The consolidated financial statements are prepared adding together like items of assets, liabilities, equity, revenue, and expenses on a line-by-line basis. All significant intragroup balances, transactions, revenue and expenses are eliminated on consolidation.				
Controlled entities				
Controlled entities include special purpose entities and are those over which Taupo District Council and Group has the power to govern financial and operating policies, generally arising from a shareholding of at least half of the voting rights. Potential exercisable or convertible voting rights are considered when assessing whether Taupo District Council and Group controls another entity.				
Controlled entities are fully consolidated from the date on which control is transferred to Taupo District Council and Group, and de-consolidated from the date control ceases.				
The purchase method of accounting is used to account for the acquisition of controlled entity.				
The Council's financial statements show the investment in controlled entities at cost.				
The following entities are treated as controlled entities in Council's consolidated financial statements:				
• Taupo Airport Authority (50% owned but in substance Council exercises control)				
• Destination Lake Taupo Trust (Council is the settlor of the Trust)				
• Data Capture Systems Limited (100% owned)				
• Destination Lake Taupo Limited (100% owned)				
• Lake Taupo Protection Trust (Council is a settlor of the Trust and sole trustee)				
2.3 Exchange and non-exchange revenue				
Revenue comprises rates, revenue from operating activities, investment revenue, gains and finance revenue and is measured at the fair value				
-Exchange transactions:				
Revenue from exchange transactions arises where the Group provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash) in exchange.				
Revenue from exchange transactions include interest revenue, dividend revenue, sale of goods, and other gains & losses. Details on accounting policies for these classes of revenue can be found in the associated note.				
-Non-exchange transactions:				
Revenue from non-exchange transactions arises from transactions that are not exchange transactions. These are transactions where the Group 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 akin with an arm's length commercial transaction between a willing buyer and willing seller. Some services which the Parent provides for a fee are charged below market value as they are subsidised by rates. Other services operate on a cost recovery or breakeven basis which may not be considered to reflect a market return. A significant portion of the Parent's revenue will be categorised non-exchange.				
An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability				
liability is only recognised to the extent that the present obligations have not been satisfied. A liability in respect of a transferred asset is recognised only when the transferred asset is subject to a condition, such as a condition for the asset to be consumed as specified and / or that future economic benefits or service potential must be returned to the owner.				
Revenue from non-exchange transactions include rates revenue, fees & charges revenue, grants & subsidies, and all other revenue not included as exchange transactions. Details on accounting policies for these classes of revenue can be found in the associated note.				
2.4 Foreign currency transactions				
Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign currency 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 the surplus or deficit.				
2.5 GST				
The financial statements have been prepared exclusive of GST with the exception of receivables and payables that have been shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.				
The net GST recoverable from, or payable to the 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 cash flow statements.				
Commitments and contingencies are disclosed exclusive of GST.				
2.6 Budget figures				
The budget figures are those approved by the Council in the 2024-34 Long-term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.				
2.7 Cost allocation				
The cost of service for each significant activity of Council has been derived using the cost allocation system outlined below:				
Direct costs, are costs directly attributable to a significant activity, and are charged directly to that significant activity, and				
Indirect costs, are costs which cannot be identified in an economically feasible manner, with a specific significant activity, and are charged to significant activities using appropriate cost drivers such as staff time, computer devices, staff numbers and floor area.				
2.8 Third party transfer payment agencies				
Taupo District Council and Group collect monies for many organisations. Where collections are processed through Taupo District Council and Group's books, any monies held are shown as trade payables in the Statement of Financial Position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.				

3. Critical accounting estimates and judgements

(a) Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions 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 explained.

Note 18 provides information about the estimates and assumptions exercised in the measurement of revalued land, buildings, and infrastructure.

(b) Critical judgements in applying accounting policies

Management has exercised critical judgements in applying accounting policies regarding the classification of inventory, the assessment of a sale and leaseback transaction, and the classification of property. These are detailed in note 15, note 16, and note 18 respectively.

4. Exchange and non-exchange revenue

Accounting policy

Revenue is measured at fair value. For exchange revenue this equals the fair value of the consideration received or receivable. For non-exchange revenue it is the amount of the increase in net assets recognised by the Group.

Council receives government grants from New Zealand Transport Agency (NZTA) which subsidise part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Development and financial contributions are recognised as revenue when Council is capable of providing the service for which the contribution is charged.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Revenue from exchange transactions				
Finance revenue	3,711	6,530	3,764	6,566
Dividends or similar distributions	1,158	426	1,158	426
Sale of goods	834	726	857	745
Fees and charges	15,532	12,948	16,916	14,136
Other exchange revenue	497	466	497	466
Total revenue from exchange transactions	21,732	21,096	23,192	22,339
Revenue from non-exchange transactions				
Revenue from rates	106,425	92,833	106,383	92,806
Vested assets	12,218	11,082	12,218	11,082
Subsidies and grants	9,020	12,170	9,113	12,170
Development contributions	1,551	2,149	1,551	2,149
Other non-exchange revenue	26,519	29,897	26,519	29,911
Total revenue from non-exchange transactions	155,733	148,131	155,784	148,118
Total revenue per statement of comprehensive revenue and expense	177,465	169,227	178,976	170,457

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

5. Rates				
Accounting policy				
Rating Revenue is classified as non-exchange revenue and is measured at fair value.				
Rates revenue				
<ul style="list-style-type: none"> General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue. Rates arising from late payment penalties are recognised as revenue when rates become overdue. Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis. Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy. 				
	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
General rates	65,311	59,180	65,311	59,180
Total general rates	65,311	59,180	65,311	59,180
Targeted rates				
Refuse disposal	3,823	3,486	3,823	3,486
Sewage disposal	21,097	17,137	21,097	17,137
Water supply	16,207	12,702	16,207	12,702
Water by meter	2,167	1,846	2,167	1,846
Taupo Town Centre	197	187	197	187
Total targeted rates	43,491	35,358	43,491	35,358
Rates penalties	568	483	568	483
Total penalties revenue	568	483	568	483
Total rates	109,370	95,021	109,370	95,021
Less - rates remissions	(1,540)	(905)	(1,540)	(905)
Less - internal rates on Council/Group properties	(1,405)	(1,283)	(1,447)	(1,310)
Total rates, excluding targeted water supply rates	106,425	92,833	106,383	92,806
<p>As at 30 June 2024 there were 25,628 rating units in the District with a total capital value of \$31.725 billion and a total land value of \$16.632 billion (30 June 2023: 25,273 rating units, \$31.406b capital value, \$16.575b land value).</p> <p>The Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That Deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by the Council from other local authorities for services provided by that Council for which those other Local Authorities rate.</p> <p>The annual rates revenue of the Council for the year ended 30 June 2025 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure are as per the table above.</p> <p>Rates remissions</p> <p>Under Council's remissions policies, remissions are allowed for Lake Taupo and Hydro lakebeds; community, sporting, and other organisations; non-income producing, unoccupied parts of Māori freehold land in multiple ownership and in undeveloped state; and penalties in certain circumstances and at Council's discretion, natural disasters, Council owned utilities, water leaks, fixed charge for targeted water availability charge at Waitahanui.</p> <p>In accordance with the Local Government (Rating) Act 2002, certain properties cannot be rated for general rates. This includes schools, places of worship, public gardens, reserves and unused Māori freehold land. These non-rateable properties, where applicable, may be subject to targeted rates in respect of water supply, sewage disposal and refuse disposal.</p>				

6. Fees and charges				
Accounting policy				
Development and financial contributions				
Development and financial contributions are recognised as revenue when 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 Council provides, or is able to provide, the service.				
Building and resource consent revenue				
Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.				
Entrance fees				
Entrance fees are fees charged to users of Council's local facilities, such as the pools and museum. Revenue from entrance fees is recognised upon entry to such facilities.				
Landfill fees				
Fees for disposing of waste at Council's landfill are recognised as waste is disposed by users.				
Sales of goods				
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.				
Rental Revenue				
Rental revenue from investment property is recognised on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.				
Dividends				
Dividends are recognised when the right to receive payment has been established, and is classified as exchange revenue.				
	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Landfill charges	6,637	5,476	6,637	5,476
Building and resource consent charges	3,387	2,509	3,387	2,509
Other regulatory revenue	1,199	1,182	1,199	1,182
Swimming pools revenue	1,193	1,020	1,193	1,020
Rendering of services	448	389	448	389
Sale of goods	834	726	857	745
User charges	2,138	1,910	2,471	2,289
Facility membership fees	530	462	530	462
Taupo Airport landing fees	-	-	1,021	777
Destination Great Lake Taupo marketing fees	-	-	30	32
Total fees and charges	16,366	13,674	17,773	14,881

7. Subsidies and Grants				
Accounting policy				
New Zealand Transport Agency roading subsidies				
Council receives funding assistance from the 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 bequests				
Other grants 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.				
	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Operational subsidies and grants				
NZ Transport Agency subsidy	2,599	2,749	2,599	2,749
Other government grants	1,455	1,160	1,545	1,160
Other grants and donations	139	159	142	159
Capital subsidies and grants				
NZ Transport Agency capital subsidy	2,977	3,913	2,977	3,913
Other government capital grants	1,667	3,996	1,667	3,996
Non-government capital grants	183	193	183	193
Total subsidies and grants	9,020	12,170	9,113	12,170
Government Grants				
There are no unfulfilled conditions or other contingencies attached to any recognised government grants.				

8. Finance revenue and finance costs				
Accounting policy				
Interest revenue is recognised using the effective interest method.				
Borrowing costs are recognised as an expense in the financial year in which they are incurred.				
	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Finance revenue				
Interest revenue - term deposits	2,542	5,423	2,606	5,472
Interest revenue - community and other loans	87	15	87	15
Interest revenue - related party loans	11	13	-	-
Interest revenue - borrower notes	1,071	862	1,071	862
Interest revenue - finance lease ¹	-	217	-	217
Total finance revenue	3,711	6,530	3,764	6,566
Less finance costs				
Interest on borrowings	(11,874)	(11,820)	(11,874)	(11,820)
Finance charges on leased assets	(8)	(10)	(8)	(10)
Total finance costs	(11,882)	(11,830)	(11,882)	(11,830)
Net finance costs	(8,171)	(5,300)	(8,118)	(5,264)
¹ In 2024 Council sought an external technical opinion on the treatment of land at 67 Horomatangi Street. The piece of land which was sold in the 2023 financial year, has a deferred settlement extending into the year ending 30 June 2025. As a result of this opinion, the land, previously disclosed as Investment property land, had been reclassified to a finance lease receivable. Critical judgements exercised are further detailed in note 16.				

9. Other revenue

Accounting policy

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

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.

For long-lived assets that must be used for a specific use (for example, land that must be used as a recreation reserve), Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if Council expects that it will need to return or pass the asset to another party.

Rental Revenue

Rental revenue from investment property is recognised on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

Dividends

Dividends are recognised when the right to receive payment has been established.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Vested land and infrastructure from property development	12,218	11,082	12,218	11,082
First time recognition of assets	429	5,244	429	5,244
Petrol tax	406	408	406	408
Infringements and fines	594	620	594	620
Gain on sale of property, plant, equipment and forestry	454	1,703	454	1,703
Dividends or similar distributions	1,158	426	1,158	426
Change in fair value of forestry assets	447	671	447	671
Change in fair value of investment properties and non-current assets held for sale	19,044	15,007	19,044	15,007
Realised gain on sale of shares & corporate bonds	339	281	339	281
Unrealised gain on shares	3,839	1,545	3,839	1,545
Unrealised foreign exchange gain on shares	-	47	-	47
Unrealised gain on derivatives not hedge accounted	-	597	-	597
Rental revenue from investment properties	77	107	77	107
Other revenue	81	78	81	78
Foreign exchange gains (net)	49	199	49	199
Insurance recoveries	35	125	35	139
Revenue from developer agreements	1,222	3,731	1,222	3,731
Total other revenue	40,392	41,871	40,392	41,885

Operating leases as lessor

Investment property is leased under operating leases. The leases have various non-cancellable terms depending on the nature of the lease and the terms negotiated. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Not later than one year	392	413	583	691
Later than one year and not later than five years	855	895	1,189	1,325
Later than five years	1,156	1,237	1,227	1,284
Total non-cancellable operating leases	2,403	2,545	2,999	3,300

No contingent rents have been recognised during the period.

10. Personnel costs

Accounting policy

Superannuation schemes

Defined contribution superannuation schemes

Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Salaries and wages	30,810	29,685	31,789	30,741
Increase/(decrease) in employee entitlements/liabilities	126	341	131	303
Severance	143	145	180	145
Defined contribution plan employer contributions	975	911	997	931
Total personnel costs	32,054	31,081	33,097	32,119

Severance payments

In 2025 the Council made 4 severance payments totalling \$143k - comprising \$41k, \$39k, \$45k, and \$18k. (2024: Six severance payments totalling \$144.5k - comprising \$71.5k, \$30.5k, \$20k, \$12.5k, \$5.5k, \$4.5k).

In 2025 the Group made 6 severance payments totalling \$180k - comprising \$41k, \$39k, \$45k, \$18k, \$31k and \$6k (2024: Six severance payments totalling \$144.5k - comprising \$71.5k, \$30.5k, \$20k, \$12.5k, \$5.5k, \$4.5k).

Chief Executive

The total remuneration (including any non-financial benefits) paid or payable for the year to the Chief Executive was \$356,773 (2024: \$331,162). The Chief Executive's term of appointment expires 30 May 2028.

The Chief Executive Officer of the Taupō District Council is appointed under Section 42 of the Local Government Act 2002.

	Council	
	2025	2024
Elected representatives remuneration		
Mayor - David Trewavas	148,400	143,105
Campbell, Duncan	42,873	39,076
Fletcher, Karam	41,907	39,076
Greenslade, Sandra	53,745	42,984
Leonard, Kylie	47,478	42,984
Loughlin, Danny	41,907	39,076
Park, Anna	34,949	46,892
Rankin, Christine	50,012	46,892
Shepherd, Rachel	41,907	39,076
Taylor, Kevin	66,220	62,522
Trueman, Kirsty	49,965	42,984
Westerman, Yvonne	42,107	39,076
Williamson, John	50,569	46,892
Total Mayor & Councillors' remuneration	712,039	670,635

The figure disclosed for the Mayor's remuneration includes a non-cash benefit of \$5,617 (2024: \$5,617) in relation to the mayoral car.

The monetary remuneration detailed above (salary and allowances) is determined by Council resolution within limits set by the Local Government Elected Members Determination in accordance with the provisions of Clause 6 Schedule 7 of the Local Government Act 2002. Fringe benefit tax of \$10,072 was paid to the IRD by Council for a vehicle supplied to Mayor David Trewavas (2024: \$10,072).

Council employees

Total annual remuneration by band for employees as at 30 June 2025:

	Number of employees 2025
Less than \$60,000	115
\$60,000 - \$79,999	114
\$80,000 - \$99,999	72
\$100,000 - \$119,999	46
\$120,000 - \$139,999	42
\$140,000 - \$159,999	15
\$160,000 - \$179,999	10
\$180,000 - \$199,999	7
\$200,000 - \$359,999	5
Total employees	426

Council employees

Total annual remuneration by band for employees as at 30 June 2024:

	employees (restated) 2024
Less than \$60,000	136
\$60,000 - \$79,999	116
\$80,000 - \$99,999	61
\$100,000 - \$119,999	54
\$120,000 - \$139,999	28
\$140,000 - \$159,999	13
\$160,000 - \$179,999	10
\$180,000 - \$349,999	11
Total employees	429

Total remuneration includes non-financial benefits provided to employees.

At balance date, the Council employed 333 (2024: 337) full-time employees, with the balance of staff representing 49.2 (2024: 45.0) full-time equivalent employees. A full-time employee is determined on the basis of a 37.5 or 40-hour working week.

11. Operating expenditure

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Grant expenditure

The Council's grants awarded have no substantive conditions attached.

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 grants has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Other expenses				
Audit fees [†]	475	436	507	466
Maintenance	17,911	16,621	18,013	16,935
Service delivery contracts	8,721	8,458	7,276	6,381
Electricity and gas	3,724	3,777	3,790	3,846
Materials and supplies	1,462	1,523	1,476	1,546
Professional services fees/legal fees	5,624	6,145	5,718	6,321
Resource consenting and compliance	1,512	1,026	1,512	1,026
Mobile plant and vehicle running costs	741	738	744	741
Insurance	1,744	1,562	1,780	1,602
Town Centre Taupo (rates)	193	192	193	192
Community grant programme	730	756	730	756
Other grants	1,799	1,261	1,803	1,265
Councillor fees	705	686	705	686
Directors' fees	-	-	21	25
Minimum lease payments under operating leases	145	140	158	155
Emission Trading Scheme (Carbon Credits)	2,113	2,551	2,113	2,551
Other expenses	7,432	6,062	8,395	7,121
Inventory consumption	495	314	495	314
Impairment of receivables	(875)	284	(875)	287
Loss on disposal of property, plant, equipment and forestry	3,571	6,159	3,571	6,159
Loss on sale of corporate bonds & shares	-	180	-	180
Loss on sale of corporate bonds & shares (FX)	-	3	-	3
Revaluation losses on investment property	1,025	70	1,025	70
Unrealised foreign exchange losses	476	99	476	99
Unrealised loss on derivatives not hedge accounted	3,151	-	3,151	-
Change in fair value of shares	-	-	-	-
Asset write-offs	507	1,836	514	1,837
Total other expenses	63,381	60,879	63,291	60,564

[†] Further categorisation of audit fees can be found below.

Non-cancellable operating leases as lessee:

Included in the commitments are leases of property, plant and equipment that Taupo District Council has entered into in the normal course of its business. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Rental expense relating to operating leases				
Payable no later than one year	1,424	869	1,424	869
Later than one, not later than two years	1,463	1,431	1,463	1,431
Later than two, not later than five years	4,633	4,533	4,633	4,533
Later than five years	39,273	42,021	39,273	42,021
Total rental expense relating to operating leases	46,794	48,853	46,794	48,853

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$0 (2024: \$0).

Audit and Related Service Fees

In accordance with the amendments to PBE IPSAS 1, the entity discloses the following fees incurred for services provided by its audit firm during the reporting period:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Service Category:				
Audit or Review of the Financial Statements - Statutory audit of the Taupo District Council annual financial statements	353	302	385	332
Audit or Review Related Services - Audit of the Taupo District Council long term plan	81	74	81	74
Audit or Review Related Services - Audit of the Debuture Trust Deed	11	10	11	10
Other Services - Prior year annual financial statement audit overruns	30	50	30	50
	475	436	507	466

12. Income tax				
Accounting policy				
Local authorities are only subject to income tax on income derived from any council controlled organisation and as a port operator.				
Income tax expense includes components relating to both current tax and deferred tax.				
Current tax is the expected tax payable on the taxable income for the year, and any adjustment to income tax payable in respect of prior years.				
Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.				
Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.				
Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.				
Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit or taxable profit.				
Current and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.				
Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to items recognised in other comprehensive revenue and expenses or directly in equity.				
	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Current tax expense				
Deferred taxation	-	-	(300)	1,662
Release of tax provision no longer required	-	-	-	-
Tax expense	-	-	(300)	1,662
Relationship between income tax and accounting profit:				
Operating surplus/(deficit) before taxation	33,205	28,520	33,502	26,848
Surplus/(deficit) before taxation	33,205	28,520	33,502	26,848
Tax calculated at 28%	9,297	7,986	9,381	7,517
Less tax effect of:				
Non taxable expenditure	(9,297)	(7,986)	(9,681)	(5,855)
Deferred tax adjustment	-	-	-	-
Tax expense	-	-	(300)	1,662
Deferred tax liabilities (Group)	Property, plant & equipment	Non deductible provisions	Tax losses	Total
	\$000	\$000	\$000	\$000
Council & Group				
Balance at 1 July 2023	2,065	(9)	(758)	1,298
Charged to surplus or deficit	1,695	2	(36)	1,662
Charged directly to other comprehensive revenue	(1)	-	-	(1)
Balance at 30 June 2024	3,759	(7)	(794)	2,958
Balance at 1 July 2024	3,759	(7)	(794)	2,958
Charged to surplus or deficit	(329)	1	28	(300)
Charged directly to other comprehensive revenue	57	-	-	57
Balance at 30 June 2025	3,487	(5)	(766)	2,715
Data Capture Systems Limited, a subsidiary of Council, has unrecognised tax losses as at 30 June 2025 of \$225,325 to carry forward (2024: \$225,325). The tax effect of these losses is \$67,598 (2024: \$67,598). The carried forward losses originated from the activity of Taupo Information Centre Limited, that company later being renamed Data Capture Systems Limited.				

13. Cash and cash equivalents**Accounting policy**

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

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the Statement of Cashflows, and within borrowings in current liabilities in the Statement of Financial Position.

	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Cash at bank and in hand	5	16	131	260
Call deposits	12,675	12,368	13,058	12,591
Term deposits with maturities of less than three months at acquisition	19,560	14,595	19,960	14,995
Cash and cash equivalents	32,240	26,979	33,149	27,846

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

Critical judgements in applying accounting policies**Call deposits**

Included within **Call deposits** are cash amounts on call held with an external fund manager as part of the TEL managed funds portfolio. At 30 June 2025, the amount included within call deposits was \$5.5m (2024: \$6.2m). Council has applied judgement in the application of the classification of cash held by the fund manager and classified these as cash and cash equivalents. During the financial year the Council approved and re-clarified the usage of the TEL managed fund portfolio specifically for the usage in funding community projects only, the critical judgement applied is that these funds are available on short notice and are deliberately held in highly liquid form to enable use for approved community projects as required, Council has signalled its intention to utilise these funds for community projects.

14. Trade and other receivables**Accounting policy**

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

A receivable is considered uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Rates receivable	6,810	3,327	6,810	3,327
General debtors	1,815	1,681	2,011	1,850
Receivables from controlled entities	24	326	-	-
Other	2,791	4,933	2,793	4,973
Receivables prior to impairment	11,440	10,267	11,614	10,150
Less: Allowance for credit losses	(902)	(879)	(905)	(882)
Total current net trade and other receivables	10,538	9,388	10,709	9,268
Total debtors and other receivables from exchange transactions	-	-	179	170
Total current net trade and other receivables from non-exchange transactions	10,538	9,388	10,530	9,098
Total current net trade and other receivables	10,538	9,388	10,709	9,268

Receivables are generally short-term and non-interest bearing and receipt is normally on 30 day terms. Therefore the carrying value of receivables approximates their fair value.

(a) Impaired receivables

Taupo District Council does not provide for any impairment on rates receivable, with the exception of multiple owned Māori Freehold Land, as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstance. Where such repayment plans are in place, debts are discounted to their present value of future payments if the impact of discounting is material.

These powers allow Taupo District Council to commence legal proceedings to recover any rates that remain unpaid four months after due date for payment. If payment has not been made within three months of the Court's judgement, then Taupo District Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit. Rates are 'remitted' only in accordance with Council's rates remission policies. Rates are written off under Section 90A and 90B of the Local Government Rating Act 2002 where it is determined by the Chief Executive Officer that the debt cannot reasonably be recovered. Any rates debt on Māori Freehold land that is found to be unused and therefore non-rateable as at 1 July 2021 will be written off under transitional provisions relating to the Local Government (Rating of Whenua Māori) Amendment Act 2020, Schedule 1AA, Part 1 (2b). Note: Taupō District Council did not hold any debt on land that is subject to a Nga Whenua Rahui kawenata and is therefore non rateable under the Local Government (Rating of Whenua Māori) Amendment Act 2020, Schedule 1AA, Part 1 (1b).

The Chief Executive approved the write-off of rates receivable during the year under the Local Government (Rating) Act 2002 as follows:

- Section 90A: \$Nil (2024: \$2k)
- Section 90B: \$Nil (2024: \$Nil)

The allowance for expected credit loss of general debtors is based on an expected credit loss (ECL) model, in addition to individual impairment where specific indicators for impairment exist. Due to the additional statutory debt recovery powers noted above, rating debt is excluded from this model. In assessing credit losses for receivables, the Council apply the simplified approach and record lifetime ECL on receivables. Lifetime ECL result from all possible default events over of the life of a receivable. The Council use a provision matrix based on historical credit loss experience upon initial recognition of a receivable, using reasonable assumptions and any available customer information.

The carrying amount of receivables that would otherwise be impaired, whose terms have been renegotiated is \$88,666 (2024: \$61,295).

14. Trade and other receivables (continued)

The status of receivables as at 30 June 2025 are detailed below:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current	1,548	997	1,714	1,132
Past due 1-30 days	2,181	210	2,184	228
Past due 31-60 days	197	133	198	147
Past due 61+ days	4,723	3,998	4,732	4,008
Impairment	(902)	(879)	(905)	(882)
Net receivables	7,747	4,459	7,923	4,633

The impairment provision has been calculated based on expected losses for the Council and Group's pool of debtors. Expected losses determined based on analysis of the Council's losses in previous periods and review of specific debtors are detailed below:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Individual impairment	535	448	538	451
Collective impairment	366	431	366	431
Total impairment	902	879	905	882

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors are:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current	-	-	-	-
Past due 1-30 days	-	-	-	-
Past due 31-60 days	-	-	-	-
Past due 61+ days	535	448	538	451
Total impairment	535	448	538	451

In assessing ECL on receivables the Council considers both quantitative and qualitative inputs. Quantitative inputs include past collection rates and aging of receivables. Qualitative inputs include past trading history with the Council, and analysis of collection times by service offered. Collectively impaired receivables have been grouped by aged of receivable as below:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current	7	8	7	8
Past due 1-30 days	0	3	0	3
Past due 31-60 days	0	8	0	8
Past due 61+ days	358	412	359	412
Total impairment	366	431	366	431

Movements in the allowance for credit losses of receivables are as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Opening balance	879	759	882	759
Additional provisions	81	200	81	203
Receivables written off during the year	(58)	(80)	(58)	(80)
Total impairment	902	879	905	882

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

15. Inventories

Accounting policy

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value.
- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first in, first out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down.

When sections of land for sale are transferred from non-current assets held for sale, investment property or property, plant and equipment to inventory, the fair value of the land at the date of transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs, which are capitalised to property, plant, and equipment.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Commercial inventories				
Held for use in the provision on services	69	152	69	152
Residential sections held for sale	18,607	13,098	18,607	13,098
	18,676	13,250	18,676	13,250
Held for distribution				
Parks & reserves chemicals	11	13	11	13
Swimming pool chemicals	16	15	16	15
Other	161	66	161	66
Total inventory	18,865	13,345	18,865	13,345

No inventories are pledged as security for liabilities (2024: \$nil).

Residential sections held for sale

Residential sections held for sale comprises land cost reclassified from investment property, and the associated development costs incurred to date on commencement of a property development. In FY25, no property developments were commenced and reclassified (2024: Three property developments were commenced and reclassified). At June 2025 the balance consists of \$9.2m worth of land cost, and \$9.4m of development costs (2024: \$9.2m land, \$3.9m development costs).

Inventories held for distribution

No inventories were written-down during the year (2024: \$nil). There have been no reversals of write-downs (2024: \$nil).

Critical judgements in applying accounting policies

Classification of East Urban Lands land development stage 1a, stage 1b, and stage 2

Per the Council's transfer of investment property policy, when investment property is to be developed with a view for sale, the Council will recover the value of the property through sale, rather than capital appreciation or rental income. The Council reclassifies assets from investment property to inventory when there is a change in use evidenced by the commencement of development (or strong evidence that development is commencing).

For the East Urban Lands (EUL) development, the land has been split into three stages, Stage 1a, Stage 1b and Stage 2. Significant development works including earthworks and civil asset construction have commenced on Stage 1a and 1b, however Stage 2 is in the design phase, with no major development works started as at 30 June 2025.

As the block of land containing these developments is under a single property title, there are inherent complexities in apportioning of assets to each stage, and the values attached to these assets. The future intention for the entire asset (which includes stages 1a, 1b and 2) is with a view for sale, with Council allocating funding to the development of Stage 2 in its long-term plan 2024-34. Additionally, Council does not anticipate any significant impediments to commencement of development, therefore the entire value of the EUL block was transferred at fair value to inventories on the date the earthworks commenced on the property.

On the basis described above, the Council has not reclassified any of the stages between current and non-current inventory based on the development cycles of the EUL block. As Council is not able to separately identify development cycles, nor individual assets or financial values assigned to individual assets, it has not assigned any classification split, instead it has classified all inventory balances relating to EUL as current, on the basis that it cannot clearly identify segregated operating cycles for each stage.

16. Other financial assets

Accounting policy

Financial assets (other than shares in subsidiaries) are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Subsidiaries

The Council consolidates in the group financial statements those entities it controls. Control exists where the Council is exposed, or has rights, to variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity. Power can exist over an entity if, by virtue of its purpose and design, the relevant activities and the way in which the relevant activities of the entity can be directed has been predetermined by the Council.

Investment assets in subsidiaries are initially recognised at cost and then subsequently measured at fair value through other comprehensive income using the net asset backing valuation technique.

Associate

An associate is an entity over which the council has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are accounted for in the group financial statements using the equity method of accounting.

Joint venture

A joint venture is a joint arrangement whereby the parties that 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.

Equity method of accounting in group financial statements

Investments in associates and joint ventures are accounted for in the group financial statements using the equity method of accounting.

Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the group's share of the change in net assets of the entity after the date of acquisition. The group's share of the surplus or deficit is recognised in the group surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of the entity equals or exceeds the interest in the entity, the group discontinues recognising its share of further deficits.

After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Term deposits and community loans (amortised cost)

Loans made at nil or below market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument.

After initial recognition, term deposits and community loans are measured at amortised cost using the effective interest rate method. Where applicable, interest accrued is added to the investment balance.

At year end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

If the assets are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

Listed shares, managed funds, & preferential shares (fair value through surplus or deficit)

This category has two sub categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance date.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on remeasurement recognised in the surplus or deficit.

Council's equity investments fall into this category.

Borrower notes (fair value through surplus or deficit)

Borrower notes are subordinated convertible debt instruments that the council is required to subscribe for when borrowing from the LGFA, currently set at 5% (2024: 5%) of the aggregate borrowings by that local authority. The borrower notes mature as the underlying debt matures. Borrower notes are initially recognised at fair value and are subsequently measured at fair value through surplus or deficit.

Listed bonds (amortised cost)

After initial recognition, listed bonds are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the statement of comprehensive revenue and expense.

At year end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

Unlisted shares (fair value through other comprehensive revenue and expense)

Financial assets at fair value through other comprehensive revenue and expense are those equity instruments that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. The Council and Group includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.
- subsidiary investment assets.

After initial recognition, these investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Council's shareholding in Civic Financial Services and the holdings of Government bonds are included as 'unlisted shares'.

16. Other financial assets (continued)

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current portion				
Short term bank deposits with maturities of 4-12 months	34,521	35,078	35,269	35,798
Local government (NZLGFA) borrower notes	683	454	683	454
Listed bonds	692	1,007	692	1,007
Finance lease receivable ¹	-	2,943	-	2,943
Total current portion	35,896	39,482	36,644	40,202
Non current portion				
Shares in CCO's and other similar entities				
Taupo Airport Authority	13,491	10,575	-	-
NZ Local Government Funding Agency (NZLGFA)	100	100	100	100
Investments in associates	2	9	2	9
Total investment in subsidiaries and similar entities	13,593	10,684	102	109
Investment in other entities				
Civic Financial Services Ltd	80	78	80	78
Term deposits > 12 months	-	-	-	-
Listed bonds	15,988	15,604	15,988	15,604
Local government (NZLGFA) borrower notes	5,743	3,524	5,743	3,524
Community loans	176	166	176	166
Equity securities	46,268	40,198	46,268	40,198
Preferential shares (fixed interest)	2,129	1,572	2,129	1,572
Managed funds (fixed interest)	6,122	6,047	6,122	6,047
Related party loans	-	203	-	3
Other loans	1,016	1,004	1,016	1,004
Total investment in other entities prior to impairment	77,522	68,396	77,522	68,196
Less: Provision for Impairment	-	(1,000)	-	(1,000)
Total investment in other entities	77,522	67,396	77,522	67,196
Total non current portion	91,115	78,080	77,624	67,305
Total other financial assets	127,011	117,562	114,268	107,507
Fair value				
Term deposits				
The carrying amount of term deposits approximates their fair value and includes interest accrued.				
Controlled entities				
Taupo District Council has 50% ownership of the Taupo Airport Authority Joint Venture. The Crown is the owner of the other 50%. The Taupo Airport Authority balance date is 30 June.				
Taupo District Council has settled \$100 on the Destination Lake Taupo Trust. The Trust's balance date is 30 June.				
Taupo District Council has 100% ownership (150 shares) of the subsidiary Data Capture Systems Limited (2024: 150 shares). This company is dormant.				
Taupo District Council has 100% ownership (100 shares) of the subsidiary Destination Lake Taupo Limited (2024: 100 shares). This company is dormant.				
Listed shares				
Council has current investments in listed shares on various international markets. Listed shares are recognised at fair value which is determined by reference to published current bid price quotations in an active market.				
Council holds the following listed equity investments:				
	2025		2024	
Share	# Shares	\$/share	# Shares	\$/share
Precinct Properties New Zealand Limited	565,000	1.20	565,000	1.12
Vital Healthcare Property Trust	315,000	1.83	315,000	1.88
Charter Hall Group	46,000	20.68	55,000	12.25
Goodman Group	21,000	36.90	26,000	38.07
Scentre Group	225,400	3.84	225,400	3.42
Total Property		\$ 3,875,348		\$ 3,630,643
Auckland International Airport Limited	86,582	7.75	85,000	7.63
Chorus Limited (NS)	70,000	8.45	591,500	70,000
EBOS Group Limited	17,000	38.45	653,650	13,000
Fisher & Paykel Healthcare Corporation Limited	16,000	36.05	576,800	-
Freightways Group Limited	50,000	11.11	555,500	50,000
Infratil Limited	40,000	10.60	424,000	50,000
Mainfreight Limited	10,000	67.15	671,500	6,500
Mercury NZ Limited	110,000	6.01	661,100	80,000
Meridian Energy Limited	90,000	5.90	531,000	90,000
Port of Tauranga Limited	90,000	6.85	616,500	60,000
Ryman Healthcare Limited	124,820	2.24	279,597	94,000
Skellerup Holdings Limited	90,000	4.71	423,900	90,000
Spark New Zealand Limited	220,000	2.43	534,600	110,000
The a2 Milk Company Limited	45,000	8.63	388,350	45,000
Tourism Holdings Limited	-	0.00	-	87,000
Total NZ Equities		\$ 7,678,674		\$ 6,818,075
ALS Limited	28,000	18.43	515,995	-
Amcor Plc	33,000	15.30	505,003	33,000
ANZ Group Holdings Limited	13,000	31.43	408,529	22,000
APA Group	-	0.00	-	40,000
Brambles Limited	20,000	25.24	504,787	30,000
Cochlear Limited	2,300	323.76	744,643	-
Commonwealth Bank Of Australia	2,400	199.10	477,845	4,000
CSL Limited	2,000	258.08	516,168	2,000
Insurance Australia Group Limited	70,000	9.73	681,204	70,000
Macquarie Group Limited	2,500	246.50	616,247	2,500
ResMed Incorporated	20,000	42.41	848,138	20,000
Telstra Group Limited	140,000	5.22	730,239	140,000
Ventia Services Group Limited	130,000	5.58	725,713	130,000
Vulcan Steel Limited	30,000	6.27	188,164	30,000
Woolworths Group Limited	15,000	33.53	502,901	15,000
Xero Limited	1,270	193.77	246,085	-
Total Australian Equities		\$ 8,211,660		\$ 6,871,799
Stewart Investors Worldwide Leaders Sustainability Fund (PIE)	2,476,436	1.45	3,601,975	2,107,976
AllianceBernstein Sustainable Global Thematic Equities Fund	5,415,672	1.40	7,585,121	5,787,557
GMO Climate Change Trust	-	0.00	-	1,796,089
GMO Quality Trust	3,845,010	2.02	7,748,733	3,848,588
Pzena Global Focused Value Fund - P Class	691,935	1.45	1,001,160	-
iShares Expanded Tech Sector ETF	19,500	185.29	3,613,112	15,000
Vanguard Health Care ETF	7,500	409.60	3,071,994	5,000
		\$ 26,602,096		\$ 23,877,011
		\$ 46,267,679		\$ 40,197,528

16. Other financial assets (continued)

Community Loans

Loans to community organisations made at nil or below market interest rates are initially recognised at the present value of their expected future cashflows, discounted at the current market rate of return for a similar financial instrument. These loans are subsequently valued at amortised cost using the effective interest method. The face value of the loans is \$300,000 (2024: \$300,000).

Related Party Loans

Related party loans valued at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. The loan facility to the Taupo Airport Authority of \$200k has nil drawn at 30 June 2025 (2024: \$200k).

Other Loans

Other Loans made at below market interest rates are initially recognised at fair value.

Impairment

A provision for the impairment of the Ruapehu Alpine Lifts (RAL) bond, categorised as other loans above, had been raised due to RAL appointing PwC as liquidator on the 21st of June 2023. This provision was released on the basis of the sale and restructured agreement to Whakapapa Holdings Limited. As all outstanding loan interest has been paid, the recovery of the bond is no longer considered unlikely.

Other Shares in Companies

Council holds the following equity investments:

- Civic Financial Services Ltd 83,971 shares at fair value of \$0.95 (2024: \$0.93) each.
- BOP Local Authority Shared Services Ltd 1 ordinary capital share of \$1,000 (2024: \$1,000).
- NZ Local Government Funding Agency 100,000 ordinary shares @ \$1.00 and 100,000 ordinary unpaid shares @ \$1.00 (2024: \$1.00).

Finance lease receivable (amortised cost)

¹ In 2024 Council sought an external technical opinion on the treatment of land at 67 Horomatangi Street. The piece of land which was sold in the 2023 financial year, had a deferred settlement extending into the year ending 30 June 2025. As a result of this opinion, the land, previously disclosed as Investment property land, has been reclassified to a finance lease receivable.

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Reconciliation gross/net investment				
Gross receivable	-	3,000	-	3,000
Less: unearned finance income	-	(57)	-	(57)
Total	-	2,943	-	2,943

Critical judgements in applying accounting policies

Sale and leaseback of 67 Horomatangi Street

Council sold the land to developers, under deferred settlement terms, with a condition that they would build a new corporate office, which will be leased by the Council on completion. In this transaction, the sale involved the land only, while the leaseback involves the land and building (which is constructed and owned by the developer on the land). Council does not consider the sale of the land at 67 Horomatangi Street to constitute a sale and leaseback arrangement, on the basis that the sale involves only the land, and the leaseback involves both the land and the building (which is constructed on the land), therefore the two transactions for the sale of the land, and the lease of the majority of the building (on completion), are distinctly separate transactions.

The finance lease receivable above represents the receivable owing for the purchase of the land over the period of the deferred settlement. Cash proceeds were applied to the receivable on settlement in the 2025 financial year.

The leaseback of the land after title is transferred is an operating lease as it has an indefinite useful life and there is no purchase option for the Council at the end of the lease.

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18. Property, plant and equipment

Accounting policy

Property, plant, and equipment consist of:

(i) Operational assets

Operational assets include land, buildings, office furniture and fittings, library books, heritage assets, plant and equipment, and motor vehicles.

(ii) Restricted assets

Restricted assets are parks and reserves owned by Council, that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

(iii) Infrastructure assets

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

Land and land under roads (operational and restricted) are measured at fair value, buildings (operational and restricted) and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes, excluding heritage assets, are measured at cost less accumulated depreciation and impairment losses. Heritage assets are measured at cost.

Revaluation

Land and buildings (operational and restricted), land under roads and infrastructural assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

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

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 the Council and Group 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 initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its 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 Group and the cost of the item can be measured reliably.

Additions between valuations are shown at cost, except vested assets. Certain infrastructural assets and land have been vested in Council as part of the subdivision consent process. Vested land reserves are initially recognised at the most recent rating valuation. Vested infrastructural assets are valued based on the actual quantities of infrastructure components vested, and the current "in the ground" cost of providing identical services.

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

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. These are included in the surplus or 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 on all property, plant, and equipment other than land and heritage assets, 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:

Class of asset depreciated	Estimated useful life
Operational assets	
Land	Not depreciated
Site value	13 years
Structure	8 - 80 years
Roof	3 - 40 years
Services	5 - 44 years
Internal fit-out	2 - 33 years
Plant & machinery	3 - 40 years
Computer equipment	4 - 10 years
Office equipment	3 - 25 years
Leased assets	4 years
Furniture and fittings	2 - 40 years
Park furniture	1.5 - 100 years
Motor vehicles	4 - 25 years
Library books	Not depreciated - 8.0 years
Infrastructural assets	
Buildings	8 - 55 years
Roading network	
Top surface (seal)	4 - 25 years
Pavement (base course)	50 - 65 years
Formation	not depreciated
Culverts	25 - 80 years
Footpaths	30 - 80 years
Kerbs	50 - 80 years
Signs	15 years
Streetlights	15 - 50 years
Bridges	90 years
Structures	15 - 50 years
Land under roads	not depreciated
Water system	
Pipes	50 - 120 years
Valves, hydrants	60 years
Pump stations	20 - 60 years
Tanks	25 - 80 years
Sewerage system	
Pipes	65 - 100 years
Manholes	80 years
Treatment plant	10 - 100 years
Stormwater systems	
Pipes	50 - 120 years
Manholes, cesspits	75 - 100 years
Flood control systems	20 - 100 years
Solid waste	4 - 50 years
The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.	

18. Property, plant and equipment

Impairment of property, plant

Property, plant and equipment that have a finite useful life are reviewed for impairment at each balance date and 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 its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as 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 or deficit.

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

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases in the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

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

Critical accounting estimates

Estimating the fair value of land, buildings and infrastructure.

Land (operational, restricted,

The most recent valuation of land and buildings for Council and Group was performed by independent registered valuers, Andrew Parkyn (VPM, P G Dip Com, SPINZ, ANZIV), Damian Hall (B.TM, Grad Dip Val), Chrissy Wright-Stow (HRM, Grad Dip Val), Maria McHugh BCom (VPM), MPINZ and Vanessa Lawrence Bachelor of Science, of Quotable Value Limited. The valuation is effective as at 30 June 2025.

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the "unencumbered" land value where there is a designation against the land or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely.

Restrictions on Council's ability to sell land would normally not impair the value of the land because Council and Group has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

Buildings (operational and

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the replacement with modern equivalent assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated, after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential and office buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

18. Property, plant and equipment

Infrastructural asset classes: wastewater, water, stormwater, and roads

Wastewater, water, stormwater, and roading infrastructural assets (excluding land under roads and buildings associated with networks) are valued using the optimised depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

- The physical deterioration and condition of an asset, for example, the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of the asset;
- Estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted 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 Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ 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 Council's asset management planning activities, which provides Council with further assurance over its useful life estimates. Experienced independent valuers perform the Council's infrastructural asset revaluations.

The most recent valuation of wastewater, water and stormwater infrastructure assets for the Group (excluding associated buildings) was performed by Hasitha Kahandawa BSc (Hons), Principal Quantity Surveying, of AECOM New Zealand Limited. The valuation is effective as at 30 June 2023.

The most recent valuation of roading infrastructural assets (excluding land under roads) was performed by Rachel Wells, Bachelor of Commerce and affiliate member of PINZ. She has a background of infrastructural asset valuations of over 13 years. She is responsible for supervising junior staff and completing valuations for a wide range of infrastructure assets including ports, roading networks, water networks, specialised and heritage buildings, parks & reserves. She is part of the Infrastructure Asset management team of WSP. The valuation is effective as at 30 June 2023.

Land under roads

Land under roads was valued based on fair value of adjacent land determined by Quotable Value New Zealand, effective 30 June 2024. Council has elected to use the fair value of land under roads as at 30 June 2024 as deemed cost. Land under roads is no longer revalued.

The most recent valuation of land under roads was performed by Ashley Pont BLPM, Maria McHugh BCom (VPM), MPINZ and Mairi Macdonald BBS (VPM) GradDipBusStud (Rural Valuation) MPINZ, of Quotable Value New Zealand, and is effective as at 30 June 2022.

Land under roads was separated into rural and urban and then valued based on a weighted average rate for each type. The rate is based on the Council's District Rating Roll at 30 April 2022 and then indexed using market sales to bring the values to 30 June 2022. All the land had been valued as unimproved, which assumes land in its base state without the benefit of infrastructure

Fair value assessment

A fair value assessment was performed for land & buildings, roading, and three waters assets (which includes water supply, wastewater reticulation and stormwater reticulation) as at 30 June 2025.

The fair value assessment was prepared by the following valuers, applying available price indices:

- Roading and Footpaths - prepared by WSP
- Three waters assets (includes water supply, wastewater reticulation and stormwater reticulation) - prepared by AECOM

Management considered each asset class against the assessments provided, to acceptable ranges where market movements are calculated to be immaterial. Movement of less than 10% is considered to be immaterial for this purpose.

When applying the assessment of fair value to all these asset classes, the increase in value was not considered material, and accordingly management has concluded these asset classes did not require a full revaluation for 30 June 2025.

Critical judgements in

Classification of property

Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

18. Property, plant and equipment

	Cost / revaluation 1-Jul-24	Accumulated depreciation 1-Jul-24	Carrying amount 1-Jul-24	Current year additions (+ gains)	Current year disposals (+ losses)	Current year impairment charges	Current year depreciation	Transfers	Revaluation surplus	Cost / revaluation 30-Jun-25	Accumulated depreciation 30-Jun-25	Carrying amount 30-Jun-25
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating assets at cost & valuation												
Land	47,415	-	47,415	-	(3,168)	-	-	-	(2,886)	41,361	-	41,361
Buildings	101,473	(8,782)	92,691	6,547	(531)	-	(4,248)	-	21,058	115,710	(187)	115,523
Library books	2,550	(1,267)	1,283	310	-	-	(276)	-	-	2,860	(1,544)	1,316
Leased plant & equipment	385	(259)	126	-	-	-	(40)	-	-	385	(298)	87
Office furniture and fittings	44,495	(25,429)	19,066	9,083	-	-	(4,114)	-	-	52,272	(28,177)	24,095
Mobile plant and equipment	10,573	(6,498)	4,075	1,679	(173)	-	(1,093)	-	-	10,989	(6,513)	4,476
Heritage assets	2,341	-	2,341	1,085	-	-	-	-	-	3,426	-	3,426
Total operating assets	209,232	(42,235)	166,997	18,704	(3,872)	-	(9,771)	-	18,172	227,003	(36,719)	190,284
Infrastructural assets at cost & valuation												
Roading	522,252	(13,439)	508,813	40,416	(844)	-	(12,129)	-	-	561,859	(26,063)	535,796
Water supply	151,305	(4,728)	146,577	11,511	(1,495)	-	(4,890)	-	-	160,267	(9,578)	150,689
Wastewater reticulation	192,583	(6,817)	185,766	4,806	(848)	-	(7,487)	-	-	196,344	(14,153)	182,191
Stormwater reticulation	71,673	(1,237)	70,436	349	(358)	-	(1,310)	-	-	71,624	(2,548)	69,076
Land under roads	496,215	-	496,215	-	-	-	-	-	-	496,215	-	496,215
Infrastructural buildings	15,839	(946)	14,893	187	-	-	(518)	-	2,081	16,664	(21)	16,643
Solid waste	3,488	(2,480)	1,008	181	-	-	(196)	-	-	3,658	(2,677)	981
Total infrastructural assets	1,453,355	(29,647)	1,423,708	57,450	(3,545)	-	(26,530)	-	2,081	1,506,631	(55,040)	1,451,591
Restricted assets at cost and valuation												
Reserves	226,706	-	226,706	3,781	-	-	67	-	(26,782)	203,704	-	203,704
Total restricted assets	226,706	-	226,706	3,781	-	-	67	-	(26,782)	203,704	-	203,704
Total Council	1,889,293	(71,882)	1,817,411	79,935	(7,417)	-	(36,234)	-	(6,530)	1,937,338	(91,759)	1,845,579

18. Property, plant and equipment

	Cost / revaluation 1-Jul-23	Accumulated depreciation 1-Jul-23	Carrying amount 1-Jul-23	Current year additions (+ gains)	Current year disposals (+ losses)	Current year impairment charges	Current year depreciation	Transfers	Revaluation surplus	Cost / revaluation 30-Jun-24	Accumulated depreciation 30-Jun-24	Carrying amount 30-Jun-24
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council 2024												
Operating assets at cost & valuation												
Land	47,415	-	47,415	-	-	-	-	-	-	47,415	-	47,415
Buildings	86,626	(4,642)	81,984	14,847	(0)	-	(4,137)	531	-	101,473	(8,782)	92,691
Library books	2,858	(2,204)	654	953	-	-	(324)	-	-	2,550	(1,267)	1,283
Leased plant & equipment	279	(215)	64	137	-	-	(77)	-	-	385	(259)	126
Office furniture and fittings	34,850	(23,931)	10,919	11,857	(20)	-	(3,354)	-	-	44,495	(25,429)	19,066
Mobile plant and equipment	10,874	(6,831)	4,043	1,121	(144)	-	(1,116)	168	-	10,573	(6,498)	4,075
Heritage assets	2,266	-	2,266	75	-	-	-	-	-	2,341	-	2,341
Total operating assets	185,168	(37,823)	147,345	28,990	(164)	-	(9,008)	699	-	209,232	(42,235)	166,997
Infrastructural assets at cost & valuation												
Roading	495,418	-	495,418	30,152	(3,318)	-	(13,741)	-	-	522,252	(13,439)	508,813
Water supply	129,436	-	129,436	23,390	(2,009)	-	(4,634)	488	-	151,305	(4,728)	146,577
Wastewater reticulation	168,858	-	168,858	23,732	(692)	-	(6,867)	685	-	192,583	(6,817)	185,766
Stormwater reticulation	70,263	-	70,263	1,527	(117)	-	(1,226)	-	-	71,673	(1,237)	70,436
Land under roads	496,194	-	496,194	21	-	-	-	-	-	496,215	-	496,215
Infrastructural buildings	14,824	(459)	14,365	1,015	-	-	(487)	-	-	15,839	(946)	14,893
Solid waste	5,277	(4,799)	478	810	-	-	(262)	-	-	3,488	(2,480)	1,008
Total infrastructural assets	1,380,270	(5,258)	1,375,012	80,647	(6,136)	-	(27,217)	1,173	-	1,453,355	(29,647)	1,423,708
Restricted assets at cost and valuation												
Reserves	226,706	-	226,706	-	-	-	-	-	-	226,706	-	226,706
Total restricted assets	226,706	-	226,706	-	-	-	-	-	-	226,706	-	226,706
Total Council	1,792,144	(43,081)	1,749,063	109,637	(6,300)	-	(36,225)	1,872	-	1,889,293	(71,882)	1,817,411

18. Property, plant and equipment

Group 2025	Cost / revaluation 1-Jul-24	Accumulated depreciation 1-Jul-24	Carrying amount 1-Jul-24	Current year additions (+ gains)	Current year disposals (+ losses)	Current year impairment charges	Current year depreciation	Transfers	Revaluation surplus	Cost / revaluation 30-Jun-25	Accumulated depreciation 30-Jun-25	Carrying amount 30-Jun-25
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating assets at cost & valuation												
Land	47,415	-	47,415	-	(3,168)	-	-	-	(2,886)	41,361	-	41,361
Buildings	109,205	(8,989)	100,216	6,677	(531)	-	(4,425)	-	21,221	123,301	(187)	123,114
Library books	2,550	(1,267)	1,283	310	-	-	(276)	-	-	2,860	(1,544)	1,316
Leased plant & equipment	385	(259)	126	-	-	-	(40)	-	-	385	(298)	87
Office furniture and fittings	45,349	(25,654)	19,695	9,140	(6)	-	(4,184)	-	-	53,151	(28,447)	24,704
Mobile plant and equipment	10,614	(6,536)	4,078	1,679	(173)	-	(1,096)	-	-	11,030	(6,554)	4,476
Heritage assets	2,341	-	2,341	1,085	-	-	-	-	-	3,426	-	3,426
Total operating assets	217,859	(42,704)	175,154	18,892	(3,877)	-	(10,021)	-	18,335	235,514	(37,030)	198,484
Infrastructural assets at cost & valuation												
Roading	525,966	(13,543)	512,423	40,420	(844)	-	(12,223)	-	-	565,577	(26,261)	539,316
Water supply	151,305	(4,728)	146,577	11,511	(1,495)	-	(4,890)	-	-	160,265	(9,578)	150,687
Wastewater reticulation	192,583	(6,817)	185,766	4,806	(848)	-	(7,487)	-	-	196,344	(14,153)	182,191
Stormwater reticulation	71,882	(1,240)	70,642	349	(358)	-	(1,313)	-	-	71,832	(2,553)	69,279
Land under roads	496,215	-	496,215	-	-	-	-	-	-	496,215	-	496,215
Infrastructural buildings	15,839	(946)	14,893	187	-	-	(518)	-	2,081	16,664	(21)	16,643
Solid waste	3,488	(2,480)	1,008	181	-	-	(196)	-	-	3,658	(2,677)	981
Taupo Airport runways	6,285	(230)	6,056	1,407	(2)	-	(200)	-	-	7,690	(429)	7,261
Total infrastructural assets	1,463,563	(29,984)	1,433,579	58,861	(3,547)	-	(26,826)	-	2,081	1,518,245	(55,672)	1,462,573
Restricted assets at cost and valuation												
Reserves	226,706	-	226,706	3,781	-	-	67	-	(26,782)	203,704	-	203,704
Taupo Airport land	5,217	-	5,217	-	-	-	-	-	(107)	5,110	-	5,110
Total restricted assets	231,923	-	231,923	3,781	-	-	67	-	(26,889)	208,814	-	208,814
Total Group	1,913,345	(72,688)	1,840,657	81,533	(7,424)	-	(36,780)	-	(6,474)	1,962,573	(92,702)	1,869,871

18. Property, plant and equipment

	Cost / revaluation	Accumulated depreciation	Carrying amount	Current year additions (+ gains)	Current year disposals (+ losses)	Current year impairment charges	Current year depreciation	Transfers	Revaluation surplus	Cost / revaluation	Accumulated depreciation	Carrying amount
Group 2024	1-Jul-23	1-Jul-23	1-Jul-23							30-Jun-24	30-Jun-24	30-Jun-24
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating assets at cost & valuation												
Land	47,415	-	47,415	-	-	-	-	-	-	47,415	-	47,415
Buildings	86,626	(4,642)	81,984	14,939	(0)	-	(4,299)	32	-	109,205	(8,989)	100,216
Library books	2,858	(2,204)	654	953	-	-	(324)	-	-	2,550	(1,267)	1,283
Leased plant & equipment	279	(215)	64	137	-	-	(77)	-	-	385	(259)	126
Office furniture and fittings	35,011	(24,070)	10,941	11,976	(21)	-	(3,428)	558	-	45,349	(25,654)	19,695
Mobile plant and equipment	10,956	(6,898)	4,058	1,121	(144)	-	(1,122)	168	-	10,614	(6,536)	4,078
Heritage assets	2,266	-	2,266	75	-	-	-	-	-	2,341	-	2,341
Total operating assets	185,411	(38,029)	147,382	29,201	(165)	-	(9,250)	757	-	217,859	(42,704)	175,154
Infrastructural assets at cost & valuation												
Roading	499,571	(14)	499,557	30,226	(3,318)	-	(13,837)	(56)	-	525,966	(13,543)	512,423
Water supply	129,436	-	129,436	23,390	(2,009)	-	(4,634)	488	-	151,305	(4,728)	146,577
Wastewater reticulation	168,858	-	168,858	23,732	(692)	-	(6,867)	685	-	192,583	(6,817)	185,766
Stormwater reticulation	70,471	-	70,471	1,527	(117)	-	(1,229)	-	-	71,882	(1,240)	70,642
Land under roads	496,194	-	496,194	21	-	-	-	-	-	496,215	-	496,215
Infrastructural buildings	23,051	(593)	22,458	1,015	-	-	(487)	-	-	15,839	(946)	14,893
Solid waste	5,277	(4,799)	478	810	-	-	(262)	-	-	3,488	(2,480)	1,008
Taupo Airport runways	5,842	(66)	5,776	2	-	-	(164)	(10)	-	6,285	(230)	6,056
Total infrastructural assets	1,398,700	(5,472)	1,393,228	80,723	(6,136)	-	(27,480)	1,107	-	1,463,563	(29,984)	1,433,579
Restricted assets at cost and valuation												
Reserves	226,706	-	226,706	-	-	-	-	-	-	226,706	-	226,706
Total restricted assets	231,923	-	231,923	-	-	-	-	-	-	231,923	-	231,923
Total Group	1,816,034	(43,501)	1,772,533	109,924	(6,301)	-	(36,729)	1,865	-	1,913,345	(72,688)	1,840,657

Work in progress				
Work in progress is measured at cost less any impairment.				
Property, plant, and equipment in the course of construction by class of asset is detailed below :				
	Council		Group	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Operational assets				
Land	1,491	1,294	1,491	1,294
Buildings	2,127	3,110	2,147	3,110
Office furniture & fittings	6,615	19,841	6,615	19,841
Mobile plant & equipment	178	56	178	56
Heritage assets	99	211	99	211
Infrastructural assets				
Roading	14,243	31,511	14,243	31,550
Water supply	57,987	37,455	57,989	37,455
Wastewater	40,240	27,571	40,240	27,571
Stormwater	1,131	178	1,131	178
Solid waste	301	111	301	111
Restricted assets				
Reserves	437	-	437	-
	124,849	121,338	124,871	121,377

18. Property, plant and equipment

Heritage assets

Council owns a variety of heritage type assets around the Taupo District that are of cultural or historical significance which are not included in values in the note above.

These assets are made up of mainly carvings and sculptures and Council estimates their value at \$284,000 (2024: \$284,000).

Restrictions to title and security over property, plant & equipment

Land in the "Restricted Asset" category is subject to either restrictions on use, or disposal, or both. This includes restrictions from legislation (such as land declared as a reserve under the Reserves Act 1977), or other restrictions (such as land under a bequest or donation that restricts the purpose for which the assets are used).

Infrastructural assets

Council manages infrastructural assets in accordance with Asset Management Plans. These plans detail the level of service required, the current physical extent, condition and capacity of the network and the timing, extent and cost of work required to maintain and restore the network's defined capacity in future years.

Computers and fitness equipment

These assets are subject to finance leases (note 25).

Impairment

No assets were identified as impaired in the year ended 30 June 2025. Assets identified as requiring impairment prior year: Acacia Bay Community Hall \$43,108 and Tawa Cottage \$44,687, both buildings suffered damage in Cyclone Gabrielle in February 2023. Council has received approval of the insurance claim for these two buildings and the funds have been received.

Insurance on assets

The total book value of all assets covered by insurance contracts is \$553 million (2024: \$194m).

The Council has chosen to insure these assets for \$1.1 billion (2024: \$403m).

Until March 2025 Council chose to self-insure infrastructure assets using its TEL investment fund. In late 2024 Council decided it would be better placed to obtain insurance cover for its underground assets (i.e. pipes) and subsequently took out Infrastructure Insurance, the insured value of these assets is \$522m. In 2024 the value of assets that were self-insured was \$901m. Roading assets are still self-insured, except for bridges, the book value of these assets is \$525m. In the event of a loss Council will be eligible for 60% financial support for essential infrastructure recovery from Central Government.

Infrastructural assets - further disclosures

COUNCIL 2025	ADDITIONS			
	CLOSING BOOK VALUE \$000	CONSTRUCTED BY COUNCIL \$000	ASSETS TRANSFERRED TO COUNCIL \$000	ESTIMATED REPLACEMENT COST \$000
Infrastructural assets				
Water treatment plants & facilities	23,991	3,823	-	65,859
Water reticulation assets	126,742	6,550	1,118	176,326
Wastewater treatment plants & facilities	71,469	3,357	-	153,930
Wastewater reticulation assets	110,760	369	1,080	202,244
Stormwater drainage	69,076	209	140	125,062
Roads & footpaths	535,796	28,816	6,090	829,604
Total infrastructural assets	937,834	43,124	8,428	1,553,024

Water, wastewater and stormwater assets latest valuation 30/6/2023.

Roads and footpaths latest valuation 30/6/2023.

COUNCIL 2024	ADDITIONS			
	CLOSING BOOK VALUE \$000	CONSTRUCTED BY COUNCIL \$000	ASSETS TRANSFERRED TO COUNCIL \$000	ESTIMATED REPLACEMENT COST \$000
Infrastructural assets				
Water treatment plants & facilities	22,422	757	-	62,036
Water reticulation assets	123,100	17,518	5,115	168,658
Wastewater treatment plants & facilities	73,317	20,997	-	150,573
Wastewater reticulation assets	113,265	1,043	1,691	200,795
Stormwater drainage	70,406	580	642	124,713
Roads & footpaths	522,252	-	7,399	794,698
Total infrastructural assets	924,763	40,895	14,847	1,501,472

18. Property, plant and equipment

GROUP 2025	ADDITIONS			
	CLOSING BOOK VALUE \$000	CONSTRUCTED BY COUNCIL \$000	ASSETS TRANSFERRED TO COUNCIL \$000	ESTIMATED REPLACEMENT COST \$000
Infrastructural assets	-	-	-	-
Water treatment plants & facilities	23,991	3,823	-	65,859
Water reticulation assets	126,742	6,550	1,118	176,326
Wastewater treatment plants & facilities	71,469	3,357	-	153,930
Wastewater reticulation assets	110,760	369	1,080	202,244
Stormwater drainage	69,076	209	140	125,062
Roads & footpaths	535,796	28,816	6,090	829,604
Taupo Airport runways	937,834	43,124	8,428	1,553,024
Total infrastructural assets	1,875,668	86,248	16,856	3,106,049

Water, wastewater and stormwater assets latest valuation 30/6/2023.

Roads and footpaths latest valuation 30/6/2023.

GROUP 2024	ADDITIONS			
	CLOSING BOOK VALUE \$000	CONSTRUCTED BY COUNCIL \$000	ASSETS TRANSFERRED TO COUNCIL \$000	ESTIMATED REPLACEMENT COST \$000
Infrastructural assets	-	-	-	-
Water treatment plants & facilities	22,422	757	-	62,036
Water reticulation assets	123,100	17,518	5,115	168,658
Wastewater treatment plants & facilities	73,317	20,997	-	150,573
Wastewater reticulation assets	113,265	1,043	1,691	200,795
Stormwater drainage	70,612	580	642	125,484
Roads & footpaths	524,910	1,575	7,399	810,073
Taupo Airport runways	5,621	134	-	11,050
Total infrastructural assets	933,248	42,604	14,847	1,528,668

Finance leases as lessee

The net carrying amount of property, plant and equipment leased under finance leases is as follows:

	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Gym equipment	-	12	-	12
Library equipment	87	114	87	114
Total	87	127	87	127

CAPITAL COMMITMENTS	Council		Group	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Water capital / renewals	13,681	25,344	13,681	25,344
Wastewater capital / renewals	3,363	10,906	3,363	10,906
Stormwater capital / renewals	274	-	274	-
District roading capital/renewals	55	248	55	248
District Parks capital / renewals	-	-	-	-
Investment property capital	2,074	1,803	2,074	1,803
Tech One ERP Implementation	176	474	176	474
Airport redevelopment	-	42	-	101
Civic Administration Building fitout	-	1,725	-	1,725
Sportsground capital/renewals	107	827	107	827
Other capex/renewals	262	132	262	132
Total capital commitments	19,992	41,501	19,992	41,560

Taupo District Council had one construction contract on behalf of Taupo Airport Authority with committed capital of \$42k in 2024. There are no capital commitments relating to the Taupo Airport Authority in the current year.

19. Intangible assets

Accounting policy

Computer software

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the software. Costs are amortised using the straight line method over their estimated useful lives (3 to 8 years).

Costs associated with maintaining computer software programmes are recognised as an expense when incurred.

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

Computer software development costs recognised as assets are amortised using the straight line method over their estimated useful lives (not exceeding 8 years).

Software as a service (SaaS) costs are componentised, with development and configuration activities recognised as part of the software asset, and all other costs expensed as they are incurred in accordance with the April-21 agenda decision from the International Financial Reporting Interpretations Committee (IFRIC) on Configuration or Customisation costs in a Cloud Computing Arrangement.

Staff training costs are recognised as an expense when incurred.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

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

Class of intangible asset	Estimated useful life	Amortisation rate
Computer software	7 years	14.29%

Impairment of intangible assets

For further details, refer to the policy for impairment of property, plant and equipment in note 18. The same approach applies to the impairment of intangible assets.

Movements in the carrying value for each class of intangible asset are as follows:

	COMPUTER SOFTWARE \$000	CAPITAL WORK IN PROGRESS \$000	CARBON CREDITS \$000	TOTAL \$000
Cost				
COUNCIL 2024				
Balances at 1 July 2023	4,010	4,560	3,711	12,281
Additions	1,633	222	303	2,158
Disposals	(2,126)	-	(2,436)	(4,562)
Transfer to intangible asset	-	(1,633)	-	(1,633)
Transfer to property, plant & equipment	-	-	-	-
Balances as at 30 June 2024	3,517	3,149	1,578	8,244
COUNCIL 2025				
Balances at 1 July 2024	3,517	3,149	1,578	8,244
Additions	3,079	750	1,771	5,600
Disposals	-	-	(1,987)	(1,987)
Transfer to intangible asset	-	(3,079)	-	(3,079)
Transfer to property, plant & equipment	-	-	-	-
Balances as at 30 June 2025	6,596	820	1,362	8,778
Accumulated amortisation and impairment				
COUNCIL 2024				
Balances at 1 July 2023	(3,604)	-	-	(3,604)
Disposals	2,126	-	-	2,126
Amortisation charge	(690)	-	-	(690)
Balances as at 30 June 2024	(2,168)	-	-	(2,168)
COUNCIL 2025				
Balances at 1 July 2024	(2,168)	-	-	(2,168)
Disposals	-	-	-	-
Amortisation charge	(709)	-	-	(709)
Balances as at 30 June 2025	(2,877)	-	-	(2,877)
Carrying amounts				
As at 1 July 2023 ¹	406	4,560	3,711	8,677
As at 30 June 2024 & 1 July 2024	1,349	3,149	1,578	6,076
As at 30 June 2025	3,719	820	1,362	5,901

19. Intangible assets				
	COMPUTER SOFTWARE \$000	CAPITAL WORK IN PROGRESS \$000	CARBON CREDITS \$000	TOTAL \$000
Cost				
GROUP 2024				
Balances at 1 July 2023	4,197	4,560	3,711	12,468
Additions	1,745	222	303	2,270
Disposals	(2,137)	-	(2,436)	(4,573)
Transfer to intangible asset	-	(1,633)	-	(1,633)
Transfer to property, plant & equipment	-	-	-	-
Balances as at 30 June 2024	3,805	3,149	1,578	8,532
GROUP 2025				
Balances at 1 July 2024	3,805	3,149	1,578	8,532
Additions	3,230	750	1,771	5,751
Disposals	-	-	(1,987)	(1,987)
Transfer to intangible asset	-	(3,079)	-	(3,079)
Transfer to property, plant & equipment	-	-	-	-
Balances as at 30 June 2025	7,035	820	1,362	9,217
Accumulated amortisation and impairment				
GROUP 2024				
Balances at 1 July 2023	(3,773)	-	-	(3,773)
Disposals	2,137	-	-	2,137
Amortisation charge	(701)	-	-	(701)
Balances as at 30 June 2024	(2,338)	-	-	(2,338)
GROUP 2025				
Balances at 1 July 2024	(2,338)	-	-	(2,338)
Disposals	-	-	-	-
Amortisation charge	(717)	-	-	(717)
Balances as at 30 June 2025	(3,054)	-	-	(3,054)
Carrying amounts				
As at 1 July 2023	424	4,560	3,711	8,695
As at 30 June 2024 & 1 July 2024	1,467	3,149	1,578	6,194
As at 30 June 2025	3,980	820	1,362	6,162
Impairment				
Carbon credits				
Council considers there is no impairment of carbon credits held as they are expected to be fully utilised in satisfying carbon obligations from its landfill operations.				
Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit as long as the Emissions Trading Scheme is in place.				
¹ Carrying amounts for Computer Software as at 1 July 2023 have been restated to correct a prior year error.				

20. Depreciation and amortisation expense by group of activity

	COUNCIL	COUNCIL
	2025	2024
	\$000	\$000
Regulatory & Emergency	248	-
Water	5,113	5,224
Wastewater	7,907	6,878
Stormwater	1,311	1,226
Transport	12,209	13,709
Waste & Environmental Management	402	-
Community Facilities	7,204	7,531
Community Leadership	1,749	-
Strategic Property	776	-
District Development	24	-
Investments	-	1,455
Democracy & Planning	-	45
Economic Development	-	24
Community Services	-	311
Solid Waste	-	514
Depreciation and amortisation not directly related to group of activities	-	-
Total depreciation and amortisation	36,943	36,917
In the 2024-34 Long Term Plan the strategic groups of activities were redefined.		

21. Biological assets - Forestry

Accounting policy

Forestry assets are predominantly standing trees which are managed on a sustainable yield basis.

Standing forestry assets are independently revalued to fair value less estimated costs to sell for one growth cycle.

Gains or losses arising on initial recognition of forestry assets at fair value less cost to sell and from a change in fair value less costs to sell are recognised in the surplus or deficit.

The costs to maintain forestry assets are included in the statements of comprehensive income.

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Opening balance	8,568	7,868	8,568	7,868
Gains/(losses) arising from changes in fair value	448	700	448	700
Additions	2,453	2,649	2,453	2,649
Disposals	(2,810)	(2,649)	(2,810)	(2,649)
Carrying amount at 30 June	8,658	8,568	8,658	8,568

The forest estate comprises a number of relatively small forests and two larger forests (Rangitaiki & Tirohanga) in the Taupo basin of radiata pine. The total net stocked area of the estate is estimated to be 1,004 hectares (2024: 1,020 hectares).

Feasibility, cost and timing of developing final access parts of the Tirohanga forest block are presently unknown. The realisation of the fair value assessed for the Tirohanga block is thus contingent on securing access and an assumption has been made in the valuation as to the timing of securing this access. The securing of access may involve additional costs that are not considered in reaching the assessed fair value. Adam Mills of Woodlands Pacific Consulting Limited, an independent valuer, has valued the remaining forestry assets at \$8.66m as at 30 June 2025. The following assumptions have been adopted in determining the fair value of forestry assets (excluding the area currently under contract):

- A pre tax discount rate of 8.0% (2024: 8.0%) has been used in discounting the present value of expected cashflows.
- Notional land rental costs have been included for freehold land.
- Forests have been valued on a going concern basis and includes the value of the existing crops on a single rotational basis.
- Costs and prices are held constant in 2025 NZ dollars i.e. the net impact of inflation is assumed to be zero.
- Costs are current average costs. No allowance has been made for cost improvements in future operations.
- Log prices are based on national export log price indices for the benchmark China A grade.

There are no restrictions over the title of forestry assets, nor is any forestry asset pledged as security for liabilities (2024: nil).

Financial risk management strategies

Council is exposed to financial risks arising from changes in timber prices. As Council is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, it has not taken any measures to manage the risk of a decline in timber

22. Investment property

Accounting policy

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, all investment property is measured 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 or deficit.

TOTAL VALUE OF INVESTMENT PROPERTY IS SHOWN IN THE TABLE BELOW:

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Land	50,551	32,576	50,551	32,576
Buildings	925	881	925	881
Balance at 30 June	51,476	33,457	51,476	33,457

THE MOVEMENT OF INVESTMENT PROPERTY IS AS FOLLOWS:

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Opening balance	33,457	29,250	33,457	29,250
Fair value gains/(losses) on valuation	18,019	14,008	18,019	14,008
Additions	-	4,336	-	4,336
Disposals	-	(541)	-	(541)
Transfers (to)/ from property plant and equipment	-	(498)	-	(498)
Transfers (to)/ from inventory	-	(13,098)	-	(13,098)
Transfers (to)/from held for sale	-	-	-	-
Balance at 30 June	51,476	33,457	51,476	33,457

Investment properties are valued annually effective at 30 June to fair value. The valuation was performed by D Hall Registered Valuer, B.TM, Grad Dip Val, an independent registered valuer of Quotable Value Limited. Quotable Value Limited is an experienced valuer with extensive market knowledge in the types and location of investment properties owned by the Council.

The valuation methodology and assumptions used were:

- all land has been valued on a fair market, highest and best use basis, each site has been individually considered and valued in accordance with current market conditions;
- all buildings are valued with reference to the market where market evidence exists, highest and best use of the property has been considered when formulating the valuation approach;
- site and other improvements relating to various land assets have been assessed on a fair value market basis, in the absence of conclusive market value evidence, improvements have been valued by the depreciated replacement cost approach; and
- all lessee (non Council) improvements have been excluded from the valuation.

AMOUNTS RELATING TO INVESTMENT PROPERTY AND RECOGNISED IN SURPLUS OR DEFICIT INCLUDE:

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Rental revenue from investment property	182	169	182	169
Direct operating expenses related to investment property that generated rental revenue during the period	60	60	60	60
Direct operating expenses related to investment property that did not generate rental revenue during the period	74	80	74	80

23. Trade and other payables**Accounting policy**

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

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Trade payables	8,416	5,504	8,492	5,691
Amounts due to related parties	-	-	-	-
Accrued expenses	7,373	7,520	7,532	7,610
Councillor fees payable	2	-	2	-
Deposits and bonds	3,312	2,534	3,283	2,540
Revenue in advance	9,700	8,493	9,761	8,552
Total trade and other payables	28,803	24,051	29,070	24,393
Total creditors and other payables from exchange transactions	15,789	13,024	16,024	13,301
Total creditors and other payables from non-exchange transactions	13,014	11,027	13,046	11,092
Total current creditors and other payables from exchange and non exchange transactions	28,803	24,051	29,070	24,393

Trade payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade payables approximates their fair value.

24. Employee entitlements

Accounting policy

Employee benefits due to be settled within 12 months after the end of the period in which the employee provides the related service are measured 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.

A liability and an expense are recognised for bonuses where the Council or Group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligations can be made.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee provides the related service, such as retirement and long service 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 entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

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.

Critical accounting estimates and assumptions

Estimating retirement and long service leave obligations

The present value of retirement gratuities 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 figure. Any changes in these assumptions will affect the carrying amount of the liability.

A discount factor of 5.3% (2024: 5.43%) and an inflation factor of 2.99% (2024: 4%) were used.

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current portion				
Accrued pay	809	668	833	681
Annual leave	2,744	2,764	2,796	2,822
Lieu leave	165	147	166	148
Retirement gratuities & long service leave	215	234	221	240
Total current portion	3,933	3,813	4,016	3,891
Non current portion				
Retirement gratuities & long service leave	129	123	129	123
Total non current portion	129	123	129	123
Total employee entitlements	4,062	3,936	4,145	4,014

25. Borrowings

Accounting policy

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

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

Finance leases

A finance lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current portion				
Commercial paper	37,871	38,027	37,871	38,027
Debentures	31,203	20,543	31,203	20,543
Finance lease liabilities	27	38	27	38
Total secured current interest bearing borrowings	69,101	58,608	69,101	58,608
Non current portion				
Debentures	169,000	145,000	169,000	145,000
Finance lease liabilities	66	93	66	93
Total secured non current interest bearing borrowings	169,066	145,093	169,066	145,093
Total borrowings	238,167	203,701	238,167	203,701

Bank Facilities

Council has a total of \$25m committed bank / LGFA facilities (2024: \$50m), \$15m bank facility expires December 2027 and \$10m LGFA expires September 2025. Of the facilities nil was drawn as at balance date (2024: \$nil).

Commercial paper, fixed and floating rate notes

Council has issued nil fixed and floating rate notes at balance date (2024: \$nil).

Council has commercial paper of \$38m currently on issue (2024: \$38m).

NZ Local Government Funding Agency

Council has issued \$199m of floating rate debt securities as at balance date and these are mostly covered by interest rate swaps at fixed rates (2024: \$164m).

Security

All of Council's secured loans are secured under the terms of the Debenture Trust Deed between the Council and Trustees Executors, as Trustee. Security is by a charge over the Council's ability to levy rates in favour of the Trustee. Pursuant to the Trust Deed Council has issued debenture and security stock certificates of \$98.5 million at 30 June 2025 (2024: \$138.5 million) to secure the various debentures issued, bank loan facilities, guarantees issued on behalf of Council and other general banking facilities.

Lease liabilities are effectively secured, as the rights to the leased asset revert to the lessor in the event of default.

25. Borrowings

ANALYSIS OF COMMERCIAL PAPER & DEBENTURES

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Payable no later than one year	69,074	58,570	69,074	58,570
Later than one, not later than two years	45,000	30,000	45,000	30,000
Later than two, not later than five years	116,000	87,000	116,000	87,000
Later than five years	8,000	28,000	8,000	28,000
Total undrawn committed facilities	238,074	203,570	238,074	203,570

ANALYSIS OF FINANCE LEASES PAYABLE

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Minimum lease payments payable				
Payable no later than one year	33	46	33	46
Later than one, not later than two years	33	33	33	33
Later than two, not later than five years	39	72	39	72
Total minimum lease payments payable	105	151	105	151
Future finance charges	(12)	(20)	(12)	(20)
Present value of minimum lease payments	93	131	93	131
Represented by:				
Current	27	38	27	38
Non current	66	93	66	93
Total finance leases	93	131	93	131

At the Council, finance leases are largely related to the leasing of equipment. A summary of the net carrying amount of all leased assets is in note 18.

The finance leases can be renewed at the Council and Group's option, with rents set by reference to current market rates for items of an equivalent age and condition. The Council and Group do have the option to purchase the assets at the end of the lease term.

There are no restrictions placed on the Council or Group by any of the finance leasing arrangements.

26. Derivative financial instruments				
Accounting policy				
Derivative financial instruments are used to manage exposure to interest rate risk arising from Council's financing activities. In accordance with its Treasury Policy, the Council does not hold or issue derivative financial instruments for trading purposes.				
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. The associated gains or losses are recognised in the surplus or deficit.				
	COUNCIL		GROUP	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Current (asset)/liability portion				
Interest rate swaps	343	54	343	54
Non current (asset)/liability portion				
Interest rate swaps	2,262	(599)	2,262	(599)
Total derivative (asset)/liability	2,605	(545)	2,605	(545)
The fair value of interest rate swaps have been determined by calculating the expected cash flows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced (Infoscane) market parameters such as interest rate yield curves. The interest rate swaps have been valued by Hedgebook as at 30 June 2025.				
The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2025 were \$180,800,000 (2024: \$179,750,000).				
At 30 June 2025, the fixed interest rates of interest rate swaps vary from 3.46% to 6.08% (2024: 3.48% to 6.16%).				

27. Provisions

Accounting policy

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

	COUNCIL		GROUP	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Current portion				
Other provisions	-	-	4	-
Total current portion	-	-	4	-
Non current portion				
Value landfill - closure and post closure provision	174	167	174	167
Other provisions	63	-	65	9
Total non current portion	237	167	239	176
Total provisions	237	167	243	176
Movements in provisions:				
Opening balance	167	201	176	214
Additional provisions made during the year	70	6	70	6
Provisions used	-	(40)	(4)	(44)
Closing balance	237	167	242	176

Taupo District Council gained resource consent in September 1998 to operate the Broadlands Road Landfill. The Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed. There are closure and post-closure responsibilities such as the following:

CLOSURE RESPONSIBILITIES

Final application and vegetation
Final application and vegetation
Facilities for leachate collection and monitoring
Facilities for water quality monitoring
Facilities for monitoring and recovery of gas

POST CLOSURE RESPONSIBILITIES

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

The management of the landfill will influence the timing of recognition of some liabilities, for example, the current landfill consists of a series of new cells being progressively opened as old ones are completed. Each of these requires additional capital expenditure and the recalculation of the landfill aftercare provision.

Capacity of the Site

The estimated remaining capacity of the site as at 30 June 2025 is approximately 111,107 cubic metres (2024: 139,871 cubic metres).

The estimated remaining life as at 30 June 2025 is 2 years (2024: 3 years). Council is currently undertaking consultation regarding obtaining a new operating consent that would see the site continue to take waste until 2047. If a consent is unable to be obtained then the site would have to close at the end of the operating consent period which is December 2027.

Estimates of the remaining capacity and life have been made by Council's engineers based on historical volume information and early results from the Solid Waste Management Strategy.

If resource consent is not obtained the cash outflows for landfill post-closure are expected to occur between 2027 and 2032. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 4.09%.

28. Contingencies

Guarantees, indemnities and uncalled capital

Taupo 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 it has a current credit rating from Standard and Poor's of AAA.

Council is one of 30 local authority shareholders and 77 local authority borrowers of the NZLGFA. (In that regard it has uncalled capital of \$100,000). When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2025, NZLGFA had borrowings totalling \$25,530m (2024: \$23,030m). This figure is made up of the face value of the LGFA's bonds on issue of \$23,427m (2024: \$21,086m), accrued interest on bonds on issue of \$155.3m (2024: \$130.4m), the face value of bills on issue of \$1,610.5m (2024: \$1,755.1m), bonds LGFA lent to counterparties under bond repurchase transactions of \$341.5m (2024: \$58.3m), and the face value of debt securities net of accrued interest \$612.8m (2024: \$820.7m).

PBE Accounting standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at recognition), and subsequently at the higher of the provision for impairment at balance date determined but the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guarantee liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore Council has not recognised a liability.

The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

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

Other Contingencies

Taupo District Council

• Scientific advice has been received regarding the Hipaua Geothermal Landslide risk near Waihi at the southern end of Lake Taupo. In the event of a landslide any property damage and/or loss of life could potentially give rise to claim(s) against Council, currently unquantifiable (2024: Same contingency disclosure made).

• Council controls and has brought to account certain reserve lands throughout the District which will return to iwi ownership in the event that they are no longer required for reserve purposes. Given a directive from Te Arawhiti to implement the outstanding redress for the Crescent Reserve (Kōhineheke) Ancillary Claim in Turangi, work is underway to return whenua to whanau without Council's existing Appointment to Control and Manage. This work to facilitate the Crown's obligations to transfer the land free of reserve status and council's appointment to control and manage could potentially give rise to unforeseen costs or claims to council. At this stage these potential costs are unquantifiable. (2024: Same contingency disclosure made).

• Council may be subject to claims relating to weather tightness building defects. Any leaky building claims made against Council after 1 July 2009 are not covered by our insurers. As at the date of this report, there are no leaky building proceedings involving the Council (2024: No claims - Same contingency disclosure made).

• Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance) and to fund the ongoing operation of the scheme. In August 2025, Council received notification from Riskpool of a further call on members for \$3.7 million across the membership to fund deficits in previous Fund years (TDC share \$62,948 (excl GST)). This is to cover operational costs for the financial year 2025/26, and legal and advisory fees relating to reinsurance recovery and domestic litigation. The call recognises that there are a number of stayed proceedings against Riskpool that have now recommenced following the Supreme Court's decision in LGMFT v Napier City Council [2023] NZSC 97 which clarified how claims involving a mix of weather-tightness and non-weather tightness defects are to be treated under the Riskpool Scheme. There will likely be future calls on members, the quantum of which will depend on the outcome of outstanding mixed defect claims, and the reinsurers' position. Accordingly, the contingent liability is currently unquantifiable.

28. Contingencies

<ul style="list-style-type: none"> • In late May 2023 the Council became aware that Producer Statements (Producer Statement – Design (PS1) and/or Producer Statement – Construction Review (PS4)) and/or Certificates of Design issued in the names of Chartered Professional Engineers, may have been provided to Taupō District Council by Jon Hall of Kodiak Consulting Limited, without their involvement and/or consent. These Producer Statements and/or Certificates of Design may have been relied on by the Council in the granting of a building consent and/or code compliance certificate for a building associated with these properties. Council does not believe it is liable for any potential loss caused to property owners from the reliance by Council on the potentially fraudulent building consent documentation, however at present, there is still insufficient information to assess any potential litigation risk and/or claim quantum which therefore raises an unquantifiable contingent liability. (2024: Same disclosure made). • In August 2025 the Council received notification of a claim for a multi-unit commercial development in relation to the Jon Hall fraud (above). The claim alleges the Council breached its duty of care owed to the developer in the consenting process, and claims losses of \$4.9M. The Council has insurance cover available to respond to the claim, the Council's maximum financial exposure to the claim is \$350,000 + GST. • The Council has received a claim from a contractor for allegedly failing to arrange Contract Works insurance to provide cover for the cost of remedial works following a significant rainfall event in mid-2022. The merits of the claim are currently being assessed. The contingent liability is currently \$582k (including GST). • The Council has received a hold-liable letter from insurers for a developer and neighbouring property owner following a watermain break that caused damage to land and property in March 2024. The claims are circa \$203k + GST. The merits of the claim are currently being assessed. The contingent liability is currently unquantifiable. • A recent legislative change to the Land Information Memorandum provisions of the Local Government Official Information and Meetings Act 1987 means the Council will shortly include additional natural hazard information on LIMs. This may generate claims from disgruntled land owners affected by the change, although there is still insufficient information to assess any potential litigation risk and/or claim quantum. Accordingly, there exists an unquantifiable contingent liability. • The Council has received a threat of judicial review proceedings related to the application of the rating differential for commercial and industrial users, as part of its decision on the 2024/34 Long-term Plan. There is currently insufficient information to assess the likelihood of the outcome of any claim and/or any future financial impact. Accordingly, there exists an unquantifiable contingent liability. • In the 2025/26 financial year, Council detected asbestos in the uncrushed concrete stockpiles at its Broadlands Road Landfill and Mangakino Transfer Station. Council is currently undertaking a procurement process to determine the extent of contamination and cost for its removal. Accordingly, contingent liability (if any) is currently unquantifiable. 				
Taupo Airport Authority				
In April 2021, damage was caused to an aircraft's propeller following a single aircraft incident on the taxiway at Taupo Airport. An independent safety investigation was undertaken shortly after the incident which indicated pilot error. In April 2022 TAA received a demand to reimburse the pilot the costs incurred to repair the aircraft. At this point, TAA cannot reliably determine whether a liability exists, but in any case TAA has insurance coverage for this event so TAA exposure is expected to be minimal (2024: Same disclosure made).				
Contingent assets				
There are no contingent assets for the Group as at 30 June 2025 (2024: Nil).				

29. Net assets/equity				
Accounting policy				
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 the following components:				
• accumulated funds;				
• Council-created reserves;				
• asset revaluation reserves; and				
• available-for-sale revaluation reserve.				
Council-created reserves				
Reserves are a component of equity and represent a particular use to which parts of equity have been assigned. Reserves may be legally restricted or created by the Council. Council created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.				
Asset revaluation reserves				
These reserves arise from certain asset classes being revalued, with these classes including land, buildings, infrastructural assets and restricted assets.				

29. Net assets/equity				
	COUNCIL		GROUP	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Accumulated funds	1,237,932	983,749	1,235,661	982,744
Reserves	714,824	940,840	719,315	945,382
Balance at 30 June	1,952,756	1,924,589	1,954,976	1,928,126
<i>The breakdown of accumulated funds and reserves are disclosed as follows:</i>				
Accumulated funds				
Balance at 1 July	983,749	950,238	982,744	951,449
Transfer from special fund	(57,038)	(79,308)	(57,038)	(79,308)
Transfer to special fund	42,537	78,336	42,537	78,336
First time consolidation of LTPT	-	-	-	742
Deferred tax on disposal	-	-	(5)	-
Land under roads revaluation reserve reclassification	229,225	-	229,225	-
Disposal of property, plant and equipment	4,762	3,715	4,795	3,718
Movements in valuation of subsidiaries & associates	1,492	2,248	(1)	(4)
Surplus/(deficit) for the year	33,205	28,520	33,404	27,811
Balance at 30 June	1,237,932	983,749	1,235,661	982,744
Reserves includes				
Asset revaluation reserves	577,172	817,689	581,663	822,231
Council created reserves (see analysis below)	137,652	123,151	137,652	123,151
Total reserves	714,824	940,840	719,315	945,382
Property, plant and equipment revaluation reserve				
Balance at 1 July	817,689	821,404	822,231	825,947
Revaluation gains/(losses)	(6,530)	-	(6,417)	-
Deferred tax on revaluation	-	-	(57)	-
Transfer to accumulated funds	(233,987)	(3,715)	(234,020)	(3,718)
Less non-controlling interest share in change in asset value	-	-	(74)	2
Balance at 30 June	577,172	817,689	581,663	822,231
Asset revaluation reserves for each asset class consist of:				
Operational assets				
Operational land	12,651	19,048	14,934	21,438
Operational buildings	66,257	45,199	66,357	45,226
Fencing	-	-	30	37
Land improvements	-	-	-	-
Investment properties - land	5,727	5,728	5,727	5,728
Restricted assets				
Reserves	68,006	94,788	68,006	94,788
Infrastructure assets				
Land under roads	-	229,225	-	229,225
Roading	218,346	218,346	218,706	218,715
Wastewater	98,226	98,802	98,226	98,802
Water	68,020	68,532	68,020	68,532
Stormwater	33,337	33,500	33,382	33,545
Runways	-	-	1,673	1,674
Infrastructure buildings	6,602	4,521	6,602	4,521
Total asset revaluation reserves	577,172	817,689	581,663	822,231

29. Net assets/equity					
Council created reserves	Activities to which the funds relate	Opening balance	Additions	Withdrawals	Closing balance
2025		\$000	\$000	\$000	\$000
Depreciation Reserves					
Water District	Water	(499)	5,838	(9,374)	(4,035)
Wastewater District	Wastewater	1,920	8,375	(6,176)	4,119
Stormwater District	Stormwater	-	1,323	(447)	876
Solid Waste District	Solid Waste	373	359	(489)	243
Transport District	Transport	2,037	11,307	(7,784)	5,560
Buildings District	Community Facilities,	3,197	3,949	(2,875)	4,271
Operational Assets	All activities with the exception	2,795	8,228	(5,554)	5,469
Development Contribution Reserves					
Community Infrastructure District	Community Facilities	758	58	-	816
Parks & reserves Land (Residential)	Community Facilities	2,955	716	-	3,671
District Wide Parks	Community Facilities	1,564	137	(1,634)	67
Water Taupo	Water	4,234	965	-	5,199
Water Kinloch	Water	2,354	194	(812)	1,736
Water River Road	Water	5	-	-	5
Water Mapara	Water	410	26	(422)	14
Water Turangi	Water	14	-	-	14
Water Omori	Water	107	-	-	107
Wastewater Taupo	Wastewater	7,540	746	(41)	8,245
Wastewater Kinloch	Wastewater	2,201	185	(2,386)	-
Wastewater Mangakino	Wastewater	-	-	-	-
Wastewater Atiamuri	Wastewater	2	-	-	2
Wastewater Turangi	Wastewater	-	-	-	-
Stormwater Taupo Industrial	Stormwater	(4)	-	-	(4)
Transport District Wide	Transport	2,541	1,032	-	3,573
Other Reserves					
Forestry District	Investments	6,123	3,717	(4,263)	5,577
Disaster Recovery Fund	All Activities	2,275	400	(11)	2,664
District Airport Reserve	Taupo Airport (CCO)	41	-	-	41
Parking	Community Services	69	-	-	69
Forestry Silviculture & Tending	Investments	(1,422)	1,810	(72)	316
Strategic Property Purchase - District	Investments	10,585	3,006	(2,481)	11,110
TEL	Investments	70,205	6,481	(2)	76,684
CIP Funding reserves	3 Waters, Transport,	35	1,000	(1,035)	-
Better off funding	Community Facilities	74	242	(543)	(227)
Waste Minimisation fund	Solid Waste	662	1,104	(296)	1,470
Total reserves at 30 June 2025		123,151	61,198	(46,697)	137,652

29. Net assets/equity					
Council created reserves	Activities to which the funds relate	Opening balance	Additions	Withdrawals	Closing balance
2024		\$000	\$000	\$000	\$000
Depreciation Reserves					
Water District	Water	1,013	4,159	(5,671)	(499)
Wastewater District	Wastewater	3,027	6,132	(7,239)	1,920
Solid Waste District	Solid Waste	675	321	(623)	373
Transport & Stormwater District	Transport	1,030	13,787	(12,780)	2,037
Buildings District	Community Facilities,	3,975	4,175	(4,953)	3,197
Operational Assets	All activities with the exception	2,756	4,239	(4,200)	2,795
Development Contribution Reserves					
Community Infrastructure District	Community Facilities	698	60	-	758
Parks & reserves Land (Residential)	Community Facilities	2,732	223	-	2,955
District Wide Parks	Community Facilities	1,275	289	-	1,564
Water Taupo	Water	2,658	1,576	-	4,234
Water Kinloch	Water	1,996	358	-	2,354
Water River Road	Water	5	-	-	5
Water Mapara	Water	401	9	-	410
Water Turangi	Water	14	-	-	14
Water Omori	Water	107	-	-	107
Wastewater Taupo	Wastewater	6,868	2,745	(2,073)	7,540
Wastewater Kinloch	Wastewater	2,094	107	-	2,201
Wastewater Mangakino	Wastewater	-	-	-	-
Wastewater Atiamuri	Wastewater	2	-	-	2
Wastewater Turangi	Wastewater	-	-	-	-
Stormwater Taupo Industrial	Stormwater	(4)	-	-	(4)
Transport District Wide	Transport	4,399	1,671	(3,529)	2,541
Other Reserves					
Forestry District	Investments	7,017	1,664	(2,558)	6,123
Disaster Recovery Fund	All Activities	2,104	350	(179)	2,275
District Airport Reserve	Taupo Airport (CCO)	41	-	-	41
Parking	Community Services	69	-	-	69
Forestry Silviculture & Tending	Investments	(1,282)	-	(140)	(1,422)
Strategic Property Purchase - District	Investments	12,653	2,000	(4,068)	10,585
TEL	Investments	65,372	29,045	(24,212)	70,205
CIP Funding reserves	3 Waters, Transport,	-	5,475	(5,440)	35
Better off funding	Community Facilities	484	-	(410)	74
Waste Minimisation fund	Solid Waste	-	1,090	(428)	662
Total reserves at 30 June 2024		122,179	79,475	(78,503)	123,151

29. Net assets/equity

Nature and purpose of reserves

(i) Depreciation Reserves

These reserves are utilised to fund for renewals, capital expenditure, loan repayments and interest for the assets tagged to each reserve.

(ii) Development Contribution Reserves

These reserves are utilised to fund for development contribution capital expenditure, loan repayments and interest for the assets tagged to each reserve.

(iii) Disaster Recovery Fund

To provide \$400,000 (2024: \$350,000) annually to assist with readily available funds in the case of a significant natural disaster.

(iv) District Airport Reserve

To provide for heavy periodic maintenance charges on assets such as buildings, roads etc. and for future capital works of this nature.

(v) Parking

For the purchase or development of parking.

(vi) Forestry

To be used in the establishment, maintenance and operating of Council's forestry blocks.

(vii) Strategic Property Purchase - District

To fund specific strategically based property purchases and associated projects - District.

(viii) TEL

To provide revenue to facilitate the funding of community based projects set by Council without diminishing the value of the Fund.

Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise accumulated funds and reserves. Equity is represented by net The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets while 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. The Act sets out the factors that 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.

Taupo District Council has the following Council created reserves:

- Depreciation reserves
- Development contributions
- TEL Fund
- Disaster recovery
- Other special purpose

Depreciation reserves reflect the value of depreciation expense charged in the financial statements and funded from rates. These reserves are utilised to fund the replacement and renewal of the assets that are being depreciated.

Development contribution reserves reflect development contributions invoiced and received, these are used to fund capital expenditure, loan repayments and loan interest on growth-related asset purchases or construction.

The TEL Fund was established in September 1995 when Taupo District Council sold its investments in Taupo Electricity Limited and Taupo Generation Limited. The fund is utilised by facilitating the funding of community based projects set by Council without diminishing the value of the Fund.

The disaster recovery reserve is set aside to assist with readily available funds in the case of a significant natural disaster.

The other special purpose reserves are an accumulation of a number of other designated reserves, funded and held for a variety of purposes. Among the more significant balances are the strategic property reserve, land subdivision reserves, and the forestry reserve.

30. Non-controlling interests				
	COUNCIL		GROUP	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Balance at the beginning of the year	-	-	7,216	7,375
Share of revaluation reserve change in asset value	-	-	57	(2)
Revaluation reserve transfer to appropriations	-	-	17	-
Equity injection by Crown	-	-	290	806
Share of surplus/(deficit)	-	-	98	(963)
Balance at the end of the year	-	-	7,678	7,216
<p>Taupō Airport Authority (TAA) is a Council-Controlled Organisation (CCO) jointly owned by Taupō District Council and the Crown, represented by the Ministry of Transport (MoT). Each party holds a 50% ownership interest in the entity.</p> <p>Under the terms of the joint venture, Taupō District Council manages and operates TAA on behalf of both shareholders. Governance is provided through a sub-committee of Council, which includes both Council and business representatives.</p> <p>The MoT's interest is classified as a non-controlling interest in the financial statements of Taupō District Council. This reflects the Crown's ownership stake without direct operational control.</p>				

31. Related party transactions			
Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Council and Group would have adopted in dealing with the party at arm's length in the same circumstances.			
Related party disclosures have also not been made for transactions with entities within the Council Group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such Group transactions.			
Key management personnel compensation			
	COUNCIL		
	2025 \$000	2024 \$000	
Council members			
Remuneration (Council Elected Members)	712	671	
Full-time equivalent members	13	13	
Executive team, including the Chief Executive			
Remuneration (CEO & ET)	1,372	1,320	
Full-time equivalent members	5	5	
Total full time equivalent personnel	2,084	1,991	
Total key management personnel compensation	18	18	
Due to the difficulty in determining the full-time equivalent for Council elected members, the fulltime equivalent figure is taken as the number of elected members.			
It should be noted that the definition of key management personnel for this disclosure includes the Mayor, Councillors, the Chief Executive and members of the Executive Team. Details of remuneration paid to Councillors and Community Board members are provided in note 10 .			

32. Events after balance date				
There are no significant events after balance date to disclose.				

33. Financial instruments

Council is risk averse and seeks to minimise risk exposure associated with financial instruments and treasury activity. Council has risk management policies and processes in place particularly with regard to risk exposures relating to interest rates and the concentration of credit risk.

Council has established a Treasury Management Policy specifying what transactions can be entered into. The policy does not allow any transactions that are speculative in nature.

(a) Financial instrument categories

Assets	FAIR VALUE THROUGH OTHER COMPREHENS IVE REVENUE AND EXPENSE \$000	FAIR VALUE THROUGH SURPLUS OR DEFICIT \$000	AMORTISED COST \$000	TOTAL \$000
COUNCIL 2025				
Cash and cash equivalent	-	-	12,680	12,680
Receivables	-	-	1,839	1,839
Other financial assets:				
Term Deposits	-	-	54,081	54,081
Listed bonds	-	-	16,680	16,680
Borrowers Notes	-	6,426	-	6,426
Community Loans	-	-	176	176
Other Loans	-	-	1,016	1,016
Related party loans	-	-	-	-
Listed shares	-	46,268	-	46,268
Unlisted shares	13,673	-	-	13,673
Preferential shares (fixed interest)	-	2,129	-	2,129
Managed funds (fixed interest)	-	6,122	-	6,122
Derivative financial assets	-	-	-	-
Balance at the end of the year	13,673	60,945	86,472	161,090
COUNCIL 2024 - Restated				
Cash and cash equivalent	-	-	12,384	12,384
Receivables	-	-	2,007	2,007
Other financial assets:				
Term Deposits	-	-	49,673	49,673
Listed bonds	-	-	16,611	16,611
Borrowers Notes*	-	3,978	-	3,978
Community Loans	-	-	166	166
Other Loans	-	-	1,004	1,004
Related party loans	-	-	203	203
Listed shares	-	40,198	-	40,198
Unlisted shares	10,762	-	-	10,762
Preferential shares (fixed interest)	-	1,572	-	1,572
Managed funds (fixed interest)	-	6,047	-	6,047
Finance lease receivable	-	-	2,943	2,943
Derivative financial assets	-	545	-	545
Balance at the end of the year	10,762	52,340	84,991	148,093

33. Financial instruments				
Assets	FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSE \$000	FAIR VALUE THROUGH SURPLUS OR DEFICIT \$000	AMORTISED COST \$000	TOTAL \$000
GROUP 2025				
Cash and cash equivalents	-	-	13,189	13,189
Receivables	-	-	2,011	2,011
Other financial assets:				
Term Deposits	-	-	55,229	55,229
Listed bonds	-	-	16,680	16,680
Borrowers Notes	-	6,426	-	6,426
Community Loans	-	-	176	176
Other Loans	-	-	1,016	1,016
Listed shares	-	46,268	-	46,268
Unlisted shares	182	-	-	182
Preferential shares (fixed interest)	-	2,129	-	2,129
Managed funds (fixed interest)	-	6,122	-	6,122
Derivative financial assets	-	-	-	-
Total assets	182	60,945	88,301	149,428
GROUP 2024 - Restated				
Cash and cash equivalents	-	-	12,851	12,851
Receivables	-	-	1,850	1,850
Other financial assets:				
Term Deposits	-	-	50,793	50,793
Listed bonds	-	-	16,611	16,611
Borrowers Notes*	-	3,978	-	3,978
Community Loans	-	-	166	166
Other Loans	-	-	1,004	1,004
Listed shares	-	40,198	-	40,198
Unlisted shares	187	-	-	187
Preferential shares (fixed interest)	-	1,572	-	1,572
Managed funds (fixed interest)	-	6,047	-	6,047
Finance lease receivable	-	-	2,943	2,943
Derivative financial assets	-	545	-	545
Total assets	187	52,340	86,218	138,745
<p>* Prior year comparative for the classification of borrower notes has been restated to reflect the change in measurement basis to fair value through surplus and deficit (previously amortised cost), this more accurately reflects Council's accounting policy and valuation of borrower notes held at 30 June 2025.</p>				

33. Financial instruments

Council is risk averse and seeks to minimise risk exposure associated with financial instruments and treasury activity. Council has risk management policies and processes in place particularly with regard to risk exposures relating to interest rates and the concentration of credit risk.

Council has established a Treasury Management Policy specifying what transactions can be entered into. The policy does not allow any transactions that are speculative in nature.

(a) Financial instrument categories

LIABILITIES	FAIR VALUE THROUGH SURPLUS OR DEFICIT \$000	AMORTISED COST \$000	TOTAL \$000
COUNCIL 2025			
Borrowings			
Derivative financial instruments	2,605	-	2,605
Debentures & commercial paper	-	238,074	238,074
Payables and accruals	-	19,103	19,103
Total liabilities	2,605	257,177	259,782
COUNCIL 2024			
Borrowings			
Derivative financial instruments	-	-	-
Debentures & commercial paper	-	203,570	203,570
Payables and accruals	-	15,558	15,558
Total liabilities	-	219,128	219,128
GROUP 2025			
Borrowings			
Derivative financial instruments	2,605	-	2,605
Debentures & commercial paper	-	238,074	238,074
Payables and accruals	-	19,309	19,309
Total liabilities	2,605	257,383	259,988
GROUP 2024			
Borrowings			
Derivative financial instruments	-	-	-
Debentures & commercial paper	-	203,570	203,570
Payables and accruals	-	15,841	15,841
Total liabilities	-	219,411	219,411

(b) Market risk

Price Risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. Council is exposed to price risk through its equity securities, which are classified as financial assets held at fair value through the surplus or deficit. This price risk arises due to market movements in the value of listed securities. This price risk is managed by the diversification of Council's investment portfolio and is managed by Council's Treasury Management Group and external Fund Advisors in accordance with Council's

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Taupo District Council has no significant exposure to currency risk.

Interest rate risk

The main objective of interest rate risk management is to reduce uncertainty around net interest expense as interest rates change.

Mechanisms used include matching the interest rate profile of the Council and group's financial investments and financial liabilities and, where appropriate, fixing rates through fixed rate borrowings and the use of interest rate derivatives.

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. This could impact on the cost of borrowing or the return from an investment.

Council's Liability Management Policy sets minimum and maximum levels of fixed rate exposure for borrowings, across various time Council's Investment Policy provides for interest rate risk on investments to be managed by Council as part of its overall investment strategy.

33. Financial instruments

Cash flow interest rate risk

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

Taupo District Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. These interest rate swaps have the economic effect of converting floating rate borrowings into fixed rates that are generally lower than those available if Taupo District Council borrowed at fixed rates directly.

Under the interest rate swaps, Taupo District 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.

Disclosure of the value of Council's interest rate swap instruments is made in note 26.

Sensitivity analysis

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonable possible market movements, with all other variables held constant, based on Taupo District Council's financial instrument exposures at balance date. These tables represent both the Council & Group position as there are no financial instruments requiring analysis for controlled entities.

COUNCIL AND GROUP	2025				2024			
	-100BPS		+100BPS		-100BPS		+100BPS	
INTEREST RATE RISK	PROFIT \$000	OTHER EQUITY \$000	PROFIT \$000	OTHER EQUITY \$000	PROFIT \$000	OTHER EQUITY \$000	PROFIT \$000	OTHER EQUITY \$000
Financial assets								
Cash and cash equivalents (1)	-	-	-	-	-	-	-	-
Term deposits (2)	-	-	-	-	-	-	-	-
Community loans (3)	-	-	-	-	-	-	-	-
Other loans (4)	-	-	-	-	-	-	-	-
Local authority stock (5)	-	-	-	-	-	-	-	-
Financial liabilities								
Borrowings (6)	-	-	-	-	-	-	-	-
Interest rate derivatives (7)	(5,456)	-	5,113	-	(4,602)	-	4,336	-
Total sensitivity to interest rate risk	(5,456)	-	5,113	-	(4,602)	-	4,336	-
COUNCIL AND GROUP	2025				2024			
	-5%		+5%		-5%		+5%	
FOREIGN EXCHANGE RISK	PROFIT \$000	OTHER EQUITY \$000	PROFIT \$000	OTHER EQUITY \$000	PROFIT \$000	OTHER EQUITY \$000	PROFIT \$000	OTHER EQUITY \$000
Financial assets								
Quoted share investments (8a)	1,224	-	(1,107)	-	1,621	-	(1,429)	-
Equity price risk financial assets								
Cash and cash equivalents (1)	-	-	-	-	-	-	-	-
Term deposits (2)	-	-	-	-	-	-	-	-
Community loans (3)	-	-	-	-	-	-	-	-
Other loans (4)	-	-	-	-	-	-	-	-
Local authority stock (5)	-	-	-	-	-	-	-	-
Quoted share investments (8b)	(2,301)	-	2,301	-	(1,983)	-	2,039	-
Bonds (4)	-	-	-	-	-	-	-	-
Financial liabilities								
Borrowings (6)	-	-	-	-	-	-	-	-
Interest rate derivatives (7)	-	-	-	-	-	-	-	-
Total sensitivity to foreign exchange risk	(1,077)	-	1,194	-	(362)	-	610	-

33. Financial instruments				
Explanation of sensitivity analysis - Council & Group				
1 - Cash and Cash Equivalents				
Cash and cash equivalents include deposits at call of \$12,632k (2024: \$8,179k), which are at an interest rate close to the Official Cash Rate and term deposits of less than three months from acquisition date of \$19,560k (2024: \$14,595k). As the likelihood of this rate moving on balance date is unlikely no sensitivity analysis has been applied.				
2 - Term Deposits				
Term deposits are valued at principal plus accrued interest \$34,525k (2024: \$35,078k). A movement of plus or minus 1% in the interest rate has nil effect on the profit and loss (2024: \$nil). □				
3 - Community Loans				
Taupo District Council has lent the Southern Lakes Taupo Health Trust \$300,000 for a period of 25 years at 2% pa, this loan was valued at fair value of \$176k (2024: \$166k) at balance date. Changes in interest rates at balance date will not affect the valuation of the remaining community loan.				
4 - Other Loans				
Taupo District Council has subscribed to an Investment Bond issued by Ruapehu Alpine Lifts (RAL) for the Gondola development at a fair value of \$1,000,000 (2024: \$1,000,000). Interest receivable on the bond is a provisional 3%pa payable quarterly, with a potential performance adjustment to interest payable if the Gondola usage exceeds specified targets. Changes in interest rates at balance date will not affect the value of this asset. RAL went into voluntary administration on 11 October 2022 with the appointment of PwC Administrators, John Fisk and Richard Nacey. On the 6th of June 2023 RAL submitted insolvency documents, and on the 21st of June 2023 a liquidator was appointed. A provision for the full write-off of the remaining debt and accrued interest had been raised, but has been released in the year ended 30 June 2025 with the restructuring of the business to Whakapapa Holdings Limited and payment of all owed interest received, impairment indicators are no longer present.				
5- Local Authority Stock and Corporate Bonds				
Corporate Bonds have a fair value of \$nil (2024: \$nil). A movement of plus or minus 1% in the interest rate has an effect on other equity of (\$nil)/\$nil (2024: (\$nil)/\$nil).				
6 - Borrowings				
Taupo District Council's bank facilities were nil at balance date, a movement of plus or minus 1% in the interest rate would have no effect. The fixed and floating rate notes are held to maturity therefore no sensitivity analysis has been completed.				
7- Interest Rate Derivatives				
Derivative financial instruments assets/(liabilities) include interest rate swaps with a fair value totalling (\$2,605k) (2024: \$545k). A movement in interest rate of plus/minus 1% has an effect on the unrealised value of the derivatives of \$5,13k / (\$5,456k) (2024: \$4,336k / (\$4,602k)).				
8- Quoted Share Investments				
a) Taupo District Council holds international listed equity instruments as detailed in note 16 that are subject to foreign exchange risk. If there was a movement of plus or minus 5% in the currency each instrument is listed in, the effect has an impact of (\$1,107k)/\$1,224k in the fair value through surplus. (2024: (\$1,429k)/\$1,621k).				
b) For these same shares and the NZ shareholdings per note 16, if the share price moved plus or minus 5% the effect has an impact of \$2,301k/ (\$2,301k) in the fair value through surplus, (2024: \$2,039k / (\$1,983k)).				
(c)Credit risk				
Credit risk is the risk that a third party will default on its obligation to Council, causing the Council to incur a loss.				
Financial instruments which potentially subject the Council to credit risk principally consist of bank balances, accounts receivable, all investments, and sports club and other guarantees.				
Council's Investment Policy limits the amount of credit exposure on investment instruments to any one institution or organisation. There are also minimum credit rating limits in place.				
The Council is exposed to credit risk as a guarantor of all of LGFA's borrowings. Information about this exposure is explained in note 28.				
There are no significant concentrations of credit risk with accounts receivable balances as Council has a large number of credit customers, mainly ratepayers, and there are appropriate debt management practices in place. Council has significant powers under the Local Government (Rating) Act 2002 to recover outstanding amounts from ratepayers.				
Maximum exposure to credit risk				
Taupo District Council's maximum credit exposure (including accrued interest at balance date) for each class of financial instrument is as				

33. Financial instruments

	COUNCIL		GROUP	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Cash at bank and term deposits	66,761	62,057	68,418	63,644
Debtors and other receivables	11,440	13,210	11,614	13,093
Community & other loans	1,192	1,373	1,192	1,173
Local authority & government stock (NZLGFA)	6,526	4,078	6,526	4,078
Balance at the end of the year	85,919	80,718	87,750	81,988

Credit quality of financial assets

The credit quality of financial assets, at carrying value, that are neither past due nor impaired can be assessed by reference to Standard &

	COUNCIL		GROUP	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Counterparties with credit ratings				
<i>Cash at bank and term bank deposits</i>				
AA-	66,761	41,216	68,418	42,803
AA (Fitch)	-	20,841	-	20,841
Total cash at bank and term bank deposits	66,761	62,057	68,418	63,644
LGFA Borrower Notes				
AAA	6,526	4,078	6,526	4,078
Total LGFA	6,526	4,078	6,526	4,078
Counterparties without credit ratings				
Community and other loans	1,192	1,373	1,192	1,173
Total community and related party loans	1,192	1,373	1,192	1,173

Debtors and other receivables mainly arise from Taupo District Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Taupo District Council

(d) Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in raising sufficient funds to meet financial commitments as they fall due.

Liquidity risk management ensures that there is sufficient cash available to meet obligations in an orderly manner as they fall due. As part of Council also holds cash and cash equivalents to manage short-term liquidity risk.

The Council is exposed to liquidity risk as a guarantor of all of LGFA's borrowings. This guarantee becomes callable in the event of the LGFA

Contractual maturity analysis of financial assets and liabilities

The table below analyses Taupo District Council's financial assets and liabilities into relevant maturity groupings based on the remaining

33. Financial instruments						
	LESS THAN 1 YEAR \$000	BETWEEN 1 AND TWO YEARS \$000	BETWEEN 2 AND 5 YEARS \$000	OVER 5 YEARS \$000	TOTAL CONTRACTUAL CASH FLOWS \$000	CARRYING AMOUNT ASSETS/ LIABILITIES \$000
COUNCIL 2025						
Financial assets						
Cash and cash equivalents	12,680	-	-	-	12,680	12,680
Debtors and other receivables	11,440	-	-	-	11,440	11,440
Term deposits	54,081	-	-	-	54,081	54,081
Community and other loans*	36	36	1,078	318	1,468	1,192
Local authority stock (NZLGFA)	698	1,581	4,631	192	7,102	5,866
Finance lease receivable	-	-	-	-	-	-
Total financial assets	78,935	1,617	5,709	510	86,771	85,259
Financial liabilities						
Creditors and other payables	19,103	-	-	-	19,103	19,103
Net settled derivative liabilities	(1,510)	(955)	(1,693)	(579)	(4,737)	2,605
Secured loans	39	34	17	-	90	90
Debentures & commercial papers	68,551	47,731	132,502	9,908	258,692	238,074
Finance leases	33	33	39	-	105	105
Total financial liabilities	86,216	46,843	130,865	9,329	273,253	259,977
COUNCIL 2024						
Financial assets						
Cash and cash equivalents	12,384	-	-	-	12,384	12,384
Debtors and other receivables	13,210	-	-	-	13,210	13,210
Term deposits	49,673	-	-	-	49,673	49,673
Community and other loans	6	6	218	174	404	369
Local authority stock (NZLGFA)	464	700	2,572	924	4,660	3,560
Finance lease receivable	3,000	-	-	-	3,000	2,943
Total financial assets	78,737	706	2,790	1,098	83,331	82,139
Financial liabilities						
Creditors and other payables	15,558	-	-	-	15,558	15,558
Net settled derivative liabilities	(468)	(1,063)	(4,646)	(2,428)	(8,605)	545
Secured loans	110	95	45	-	250	250
Debentures & commercial papers	66,745	38,001	101,052	29,610	235,408	203,570
Finance leases	46	33	72	-	151	151
Total financial liabilities	81,991	37,066	96,523	27,182	242,762	218,984

33. Financial instruments						
	LESS THAN 1 YEAR \$000	BETWEEN 1 AND TWO YEARS \$000	BETWEEN 2 AND 5 YEARS \$000	OVER 5 YEARS \$000	TOTAL CONTRACTUAL CASH FLOWS \$000	CARRYING AMOUNT ASSETS/ LIABILITIES \$000
GROUP 2025						
Financial assets						
Cash and cash equivalents	13,189	-	-	-	13,189	13,189
Debtors and other receivables	11,614	-	-	-	11,614	11,614
Term deposits	54,081	-	-	-	54,081	54,081
Community and other loans*	36	36	1,078	318	1,468	1,192
Local authority stock (NZLGFA)	698	1,581	4,631	192	7,102	5,866
Finance lease receivable	-	-	-	-	-	-
Total financial assets	79,618	1,617	5,709	510	87,454	85,942
Financial liabilities						
Creditors and other payables	19,309	-	-	-	19,309	19,309
Net settled derivative liabilities	(1,510)	(955)	(1,693)	(579)	(4,737)	2,605
Secured loans	39	34	17	-	90	90
Debentures & commercial papers	68,551	47,731	132,502	9,908	258,692	238,074
Finance leases	33	33	39	-	105	105
Total financial liabilities	86,422	46,843	130,865	9,329	273,459	260,183
GROUP 2024						
Financial assets						
Cash and cash equivalents	12,851	-	-	-	12,851	12,851
Debtors and other receivables	13,093	-	-	-	13,093	13,093
Term deposits	49,673	-	-	-	49,673	49,673
Community and other loans	6	6	218	174	404	369
Local authority stock (NZLGFA)	464	700	2,572	924	4,660	3,560
Finance lease receivable	3,000	-	-	-	3,000	2,943
Total financial assets	79,087	706	2,790	1,098	83,681	82,489
Financial liabilities						
Creditors and other payables	15,841	-	-	-	15,841	15,841
Net settled derivative liabilities	(468)	(1,063)	(4,646)	(2,428)	(8,605)	545
Secured loans	110	95	45	-	250	250
Debentures & commercial papers	66,745	38,001	101,052	29,610	235,408	203,570
Finance leases	46	33	72	-	151	151
Total financial liabilities	82,274	37,066	96,523	27,182	243,045	219,267
* Community loans are reported net of a provision for impairment on the Ruapehu Alpine Lift bond in FY24. The impairment provision was reversed in FY25 - see Note 16 for more detail.						

33. Financial instruments

(e) Fair value estimation

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

- Quoted market price (level 1) - Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) - 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.
- Valuation techniques with significant non-observable inputs (level 3) - 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:

Maximum exposure to credit risk

Taupo District Council's maximum credit exposure (including accrued interest at balance date) for each class of financial instrument is as follows:

30 JUNE 2025 - COUNCIL	TOTAL \$000	LEVEL 1 \$000	LEVEL 2 \$000	LEVEL 3 \$000
Financial assets				
Local government (NZLGFA) borrower notes	6,426	-	6,426	-
Other loans	1,016	-	-	1,016
Listed shares	46,268	46,268	-	-
Unlisted shares	182	-	100	82
Listed bonds	16,680	16,680	-	-
Preferential shares (fixed interest)	2,129	2,129	-	-
Managed funds (fixed interest)	6,122	6,122	-	-
Derivative financial instruments	(2,605)	(2,605)	-	-
Total financial assets	76,218	68,594	6,526	1,098
30 JUNE 2024 - COUNCIL - Restated				
Financial assets				
Local government (NZLGFA) borrower notes *	3,978	-	3,978	-
Other loans	1,004	-	-	1,004
Listed shares	40,198	40,198	-	-
Unlisted shares	187	-	100	87
Listed bonds	16,611	16,611	-	-
Preferential shares (fixed interest)	1,572	1,572	-	-
Managed funds (fixed interest)	6,047	6,047	-	-
Derivative financial instruments	545	545	-	-
Total financial assets	70,142	64,973	4,078	1,091
30 JUNE 2025 - GROUP				
Financial assets				
Local government (NZLGFA) borrower notes	6,426	-	6,426	-
Other loans	1,016	-	-	1,016
Listed shares	46,268	46,268	-	-
Unlisted shares	182	-	100	82
Listed bonds	16,680	16,680	-	-
Preferential shares (fixed interest)	2,129	2,129	-	-
Managed funds (fixed interest)	6,122	6,122	-	-
Derivative financial instruments	(2,605)	(2,605)	-	-
Total financial assets	76,218	68,594	6,526	1,098
30 JUNE 2024 - GROUP - Restated				
Financial assets				
Local government (NZLGFA) borrower notes *	3,978	-	3,978	-
Other loans	1,004	-	-	1,004
Listed shares	40,198	40,198	-	-
Unlisted shares	187	-	100	87
Listed bonds	16,611	16,611	-	-
Preferential shares (fixed interest)	1,572	1,572	-	-
Managed funds (fixed interest)	6,047	6,047	-	-
Derivative financial instruments	545	545	-	-
Total financial assets	70,142	64,973	4,078	1,091

* The prior year comparative has been restated, in the prior year, borrower notes were recognised as a level 1 instrument (quoted prices in an active market) in the fair value hierarchy. However, it has been determined that these valuations were derived from observable inputs as opposed to quoted market prices in an active market, accordingly they have been reclassified as a level 2 instrument (being observable inputs) in the fair value hierarchy category. The prior year column has been restated to reflect this reclassification.

34. Explanation of major variances against budget

Explanations for major variations from the Council's budget figures in the 2024/25 Long-term Plan Year One to 30 June 2025 actual are as follows:

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

• **Subsidies and grants** revenue is \$2.0m higher than budget - mainly due to unbudgeted funding received from MBIE capital grant received for shared paths (\$1m) and capital grants received for the Owen Delaney Park refurbishment (\$0.7m).

• **Development and financial contributions** revenue is \$6.2m lower than budget - due to the timing of developments.

• **Fees and charges** revenue is behind budget by \$6.3m - this is due to the timing of anticipated sales of Council's commercial and industrial sections, which did not occur before 30 June 2025 (-\$6.7m). Excluding section sales, Fees and Charges revenue on operating activities was higher than budget by \$0.4m.

• **Finance revenue** was behind budget by \$3.3m - this is mainly due to budgeting of revenue for TEL fund, being budgeted in the incorrect revenue lines, with the mix of investments estimated from prior years. This variance is more than offset by the gains recognised in other revenue - which is where the majority of the TEL revenue sits.

• **Other revenue** is ahead of budget by \$33.6m - significant items include; the unbudgeted revaluation gains on investment property, predominantly East Urban Lands land blocks (\$19.6m), unrealised gains on our TEL fund financial assets (\$4.0m), and higher values of vested assets than anticipated (\$6.8m).

• **Personnel costs** are higher than budget by \$1.4m due to staff turnover being lower than the churn assumption in the budget, this was managed and offset by savings in consulting expense, professional fees, and IT costs.

• **Depreciation expenses** are above budget by \$2.3m - due mainly to the timing of the capitalisation of assets completed in prior years.

• **Other expenses** are less than budget by \$1.7m, with other significant variances as below;

- Cost of goods sold accounting treatment of -\$5.5m, being the costs of developing the sections described in **Fees and Charges**.

- Unrealised losses on Financial Assets of \$3.6m unbudgeted - mostly attributable to loss positions on interest rate swaps (\$3.2m) due to the official cash rate tracking down.

- Security costs are higher than budget \$0.3m.

STATEMENT OF FINANCIAL POSITION

• **Cash and cash equivalents** is higher than budget by \$26.1m due to cashflow forecasts and liquidity requirements at balance date.

• **Property, plant and equipment** is \$69.9m lower than budget due to timing of capital works.

• **Investment property** is \$18.1m higher than budget with the significant increase in the valuation increase in the EUL land blocks.

35. Investments in Associates and Joint Ventures

Accounting policy

ASSOCIATE

An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint

JOINT VENTURE

A joint venture is a joint arrangement whereby the parties that 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.

EQUITY METHOD OF ACCOUNTING IN GROUP FINANCIAL STATEMENTS

Investments in associates and joint ventures are accounted for in the group financial statements using the equity method of

Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the group's share of the change in net assets of the entity after the date of acquisition. The group's share of the surplus or deficit is recognised in the group surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of the entity equals or exceeds the interest in the entity, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Bay of Plenty Local Authority Shared Services Limited

BOPLASS Ltd is a company owned by nine councils - Bay of Plenty Regional Council, Rotorua Lakes Council, Western Bay of Plenty District Council, Kawerau District Council, Tauranga City Council, Opotiki District Council, Whakatane District Council, Taupo District Council and Gisborne District Council.

The company has been established to promote shared services between local authorities in the Bay of Plenty/Gisborne Regions and elsewhere.

TDC owns 9.68% of the shares of BOPLASS. BOPLASS is deemed to be an associate of Taupo District Council.

	BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES LTD. (BOPLASS) \$000
Investment in associates	
Balance at 1 July 2024	3
Share of 2025 next profit/(loss)	(1)
Disposal of shares	-
Balance at 30 June 2025	2

SUMMARY FINANCIAL STATEMENTS OF ASSOCIATES

	BAY OF PLENTY LOCAL AUTHORITY	
	2025 \$000	2024 \$000
Current		
Cash and cash equivalents	723	854
Other current assets (excluding cash)	831	737
Total current assets	1,554	1,591
Current liabilities	(1,549)	(1,582)
Total current liabilities	(1,549)	(1,582)
Non current		
Non current assets	13	18
Total non current assets	13	18
Net assets	18	27
Revenue	1,754	2,461
Depreciation and amortisation	(5)	(6)
Other expenses	(1,758)	(2,456)
Net profit after tax	(9)	(1)

36. Water Services Reform Programme

The Government has implemented a water services reform programme to address New Zealand's water infrastructure challenges – the Local Water Done Well programme. The first part of the programme was to repeal previous water services legislation (the Water Services Entities Act 2022, Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023) that would have transferred responsibility for the provision of water services from local government to ten newly established publicly owned water services entities.

The Government has introduced new legislation that recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in the future. The Local Government (Water Services Preliminary Arrangements) Act 2024 was enacted on 2 September 2024 and establishes the Local Water Done Well framework and the preliminary arrangements for the new water services system. Local Government (Water Services) Act 2025 was enacted on 26 August 2025 to establish a framework for local government to provide water services in a flexible, cost-effective, financially sustainable, and accountable manner.

Councils were required to develop Water Services Delivery Plans by 3 September 2025. The Plans will outline future water services delivery arrangements, and for councils to commit to an implementation plan. The Taupo District Council submitted its Water Services Delivery Plan in accordance with the Act and this was approved by the Secretary for Local Government on 17 September 2025. The Council's Water Services Delivery Plan involves the operation of an In-house Business Unit (IBU) within the Council.

This model is similar to Council's current arrangement for overseeing and managing the delivery of its drinking water, wastewater, stormwater services, but with increased financial ring-fencing and new economic regulation requirements for drinking water and wastewater. This model retains direct Council ownership and operational responsibility of water service delivery, ensuring accountability to the local community and alignment with broader Council objectives.

37. Legislative Compliance			
Section 98 of the Local Government Act 2002 required Taupo District Council to prepare and adopt an annual report within four months after the end of each financial year. The annual report 2024/25 was adopted by resolution of the Taupo District Council on 16 December 2025 outside the four month window. This was due to conflicting priorities for staff resourcing.			

STATEMENT OF COMPLIANCE

Council and management of Taupō District Council confirm that all the statutory requirements of Part 6 and Schedule 10 of the Local Government Act 2002 have been complied with.

Council and management of Taupō District Council accept responsibility for the preparation of the annual financial statements and service performance reporting and the judgements used in them.

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

In the opinion of Council and management of Taupō District Council, the annual financial statements for the year ended 30 June 2025 fairly reflect the financial position and operations of Taupō District Council.

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

David Trewavas JP
Taupō District Mayor

20 December 2025

Julie Gardyne
Chief Executive

20 December 2025

INDEPENDENT AUDITOR’S REPORT

COUNCIL-CONTROLLED ORGANISATIONS

LOCAL GOVERNMENT FUNDING AUTHORITY LIMITED

Nature and scope of activities

The Local Government Funding Authority (LGFA) raises debt funding for the purpose of providing debt financing to New Zealand local authorities and CCOs (participating borrowers). LGFA may raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency. LGFA only lends to participating borrowers that have entered into the required legal and operational arrangements and comply with the LGFA's lending policies. In addition, LGFA may undertake any other activities considered by the LGFA Board to be reasonably related, incidentally to, or in connection with, that business.

Performance targets

Performance Measure	Targets 2024/25	Results – 2024/25
Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.	No breaches	Not achieved. There was a breach of the Foundation Policy where the nominal amount of loans to a non-guarantor exceeded the \$20 million limit by \$186,000.
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency	LGFA credit ratings equivalent to New Zealand Government Sovereign rating	Achieved. Our ratings remain equivalent to the New Zealand Government for both S&P Global Ratings and Fitch Ratings. Fitch Ratings affirmed LGFA Foreign Currency Rating at AA+ in December 2024. S&P Global Ratings affirmed our domestic currency credit rating at AAA in March 2025.
A succession plan be put in place for the Board and staff and be reviewed annually	Achieved.	Achieved.
LGFA's total operating income for the period to 30 June 2024	Greater than \$31.4 million	Achieved. \$36.3 million at June 2025, excluding unrealised gains/losses on hedged foreign currency issuance
LGFA's total operating expenses for the period to 30 June 2024	Less than \$11.5 million	Achieved. \$11.2 million at June 2025, excluding AIL.
Share of aggregate long-term debt funding to the Local Government sector.	Greater than 80%	Not achieved. 74.9% at June 2025.
Total lending to Participating Borrowers.	Greater than \$23,957 million	Not achieved. \$22,657 million as at June 2025
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	Greater than 85% satisfaction score	94% satisfaction score in August 2024 Stakeholder Survey
Successfully refinance existing loans to Councils and LGFA bond maturities as they fall due	100%	Achieved
Meet all lending requests from Participating Borrowers, where those	100%	Achieved

Performance Measure	Targets 2024/25	Results – 2024/25
requests meet LGFA operational and covenant requirements		
Comply with the Health and Safety at Work Act 2015.	No breaches	Achieved
Maintain Toitū Net Carbon Zero certification	Net Carbon Zero certification maintained	Achieved
Meet reduction targets outlined in our carbon reduction management plan	Reduction targets met	Achieved. GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions from different gases. GHG emissions against targets are reported in the 2025 LGFA Climate-related Disclosures, which will be available on the LGFA website from 30 September 2025.
Increase our GSS lending book and Climate Action Loans.	Two new GSS loans undertaken. Three new borrowers approved for CAL.	Not achieved. One new GSS loan approved, and no new CAL borrowers approved
Meet all mandatory climate reporting standards.	100%	Achieved
Review each Participating Borrower's financial position.	100%	Achieved
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%	Achieved
Provide input into Local Water Done Well Legislation.	Provide feedback to DIA and Treasury during legislation drafting	Achieved
Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA	Four quarterly updates to Councils and CCOs	Achieved
Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister's office to discuss sector issues from an LGFA perspective	Nine meetings across stakeholders	Achieved

DESTINATION GREAT LAKE TAUPŌ

Nature and scope of activities

DGLT is a Council Controlled Organisation (CCO) for the purposes of the LGA. It has no subsidiaries and is a not-for-profit organisation. DGLT is governed by a Board appointed by Taupō District Council under the Trust Deed (6 September 2010) establishing the CCO. DGLT is funded largely by a grant from Taupō District Council, on behalf of Taupō District ratepayers, along with industry and partnership contributions to various marketing initiatives.

DGLT's core focus is to promote the destination to attract more visitors, encourage them to stay longer and spend more. The organisation also provides an advocacy and leadership role around management and development of the destination to ensure tourism not only brings benefit to the local economy but does so in a way that preserves and enhances our environment, our culture and local community whilst delivering a world class experience for our visitors.

Performance targets

Strategic Priority	Data sources/Performance Measure	Baseline data	Targets 2024/25	Results – 2024/25
Growth in tourism expenditure	Tourism Electronic Card Transactions (TECT)	TECT YE June 2024: • Domestic • International	Maintain Domestic Spend	Not Achieved - \$334m (previous year was \$347M)
			Grow international spend to 100% of pre-Covid level of \$72.5 million (measured by TECT year ending Jun 2019)	Achieved - \$79.2M
Implement a Destination Management strategy ensuring the balance of economic growth with the social, cultural and environmental well-being of the community.	Quarterly meetings of Te Ihirangi Governance Group	Continue implementation of Te Ihirangi Destination Management Plan	Governance Group Disbanded	Achieved – Despite disbanding the governance group implementation of the plan continues
	Grow industry capability	Industry workshop	4 workshops	Achieved
	Fill product gaps through new product development	Work with Amplify and Iwi to identify new product development opportunities	Regional Deals Geothermal Week Ai & Social media workshops	Achieved

Strategic Priority	Data sources/Performance Measure	Baseline data	Targets 2024/25	Results – 2024/25
	Social license – connect with residents	Biannual community sentiment survey	Ongoing	To be completed May 1 2026
Support for DGLT marketing initiatives	<ul style="list-style-type: none"> Measured by free of charge, in-kind or advertising support for marketing and familiarization activities Participation in DGLT hosted activities and campaigns 	Year ending June 2023: \$102,312	\$205,553	Achieved
Stakeholder satisfaction	Annual industry survey	2020: 76% 2021: 82% 2022: 83% 2023: 93%	85%	Achieved - 89%

BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES

Nature and scope of activities

Bay of Plenty Local Authority Shared Services Limited (BOPLASS) is a company owned by nine Councils (including Taupō District Council). The company aims to improve levels of service and reducing costs for Councils through joint procurement and shared services providing efficiencies, reducing duplication, and delivering economies of scale.

Key performance targets

Target	How	Measure	Results – 2024/25
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS Councils.	Manage and/or renegotiate existing contracts	Contracts reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable	Achieved
Investigate new Joint Procurement initiatives for goods and services for BOPLASS Councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating Councils.	Achieved
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other local authority shared services to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.	Achieved
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other Councils and the greater Local Government community to increase breadth of BOPLASS collaboration.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to Councils.	Number of active users to increase by 5% per year.	Achieved
Communicate with each shareholding Council at appropriate levels.	Actively engage in obtaining political support for identified projects.	Information provided to elected members, and feedback sought, on BOPLASS projects, benefits to local communities, and value added to each Council.	Achieved

Target	How	Measure	Results – 2024/25
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review Council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.	Achieved

TAUPŌ AIRPORT AUTHORITY

Nature and scope of activities

The Taupō District Council and the Crown - represented by the Ministry of Transport, own the Taupō Airport Authority (TAA) equally. TAA is managed, under agreement with the Crown by the Taupō District Council. TAA is governed by a Standing Committee of Taupō District Council consisting of the mayor, two Councillors and two independent skills-based representatives chosen from local businesses.

The Airport provides services to allow the safe and efficient facilitation of travellers and freight and, ancillary to this, it leases terminal space and land at the Airport. It owns the passenger terminal, airside infrastructure, car parking areas, roading and underground utilities. These facilities are sited on land owned by TDC that is designated for Airport use. The Airport provides a complimentary mix of aviation and commercial activities. This includes scheduled passenger transport services, general aviation, skydiving adventure operations, scenic flights, agricultural aviation operations as well as nonaviation commercial and retail offerings.

Operational Performance

Performance Measure	Results – 2024/25
Maintain the Airport facilities to avoid any disruption of scheduled commercial flights other than for weather or airline related problems	Achieved No diversions or cancellations due to facility operations, capital projects, construction or general maintenance
Manage Taupō Airport in full compliance with the approved operating procedures of Civil Aviation Authority Rule Part 139	Achieved The Airport Exposition has been extensively reviewed with revisions incorporated and accepted by the CAA in accordance with CAA Rule Part 139
Manage the health and safety risk and provide a healthy and safe environment	Achieved No reportable health and safety incidents within the airport confines and promoting a positive safety culture within the airport community
Meet all the operating, maintenance and interest costs from Airport revenue	Achieved Operating surplus (EBITDA) was \$442,507
Complete the Airport apron extension project by the end of January 2025	Achieved Completed on time and within budget

Lake Taupō Protection Trust

The Lake Taupō Protection Trust (LTPT) was previously a Council-controlled organisation that was co-managed with Waikato Regional Council. The previous governance structure of the trust was disestablished, and control of the trust was fully handed over to Taupō District Council. Council since the handover of the trust has resolved to exempt the trust from CCO reporting requirements under Section 7 of the Local Government Act 2002. The activities of the trust are managed by Council Officers.

Destination Lake Taupō Limited

Taupō District Council is the 100 percent owner of Destination Lake Taupō Limited (DLTL). Destination Lake Taupō Limited is a non-trading company that is held only for name-protection purposes. It has no revenue or expenditure, assets or liabilities. Council has passed a resolution, under section 7 of the Local Government Act 2002, making Destination Lake Taupō Limited exempt from definition as a Council-controlled organisation.

Data Capture Systems Limited

Taupō District Council is the 100 percent owner of Data Capture Systems Limited (DCSL). It was a CCO as defined by the LGA. In February 2006, the directors of DCSL resolved that it would cease operations. In June 2006, resolutions were passed to wind down the company during the course of the 2006/07 year. The company is now exempt, under section 7 of the LGA, from definition as a Council-controlled organisation.

Waikato Local Authority Shared Services

The Waikato Local Authority Shared Services (WLASS), now Co-Lab, is a shared service provider for the Waikato region. Taupō District Council is no longer a shareholder of WLASS but still procures services from Co-Lab to support the delivery of Council services. However, since Council is no longer a member of this organisation, it is also not a CCO of Taupō District Council.

APPENDICES

APPENDIX 1 – SAFETY OF DRINKING WATER PERFORMANCE

The following results have been calculated in accordance with the Department of Internal Affairs Aggregate Compliance Rate Methodology. This can be downloaded from the DIA's [website](#) while the full Drinking Water Quality Assurance Rules can be found on Taumata Arowai's [website](#).

A list of the water supplies managed by Taupō District Council is available at: [Public Register of Drinking Water Supplies - Hinekōrako](#).

As required by the DWQAS compliance is assessed as follows:

Compliance rate	Performance rating
100%	All met
95% to 99.9%	Almost met
0.01% to 94.99%	Partially met
0%	None met

Treatme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d popu lation	Level 1		Level 2					Level 3			Ov er all	Not es
			T1 Treat ment Rule s	D1.1 Distri bution Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rule s	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
Atia muri	Atia muri	22 9			Parti ally met 75% com plia nt	Parti ally met 50% com plia nt	Not met 0% co mpl iant	All met 100 % com plian t	All met 100 % co mpl iant	All met 100 % com plian t	All met 100 % com plian t		No t Ach ieved	Non - com plia nce was note d in relat ion to the

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d popu lation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rul es	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														T2 sche me for the peri od 1 July to 3 Sept emb er 202 5, as a resu lt the over all resu lt is not achi eved . How ever , UV treat men t has now bee

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d popu lation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rule s	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														n inst alle d and com plia nce has bee n achi eved with T3 rule s from 3 Sept emb er 202 4. Futu re WTP com plia nce to be dem ons

Treatme nt Plan t (Water Scheme)	Distri bution Zone / Supply Area	Esti mate d pop ulation	Level 1		Level 2					Level 3			Over all	Notes
			T1 Treat ment Rules	D1.1 Distri bution Rules	T2 Treatment Rules				D2. 1 Distri bution Rules	T3 Bact erial Rules	T3 Proto zoal Rules	D3 Micro biologi cal Moni toring Rules		
					Treat ment mon itoring	Filtr ation	UV	Chlo rine	Dist ribu tion	Gen eral mon itoring	Gen eral mon itoring	Resi dual disin fection		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														rated using T3 rules.
Bon shaw Park	Bon shaw	17 3 See Note			Parti ally met 75% com pliant	Parti ally met 50% com pliant	Not met 0% com pliant	All met 100 % com pliant	All met 100 % com pliant				Not Ac hieved	Con nected to Tau po 21 August 2024. Com pliance reported for period up until WTP shut down 21/08/2024.

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d pop ulation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rul es	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														No prot ozoa barri er in plac e duri ng this peri od.
Cent enni al	Rak aun ui Roa d	18 8			Parti ally met 84.5 % com plia nt	Parti ally met 50% com plia nt	Not met 0% co mpli ant	All met 100 % com plian t	All met 100 % co mpli ant				No t Ach ie ved	No prot ozoa barri er
Hate pe	Hate pe	23 5			Parti ally met 84.5 % com plia nt	Parti ally met 50% com plia nt	Not met 0% co mpli ant	All met 100 % com plian t	All met 100 % co mpli ant				No t Ach ie ved	Tem pora ry UV treat ment inst alle d April 202 5

Treatme nt Plan t (Water Scheme)	Distribu tion Zone / Supply Area	Estimate d popula tion	Level 1		Level 2					Level 3			Over all	Notes
			T1 Treat ment Rule s	D1.1 Distri bution Rules	T2 Treatment Rules				D2.1 Distribu tion Rules	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiolo gical Moni toring Rule s		
					Treat ment mon itoring	Filtr ation	UV	Chlo rine	Distribu tion	General monit oring	General monit oring	Resi dual disin fection		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
Kinloch	Kinloch	2601								Almost met 98.8 % compli ant	Not met 0% compli ant	All met 100% compli ant	Not Achieved	T3 bact erial - period of miss ing data March 2025. Treat ment failu re April 2025. No protozoa barrier in place.
	Whakaro a Rural	154												
Man gaki no	Man gaki no	2074								Almost met 99.8 %	Almost met 99.9 %	All met 100% com	Not Achie	UV treat ment peri

Treat ment Plan t (Water Scheme)	Distri bution Zone / Supply Area	Esti mated popu lation	Level 1		Level 2					Level 3			Over all	Notes
			T1 Treat ment Rules	D1.1 Distri bution Rules	T2 Treatment Rules				D2. 1 Distri bution Rules	T3 Bact erial Rules	T3 Proto zoal Rules	D3 Micro biologi cal Moni toring Rules		
					Treat ment mon itori ng	Filtr ation	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
										com plian t	com plian t	plian t	ev ed	odically non-com pliant
Mot uopa	Mot uopa	10 87								All met 100 % com plian t	Not met 0% com plian t	All met 100 % com plian t	Not Achie ved	No protozoa barrier in place. Outlet flow met er failure impacting c.t. calcu lations. One turbid ity event impacts

Treat ment Plan t (Water Scheme)	Distri bution Zone / Supply Area	Esti mated popu lation	Level 1		Level 2					Level 3			Over all	Notes	
			T1 Treat ment Rules	D1.1 Distri bution Rules	T2 Treatment Rules				D2. 1 Distri bution Rules	T3 Bact erial Rules	T3 Protozoa l Rules	D3 Microbiol ogical Monitor ing Rules			
					Treat ment mon itoring	Filtr ation	UV	Chlo rine	Dist ribution	General monit oring	General monit oring	Resi dual disin fection			
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)								
														bact eriol ogical com pliance	
Mot uter e	Mot uter e	20	100 % com pliant	100% compliant										Not Achieved	Temporary UV treatment not installed April 2025. No protozoa barrier prior to this.
Omori	Omori	26 24								Partially met 32.2 % com	Not met 0% com pliant	All met 100 % com	Not Achieved	No protozoa barrier. Turb	
	Pukawa														

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d pop ulation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rule s	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
										plian t		plian t		idity even ts imp act bact eriol ogic al com plia nce
Rive r Roa d	Rive r Roa d	18 2							All met 100 % co mpl iant	All met 100 % com plian t	All met 100 % com plian t		No t Ac hi ev ed	Rive r Roa d is a level 2 sche me with T3 com plia nce dem onst rate d. 3- log disin fecti on

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d pop ulation	Level 1		Level 2					Level 3			Ov er all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Distri bution Rul es	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														requ irem ent nee ds revie w
Tau pō	Aca cia Bay	16 00								All met 100 % com plian t	Parti ally met 89.3 % com plian t	Parti ally met 97.9 % com plian t	No t Ac hi ev ed	Wha kam oen ga Poin t DZ for the mon th in whic h it was con nect ed to Tau pō wate r sup ply was not
	Bon sha w Park	20 0												
	Map ara Roa d	99 0												
	Tau pō Cent ral	19 51 7												
	Tau pō Sout h	63 96												
	Wait aha nui	79 5 Se e Not e												

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est im ate d popu lation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rule s	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
	Wha kam oen ga Poin t	66 Se e Not e											com plia nt and addi tion al E.co li sam ples wer e nee ded to dem onst rate com plia nce for the con nect ed mon th. Bon sha w Park	

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d popu lation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rul es	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														DZ con nect ed to Tau pō sche me 21 Aug ust 202 4. Com plia nt follo wing con nect ion. Wha kam oen ga Poin t DZ con nect ed to Tau

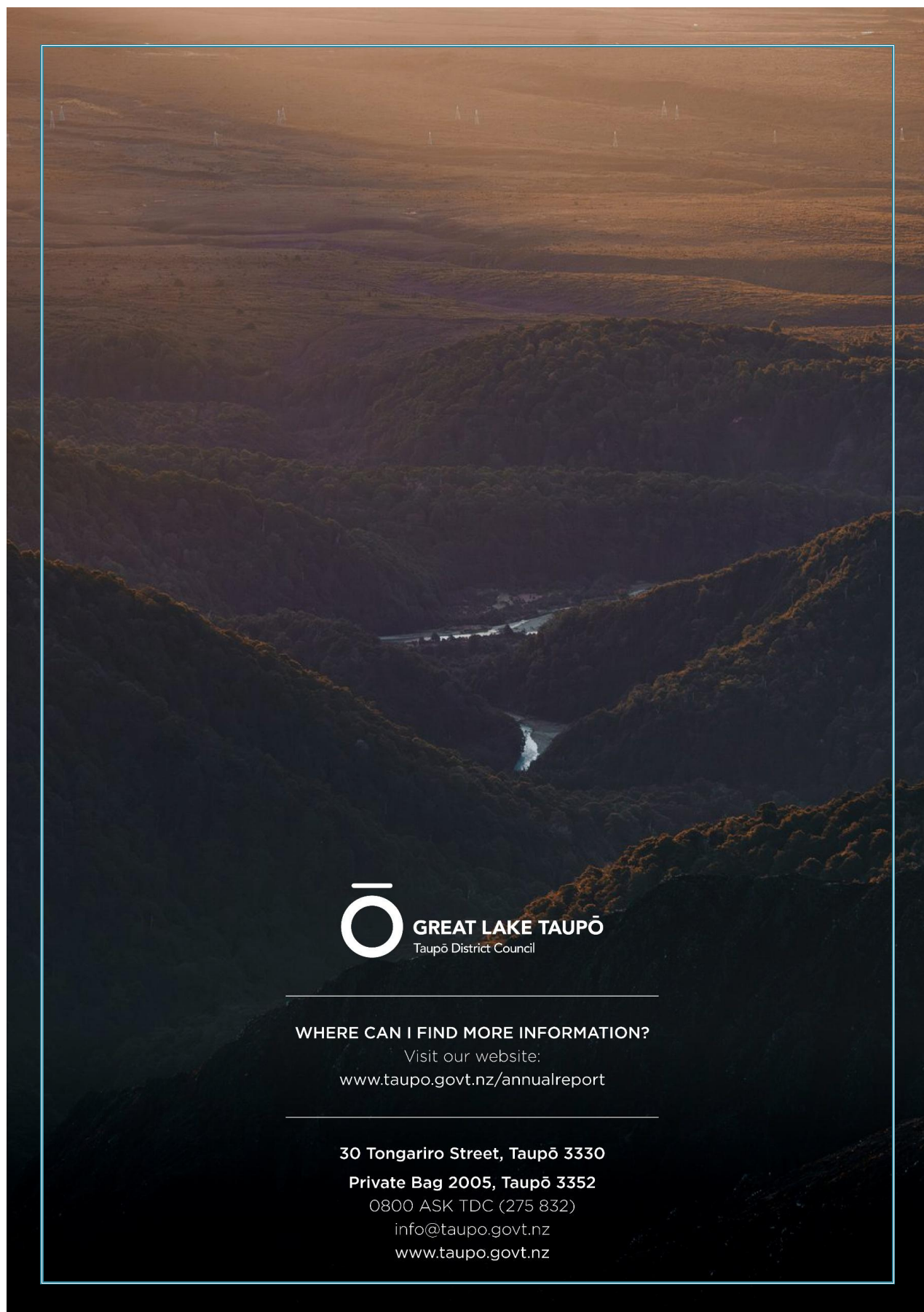
Treatme nt Plan t (Water Scheme)	Distri bution Zone / Supply Area	Esti mated popu lation	Level 1		Level 2					Level 3			Over all	Notes
			T1 Treat ment Rules	D1.1 Distri bution Rules	T2 Treatment Rules				D2. 1 Distri bution Rules	T3 Bact erial Rules	T3 Proto zoal Rules	D3 Micro biol ogical Moni toring Rules		
					Treat ment mon itori ng	Filtr ation	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														pō sche me 3 April 202 5. Com plia nt follo wing con nect ion.
Tiro han ga	Tiro han ga	28 5												UV treat ment inst alled and com plia nce achi eved to T3 level from 30 April 202
	Pok uru North													

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d popu lation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rul es	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														5. Futu re WTP com plia nce to be dem onst rate d usin g T3 rule s. 3- log disin fecti on requ irem ent nee ds revie w
Tūra ngi	Tura ngi	57 53								All met 100 % com	All met 100 % com	All met 100 % com	Ac hi ev ed	
	Toka anu	19 2												

Treatme nt Plan t (Water Scheme)	Distribu tion Zone / Supply Area	Estimate d population	Level 1		Level 2					Level 3			Overall	Notes
			T1 Treat ment Rules	D1.1 Distribu tion Rules	T2 Treatment Rules				D2.1 Distribu tion Rules	T3 Bact erial Rules	T3 Prot ozoa l Rules	D3 Micr obiol ogical Moni toring Rules		
					Treat ment mon itoring	Filtr ation	UV	Chlo rine	Distribu tion	General monit oring	General monit oring	Resi dual disin fection		
For small, networked supplies (26-100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
										plian t	plian t	plian t		
Wai haha	Wai haha	78	All met 100 % compliant	All met 100% compliant						Almo st met 98.7 % compliant	Almo st met 98.9 % compliant		Not Achieved	UV treat ment installe d 4 Nov ember 2024 with periodic compliance since then
Wha kam aru	Wha kam aru	132							All met 100 % compliant	All met 100 % compliant	All met 100 % compliant		Achieved	Wha kam aru is a level 2 scheme with T3 com

Treat ment Plan t (Water Scheme)	Distri bution Zone / Supply Area	Esti mated popu lation	Level 1		Level 2					Level 3			Over all	Notes
			T1 Treat ment Rules	D1.1 Distri bution Rules	T2 Treatment Rules				D2. 1 Distri bution Rules	T3 Bact erial Rules	T3 Proto zoal Rules	D3 Micro biologi cal Moni toring Rules		
					Treat ment mon itoring	Filtr ation	UV	Chlo rine	Distri bution	General monit oring	General monit oring	Resi dual disin fection		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														pliance demo nstrated
Whaka maoenu ga	Whaka maoenu ga	See Note			Partially met 80.8 % com pliant	Partially met 50% com pliant	Not met 0% com pliant	All met 100 % com pliant	All met 100 % com pliant				Not Achieved	Connected to Tau po 3 April 2025. Com pliance reported for period up until WTP shut down 03/04/2025. No prot

Trea tme nt Plan t (Wa ter Sch eme)	Dist ribu tion Zon e / Sup ply Area	Est imate d pop ulation	Level 1		Level 2					Level 3			Over all	Not es
			T1 Trea tme nt Rule s	D1.1 Distri butio n Rules	T2 Treatment Rules				D2. 1 Dist ribu tion Rule s	T3 Bact erial Rule s	T3 Prot ozoa l Rule s	D3 Micr obiol ogic al Moni torin g Rule s		
					Trea tme nt mon itori ng	Filtr atio n	UV	Chlo rine	Dist ribu tion	Gen eral moni torin g	Gen eral moni torin g	Resi dual disin fecti on		
For small, networked supplies (26- 100 people)		For medium, networked supplies (101 – 500 people)					For large, networked supplies (>500 people)							
														ozoa barri er in plac e dur ing this peri od.
Wha rero a	Wha rero a	19 3			Parti ally met 84.5 % com plia nt	Parti ally met 50% com plia nt	Not met 0% co mpl iant	All met 100 % com plian t	All met 100 % co mpl iant				No t Ac hi ev ed	No prot ozoa barri er



WHERE CAN I FIND MORE INFORMATION?

Visit our website:
www.taupo.govt.nz/annualreport

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Private Bag 2005, Taupō 3352
0800 ASK TDC (275 832)
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PURPOSE AND CONTENTS

The Annual Report 2024/25 outlines Council's performance and delivery for the year. It sets out what we delivered and how that compares against our plan for the year¹, including whether:

- our service delivery met our quality standards and performance targets
- we remained within our budgets
- we delivered our planned capital investments
- we met our financial targets such as maintaining prudent borrowing levels and achieving a balanced budget.

This document provides a summary this information. Full information can be found in the full Annual Report 2024/25: [LINK](#)

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¹ As set in Council's [Long-term Plan 2024 – 34](#)

MESSAGE FROM YOUR MAYOR

Tēnā koe. Welcome to Taupō District Council's Annual Report 2024/25. I'm pleased to share what your Council has delivered over the past year.

We have faced numerous challenges and major changes from central government, particularly the Local Water Done Well reform and the Resource Management Act review. But even with all that going on, Council has made great progress on several key initiatives and projects that will benefit our community for years to come.

Thanks to careful planning by this and previous Councils, we are in a strong position with our three waters infrastructure. I'm really proud of the way we operate and deliver our water services. In response to the government's Local Water Done Well reforms, we consulted on different options for the future of our water services and decided, after careful consideration, that retaining control of our water for now is the best outcome for our district. But we will also remain open to the option of later joining a regional water services entity, if this proves to be of benefit to our communities.

Our district is growing fast. We now have over 42,000 people living here – that's a 20 per cent increase in the last two decades. This rapid growth has brought significant challenges, and we must continue to invest in our infrastructure to meet demand and plan for future growth. This year we have delivered about \$78 million in capital projects including replacing 12.4km of water pipes, upgrading major wastewater infrastructure along Lake Terrace, improving our reservoirs and making safety upgrades to Poihipi Road and Whangamata Road. We have also continued to invest in our water treatment plants to ensure we comply with stricter drinking water quality standards.

Our district's successes have not gone unnoticed. We received two accolades this year that continue to enhance our reputation for excellence. We were finalists in the IXOM National Water Taste Competition and won the Buddle Findlay Award for Excellence in Māori-Council Partnerships. These accolades reflect the hard work and dedication of our teams and the community, and show what can be achieved when we work together.

Taupō District is also continuing to be noticed nationally and internationally. We continue to host major events that bring visitors, boost local businesses, and make our town a more exciting and vibrant place to live. Last year was particularly successful, with the VinFast IRONMAN 70.3 World Championship and another successful round of the ITM Taupō Super400 (Supercars Championship).

During the year, we developed Council's Annual Plan 2025-26. Through this process we had to make difficult trade-offs, but our goal was always to keep the rates increase as close as possible to what we promised in our LongTerm Plan 2024-34. We are fully aware that rates increases bring pain to our communities but they are also necessary for Council to continue to respond to the increasing expense of infrastructure and the cost of providing the services and facilities the community expects of us.

Thank you to everyone who has contributed to our mahi over the past year. Your support and involvement makes all the difference.

Ngā mihi nui ki a koutou katoa,



David Trewavas JP
Taupō District Mayor

WHAT TAUPŌ DISTRICT COUNCIL DOES FOR YOU

Council provides a wide range of facilities and services on behalf of the community. We group these as follows for financial and performance reporting:



Water supply services

We supply safe, treated drinking water to homes and businesses across 15 urban areas and small communities.



Wastewater services

We collect and treat wastewater from 11 communities to ensure safe, environmentally sustainable disposal.



Stormwater services

We manage stormwater through pipes, channels, swales, and pollutant traps to protect roads, lakes, and rivers.



Transport network services

We provide safe and efficient transport networks including roads, footpaths, cycleways, signage, and safety education.



Waste and environmental management services

We provide rubbish and recycling collection, public bins, transfer stations, and a landfill and resource recovery centre.



Community facilities

We offer libraries, pools, parks, sportsgrounds, community venues, public art, and cemeteries across the district.



Regulatory and emergency management activities

We regulate things like building, food, and alcohol. We also help manage civil defence and public safety.



Community leadership activities

We lead local governance, engage with communities, manage finances, run elections, and advocate for the district.



Strategic property activities

We provide housing for seniors, support affordable first homes, and manage Council land holdings.



District development activities

We support business growth, tourism, and events to build a vibrant and thriving Taupō district.



GREAT LAKE TAUPŌ
Taupō District Council

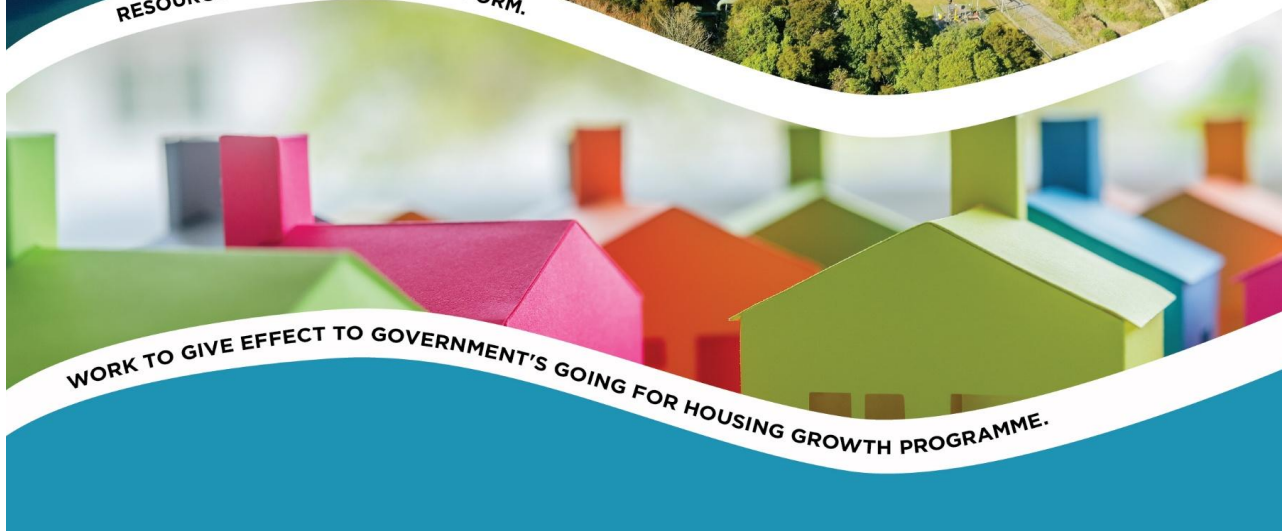
HIGHLIGHTS









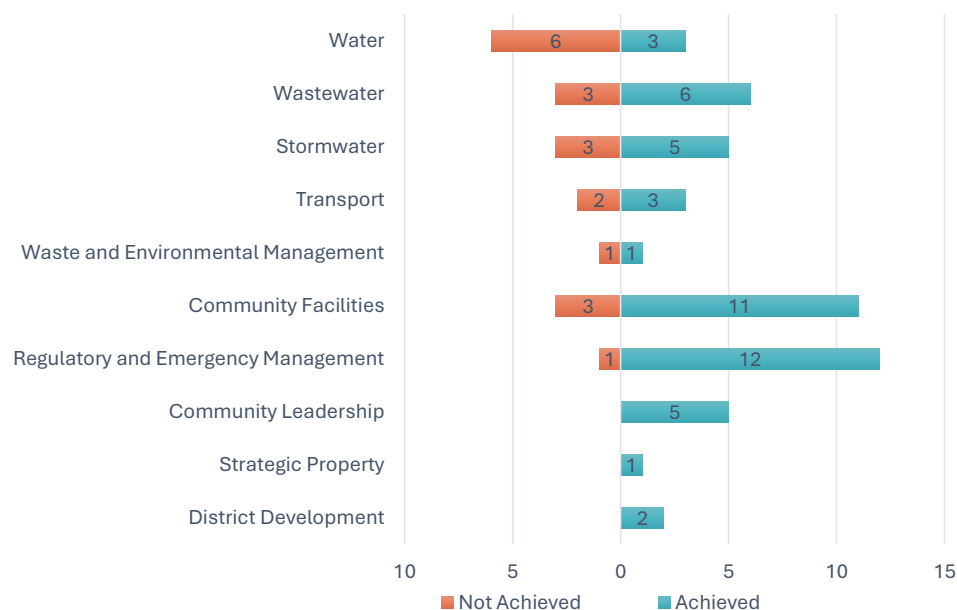


Annual Report Summary 2024/25

AT A GLANCE – SERVICE PERFORMANCE MEASURES

Council has performance targets for each area of Council's services. Council achieved 49 out of 68 performance targets in 2024/25 (compared to 48 of out 67 in 2023/24).

Achievement of performance targets by area



Discontinued performance targets and measures

We have discontinued the following performance measures that were present in the annual report 2023/24 as part of the 2024-34 LTP because they were not meaningful indicators of good performance or did not contribute to effectively monitoring progress in their respective activity area. The revised set of measures set in the LTP 2024-34 aims to ensure that future reporting is more transparent, relevant, and aligned with the intended results for each activity area.

The discontinued measures are:

- CS01 - The number of community-led events, projects and initiatives.
- CS02 - Percentage of distributing agencies that report annually to Council on the distribution of grants and costs of service for the distribution.
- SW02 - Percentage of service requests relating to waste and recycling that are responded to.
- IN02 - The percentage yield on the TEL fund is greater than the minimum target set in the treasury management policy being >1 per cent above the 90- day bill rate.
- IN03 - The percentage yield on general and special reserve funds is greater than the minimum target set in the treasury management policy being 50 per cent 6-month BKBM midrate (average of reporting month) 50 per cent 6-month BKBM midrate, six months ago (average of month).

Annual Report Summary 2024/25

Additionally, as part of the LTP 2024-34, we updated our mandatory performance measures under the Non-Financial Performance Measures Rules 2024 set by the Department of Internal Affairs (DIA). The performance measures assessing the extent to which the Council's drinking water supply complies with the relevant parts of the Drinking Water Standards for New Zealand (DWSNZ) have been consolidated into a single, comprehensive performance measure. Previously, each part of the DWSNZ was reported separately but by merging them, the measure now provides a clearer assessment of overall compliance with drinking water standards.

Reasons for not meeting some of our performance targets

- We have not fully met national water quality standards for all our water supplies. The primary shortfall is that our smaller/rural water supplies do not have protozoa barriers, which is a standard introduced in 2022. We have an ongoing programme of works to upgrade our water treatment plants across the district, starting with the largest water schemes, and including the installation of protozoa barriers. This will ensure that we can then meet the national water standards.
- Water loss from our water reticulation system exceeded our targets in many areas across the district. Our increased annual investment in water pipe replacements (or renewals) is expected to reduce water loss. The Tūrangi area has the highest water loss and is being prioritised for renewals.
- We contract out call-outs to water, wastewater, and transport faults. Unfortunately, due to system integration error affecting the reporting year, accurate response time data is not readily available. The data that was provided contains systematic errors and gaps and it does not match response times achieved onsite. While some additional data was provided in the monthly reporting, we couldn't verify its accuracy. Council has been in ongoing discussions with the contractor to improve data quality and will apply penalties where the contract's data requirements are not met. A new contract with stricter data requirements has been entered into for the financial year 2025/26 and we expect this issue to be resolved moving forward.
- We received 1 abatement notice from the Waikato Regional Council in relation to a sewage overflow. The cause of the overflow has been investigated, and funding has been allocated to upgrade infrastructure and reduce the risk of future incidents.
- There was one flooding event caused by a severe thunderstorm and intense rainfall that resulted in 12 properties being flooded. At its peak, rainfall from this event reached 20mm in a 10-minute period, equating to a 1-in-a-20 year event.
- The total number of fatalities and serious injury crashes on our road network have not reduced from the previous year. There was only one serious crash where the road condition was an attributing factor (as determined by the Police's Crash report) because it did not have a crash barrier. However, there was also heavy rain at the time of the crash. We continue to invest in our road network infrastructure to improve driver and pedestrian safety.
- The percentage of the sealed local road network that was resurfaced did not meet the target of at least 3 percent. This was due to resources being redirected from the road resurfacing programme to the road rehabilitation programme. Although rehabilitated roads are typically resurfaced as part of the process, this work is not counted toward the resurfacing target.
- We did not meet our waste diversion target, which aims to increase the recycling and reuse of materials rather than sending them to landfill. A major factor this year was the large volume of concrete that could not be reused due to asbestos contamination.
- We did not meet our occupancy targets for the Great Lake Centre and Taupō Events Centre. Performance was affected by the Supercars event, which had booked the Great Lake Centre but did not use it. The Taupō Events Centre was also closed for four months for remediation works.

Annual Report Summary 2024/25

SUMMARY OF FINANCIAL STATEMENTS

OVERVIEW

Council achieved a surplus of \$33.2m, \$16.4m more than the \$16.7m surplus planned in year one of the 2024/25 Long Term Plan. A summary of the differences vs. the plan is detailed below. This surplus is driven by significant non-cash transactions, being a \$18m revaluation gain on investment property, and \$12.2m vested asset revenue further referred to below.

REVENUE

Council's operating revenue was \$18.3m ahead of plan. The majority of the variance relates to **revaluation gains** on investment property (which are not budgeted for). **Vested assets revenue** also contributed to the variance, exceeding the budget by \$6.8m, offset partially by section sales revenue being \$6.5m less than plan, with the timing of the developments and sales crossing financial years. These non-cash items, while not providing any direct fiscal relief, significantly strengthen Council's financial position. **Capital grant revenue** further bolsters the favourable variance contributing \$2.0m over plan, the majority of which is Central Government funding (Shared paths, and OD Park).

EXPENSES

Council's operating expenses exceeded budget by \$1.8m. Of this amount, the majority is attributed to non-cash expense, **depreciation and amortisation expense**, being above budget by \$2.4m. **Personnel costs** are \$1.5m higher than budget due to an ambitious churn assumption in the budget not met, offset by a reduction in **other expenses** of \$1.7m lead by cost of sales on sections (-\$5.5m) not recognised with no sales, offset by unbudgeted losses on interest rate swaps (\$3.2m). Other minor unders and overs offset each other.

STATEMENT OF FINANCIAL POSITION

Council's net asset position increased by \$22.0m during the year.

ASSETS

Assets increased by \$63.9m, with the bulk of the increase being attributable to property, plant and equipment (PPE), with \$31.7m of capital additions (net). A significant revaluation of investment property assets accounts for \$18m of the increase. Inventories have increased \$5.5m due to residential and commercial developments being reclassified from PPE.

LIABILITIES

Liabilities have increased \$42.0m, with additional borrowings of \$34.5m due to timing of debt taken out for the capital programme. A \$2.6m increase in derivative financial instruments has also arisen due to a change in the interest rate environment, where interest rate contract positions have now become a liability.

These financial statements are extracted from the full Annual Report. That report was prepared in accordance with generally accepted accounting practice in New Zealand and was prepared under Tier 1 Public Benefit Entity International Public Sector Accounting Standards (NZ PBE IPSAS). The information in this summary financial report has been prepared in accordance with PBE FRS43.

Summary Financial Statements. The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided in the full financial statements. The financial statements are presented in New Zealand dollars and values are rounded to the nearest thousand dollars. The functional currency of Taupō District Council and Group is New Zealand dollars.

Annual Report Summary 2024/25

Summary Statement of Comprehensive Revenue and Expense*For the year ended 30 June 2025*

	Council			Group	
	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Revenue	177,465	159,189	169,227	178,976	170,457
Expenses	132,378	130,283	128,877	133,892	130,117
Finance costs	11,882	12,193	11,830	11,882	11,830
Net Surplus/(deficit) before tax	33,205	16,713	28,520	33,202	28,510
Tax (expense)/credit	-	-	-	300	(1,662)
Net surplus after tax	33,205	16,713	28,520	33,502	26,848
<i>Attributable to:</i>					
Taupo District Council	33,205	16,713	28,520	33,404	27,811
Non-controlling interest	-	-	-	98	(963)
Net surplus/(deficit) for the year	33,205	16,713	28,520	33,502	26,848
Property, plant & equipment revaluations	(6,530)	64,364	-	(6,474)	-
Investments in associates & subsidiaries	1,492	-	2,248	(1)	(4)
Tax on equity items	-	-	-	(5)	-
Total other comprehensive revenue	(5,038)	64,364	2,248	(6,480)	(4)
Total comprehensive revenue and expenses	28,167	81,077	30,768	27,022	26,844
<i>Attributable to:</i>					
Taupo District Council	28,167	81,077	30,768	26,867	27,809
Minority interest	-	-	-	155	(965)
	28,167	81,077	30,768	27,022	26,844

Summary Statement of Financial Position*as at 30 June 2025*

	Council			Group	
	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Current assets	99,052	77,371	90,969	100,936	92,481
Non-current assets	2,127,578	2,175,650	2,065,529	2,138,662	2,078,157
Total assets	2,226,630	2,253,021	2,156,498	2,239,598	2,170,638
Current liabilities	102,180	73,105	86,526	102,534	86,946
Non-current liabilities	171,694	188,952	145,383	174,410	148,350
Total liabilities	273,874	262,057	231,909	276,944	235,296
Equity	1,952,756	1,990,964	1,924,589	1,954,976	1,928,126
Non-controlling interest	-	-	-	7,678	7,216
Total equity	1,952,756	1,990,964	1,924,589	1,962,654	1,935,342

Annual Report Summary 2024/25

Summary Statement of Changes in Net Assets/Equity

For the year ended 30 June 2025

	Council			Group	
	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Net Assets/Equity at start of the year	1,924,589	1,909,887	1,893,821	1,935,342	1,906,950
Total comprehensive revenue and expenses for the year	28,167	81,077	30,768	27,022	26,844
Non controlling interest equity injection	-	-	-	290	806
First time consolidation of Lake Taupo Protection Trust equity	-	-	-	-	742
Balance at 30 June	1,952,756	1,990,964	1,924,589	1,962,654	1,935,342
Components of Equity:					
Accumulated Funds	1,237,932	992,580	983,749	1,235,661	982,744
Other reserves	714,824	998,384	940,840	719,315	945,382
Minority interest	-	-	-	7,678	7,216
Total Equity	1,952,756	1,990,964	1,924,589	1,962,654	1,935,342

Summary Statement of Cashflows

for the year ended 30 June 2025

	Council			Group	
	Actual 2025 \$000	Budget 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Net cash flow from operating activities	36,769	43,187	18,919	37,269	19,051
Net cash flow from investing activities	(66,471)	(51,292)	(29,409)	(68,636)	(31,189)
Net cash flow from financing activities	34,962	23,117	19,061	36,669	19,867
Net increase (decrease) in cash held	5,261	15,012	8,571	5,303	7,729

Key management personnel compensation

	Council	
	Actual 2025 \$000	Actual 2024 \$000
Councillors		
Remuneration (Council Elected Members)	712	671
Full-time equivalent members	13	13
Executive Team, including the Chief Executive		
Remuneration (CEO & ET)	1,372	1,320
Full-time equivalent members	5	5
Total key management personnel compensation	2,084	1,991
Total full-time equivalent members	18	18

Annual Report Summary 2024/25

Summary of Commitments

	Council		Group	
	Actual 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Major contracts - capital	19,992	41,501	19,992	41,560
Non-cancellable operating leases as lessee	46,794	48,853	46,794	48,853
Total commitments payable	66,786	90,354	66,786	90,413
	Council		Group	
	Actual 2025 \$000	Actual 2024 \$000	Actual 2025 \$000	Actual 2024 \$000
Non-cancellable operating leases as lessor	2,345	2,545	2,999	3,300
Total non-cancellable operating leases	2,345	2,545	2,999	3,300

Annual Report Summary 2024/25

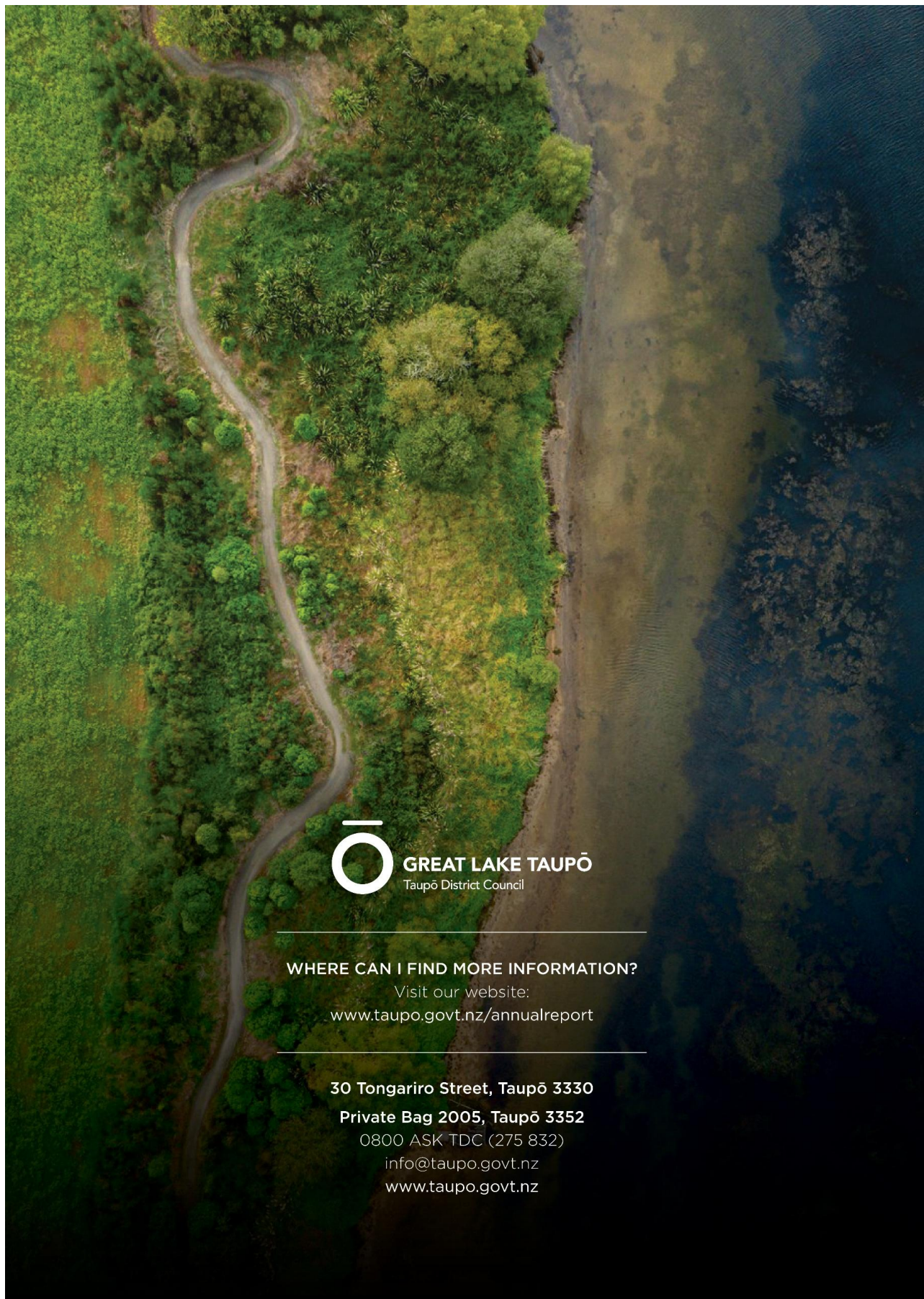
Contingencies					
Guarantees, indemnities and uncalled capital					
<p>Taupo District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AAA.</p> <p>Council is one of 30 local authority shareholders and 77 local authority borrowers of the NZLGFA. (In that regard it has uncalled capital of \$100,000). When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2025, NZLGFA had borrowings totalling \$25,530m (2024: \$23,030m). This figure is made up of the face value of the LGFA's bonds on issue of \$23,427m (2024: \$21,086m), accrued interest on bonds on issue of \$155.3m (2024: \$130.4m), the face value of bills on issue of \$1,610.5m (2024: \$1,755.1m), bonds LGFA lent to counterparties under bond repurchase transactions of \$341.5m (2024: \$58.3m), and the face value of debt securities net of accrued interest \$612.8m (2024: \$820.7m).</p> <p>PBE Accounting standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at recognition), and subsequently at the higher of the provision for impairment at balance date determined but the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guarantee liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore Council has not recognised a liability.</p> <p>The Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that;</p> <ul style="list-style-type: none"> • we are not aware of any local authority debt defaults in New Zealand; and • local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required. 					
Other Contingencies					
Taupo District Council					
<ul style="list-style-type: none"> • Scientific advice has been received regarding the Hipaua Geothermal Landslide risk near Waihi at the southern end of Lake Taupo. In the event of a landslide any property damage and/or loss of life could potentially give rise to claim(s) against Council, currently unquantifiable (2024: Same contingency disclosure made). • Council controls and has brought to account certain reserve lands throughout the District which will return to iwi ownership in the event that they are no longer required for reserve purposes. Given a directive from Te Arawhiti to implement the outstanding redress for the Crescent Reserve (Kōhineheke) Ancillary Claim in Turangi, work is underway to return whenua to whanau without Council's existing Appointment to Control and Manage. This work to facilitate the Crown's obligations to transfer the land free of reserve status and council's appointment to control and manage could potentially give rise to unforeseen costs or claims to council. At this stage these potential costs are unquantifiable. (2024: Same contingency disclosure made). • Council may be subject to claims relating to weather tightness building defects. Any leaky building claims made against Council after 1 July 2009 are not covered by our insurers. As at the date of this report, there are no leaky building proceedings involving the Council (2024: No claims - Same contingency disclosure made). • Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance) and to fund the ongoing operation of the scheme. In August 2025, Council received notification from Riskpool of a further call on members for \$3.7 million across the membership to fund deficits in previous Fund years (TDC share \$62,948 (excl GST)). This is to cover operational costs for the financial year 2025/26, and legal and advisory fees relating to reinsurance recovery and domestic litigation. The call recognises that there are a number of stayed proceedings against Riskpool that have now recommenced following the Supreme Court's decision in LGMFT v Napier City Council [2023] NZSC 97 which clarified how claims involving a mix of weather-tightness and non-weather tightness defects are to be treated under the Riskpool Scheme. There will likely be future calls on members, the quantum of which will depend on the outcome of outstanding mixed defect claims, and the reinsurers'. • In late May 2023 the Council became aware that Producer Statements (Producer Statement – Design (PS1) and/or Producer Statement – Construction Review (PS4)) and/or Certificates of Design issued in the names of Chartered Professional Engineers, may have been provided to Taupō District Council by Jon Hall of Kodiak Consulting Limited, without their involvement and/or consent. These Producer Statements and/or Certificates of Design may have been relied on by the Council in the granting of a building consent and/or code compliance certificate for a building associated with these properties. Council does not believe it is liable for any potential loss caused to property owners from the reliance by Council on the potentially fraudulent building consent documentation, however at present, there is still insufficient information to assess any potential litigation risk and/or claim quantum which therefore raises an unquantifiable contingent • In August 2025 the Council received notification of a claim for a multi-unit commercial development in relation to the Jon Hall fraud (above). The claim alleges the Council breached its duty of care owed to the developer in the consenting process, and claims losses of \$4.9M. The Council has insurance cover available to respond to the claim, the Council's maximum financial exposure to the claim is \$350,000 + GST. • The Council has received a claim from a contractor for allegedly failing to arrange Contract Works insurance to provide cover for the cost of remedial works following a significant rainfall event in mid-2022. The merits of the claim are currently being assessed. The contingent liability is currently \$582k (including GST). • The Council has received a hold-liable letter from insurers for a developer and neighbouring property owner following a watermain break that caused damage to land and property in March 2024. The claims are circa \$203k + GST. The merits of the claim are currently being assessed. The contingent liability is currently unquantifiable. 					

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Contingencies continued				
<ul style="list-style-type: none"> A recent legislative change to the Land Information Memorandum provisions of the Local Government Official Information and Meetings Act 1987 means the Council will shortly include additional natural hazard information on LIMs. This may generate claims from disgruntled land owners affected by the change, although there is still insufficient information to assess any potential litigation risk and/or claim quantum. Accordingly, there exists an unquantifiable contingent liability. The Council has received a threat of judicial review proceedings related to the application of the rating differential for commercial and industrial users, as part of its decision on the 2024/34 Long-term Plan. There is currently insufficient information to assess the likelihood of the outcome of any claim and/or any future financial impact. Accordingly, there exists an unquantifiable contingent liability. In the 2025/26 financial year, Council detected asbestos in the uncrushed concrete stockpiles at its Broadlands Road Landfill and Mangakino Transfer Station. Council is currently undertaking a procurement process to determine the extent of contamination and cost for its removal. Accordingly, contingent liability (if any) is currently unquantifiable. 				
Taupo Airport Authority				
In April 2021, damage was caused to an aircraft's propeller following a single aircraft incident on the taxiway at Taupo Airport. An independent safety investigation was undertaken shortly after the incident which indicated pilot error. In April 2022 TAA received a demand to reimburse the pilot the costs incurred to repair the aircraft. At this point, TAA cannot reliably determine whether a liability exists, but in any case TAA has insurance coverage for this event so TAA exposure is expected to be minimal (2024: Same disclosure made).				
Contingent assets				
There are no contingent assets for the Group as at 30 June 2025 (2024: Nil).				
Events after balance date				
There are no significant events after balance date to disclose.				

Annual Report Summary 2024/25

INDEPENDENT AUDITORS REPORT





Independent Auditor's Report

To the readers of the annual report of Taupō District Council for the year ended 30 June 2025

The Auditor-General is the auditor of Taupō District Council (the Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf.

We have audited the information in the annual report of the Council and Group 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

Unmodified opinion on the audited information, excluding the statement of service performance

In our opinion:

- the financial statements on pages [xx to xx]:
 - present fairly, in all material respects:
 - the Council and the Group's financial position as at 30 June 2025;
 - the results of the 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 Reporting Standards;

- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities for the year ended 30 June 2025 on [pages xx to xx], 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 for the year ended 30 June 2025 on [pages xx to xx] has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act;
- the funding impact statement for the year ended 30 June 2025 on [pages xx to xx], has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.

Qualified opinion on the statement of service performance

In our opinion, except for the possible effects of the matters described in the *Basis for our opinion on the audited information and the disclosure requirements* section of our report, the Council's statement of service performance for the year ended 30 June 2025 on [pages xx to xx]:

- provides an appropriate and meaningful basis to enable readers to assess the 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 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
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

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 16 December 2025. This is the date on which we give our opinion on the audited information and our report on the disclosure requirements.

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

Statement of service performance: Our work was limited in respect of certain responsiveness performance measures

The Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2024 (the Rules) made by the Secretary for Local Government. These include mandatory performance measures relating to:

- the responsiveness of the Council to customer service requests relating to its roads and footpaths;
- the time taken to attend to and resolve water supply and wastewater faults; and
- the time taken to attend flooding events.

We identified significant issues with these performance measures.

As explained on page [...] the Council did not have sufficiently reliable systems in place to support the reported performance for the responsiveness to customer service requests relating to roads and footpaths. As a result of this issue, our work was limited and there was no practicable audit procedures we could apply to obtain assurance that the reported result for this measure is materially correctly stated.

In addition, as explained on pages [...], [...], [...] and [...], the Council was unable to report on the time taken to attend to and resolve water supply and wastewater faults, and the time taken to attend flooding events, due to issues with the data recording system. There were no audit procedures we could apply to determine actual response times.

Our opinion on the time taken to attend to and resolve water supply and wastewater faults and the responsiveness of the Council to customer service requests relating to roads and footpaths was also qualified for the comparative year to 30 June 2024.

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.

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 the Council and the Group's 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 long-term 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 and Group'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 statement of service performance includes all groups of activities that we consider are likely to be material to the readers of the annual report.
- We evaluate whether the measures selected and included in the statement of service performance 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 and Group.
- 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 plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group audited information. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

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 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 Local Government Act 2002 and 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 and Group in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code 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 performed a limited assurance engagement related to the District Council's debenture trust deed. This engagement is compatible with those independence requirements.

Other than the audit and our report on the disclosure requirements, and our limited assurance engagement, we have no relationship with, or interests in, the Council or the Group.

Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Hamilton, New Zealand