

SELWYN DISTRICT COUNCIL
SUMMARY

Annual Report 2017/18





Cover photo: Foster Park playground, Rolleston, opened in December 2017.

Welcome to Selwyn District Council's Summary Annual Report 2017/18

This summary provides an overview and summary of Selwyn District Council and group's activities and services for the year ended 30 June 2018. The information has been extracted from the full annual report for the year ended 30 June 2018 adopted by the Council on 10 October 2018. The full financial statements have been prepared in accordance with, and comply with, Tier 1 PBE accounting standards. The summary has been prepared in accordance with generally accepted accounting practice in New Zealand as it relates to summary financial statements.

The summary cannot be expected to provide as complete an understanding of the Council's performance as the full annual report. The full annual report has been audited and an unmodified opinion issued.

The summary financial statements have been prepared in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Council and its subsidiaries and associate is New Zealand dollars.

From the Mayor and Chief Executive

Dear Selwyn ratepayers and residents

In presenting our Annual Report for 2017/18 we recognise that in many ways the Council's story is also Selwyn's story – one of increasing growth, diversity, success and maturity as a district.

While the Council has a central role in providing the essential services, infrastructure and facilities to support a growing community, Selwyn's success is founded on its people: the families moving from around the world into our residential areas, the businesses that have established or relocated in our townships and business zones, the farmers and primary producers that are making the most of our productive landscapes.

It is remarkable that growth indicators for both population and economic activity continue to increase steadily, well ahead of regional and national averages. Selwyn's population has now surpassed 60,000 and our projections anticipate a population of around 80,000 in 10 years' time. While there has been a slight softening in our building consent numbers, residential growth continues at levels far greater than those of a decade ago.

Economic commentators have recently observed that Selwyn appears to be bucking the national trend of low consumer and business confidence, with the district's gross domestic product growing at double the New Zealand and Canterbury rate over the past year.

The Council has recorded a positive financial result for the year. Population and housing growth have contributed to higher than anticipated revenue from both rates and development contributions, along with vested assets reflecting increased subdivision activity. Expenditure was slightly higher than budgeted, with contributing factors including increased maintenance and operational expenditure, the acceleration of the District Plan Review, and higher cost of sales arising from land sales in Izone.

During the year the Council issued a total of 2,458 building consents, only marginally down on last year, while a total of 729 resource consents were issued. The Council has made significant investment in new facilities this year, with the opening of the Dunsandel Community Centre and progress on centres at Tai Tapu and West Melton. We have also continued earthquake strengthening of local halls and community centres, with projects completed at Ladbrooks and Springston. Looking to the future, in our Long-Term Plan we made commitments to extending the Selwyn Aquatic Centre and developing an indoor sports hub at Foster Park – major projects that will add to the range of opportunities available to residents.

We have made good progress in developing the Rolleston Town Centre. Hundreds of residents gave us feedback on what they are looking for in a new library and community space, and initial concept designs have now been drawn up for this exciting community hub.

Our District Plan Review is a critical piece of future planning work and has progressed well this year. The plan is the 'rule book' which controls how people can use and develop their properties, and sets out policies for managing our natural and physical resources. We've done a lot of work to review key topics and have started the process of gathering public input into possible future changes.

We're contributing to our communities in many other ways too, such as our popular summer events series, celebrating our diversity through events like CultureFest, a new destination playground at Foster Park, provision of libraries, parks, pools and other recreation facilities across the district, support for our business sector, and ongoing upgrades to our roading and water infrastructure.

Our thanks go to all those who contribute to the Selwyn story – residents, visitors, local committees, clubs and organisations, volunteers and business owners, along with our Council's elected members and staff.



Sam Broughton, Mayor



David Ward, Chief Executive





Service performance



308,000
ADMISSIONS TO THE
SELWYN AQUATIC CENTRE

69%

OF RESIDENTS
RATED COUNCIL'S OVERALL PERFORMANCE
AS GOOD OR VERY GOOD



2,458 BUILDING CONSENTS
ISSUED IN AVERAGE
PROCESSING TIME OF 9.2 DAYS



77.1km
ROAD RESEALING COMPLETED



Our services

Throughout the 2017/18 year, the Council has been working to provide services to residents which continue to help make Selwyn a great place to live. Some of the things we do every day include:

- Maintaining around 2,500 kilometres of roads.
- Providing rubbish and recycling services to more than 21,000 households. More than 94% of residents rated these services as good or very good.
- Providing and maintaining 406 reserves and playgrounds, and 54 recreation and conservation reserves. 84% of people living in Selwyn visited a park last year.
- Providing and running the Selwyn Aquatic Centre and community pools. A total of 308,000 admissions were recorded at Selwyn Aquatic Centre, Southbridge Pool and Darfield Pool – equivalent to 5.31 swims for each Selwyn resident.
- Providing and maintaining 25 community centres and halls. 70% of residents rated this service as good or very good.
- Operating a district network of libraries in Darfield, Lincoln, Leeston, Rolleston and a mobile library and assisting two volunteer libraries. 84% of residents rated libraries services as good or very good.
- Issuing building and resource consents. 98% of resource consents were issued on time and the average time it took to process a building consent in the past year was 9.24 working days compared to the statutory timeframe of 20 working days.
- Operating 30 community water supplies, supplying clean, safe drinking water to more than 82% of the district's population.



Significant performance measures

The following is a selection of our performance measures from our significant activities.

- ✓ 84% of residents have used or visited a public park in the past 12 months. *(Target 70%)*
- ✓ 72% of townships where all residents are serviced by a reserve within 500 metres. *(Target 70%)*
- ✓ 5.31 swims per capita of district population. *(Target 4.5)*
- ✓ 100% of all urgent dog callouts were attended to within two hours. *(Target 99%)*
- ✗ 58% of the population were registered as library users. *(Target 70%)*
- ✓ The 2016/17 Annual Report and Long-Term Plan 2018-2028 were adopted on time. *(Target within statutory timeframes)*
- ✓ 69% of residents rated the overall performance of the Council as very good or good. *(Target 65%)*
- ✗ 93% of building consents were issued within statutory time frames. *(Target 95%)*
- ✓ 93% of resource consent applicants very satisfied or satisfied. *(Target 80%)*
- ✓ 77% of transportation service requests were responded to within five days. *(Target 75%)*
- ✓ 77km of sealed road network resurfaced during the year. *(Target 70km)*
- ✓ 95% of residents rated the Council's rubbish collection service as very good or good. *(Target 85%)*
- ✓ 99.9% compliance with national standards for water standards for bacteria compliance. *(Target 98%)*
- ✓ 72% of the urban fire district area is within 135m of one hydrant and 270m of two. *(Target 60%)*
- ✓ An average of 11.6 hectares of Izone land sold over the last three years. *(Target 10ha)*
- ✓ Total average water operating cost per serviced property was \$299 per annum. *(Target \$320)*
- ✓ 0.45m³ of water consumed per resident on average per day. *(Target 1.3m³)*



Financial performance

Selwyn continued to experience high levels of population and economic growth during the 2017/18 financial year. The financial results for the year are a reflection of the success of the district as a whole.

Expenditure for the year was \$100.6 million compared with the budget of \$99 million.

The main variances compared with budget were:

- Employee benefit expenditure \$1.5 million below budget due to the timing of recruitment of staff.
- Finance costs \$2.2 million below budget, due to a reduced borrowing requirement due to positive cash flows and some capital projects that have not yet been completed.
- Depreciation and amortisation expenditure \$1.4 million below budget due to the timing of completion of some significant capital projects.
- Cost of sales \$2.8 million higher than budget due to the sale of land in the Izone Southern Business Hub being significantly ahead of budget.
- Environmental services costs \$900,000 higher than budget largely due to the Council's desire to accelerate the District Plan review.
- Subsidised maintenance and operational expenditure \$2.1 million higher than budget. Additional expenditure was incurred to repair damage caused by irrigation construction activity and rain events, and also to improve roads that had become unsafe.

Revenue for the year was \$146.0 million compared with the budget of \$128.6 million.

The main variances compared with budget were:

- Dividend revenue \$1.0 million above budget due to higher dividend revenue received from our investments in Orion New Zealand Limited, Sicon Limited and Transwaste Canterbury Limited.
- Rates revenue was \$0.8 million above budget due to higher levels of population growth in the district compared with those projected in the budget.

In our revenue statement we have also incorporated a number of extraordinarily high revenue items including:

- Development contributions revenue \$2.7 million above budget as the level of housing development in the district continues to be more rapid than expected. Development contributions are retained in a separate account to fund new infrastructure and are not available to reduce the level of rates.
- Vested asset revenue \$4.8 million higher than budget due to the higher than expected level of subdivision activity. Vested assets are predominantly infrastructure, such as roads and water services, established by developers then transferred to the council for ongoing ownership and management. This is a non-cash item and is not available to reduce rates.
- Land sales revenue was ahead of budget by \$5.5 million due to the sale of land in the Izone Southern Business Hub being ahead of budget.
- Gains from the movement in the fair value of investment property and forestry assets were \$1.1 million above budget.

Highlights 2017/18

Delivering our key projects

In our Annual Plan for the 2017/18 year we consulted on a number of key projects for the district. Here's how we fared in delivering these projects:

- Extending our footpath network: We scheduled a programme to complete 2.3km of footpath extensions. Completed: 3.6km
- Libraries extended opening hours trial: A trial of extended hours was well received by library users and changes will be implemented in the 2018/19 year.
- Planning for new pool space: We undertook initial planning and design work for additional pool space at Selwyn Aquatic Centre, to meet increasing demand. Proposals for an extension including a new 25-metre pool were subsequently confirmed through the 2018-2028 Long-Term Plan.
- Continued investment in roading: We retained the \$60 roading rate to provide for road reconstruction work. A total of 2.3km of road reconstruction was completed on roads throughout the district.
- Health Hub: Planning and feasibility work has continued throughout the year on this project, which would provide space for health professionals, not-for-profit groups and related businesses.
- New community facilities: The new Dunsandel community centre was opened in August 2017, replacing the original township hall which suffered major earthquake damage. Construction of new facilities at West Melton and Tai Tapu progressed during the year, with the Tai Tapu centre, at Rhodes Park, on track to open in August 2018.
- Seismic strengthening of community facilities: Planned earthquake strengthening of community halls at Ladbrooks and Springston were completed during the year, while work at Sheffield Hall is being planned.
- Development of Foster Park: Work has continued on the ongoing development of this important sport and recreation hub for the district, including the completion of a new playground, further development of rugby and softball/baseball fields, and extending the park's footpath and cycle track network.
- Selwyn library/community space: Residents had the opportunity for some early input into this key development in the new Rolleston town centre, with public consultation held to gather ideas for the proposed library and community space. A design team has now been appointed for the project, and in March another milestone was reached with the Council approving a plan outlining the location of key elements.
- District-wide rate for stormwater: A district-wide rate of \$85 was introduced in areas where the Council manages the stormwater network.

In June, following community consultation, the Council adopted its Long-Term Plan 2018–2028, signalling a series of landmark projects for Selwyn over the next decade. These include an extension to the Selwyn Aquatic Centre, development of an indoor sports hub at Foster Park, new community centres at Hororata, Leeston and Prebbleton, an extension to the Council's Rolleston headquarters and introducing a district-wide rate for community centres, halls and reserves. The Council also approved a new Walking and Cycling Strategy, which will see \$11 million invested in key cycleways across the district over the next 20 years, along with an ongoing programme of township footpath extensions. The Long-Term Plan received over 400 formal submissions, while more than 1,300 contributed feedback through the Council's online engagement site.

Service highlights

A strong and growing district

The 2017/18 year has seen a continuation of the sustained population and economic growth that Selwyn has experienced over the past decade. The population of the district is now estimated at more than 60,000 – making it the third largest territorial authority in the South Island – and is expected to be approaching 80,000 by 2028.

Population growth remains strongest in the townships to the east of the district including Rolleston, with a population now estimated at over 17,000, as well as Lincoln (6,900) and Prebbleton (3,900).

This growth continues to drive a strong construction sector in the district. In the year to 30 June 2018 the Council recorded a total of 2,458 building consents issued in the district, along with 729 resource consents issued.

Selwyn's wider economy has bounced back from moderate growth last year to record exceptionally strong growth. The district's gross domestic product (GDP) increased by 5.3% during the year – nearly double the New Zealand average of 2.7 percent, and well ahead of the Canterbury regional figure of 2.5%.

Retail sales increased by 15% on the previous year, outstripping national and regional averages, while spending in Selwyn's tourism sector was up by 20%, car registrations increased 17% and house sales rose by 7.2% – all significantly ahead of national and regional averages.

Unemployment in Selwyn for the year averaged 2.2%, well below the New Zealand average of 4.5% and Canterbury at 3.8%. It is estimated that there are currently around 6,240 businesses operating in Selwyn, employing some 20,000 full time employees.

The Council's Izone Business Hub at Rolleston remains a focal point for business growth in the district with strong land sales and construction during the year. The industrial park now hosts more than 120 businesses, involved mostly in manufacturing, contracting, warehousing and logistics, and agricultural servicing. Significant new development is also occurring on adjacent industrial and commercial areas.



District planning on track for future

The review of Selwyn's District Plan, which controls the activities allowed on different properties and areas of the district, has progressed significantly during the year. The Council has worked through baseline assessments and preferred options on a number of key topics, in preparation for initial public consultation in mid-2018. Initial consultation with stakeholders and landowners has been held for some topics, such as heritage items.

Supporting our communities

There was a strong focus this year on strengthening Selwyn's reputation as a district that welcomes newcomers and migrants. In November we launched Show Me Selwyn – a trial programme offering bus tours of the district for residents interested in getting to know Selwyn better. The tours came about as one way to welcome those new to Selwyn. The four bus tours took people to historical landmarks, tourist attractions and townships, along with opportunities to enjoy the Selwyn countryside. Other ways to encourage residents, existing and new, to learn what the district has to offer are being explored as a follow up.

In June, the website Everything Selwyn was launched. A group of community agencies in Selwyn, supported by the Council, developed this online information portal to provide a directory of community services and community groups in Selwyn, and a place to list community events. The website will inform residents and newcomers about opportunities to connect with others through joining local groups, volunteering, using local services and enjoying local community events.

We also took time to look back and celebrate our history. In December the Council joined with a group of Chinese guests, Springfield residents and other agencies to mark the 120th anniversary of the birth of Rewi Alley. Alley, who was born in Springfield, became revered by the Chinese for his work in establishing schools and cooperatives to improve the lives of ordinary people.

Our district's increasing diversity was also marked by a successful CultureFest 2017 event, with around 3,000 people enjoying a range of performances from 20 different ethnic and cultural backgrounds.

An extra month's worth of events were packed into the 2017/18 Summer in Selwyn programme, which ran from December 2017 through April 2018. More than 70 Council and community events were held as part of the event line-up. Our Meet Your Street and Have A Go Day events remain popular, and regular programming and events at libraries and swimming pools were attended by thousands of residents, providing opportunities for learning, recreation, fitness and fun.

The new Foster Park playground, opened in time for Christmas 2017, was a huge hit with residents from across the district. It features a large four metre high mound with a slide and flying fox, along with a natural play area, a mouse wheel and other playground equipment.

Work on the new Lincoln Skate Park, at Lincoln Domain, was essentially complete at the end of the financial year. In Leeston a new 1.8 hectare dog park was opened in the Council reserve between the A&P Showgrounds and the Ellesmere Heritage Park.

The Council continued to provide Civil Defence and emergency management support to the Selwyn community. One Civil Defence emergency was formally declared this year, in February, in response to predicted extremely heavy rainfall and high winds. The district received sustained rainfall which caused the Selwyn River level to rise and some surface flooding, but the extreme weather forecast did not eventuate.

Essential infrastructure

A core commitment of the Council is ensuring the district's key infrastructure networks meet our communities' current and future needs. Transportation is a major element, with vehicles travelling over 385 million kilometres a year on our local roads – a 160% increase since 2001. This year the Council repaired 5,273 potholes, completed resealing on 77.1 kilometres of roads, and maintained over 1,000 kilometres of unsealed roads.

Major roading projects this year included intersection upgrades at two busy Rolleston locations. At the Masfield Drive/Rolleston Drive intersection the project involved installation of traffic lights, cycle lanes and footpaths, as well as storm water work and road resurfacing. The upgrade will help to future proof this busy area and contributes to the development of the Rolleston town centre.

The Jones Road/Hoskyns Road upgrade also included traffic light installation, street lighting upgrades, storm water upgrades, footpath installation and road resurfacing, as well as linking to the adjacent traffic lights on State Highway 1 and the rail level crossing to improve the overall coordination of traffic movement in the area. Both projects were completed in June.

Work began this year on the replacement of 5,800 old and obsolete street lights in the district, replacing them with new LED light bulbs. This came after the NZ Transport Agency approved a Council business case to subsidise the replacement. The first stage of the installation began in the Ellesmere area. The improved lighting is more efficient and cheaper to run, reduces light 'spill' and will enhance both personal and road safety.

A number of speed limit changes were adopted across the district, including extending the 50 km/hr urban speed limits in several townships and extending or introducing 80 km/hr limits on some rural roads in eastern Selwyn. The changes followed a review of speed limits in 2017, and public consultation which was largely supportive of the proposals.

A new timber bridge was completed in the Lincoln Esplanade Reserve. The bridge crosses the Liffey Stream between Esplanade Reserve land south of Moffat Drive and Ryelands Drive, and is a valuable addition to Lincoln's network of walkways.

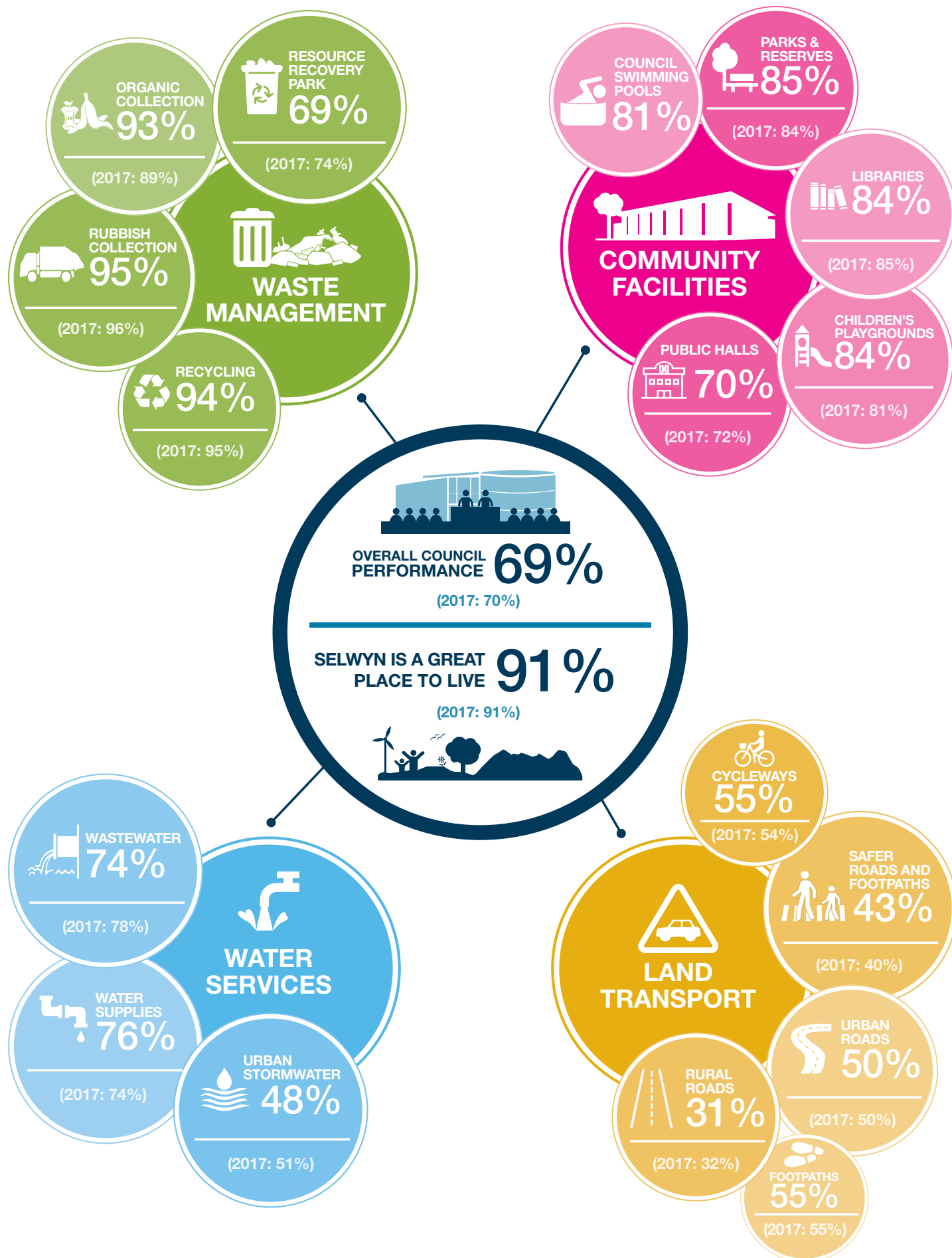
A programme to install water meters on properties connected to Council water supplies across the district is now essentially complete, with meters installed this year in Lincoln, Leeston, Southbridge, Rakaia Huts, Tai Tapu, Sheffield/Waddington, Arthur's Pass, Castle Hill and Lake Coleridge.

Upgrades to water supplies across Selwyn during the year helped to boost capacity and ensure a continuing supply of safe, high-quality water for residents. New ultraviolet (UV) treatment and, in some schemes, filtration systems were installed at Springfield and Rolleston. New water supply bores have been drilled in Rolleston, Lincoln, Southbridge and West Melton.

Capacity upgrades to the Eastern Selwyn Sewerage Scheme (ESSS) at the Pines Wastewater Treatment Plant included a new bio-reactor and upgrades to the sludge solar drying hall and effluent UV treatment system.

A second alpine recycling station was installed at Arthur's Pass in December.





2018 RESIDENTS SURVEY

SELWYN DISTRICT COUNCIL

Residents survey

Hearing from our community

Each year the Council conducts a survey of residents to ask their views on how the Council is performing.

Information from this survey is used in performance targets which measure the level of service provided by the Council and indicate trends over time. The survey is also used by Council departments to help develop, plan and improve the services they provide to the community, and provides a valuable way for residents to give feedback on how well Council is performing.

Key results

In this year's survey, 69% of residents rated the Council's overall performance as good or very good, compared to 70% in 2017. The overall performance rating has risen steadily from 58% in 2013.

In questions about living in Selwyn, 91% of people said Selwyn was a great place to live, the same as in the last survey.

Across 23 different Council services surveyed, 18 recorded satisfaction ratings of 50% or higher. Six services recorded an increase in their rating from last year, while 13 saw a reduction, two remained unchanged and two were not surveyed last year.









Among the highest rated services were rubbish collection (95% rated good or very good), recycling (94%), parks and reserves (85%), libraries (84%), playgrounds (84%), swimming pools (81%) and water supply (76%). The Pines Resource Recovery Park was rated good or very good by 69% of residents.

Community facilities continue to be well used and enjoyed by residents. Public halls have been used at least once in the past year by 72% of respondents, while 84% have visited a park or reserve and 64% have used the public library network. Satisfaction with parks and reserves and playgrounds recorded increases.

How the survey works

The survey was carried out in June and July 2018 by an independent research company, and surveyed 421 people using telephone, cellphone and online surveys to provide a statistically representative sample of Selwyn's population. The survey typically has a margin of error of +/-4.8%.

How your rates were spent 2017/18

Area of spend	Capital spend	Operating spend	How costs are funded	Rates spend per \$100
Community Facilities 	\$21.3m (including renewal)	\$17.5m (excluding depreciation)	RATES 57% OTHER 43%	\$29 
Community Services 	\$0m (including renewal)	\$3.2m (excluding depreciation)	RATES 96% OTHER 4%	\$4 
Democracy 	\$0m (including renewal)	\$4.4m (excluding depreciation)	RATES 98% OTHER 2%	\$8 
Environmental Services 	\$38,000 (including renewal)	\$15.4m (excluding depreciation)	RATES 42% OTHER 58%	\$10 

Area of spend	Capital spend	Operating spend	How costs are funded	Rates spend per \$100
Five Waters Service 	\$14.7m <i>(including renewal)</i>	\$16.7m <i>(excluding depreciation)</i>	RATES 56% OTHER 44%	\$27 
Izone 	\$1.6m <i>(including renewal)</i>	\$1.1m <i>(excluding depreciation)</i>	RATES 0% OTHER 100%	\$0 
Solid Waste Management 	\$114,000 <i>(including renewal)</i>	\$7.8m <i>(excluding depreciation)</i>	RATES 69% OTHER 31%	\$11 
Transportation 	\$14.3m <i>(including renewal)</i>	\$10.6m <i>(excluding depreciation)</i>	RATES 39% OTHER 61%	\$11 

The year in review

\$100.6 million
TOTAL EXPENDITURE
(COMPARED WITH BUDGET OF \$99 MILLION)

\$51.6 million
RATES REVENUE LEVIED
(COMPARED WITH BUDGET OF \$50.8 MILLION)

\$15 million
**RECEIVED IN DEVELOPMENT
CONTRIBUTIONS REVENUE**
(COMPARED WITH BUDGET OF \$12.3 MILLION)

\$1.5 billion
TOTAL COUNCIL NET ASSETS
(2017: \$1.5 BILLION)





Summary financial statements

Selwyn District Council continued to experience high levels of population and economic growth during the 2017/18 financial year. The financial results for the year are a reflection of the success of the district as a whole.

Operating expenditure for the year was \$100.6 million compared with a budget of \$99.0 million.

Revenue for the year was \$146.0 million, compared with budget of \$128.6 million. This figure includes a number of non-cash revenue items as well as higher dividend, and rates revenue compared with budget.

Dividend revenue was \$1.0 million above budget due to higher dividend revenue received from our investments in Orion New Zealand Limited, Sicon Limited and Transwaste Canterbury Limited.

Rates revenue was \$0.8 million above budget due to higher levels of population growth in the district compared with those projected in the budget.

Development contributions revenue \$2.7 million above budget as the level of housing development in the district continues to be more rapid than expected. Development contributions are retained in a separate account to fund new infrastructure and are not available to reduce the level of rates.

Vested asset revenue was \$4.8 million higher than budget due to the higher than expected level of subdivision activity. Vested assets are predominantly infrastructure, such as roads and water services, established by developers then transferred to the council for ongoing ownership and management. This is a non-cash item and is not available to reduce rates.

Land sales revenue was ahead of budget by \$5.5 million due to the sale of land in the Izone Southern Business Hub being ahead of budget.



Cash flow

The Council has a positive **operating cash flow** of \$51 million. The operating cash flow is used to fund the capital expenditure programme.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the Council.

Equity

The value of the Council's net assets increased by \$45 million for the year ended 30 June 2018.

The increase was due to the surplus of \$45 million.

The value of the Council's net assets is \$1.548 billion (2017: \$1.503 billion).

Assets

Cash and cash equivalents held at year end is higher than budgeted by \$7 million.

Inventory is higher than budgeted by \$1.2 million due to the timing of sale of land at Izone.

Other financial assets which includes term deposits held by council are lower than budget by \$2 million.

Investment in council controlled organisations is higher than budget by \$22.9 million largely due to the increase in the value of the Council's investment in Orion New Zealand and Sicon Limited & Group during the 2017 financial year.

Property, plant and equipment is lower than budget by \$6.8 million due to the timing of completion of some large capital projects.

Liabilities

Borrowings are lower than budget by \$53.5 million because the budget included higher borrowing levels in the current year to fund capital projects which have been funded using existing cash reserves or have been carried forward for completion in future periods.

Events after balance date

There were no significant post balance date events. (2017: On the 1st July 2017 the Council transferred our rural fire assets to the newly established Fire and Emergency New Zealand. The Council transferred assets with a carrying value of \$500,000 and have agreed to contribute \$600,000 towards the construction of a new fire station at West Melton.)

Summary statement of comprehensive revenue and expense

for the year ended 30 June 2018

	Council	Council	Council	Group	Group
	2017/18	Budget	2016/17	2017/18	2016/17
	\$000	\$000	\$000	\$000	\$000
Total revenue	145,956	128,601	169,804	188,407	207,772
Other expenditure	(99,535)	(95,643)	(103,959)	(139,615)	(138,769)
Finance costs	(1,100)	(3,313)	(1,210)	(1,208)	(1,279)
Operating surplus/(deficit) before taxation	45,321	29,645	64,635	47,584	67,724
Income taxation expense (benefit)	36	-	40	1,042	1,147
Surplus/(deficit) after taxation	45,285	29,645	64,595	46,542	66,578
<i>Other comprehensive revenue and expense</i>					
<i>Items that will be reclassified to surplus/(deficit)</i>					
Financial assets at fair value	-	-	25,032	-	15,782
<i>Items that will not be reclassified to surplus/(deficit)</i>					
Gain/(loss) on infrastructure assets revaluation	-	-	23,980	-	23,980
Gain on land and building revaluation	-	-	-	(15)	65
Total other comprehensive revenue and expense	-	-	49,012	(15)	39,827
Total comprehensive revenue and expense	45,285	29,645	113,607	46,527	106,404
<i>Total comprehensive revenue and expense attributable to:</i>					
Selwyn District Council	45,285	29,645	113,607	46,679	106,577
Minority interest	-	-	-	(152)	(173)
Total comprehensive revenue and expense	45,285	29,645	113,607	46,527	106,404

Summary statement of changes in equity

for the year ended 30 June 2018

	Council	Council	Council	Group	Group
	2017/18	Budget	2016/17	2017/18	2016/17
	\$000	\$000	\$000	\$000	\$000
Balance at 1 July	1,502,855	1,449,128	1,389,248	1,500,554	1,390,400
Total comprehensive revenue and expense for the year	45,285	29,645	113,607	46,527	106,404
Contributions from minority interest	-	-	-	-	3,750
Balance at 30 June	1,548,140	1,478,773	1,502,855	1,547,081	1,500,554
<i>Components of equity:</i>					
General funds	903,907	873,712	851,979	912,510	859,173
Fair value through other comprehensive revenue reserve	65,577	42,368	65,577	52,326	52,326
Special funds	57,742	54,098	63,074	57,742	63,074
Asset revaluation reserve	520,914	508,595	522,225	521,078	522,404
Minority interest	-	-	-	3,425	3,577
Total equity	1,548,140	1,478,773	1,502,855	1,547,081	1,500,554

Summary statement of financial position

for the year ended 30 June 2018

	Council	Council	Council	Group	Group
	2017/18	Budget	2016/17	2017/18	2016/17
	\$000	\$000	\$000	\$000	\$000
Current assets	93,218	21,794	111,228	102,869	119,101
Non-current assets	1,490,811	1,543,257	1,447,181	1,485,757	1,444,080
Total assets	1,584,029	1,565,051	1,558,409	1,588,626	1,563,181
Current liabilities	34,414	16,171	38,761	40,213	45,979
Non-current assets	1,475	70,107	16,793	1,332	16,648
Total liabilities	35,889	86,278	55,554	41,545	62,627
Selwyn District Council	1,548,140	1,478,773	1,502,855	1,543,656	1,496,977
Non-controlling interest	-	-	-	3,425	3,577
Total equity	1,548,140	1,478,773	1,502,855	1,547,081	1,500,554
Total liabilities and equity	1,584,029	1,565,051	1,558,409	1,588,626	1,563,181

Summary statement of cash flows

for the year ended 30 June 2018

	Council	Council	Council	Group	Group
	2017/18	Budget	2016/17	2017/18	2016/17
	\$000	\$000	\$000	\$000	\$000
Net cash flow from operating activities	51,303	25,317	50,035	55,413	53,396
Net cash flow from investing activities	(28,368)	(58,855)	(59,002)	(29,701)	(61,155)
Net cash flow from financing activities	(20,000)	33,483	(14)	(20,000)	(8,491)
Net increase/(decrease) in cash and cash equivalents	2,935	(55)	(8,981)	5,712	(16,250)
Cash, cash equivalents at the end of the year	9,753	2,761	6,818	11,922	6,210

Summary funding impact statement

for the year ended 30 June 2018

	2017/18	2017/18	2016/17	2016/17
	Actual	Budget	Actual	Budget
	\$'000	\$'000	\$'000	\$'000
Total operating funding (A)	83,792	81,071	83,004	73,849
Total application of operating funding (B)	72,578	74,217	70,898	71,915
Surplus/(deficit) of operating funding (A-B)	11,214	6,854	12,106	1,934
Total sources of capital funding (C)	19,083	69,518	58,987	78,188
Total applications of capital funding (D)	30,297	76,372	71,093	80,122
Surplus/(deficit) of capital funding (C-D)	(11,214)	(6,854)	(12,106)	(1,934)
Funding balance (A-B) + (C-D)	-	-	-	-

Annual Report disclosure statement

Summary for the year ended 30 June 2018

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The 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.

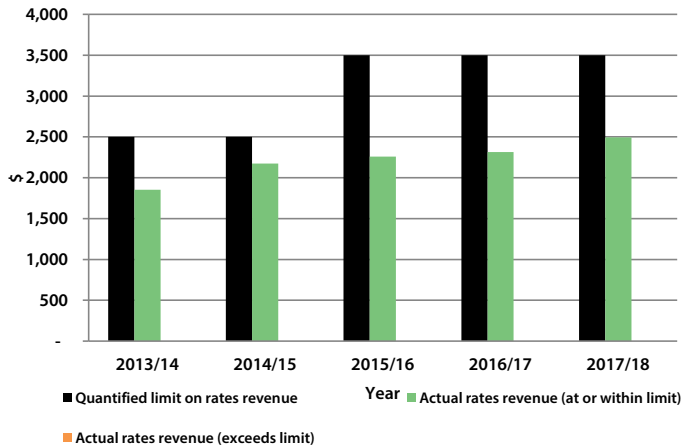
Rating base information

The number of rating units within the district at the end of the preceding financial year: 26,659

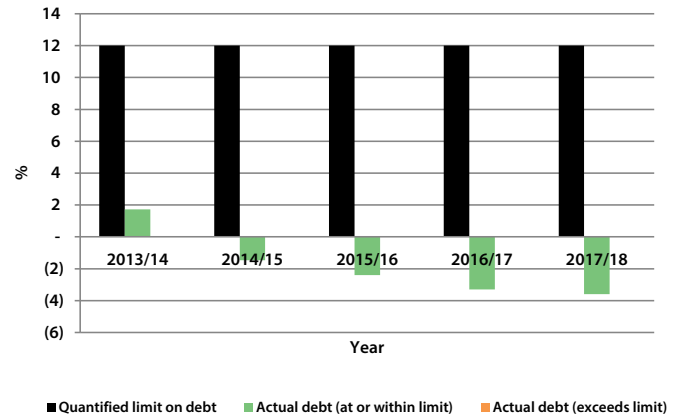
The total capital value of rating units within the district at the end of the preceding financial year: \$21.6 billion

The total land value of rating units at the end of the preceding financial year: \$11.4 billion

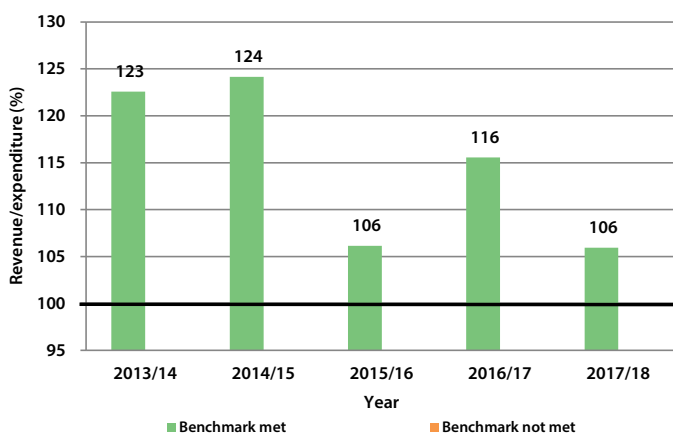
Rates affordability benchmark



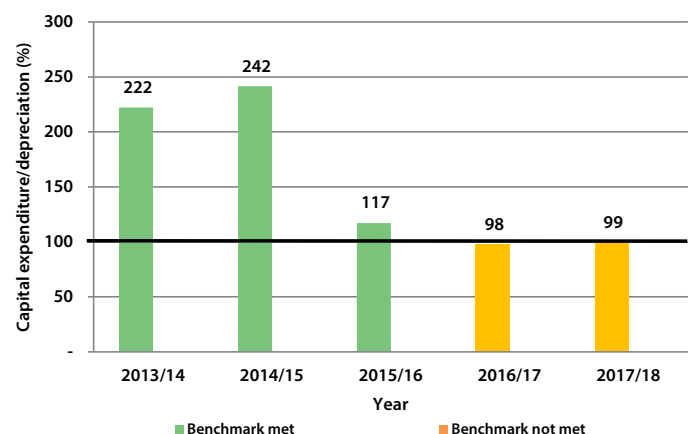
Debt affordability benchmark



Balanced budget benchmark

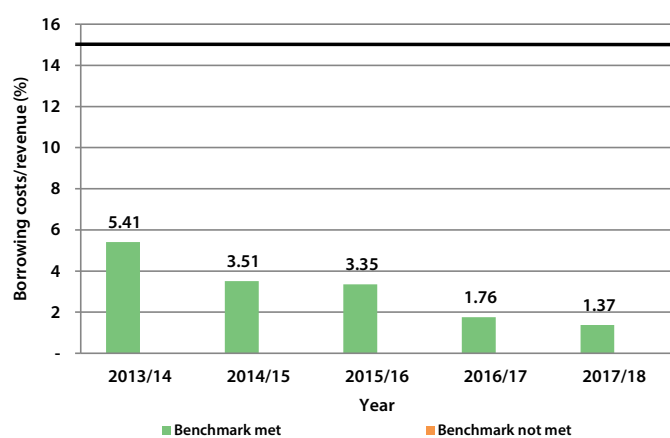


Essential services benchmark

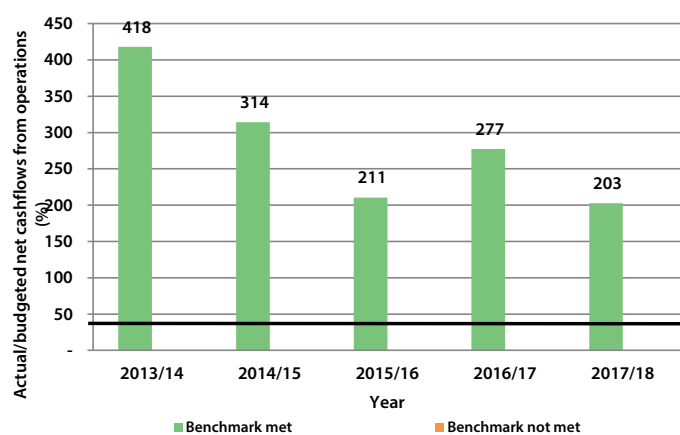




Debt servicing benchmark



Operations control benchmark



Independent Auditor's Report

To the readers of Selwyn District Council and group's summary of the annual report for the year ended 30 June 2018

The summary of the annual report was derived from the annual report of the Selwyn District Council (the District Council) and group for the year ended 30 June 2018.

The summary of the annual report comprises the following summary statements on pages 1, pages 4 to 7, pages 12 to 13 and pages 16 to 23:

- the summary statement of financial position as at 30 June 2018;
- 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 2018;
- other explanatory information; and
- the summary statement of service performance.

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2018 in our auditor's report dated 10 October 2018.

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 reporting on the summary of the annual report, we have reported on the full annual report and have carried out the District Council's 2018-28 long term plan, and performed a limited assurance engagement related to the District Council's debenture trust deed. Other than these engagements, we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.



John Mackey,
Audit New Zealand
On behalf of the Auditor General
Christchurch, New Zealand
29 October 2018

Selwyn District Council

Sam Broughton (Mayor)

Bob Mugford

Craig Watson

Debra Hasson

Grant Miller

Jeff Bland

John Morten

Malcolm Lyall

Mark Alexander

Murray Lemon

Nicole Reid

Pat McEvedy

Malvern Community Board

Jenny Gallagher (Chairperson)

Judith Pascoe

Karen Meares

Kerry Pauling

Megan Hands

