

Vibrant, diverse and thriving

FUTUREKĀPITI

Kāpiti Coast District Council
Summary annual report 2016/17

Foreword from the mayor

I'm pleased to introduce the Kāpiti Coast District Council annual report for 2016/17 – my first as Mayor. Over the course of the year the council continued to deliver on its plan while adapting to changes and planning for the future.

A new triennium began during the 2016/17 year, with a number of fresh faces around the Council table. Our new committee structure and appointments to key roles reflect the strengths of our councillors and a focus on a collaborative approach.

Having our community work alongside councillors and staff to shape the work of the Council is a critical element of the democratic process. To this end we introduced a new way for you to share their thoughts and feedback with councillors, with a 30-minute public forum before formal Council and Committee meetings.

This same drive for transparent, collaborative working has meant we've sought the views of our communities frequently during the year.

The 2016/17 financial year is the second year of our *FutureKapiti* Long term plan 2015-35. The long term plan was shaped in 2015 around the vision of creating a vibrant, diverse and thriving Kāpiti. Projects and strategies set out in this long term plan have continued to be progressed this year, with the completion of the Te Ātiawa Park courts resurfacing, the beginning of the Ōtaki pool upgrade and progress on other key projects.

The Mackays to Peka Peka Expressway opening in February was a significant milestone for Kāpiti, with the long term plan aiming to ensure the district capitalises on the opportunities provided by the Expressway.

Once again we found the need to respond to some major weather-related events this year, and November's earthquake and severe weather events tested the council's response plans as well as being a reminder to everyone that you can never be too prepared in an emergency.

Since then, we have teamed up with WREMO, the Red Cross and other community groups to help Kāpiti get tsunami ready. Our programme will see us knocking on doors and delivering information about tsunami warning signs and preparation to the 8000 properties in tsunami evacuation zones.

As the financial year progressed plans for the next year were reviewed and refined, and shared with the community for their input. We heard from people that supported the Council's direction along with the strong views of a number of people concerned about the affordability of rates. With a heavy reliance on rates as our main source of income, our rates are not as low as we would like despite an operating efficiency that compares very well with other councils.

We're keenly aware that affordability is an issue for many in our district and we've heard this, along with aspirations for the district, as we've begun to talk with our communities about the shape of our next long term plan. That long term plan is due to be in place by mid-2018, and we're looking forward to continuing to work closely with the community to set out a plan that directs where we focus our attention

for the years ahead. In the meantime, we're already putting a strong focus on a financially sustainable approach and spending less in order to pay back more debt.

Building on our strong iwi partnership

We continue to build on our successful partnership with Te Whakaminenga o Kāpiti. This past year iwi have been engaged in several working groups that look to embed iwi knowledge, including the district plan, water and Māori economic development.

Waitangi Day 2017 commemorations were co-hosted with Ngā Hapū o Ōtaki at the Ōtaki Māori Racing Club, and a series of activities have been undertaken to broaden understanding of Matariki and te reo Māori across Kāpiti.

Working with our communities

We're committed to fostering an inclusive and diverse community and value input from our communities as we do this together.

Over the course of the year we've invited our communities to share their thoughts with us on numerous topics, from preferences for the type of water features at the Ōtaki splash pad to the community facilities we should be planning for over the next two decades.

We're grateful to have communities so willing to get involved in helping shape our district, and we've

enjoyed hearing from a wide range of people and receiving a large number of high quality responses.

Supporting Kāpiti youth

Support and facilities for young people are pivotal to growing a vibrant community and we have contracted Zeal Education Trust to establish and run a youth development centre and youth services. Their successful funding application to the Lotteries Community Facilities Fund means the fit-out of the youth development centre is now expected to be completed in mid-2018.

Other initiatives to support youth include the Youth Council Youth2U Dollars grants, with grants awarded to 32 young people and six groups in 2016/17. In addition, a new phase of the Youth Pathways to Employment project was launched in late 2016, in conjunction with three local education providers.

An all-age-friendly district

This year we partnered with the Kāpiti Older Persons' Council to hold an 'Age on the Go' Expo. Around 600 people attended the event, visiting the over 40 informational displays.

Our Stride 'N Ride shared pathway programme, which makes it safer and easier for pedestrians, cyclists and people on mobility scooters to get around, is now more than half completed.

Fostering sustainability

A number of activities during 2016/17 have promoted and encouraged sustainability in Kāpiti.

The first light electric vehicle joined our fleet. The performance of the Nissan Leaf will be reviewed once it's been on the road a year and before any decisions are made on purchasing additional electric vehicles.

In July 2016, we held the first 'No.8 Wire Week' with dozens of popular workshops on topics including

composting, bee and chicken keeping, and bike maintenance.

Welcoming new New Zealanders

It's a special privilege to host our citizenship ceremonies, and this year we held five ceremonies which conferred New Zealand citizenship on 192 people from a wide range of countries. Welcome to our very special corner of New Zealand!

A great destination

Kāpiti locals are almost unanimous when it comes to thinking that the Kāpiti Coast is a fantastic place to live and visit.

This year saw our i-SITE launch in new premises. Since then they've been helping people make the most of our beautiful district, with nearly 9,000 people through its doors since the opening.

A new visitor attraction guide was published and ten thousand copies distributed locally and nationally in late 2016.

Major events are a real drawcard to visitors and a great opportunity for locals to share and celebrate our district.

For the 2016/17 year funds were allocated to four major events – the Māoriland film festival, the Ōtaki Kite Festival, the Coastella Music Festival, and the Kāpiti Food Fair. To enable these events to get well-established, funding was allocated for a period of three years.

Creating an environment for economic development

We want to ensure we have attractive and accessible town centres, where people want to spend time and enjoy the vibrant atmosphere.

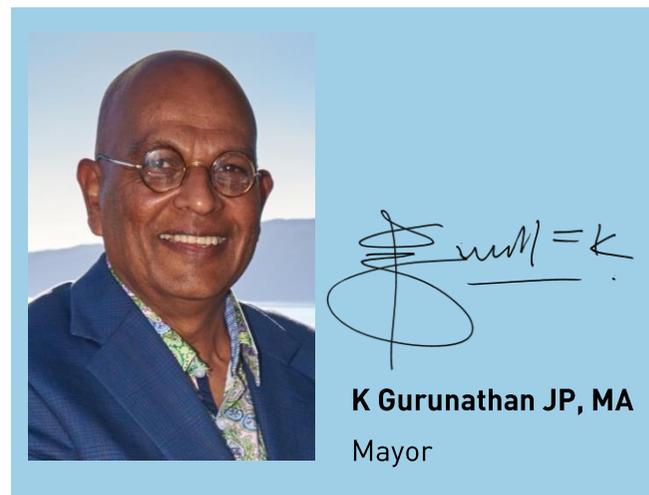
We're using the opportunities created by the Expressway to transform and improve Paraparaumu

and Waikanae town centres and improve the access and amenity of key commuter corridors in the district. These are long-term projects and this year has seen the Kapiti Road upgrade completed (in collaboration with Electra) and detailed design completed and construction underway at Kāpiti Lights

Good connectivity is vital for fostering growth, and we were delighted that Council's bid for ultra-fast broadband (UFB) to be installed early in Ōtaki was successful, with MBIE announcing that Ōtaki would be one of 151 towns around the country that will be given access to UFB in the near future.

Delivering on our commitments

The 2016/17 year is the second year of our *FutureKāpiti* Long term plan 2015-35 and over the year the Council has continued to work closely with our communities as we deliver on our commitments for a vibrant, diverse and thriving Kāpiti.



K Gurunathan JP, MA
Mayor

Introduction from the chief executive

The 2016/17 year saw work continuing towards the achievement of a number of the key initiatives that council agreed to focus on as part of the *FutureKāpiti* Long term plan 2015-35, with progress made on a number of fronts while continuing to deliver a full range of services to the community.

Our financial performance

We finished the year with an operating deficit (that is, our revenue minus our operating spending) of \$1.12 million. This was better than our planned deficit of \$3.15 million. Further information is provided in our *Financial overview* on page 16.

During the year, we invested \$21.74 million on capital works across the district. Major items included \$7.40 million on roads, footpaths, cycleways and bridleways, \$4.88 million on improvements to our stormwater and wastewater infrastructure and \$3.92 million on the provision of community facilities, such as libraries, swimming pools and parks and open spaces.

NZ Transport Agency funding accounts for nearly half of what we spend on maintaining our local roading and shared path network and it's pleasing that their recent audit found council procurement and financial practices to be in good shape and delivering value for money.

We realised a rates funding surplus of \$0.27 million mainly due to unplanned regulatory income from increased subdivision and building activity in the district and net interest cost being lower than planned. This surplus is available for offsetting future rates increases during the setting of the Long term plan 2018-38.

Progress on key long term plan projects

Council has made further progress on the key initiatives that were agreed with the community as part of the development of the *FutureKāpiti* Long term plan 2015-35.

This included completion of work to redevelop the Te Ātiawa Park hard courts which now have a new specialised synthetic surface and improved court lighting. Work commenced on the redevelopment of the Ōtaki pool and splash pad and we expect this to be completed by the end of 2017. The Council remains committed to investing in the Kāpiti College performing arts centre, subject to reaching agreement on how the community will be able to access the facility.

The redevelopment of the Paekākāriki sea wall has not progressed as quickly as originally planned. Following a review, the preliminary design was updated to reflect a change to the materials to be used as part of the overall construction. We are now working to complete the detailed design to reflect the change in building approach.

Recently the Zeal Education Trust was successful in their funding bid from the Lotteries Community Development Fund. That contribution, along with additional Council support, will allow the fitting out of the Paraparaumu-based youth development centre to go ahead, with work expected to begin later in 2017.

The Council was considering the possibility of a purpose-built integrated public gallery and library in Waikanae but this has proven unaffordable. However, Council remains committed to funding its share of the Mahara Gallery upgrade, as signalled in our current long term plan, alongside the Friends of the Mahara Gallery who have now resumed fundraising for their contribution to the cost of upgrading the existing building.

Work also continued on our five year project to assess around 1,500 earthquake-prone buildings across the district. There have been 479 assessments during the 2016/17 year.

You can see more information on our key initiatives and major projects on pages 12 to 13 of this annual report or by going to our website kapiticoast.govt.nz

Economic development

We have continued our focus on economic development during the year. Research to inform the review of the Kāpiti Economic Development Strategy was progressed. This included developing further understanding on the impact of the new expressway on the district's retail centres.

We've also made further progress with the Youth Pathways to Employment project which aims to better prepare young people for employment. The focus has been on the development and piloting of the Work Ready Passport, which is a tool to enable

young people to connect with local employers and gain qualifications and experience that make them work-ready.

Districtwide planning

Work continued on the development of the proposed district plan (PDP) during the year. The Hearings Panel completed its hearings, having heard from 218 submitters over a period of 44 days. The panel are now preparing their recommendation reports on the PDP and we expect these to be presented to the Council in November this year. We anticipate that the decisions version of the PDP will be publically notified before the end of 2017.

Legislation impacts

The Building (Pools) Amendment Act 2016 came into effect on 1 January 2017. It repealed the Fencing of Swimming Pools Act 1987 and brought the management of pools under the Building Act 2004. This new Act broadens the definition of pools to include indoor as well as outdoor pools and puts in place a requirement for the periodic inspection of all pools.

The National Policy Statement on Urban Development Capacity (NPS-UDC), which sits under the Resource Management Act 1991, was introduced in December 2016 in response to housing challenges experienced through New Zealand. The NPS-UDC requires local authorities to provide sufficient development capacity in their resource management plans for housing and business growth to meet demand to ensure the district is able to grow and respond to changing community needs.

Developing our 'open for business' culture

Our open for business programme continued to roll out through 2016/17. This programme includes a range of business improvement initiatives that aim to make it easier for our customers to interact with

council. This year's focus has been on improvements in the regulatory area.

During the year we made some changes to our residents' opinion survey, increasing the frequency of surveys. Council will in future undertake the survey on a quarterly basis and is looking to improve benchmarking with similar local authorities.

The combined surveys for the 2016/17 year continue to show an improvement in overall resident satisfaction, with 82% of residents who expressed an opinion either satisfied or very satisfied compared with 79% in 2015/16 and 74% in 2014/15. Also, 69% of people were satisfied or very satisfied that they received good value for the money they spend on rates and other fees.

Recognising our achievements

During the year the Council was acknowledged for its work in a number of areas. These included being recognised at the recent Local Government Managers Excellence Awards for our work with the M2PP Alliance to build and open the Mackays to Peka Peka Expressway. This project, which won the gold award in the Collaborative Government Action category, was held up as an excellent example of central and local government working together.

The Coastlands Aquatic Centre has received a Platinum Award from Be.Accessible. Our Aquatic Centre is the first recreation facility in the country to achieve this platinum-level award. Be. Accessible is a New Zealand social change initiative with a mission to make New Zealand accessible for all.

Additionally, the Council's carbon and energy saving work was recognised at the Enviro-Mark Solutions Outstanding Performance Awards in June 2017. The Council took out the overall award for Outstanding Performance in Carbon Management (large organisation).

Annual plan 2017/18

During the year, the Council invited feedback from the community as plans for the 2017/18 year were finalised. Feedback was provided by 134 residents and groups on the draft annual plan, which helped to shape the final plan adopted by the Council at the end of June.

Delivering our services every day

We continue to deliver a broad range of services to our community every day of the week. These include the work we do to make sure that our parks and reserves are well maintained, our libraries and pools are available for the community to use, our water supply is reliable and of good quality and our local roads are maintained. I was pleased to see that a recent Ratepayers' Report from the Taxpayers' Union shows that the Council is performing well in terms of efficiency in providing our services across the district.

I am proud of the hard work that our staff put in each day to ensure that we provide good value services to the people of the Kāpiti district and I'm proud of what we have accomplished in 2016/17.



Progress on key initiatives and major projects

Four key initiatives were selected by the council and community for investment and development as part of the *FutureKāpiti* Long term plan 2015–35. Here's an update on how those projects are going.



Paraparaumu and Waikanae town centres

We are rolling out a 14 year programme of activity that aims to take full advantage of the opportunities provided by the Expressway and ensure the Paraparaumu and Waikanae town centres remain attractive places for people to do business, invest and spend time. The Kāpiti Road upgrade was completed in early 2017 and the second town centre project to reach the construction phase, the Kāpiti Lights upgrade, started in late 2016/17 and is expected to be complete in early 2018.



Te Ātiawa Park hard courts

The rebuild and resurfacing of the Te Ātiawa Park courts is complete. This popular sports facility, used for both tennis and netball, has undergone a major upgrade over the last two years. The old cracked courts have been rebuilt to provide fit-for-purpose playing surfaces with a high-performance synthetic surface. Lighting at the courts has also been upgraded. The venue is now set to meet the needs of local sportspeople for years to come.



Ōtaki pool and splash pad

The Ōtaki pool complex closed in late February 2017 for modernising and upgrading. The old pool building has been demolished and the rebuild is on track to be completed by the end of 2017. The redevelopment includes a new pool hall building (the pool tanks remain the same); ramp entry into the main pool; separation of the filtration systems between the toddlers and lane pools, and the creation of a splash pad. This upgrade will ensure that Ōtaki pool meets the needs of the community for many years.



Performing arts centre

We will invest in the Kāpiti Performing Arts Centre at Kāpiti College, subject to an agreement about the community use of the centre. Details of the agreement are being finalised. It is planned that the contribution will be made when construction is nearing completion. Investment in the Kāpiti Performing Arts Centre will provide our community with access to facilities years before our previous plans would have allowed.



Six major projects were also given priority

Paekākāriki sea wall

Council has progressed plans for a replacement sea wall, in consultation with the community. A peer review of the most cost-effective design option has resulted in changes to the proposed construction materials which has resulted in delays to the project. Construction is now not likely to start until the 2018/19 financial year.



Raumati pool building

The now-closed Raumati pool building will be redeveloped as a multi-purpose community facility to be up and running by 2020.



Mahara Gallery and Waikanae Library

Plans for a purpose-built integrated gallery and public library are currently on hold after recent estimates exceeded money set aside in the long term plan. The Council remains committed to funding its (one-third) share of upgraded gallery facilities and is looking at how the existing library building can be maintained and enhanced to continue to provide a quality library service for Waikanae until the building is replaced or redeveloped at some time in the future.



Otaraua Park

We've been working with the community to draft a development plan for our newest park. The development plan, which will shape the way the park looks for future years, is due to be finalised by December 2017. The 60 hectare park between eastern Otaihangā and the southern bank of the Waikanae River was purchased by the council in 2012 for the enjoyment of the community.



Youth development centre

The council has partnered with national youth development provider Zeal Education Trust to provide a youth development centre and associated mobile services in Kāpiti. Zeal runs youth events and activities and has a mobile service to reach across the district.

A building in Paraparaumu town centre has been secured for the centre. Fundraising from a number of sources has progressed well and Zeal

was successful in its major funding application to the Lotteries Community Facilities Fund in late 2016/17. Work on fitting out the multi-functional facility is due to start in early 2017/18 and is expected to finish around March 2018.



Assessing earthquake-prone buildings

In 2015/16, the council began a five year project to assess around 1,500 earthquake-prone buildings in Kāpiti. Our district is in a zone of high seismic activity and it is important that we have buildings that are safe to be in and around. To date over 600 buildings have had initial assessments by structural engineers.

You can get more information on our key initiatives and the six major projects in our *FutureKāpiti* Long term plan 2015-35 which can be viewed at service centres and libraries or online at kapiticoast.govt.nz

A snapshot of the year

The following is a selection of the projects completed and the day to day services delivered in 2016/17. For full details see our activities and services section (pages 19–89).



The Ōtaki Beach stormwater pump station upgrade was completed and will help reduce the flood risk for around 300 properties in the Moana Road catchment.

The 2016/17 resident opinion survey reported, on an adjusted satisfaction basis, that 82% of people were satisfied with the overall performance of the council.

More than **202,000**
people visited the Coastlands Aquatic Centre

The last of 20 recommendation reports to the PDP Hearings Panel were completed and 13 PDP hearings were held. The PDP will be presented to council for decision before the end of the 2017 calendar year.

Waste minimisation education was delivered to over 770 pupils at local schools this year.

We responded to **19,527**
service requests this year

We removed vegetation and sediment from 16.1 km of the open drain and stream network to improve its ability to cope with heavy rainfall.

The Council added its first light electric vehicle, a Nissan Leaf, to its fleet at the end of November 2016.

We answered more than **84,000**
customer service calls

After two years of operation of the river recharge scheme resident satisfaction with the quality of the water supply has risen to 81% in 2016/17 (from 51% in 2014/15).

The median resolution time for 854 non-urgent service requests for water faults was five hours and 52 minutes, against a target of four days.

We resealed **20.4** kilometres of local roads



The Kāpiti Arts Trail continues to be successful with an estimated 39,500 visits to 97 artists and hubs, and with estimated sales and commissions of \$470,000.

We processed **27%** more
resource consents than last year

Youth2U Dollars grant recipients included a young woman going to the World Karate Champs, local students undertaking a conservation project in Mexico and a young person delivering a local volunteer programme with vulnerable children.

Council engaged widely with the community on the development plans for both Mclean Park and Otaraua Park, including with Te Āti Awa ki Whakarongotai.

Nearly **3,000** square metres of footpaths were upgraded



A four-week te reo Māori programme was held at Paraparaumu, Ōtaki and Waikanae Libraries.

Since its opening on 6 September 2016 the new i-SITE has seen a total of 8,925 people come through its doors.

More than **9,800** people came to free library events and activities

The 2017 transport forum for older drivers was held in March 2017, with 50 people attending.

The council's eco design advisory service provided 190 free two-hour home consultations giving residents advice on cost-effective ways to make their homes warmer, drier and more energy-efficient.

The animal management team now operate seven days a week, meaning dogs that wander during the weekend can be dealt with and returned to their owners.

A new Destination Kāpiti Facebook page was launched with targeted promotion to visitors from outside the district.

More than **1,100** building consents were issued

Nearly 440 people took part in the AquaEase or AquaYoga programmes at the Coastlands Aquatic Centre which have been very successful for those with medical conditions or limited mobility.

Council commissioned a districtwide assessment of the condition of buildings in its community facilities portfolio to help prioritise maintenance needs over the next 20 years.

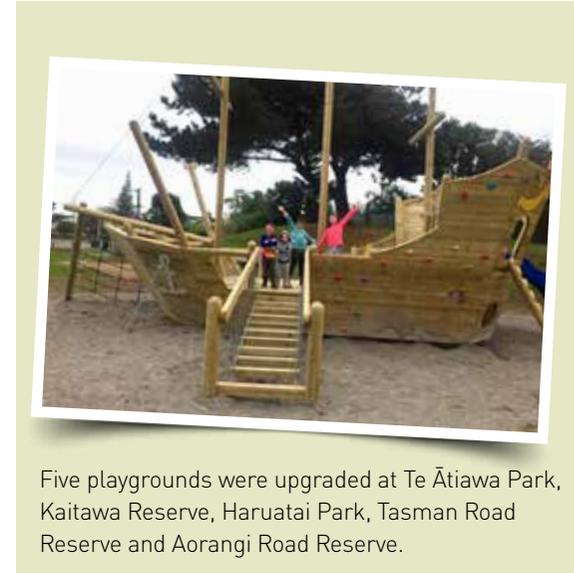
Around **1,000** people attended the 'Mclean Park Experience and gave their views on the development of the park

A further 174 LED streetlights were installed this year, bringing the total installed to date to 479, just under 10% of the network.

The annual park users' survey found that 95% of respondents were satisfied with the quality of council parks and reserves.

A range of Matariki activities were organised including kapa haka, a street festival, a library series of activities and an appeal for food bank donations.

We completed **479** initial earthquake-prone building assessments



Leak detection surveys were conducted across 110km (23%) of the water supply network and an estimated 2,260 cubic metres per day of water loss was identified and repaired.

Waitangi Day celebrations were co-hosted with Ngā Hapū o Ōtaki at the Ōtaki Māori Racing Club.

A new phase of the Youth Pathways to Employment project was launched in conjunction with three local education providers — Ōtaki College, YouthQuest and Whitireia Polytechnic.

Financial overview

This overview gives a summary of the major aspects of our financial management and results for the 2016/17 year.

Accounting to ratepayers for our management of council's budget and assets is a key responsibility for council and required by law. We have produced this overview to help Kāpiti residents see the big picture of our finances. Full details are provided later in the report. There is a statement of the cost of each activity comparing what was actually spent with what was budgeted in the *Our activities and services* section (pages 19–89) and the full financial statements can be seen in the *Our finances* section (pages 91–144).

Financial context

Kāpiti Coast District Council is an entity of **\$1.4 BILLION**

We have a significant number of assets and a complex mix of financial requirements to manage. Council records its significant assets at fair value, and to do this we regularly revalue our assets. This year, we revalued our above-ground assets (including roading assets and land under roads). This resulted in a \$114.5 million increase in value to these assets, mainly due to an increase in land values across the district. Land is not depreciated, so \$75.3 million of the increase in value will have no impact on future rate increases.

Financial performance

Operating profitability

Currently, council does not fully fund its asset depreciation, so we had budgeted to make a deficit of \$3.15 million. Through stronger regulatory

income streams and lower net interest costs, we achieved an actual deficit of \$1.12 million, being \$2.03 million better than planned.

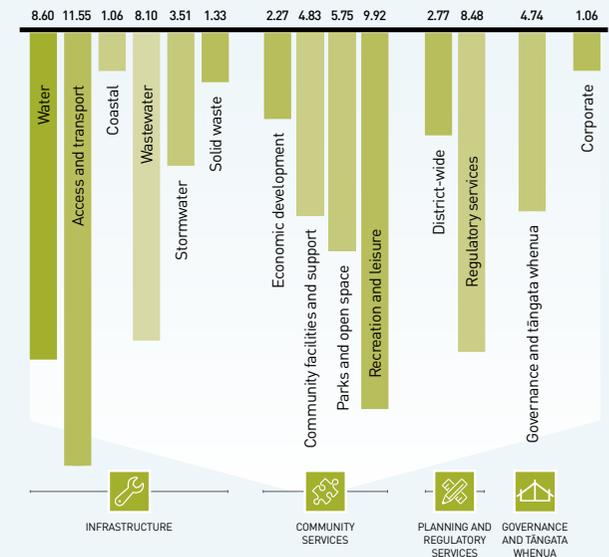
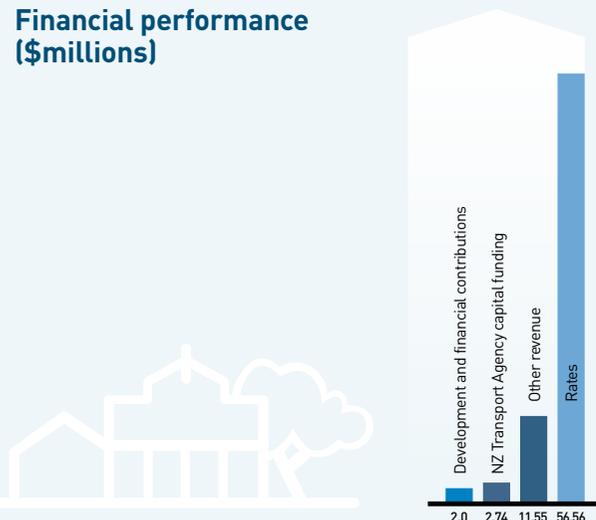
Note that our financial strategy progressively moves to fully funding annual depreciation of assets.

Capital spending

We had budgeted to spend \$32.4 million on capital work in the 2016/17 year. To ensure that council's borrowings are in line with its ability to deliver on a challenging programme of work we have reviewed

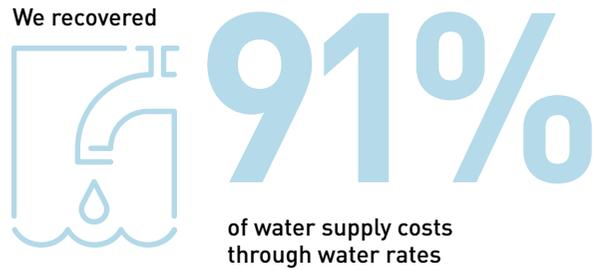
We spent **\$21.7 MILLION** during the year on capital work

Financial performance (\$millions)



our future capital works programme. This has seen \$9.2 million worth of projects moved from 2016/17 to future years.

Water account



The cumulative water account deficit as at 30 June 2017 is \$1.6 million. Council intends to recover the water account deficit by gradually increasing water rates over the next few years.

Financial position

At the end of each year, we determine our financial position. This reflects the overall value of the council as an entity.

As at 30 June 2017, we had total assets of \$1,673 million. Of this, infrastructure (water, stormwater, wastewater, roads, bridges, cycleways, walkways and bridleways) accounts for \$1,408 million and the remainder includes community facilities, parks and open spaces and financial assets.

Our liabilities are \$249.8 million, with 84% of this being medium to long term borrowings from the Local Government Funding Agency. Other liabilities include money owed, for example, to suppliers.

The difference between total assets and liabilities means that ratepayers' equity in the council is \$1,423 million.

Cash and debt management

We ended the year with net debt (total borrowings less cash and cash investments) of \$146.2 million, which was lower than planned. This reflects our careful management and the more streamlined approach we took to managing cash and new borrowings.



A positive result for the year is that we kept our credit rating in a generally difficult financial environment. It is beneficial too because it helps to reduce our borrowing cost, which supports our financial strategy.

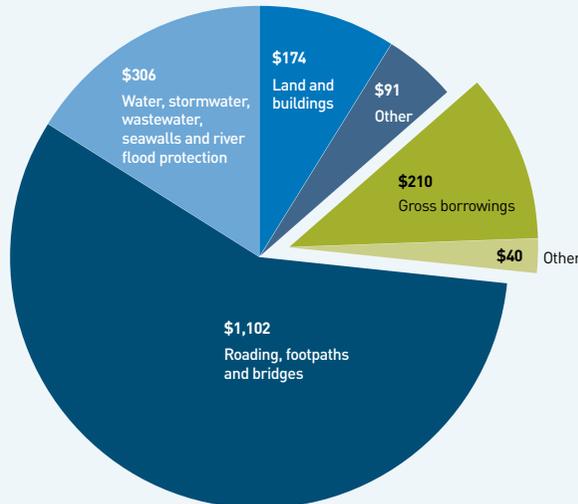
We kept our Standard and Poor's credit rating of

A+

Financial position (\$millions)

\$1,673
Assets

84% of council's assets are infrastructure (water, stormwater, wastewater, roads, bridges, cycleways, walkways and bridleways)



\$250
Liabilities

84% of council's liabilities are medium to long term borrowings from the Local Government Funding Agency

\$1,423
Total ratepayers' equity

Financial prudence

All local authorities are required to report against a set of benchmarks around three key elements of financial prudence – affordability, sustainability and predictability. The benchmarks and our performance against them are set out in the *Our finances* section, Disclosure statement, on pages 131 –135.

Summary financials

Summary statement of comprehensive revenue and expense for the year ended 30 June 2017

2015/16 Actual \$000		2016/17 Actual \$000	2016/17 Budget \$000
	Revenue		
53,774	Rates	56,555	56,867
16,709	Other operating revenue	17,858	15,040
70,483	Total revenue	74,413	71,907
	Expenses		
8,332	Interest expense	9,385	9,408
65,193	Other operating expense	66,148	65,652
73,525	Expenses	75,533	75,060
(3,042)	Operating surplus/(deficit)	(1,120)	(3,153)
(9,693)	Unrealised Gain/(Loss) on revaluation of derivatives	7,598	-
(12,735)	Net operating surplus/(deficit)	6,478	(3,153)
	Other comprehensive revenue and expense		
29,894	Revaluation of property, plant and equipment	114,517	32,633
29,894	Other comprehensive revenue and expense	114,517	32,633
17,159	Total comprehensive revenue and expense	120,995	29,480

Summary statement of financial position as at 30 June 2017

2015/16 Actual \$000		2016/17 Actual \$000	2016/17 Budget \$000
18,438	Current Assets	71,291	47,899
1,486,760	Non-current assets	1,601,869	1,542,741
1,505,198	Total assets	1,673,160	1,590,640
30,403	Current liabilities	103,874	96,188
172,419	Non-current liabilities	145,915	147,969
202,822	Total liabilities	249,789	244,157
1,302,376	Total equity	1,423,371	1,346,483
1,505,198	Total liabilities and equity	1,673,160	1,590,640

Summary statement of changes in equity

for the year ended 30 June 2017

2015/16 Actual \$000		2016/17 Actual \$000	2016/17 Budget \$000
1,285,217	Equity as at 1 July	1,302,376	1,317,003
(12,735)	Net surplus/(deficit)	6,478	(3,153)
29,894	Revaluation of property, plant and equipment	114,517	32,633
17,159	Total comprehensive revenue/expense	120,995	29,480
1,302,376	Closing equity at 30 June	1,423,371	1,346,483
	Equity is represented by:		
561,158	Accumulated funds	567,449	559,695
2,717	Reserves and special funds	2,904	2,220
738,501	Revaluation reserve	853,018	784,568
1,302,376	Closing equity at 30 June	1,423,371	1,346,483

Notes

Kāpiti Coast District Council (council) is a territorial authority governed by the Local Government Act 2002.

The summary financials have been prepared in accordance with PBE FRS 43. They are presented in New Zealand dollars and rounded to the nearest thousand (\$'000).

The summary financial statements do not provide as complete an understanding as the full financial statements in the Annual report 2016/17.

The accounting policies adopted in these financial statements are consistent with those of the previous financial year.

Compliance

A statement of compliance to generally accepted accounting practice in New Zealand can be found in the full annual report.

The full and summary financial statements have been subject to audit and both received unqualified audit opinions.

Summary of cashflows

for the year ended 30 June 2017

2015/16 Actual \$000		2016/17 Actual \$000	2016/17 Budget \$000
19,320	Net cash inflows from operating activities	23,697	23,264
(31,598)	Net cash (outflows) from investing activities	(63,540)	(54,244)
11,280	Net cash inflows from financing activities	39,856	30,780
(998)	Net increase/(decrease) in cash and cash equivalents	13	(200)
1,440	Total cash and cash equivalents at 1 July	442	400
442	Total cash and cash equivalents at 30 June	455	200

Events after the end of the reporting period

There were no events subsequent to the reporting period that would affect the amounts or disclosures in these financial statements.

This summary has been extracted from the Annual report 2016/17, which was adopted by council on 28 September 2017. It contains detailed information about council's service and financial performance for the year ending 30 June 2017.

The full annual report can be viewed on the council website (see below) on the Documents/Reports page. Printed copies of the annual report are available at the district's libraries and service centres.

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Independent auditor's report



To the readers of the Kāpiti Coast District Council's summary of the annual report for the year ended 30 June 2017

The summary of the annual report was derived from the annual report of Kāpiti Coast District Council (the "District Council") for the year ended 30 June 2017.

The summary of the annual report comprises the following summary statements on pages 6 to 13:

- the summary statement of financial position as at 30 June 2017;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2017;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision.

Opinion

In our opinion:

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

Summary of the annual report

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

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report dated 28 September 2017.

The full annual report and out audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2017 in our auditor's report dated 28 September 2017.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

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

In addition to our audit and our report on the disclosure requirements, we have carried out engagements in the areas of debenture trust reporting, which are compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the District Council.

David Borrie
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand
28 September 2017