

He Whakarāpopoto Rīpoata ā-tau 2024/25 Annual Report Summary



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He kupu nā te Tumu Whakarae | Message from the Chief Executive

**Welcome to our Annual Report for
the 2024/25 financial year.**



Following a number of years of disruption, we can report a year of relative stability, albeit with challenging economic conditions affecting our businesses and communities, while driving costs within council business. We have also faced a storm of reforms coming through from Central Government that will impact our communities into the future.

Operationally, we have had the time and space to complete much of our 2023 cyclone recovery work, and to focus on getting back to delivering our business as usual. This, at its heart, is about looking after our communities – providing the leadership, infrastructure, facilities and services that help our communities thrive and adapt to changing circumstances.

Our year has focussed on repairing and maintaining roads, upgrading our water services in line with new government requirements, collecting rubbish and recycling, maintaining our well-loved parks and reserves, and building capacity within our communities to withstand future natural disasters or economic shocks.

We ran three major and overlapping consultation processes during the year. Each process came with legal requirements that set out when we had to run it and added time and cost to the process. We work hard to communicate with you in the ways that suit you best and give you easy options for sharing your feedback. We are

grateful to those who engaged and helped inform our decision making on our waste services, our rating system and on our proposal for the future delivery of our three water services. All of these decisions are now made and we are in the implementation phase.

Financially our performance was strong. A focus on cost control and delivering within budgets has seen controllable operating costs come in below budget. Council has maintained a relatively balanced budget, despite the drop in our development-related revenue due to challenging economic conditions. The focus on our project management processes has shown marked improvement in our project delivery from previous years. At year's end we have delivered a higher percentage of projects than previous years and have a number of multi-year projects contracted for delivery.

For the first time we have conducted a community perception survey, and the results are referred to throughout this annual report, forming a good basis for measuring how our community views our performance in the future.

A handwritten signature in blue ink, appearing to read 'Aileen Lawrie'.

Aileen Lawrie,
Chief Executive,
Thames-Coromandel District Council

Ngā mahi whakahira | Our highlights

Completion of Recovery Activity

The North Island weather events of early 2023 are now well behind us. The last 12 months have seen us largely completing the work to fix our damaged roads, and we have been able to access a higher than usual rate of government co-funding to get this work done. During the year we finalised our recovery work programme, captured our learnings and embedded changes in our business as usual to ensure we are more resilient and able to cope better with future events.

Since the severe weather of early 2023, we have made good progress helping our more isolation-prone communities be less cut off when roads and telecommunications fail. We are working with community groups and partners to help our people across the district access services, programmes and opportunities that underpin and contribute to their communities' health, safety and liveliness. As part of this, we are encouraging local business opportunities, events, visitor attractions and services.

Partnership with Iwi and Māori communities

We've also been making progress towards laying stronger foundations to develop meaningful partnerships with Hauraki iwi and Māori communities; we are working towards building strong, enduring relationships founded on trust, respect and partnership. That means working with Hauraki iwi more closely on a wide range of projects, knowing and understanding each other's aspirations and priorities, and looking for more opportunities to collaborate in ways that promote the wellbeing of our shared communities.

Water Services Transition

We have seen the progression of legislation requiring councils to meet sustainability tests with the delivery of water services. Our Council has run a robust process over the last 12 months to identify, model, consult and then decide on its preferred water services delivery model. We received 241 responses to our waters delivery proposal, with views fairly evenly split between an in-house model and an aggregated Water Services Organisation (WSO). The feedback very clearly identified cost as the main motivator for our respondents. We therefore selected to join a WSO with Western Bay of Plenty District Council (WBOPDC) and Tauranga City Council (TCC) as our preferred option, with modeling showing a \$500 savings per connection by 2034. Unfortunately, after year's end WBOPDC voted to join forces with TCC only, leaving us in a stand-alone business unit for the time being. As this Annual Report was being prepared the issue has continued to evolve. No matter

what happens, water will continue to run when taps are turned and toilets will continue to flush.

Investment in Drinking Water

At the same time as reviewing water service delivery, new standards are driving the need for greater investment in the water infrastructure. We invested \$8.3 million implementing necessary upgrades in response to increased drinking water standards, with significant work made on the new treatment plants for Hāhei and Matarangi. In addition, roofs were replaced on reservoirs at Matarangi and Tairua, losses to leakage across our networks were reduced and early groundwork was advanced on the Thames Valley water improvements project. One part of the project included completing the Pūriri Valley Road water main upgrade. Once completed, this project will mean another 500 households will have safe, compliant, drinking water. Of those who are connected to a Council water supply, 77% are satisfied with our service.

Rating Review

During the course of the year, our Council reconsidered the basis for its rating system and consulted on a move to a capital value system, widely considered a more equitable system to apportion rates. The consultation process attracted considerable feedback and the decision was made to move to capital value in time for the 2026-27 rates.

Reform Storm

The year just passed has been notable for its lack of major external shocks compared to most of the last five years, when we had pandemics, extreme weather, road closures and community isolation. The past year has however seen many reforms coming through from central government that will have lasting impact on communities. Many of these processes have been on tight timetables and we have done our best to engage constructively with the government via submissions and various forums. Water reforms, Resource Management Act, Building Act and Local Government Act are all subject to reform, and these are our Council's main guiding legislation, directly affecting what we do and how we do it.

Community Survey

A new feature of this Annual Report is the inclusion of results from our ongoing community satisfaction survey that we started in early 2025. This involves asking residents who live in the district and ratepayers who usually live outside it for their views on our activities, infrastructure and services across the board, and looking at how we can do better based on the feedback. Throughout this report you'll see references to the survey responses.

Waste Reduction

As a district, we made great progress in reducing the amount of waste we send to landfill. The amount of food and green waste we put out in our kerbside rubbish bins has almost halved since 2021, and fewer recyclables are going into our rubbish bins too. Over the last three years, our communities have diverted 44 tonnes of soft plastics from landfill by recycling them instead. We supported waste reduction education in the community and in schools. We've invested in our seven Refuse and Recycling Transfer Stations and started construction on a new transfer station in Whitianga, securing a \$5.9 million grant from the government's Waste Minimisation Fund. Our kerbside rubbish, recycling and food waste collections ran much more smoothly this year than in the previous year, in which a new system using a new contractor was introduced. 56% of our community survey respondents say they are satisfied with our overall waste management.

Community Spaces and Places

Our community spaces are treasured by our residents, bach owners and visitors and we continued to maintain and improve our boat ramps and wharves, public toilets, libraries, community halls, parks and reserves, playing fields, airfields and cemeteries. These assets provide spaces and places where people can come together to play, have fun, compete, connect, celebrate, commemorate and provide recreational opportunities that support our economy.

As a district, we provide many facilities designed to give enjoyment of our natural environment and to care for it by providing convenient facilities (pun intended) for residents and tourists alike. All of these come at a cost to our rates and we know there is a high level of community satisfaction – around 70% - with these facilities, as measured by our surveying. We continue to lobby for government contribution to the running of our facilities that are heavily tourist focused and we supported the increase in the visitor tourism levy for this reason.

Climate Adaptation

Climate change continues to be at the forefront of our Council's long-term planning with \$92.7 million allocated over the next decade for coastal protection works (projects like seawalls and beach replenishment). Most of this work has focused on Thames so far, where we've asked for community input, designed plans and assessed how rivers might behave in future floods. It's become clear that we need to work more closely with the Waikato Regional Council. We've agreed to talk more how we might line up our coastal protection plans with theirs in Thames, so our mahi is co-ordinated and effective.

We had planned to carry out maintenance of seawalls and installation of bollards in Mercury Bay over 2024/25 but instead redirected our budget to building a 30m rock seawall extension along Buffalo Beach Road, Whitianga. Although unscheduled, this work was considered crucial to repair significant coastal erosion following Cyclone Gabrielle.

Our Council has more recently adopted its Climate Change Strategy for directing our organisational response to climate change. As we move forward, it sets out what we will do to adapt and protect our assets and services, and our approach to working with communities.

Financial Performance

Our Council's financial position is generally in line with expectations. Debt is significantly below forecast levels with net external debt at 42% of total revenue. During the past year the council has faced a number of financial challenges with cost escalations in specific areas ahead of what was planned for. These cost escalations have generally been managed through careful delivery of services and deferral of projects where total cost is significantly above budget. We have met most of our financial reporting benchmarks.





Roading recovery mostly complete

Storm recovery works finished at more than 30 sites

- 2100m³ of unstable material removed at **Pumpkin Hill, Tairua**
- Retaining wall constructed on **Kennedy Bay Rd**
- Wall structures constructed on **Port Jackson Rd**
- Stabilised slope on **Colville Road**
- Maintenance of **Morrison Rd Bridge, Tairua**
- Retaining wall construction at **Oamaru Bay**
- Slip repair at **Hot Water Beach**
- Retaining wall construction at **Amodeo Bay**
- Slip stabilised at **Thornton Bay**



From recovery to long-term resilience



Assessment done of **what's needed to grow our workforce**

60 community/not-for-profit groups joined our **fundraising workshops**

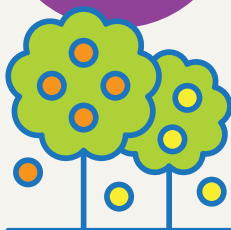


Three tupu kai community garden trials

continue to build local food resilience

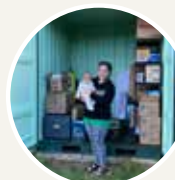


More than **100 fruit trees** planted by volunteers across 23 towns



Delivering value through investing with others

- Opening of the **Coromandel Dog Park**
- **New playground in Coromandel** township
- An **upgraded multi-sports facility in Cooks Beach**
- **New lights and refurbished skate half pipe** at Patukiriki Reserve, Coromandel
- **11 InZone career kiosks** provided in Hauraki and Coromandel
- 31 young people **placed into jobs**
- Council and community secured site for **Whangamatā Community Marae and Wellbeing Hub**
- **Murals with youth** at Hāhei Skatepark and Porritt Park, Thames
- 42 communities delivered **emergency preparedness training and resources**





Other local touch-ups

- Consultation on the **Whitianga Esplanade** redevelopment started
- **Ruamahunga boat ramp** upgrade
- Removal of dangerous trees from **Shortland Cemetery**
- An upgraded **multi-sports facility in Mercury Bay**
- **Maintenance work on toilets** at Coroglen, Whitianga Wharf, Matarangi, Kennedy Park (Pāuanui)
- **Many new rubbish bins**
- **New fencing** at Matarangi Tennis Courts and Rhodes Park, Thames
- **Picnic tables** at Pāuanui (Tangiteroria Lane) and Coromandel (Dog Park, Hauraki House, Sandy Bay)
- Other **dog facilities** in Burke Street Reserve, Thames
- **Matarangi basketball** half court installation
- **Restorative planting** in Opito Bay and Matarangi lakes and reserves
- **Historical signage** in Whangapoua
- **Track and access improvements** at Paku Summit walkway (Tairua) and Long Bay Motor Camp (Coromandel)
- **New barbeque** at Royal Billy Point, Pāuanui
- **Outdoor shower** at Tairua Surf Club refurbished
- **Refurbishment of various playgrounds** across our district



- **New bike rack** in Whangamatā
- Replacement **memorial seat** at Onemana Reserve
- Improvements at **Island View Reserve, Whangamatā**
- **Cricket Wicket resurfacing** at Rhodes Park, Thames
- Replacement of the **1902 Boer War Memorial spire** after vandalism
- Refurbishment of **pedestrian bridges** in Pāuanui



Asking what you thought about our proposals



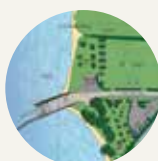
Summer **rubbish and recycling collection** changes

How we allocate some of our rates bills



Whether our **waters services** should stay inhouse or be delivered with others

How we develop a **harbourside reserve** in Matarangi



Our regulations around parking and traffic control



Progressing important projects

- Construction started on the **new Whitianga refuse transfer station site**
- Over 700k spent on **stormwater improvements in Whangamatā**, helping protect homes from flooding and our harbours
- **Pāuanui wastewater treatment plant** odour issues addressed
- Progressed **Thames South water treatment upgrade**, so that those households have safe drinking water
- **Roofs** of two water reservoirs replaced, keeping drinking water clean and tanks strong
- **30m rock seawall extension built** along Buffalo Beach, Whitianga, to shield from erosion and storms
- 142,268m² of **sealed roads resurfaced** to keep them maintained, despite increased costs



Use of our services

- 50 new Aotearoa New Zealand **citizens welcomed**
- **53,765 phone calls received** during working hours
- **1,620 community centre and hall bookings**
- **303,000 visitors to our libraries** (online and in person)
- 175,223 **books issued at our libraries**



- **‘Lead the Way’ dog campaign**: 700 people engaged in person and 20,000 reached online, to help dog owners better understand responsible pet behaviour and keep public places clean and safe
- 1,085 **LIM applications received**
- Over 487 people attended **10 waste-free living workshop**
- 36 schools/ECEs participated in **waste education programmes**



A helping hand goes a long way

Our community boards made many locally funded contributions to community organisations to help them make things happen:

Thames

- Thames Community Patrol for a dashcam and hi-vis vests (**\$1,075**)
- Thames Community Centre for their driver's license programme (**\$5,175**)
- Ngāti Maru for Christmas in the Park (**\$6,800**)
- Thames Business Association for traffic management for the Thames Santa Parade 2024 (**\$5,140**)
- CAPS Hauraki for a Children's Day event at Victoria Park, 2 March 2025 (**\$7,148**)
- Procurement of works on the Porritt Park basketball court and playground from All Garden Works (**\$25,847**)
- Thames Music and Drama to hire the Civic Centre for the School of Rock production (**\$4,974**)
- Thames Public Art Trust (across multiple applications) for visitor information signs at the Civic Centre, Porritt Park, and in Grahamstown (**\$11,130**)
- TCDC procurement using Ventia (across multiple applications) for Information Centre and Queen St signage (**\$16,788**)
- Steam Punk The Thames for traffic management of the Steam Punk Parade, November 2024 (**\$4,907**)
- Thames Community Patrol for a marquee during the Safer Plate Service initiative (**\$1,311**)
- Ngāti Maru for guest speakers, food, and t-shirts for the Rangatahi Summit event (**\$11,080**)
- Thames Air Training Corps for a gazebo for training events and fundraisers (**\$2,755**)
- Thames Public Art Trust for an information sign at the Kauri Dam (**\$6,130**)
- Thames Pickleball Group to hire the Jack McLean Centre (**\$1,792**)
- Thames Grey Power to register for the Grey Power Federation AGM in Wellington (**\$1,667**)

Coromandel-Colville

- Coromandel Community Arts Council for tekoteko replacement on Memorial Reserve Kapanga Road (\$2,500)
- Little Bay Ratepayers Association for replacement AED (\$2,484)
- Forest and Bird Upper Coromandel for plant/pest eradication (\$5,000)
- Coromandel Area School for accommodation on Rarotonga/Aitutaki trip (\$5,750)
- Coromandel Community Library for operational costs (\$15,000)
- Spirit of Coromandel Trust to purchase mower (\$21,850)
- Arts Tour Event (\$1,200)
- Friends of St Pauls Harataunga for building repairs for 125-year anniversary celebrations (\$4,000)

Mercury Bay

- Eloise Green for fairies, pirates, and princess picnic event (\$520)
- Mercury Bay Business Association for Santa Parade and Christmas Night Markets (\$6,513)
- Whitianga Bike Club for purchasing roof ventilators and servicing two portaloos (\$1,034)
- Procurement for Mercury Bay Volunteers celebration catering on 18 June (\$259)

Tairua-Pāuanui

- Tairua Community Hall Society for hall leases costs and annex carpet (\$10,000)
- Tairua Information and Community Services for running summer events (\$9,235)
- Tairua Resident and Ratepayers Association for Waikato Regional Council (WRC) resource consent fees and environmental assessment for pontoon resource consent application (\$2,035)
- Tairua Community Menz Shed Inc for groups administration expenses (\$1,620)
- Tairua/Pāuanui Community Promotions for sponsorship and costs of New Year's Eve fireworks (\$11,500)
- Tairua Elim Church for Light Part Event at Pepe Reserve (\$4,600)
- Pāuanui Resident and Ratepayers for rabbit control, (bait and bait stations) and volunteer stall sites at summer events (\$1,760)
- Tairua Heritage Group for theatre production costs (\$3,000)

- Pāuanui Sports and Recreation Club Inc for annual summer events (\$17,250)
- Tairua Business Association for Tairua Spring Fling event (\$1,000)
- Walk Tairua for installation of bund on Pepe walkway (\$5,000)

Whangamatā

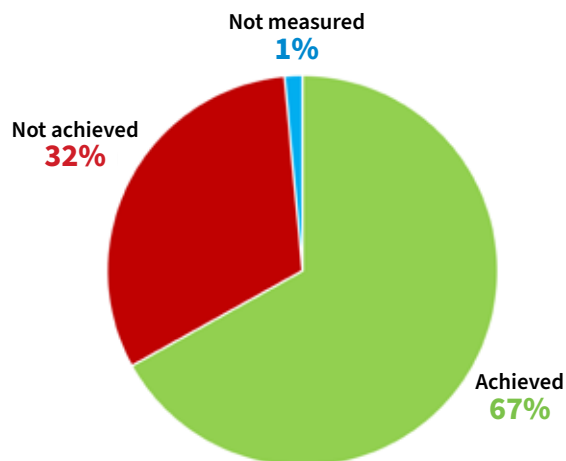
- Whangamatā Community Library (across multiple applications) for holiday programmes, an additional part-time librarian, and accounting charges (\$12,359)
- Whangamatā Harbour Care (across multiple applications) for bird signage and administrative costs (\$3,823)
- Whangamatā Indoor Bowls for hall hire and storage fees (\$550)
- Whangamatā Croquet Club for building repairs and maintenance (\$1,725)
- Whangamatā Community Church for annual carols in the park (\$2,273)
- Whangamatā RSA for ANZAC 2025 (\$4,114)
- Whangamatā Ocean Sports Club for fishing tournament and kids fishing events (\$1,150)
- Whangamatā Summer Festival for summer festival markets (\$2,300)
- Arts Collective Whangamatā for accounting costs and a storage container (\$4,460)
- Enterprise Whangamatā for accounting costs (\$863)
- Whangamatā Bridge Club for card dealing machine (\$2,000)
- Whangamatā Community Patrol for new vehicle (\$10,000)
- Whangamatā Real Estate for Christmas Fair at Williamson Park (\$2,300)
- Whangamatā Rugby & Sports Club for hosting Thames Valley Representative (\$2,300)
- Ross Stewart for promotion of the Obsidian Challenge Event (\$500)
- Procurement of Christmas decoration replacement by Marketing Works (\$27,728)
- Whangamatā Surf Life Savings Club for club renovation (\$11,500)
- Whangamatā Resource Recovery Trust for business cards and financial software (\$628)
- Ōpoutere Community Hall for purchasing heating for the Hall (\$3,000)
- Eastern Coromandel Community Services for food bank and comfort kai costs (\$2,300)

Tirohanga Whanui o Ngā Whakahaere Ratonga |

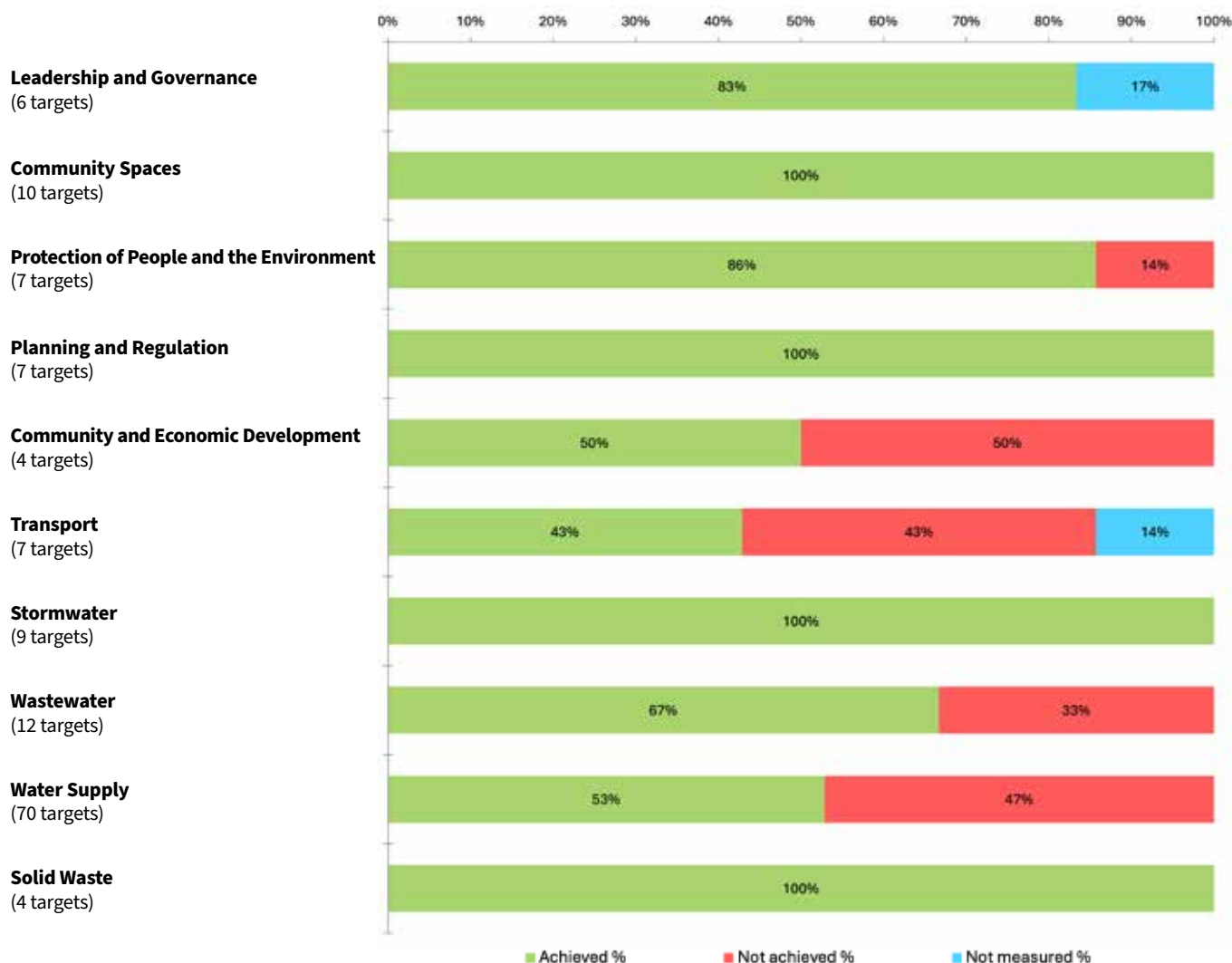
Summary of Service Performance Overview

This year's results highlight both progress and pressure points in delivering services to our communities. Across our ten activity areas, we achieved 67% of our performance targets – showing steady improvement in responsiveness, safety, timeliness and compliance. New national rules for reporting on our water services meant we're reporting on a lot more than in the past. Overall, the results show where we're meeting expectations and where there is room for improvement.

The graph below shows our service performance results. We then explain why we haven't met all of our targets.







Our results for each activity group



Why we didn't achieve some of our targets

This year we didn't achieve some of our targets. The summary below explains the main reasons why. You can find more details in the 'Delivering on our priorities' section of our full annual report.

| Our service | Why some targets weren't met or measured |
|--|---|
|  Coastal hazard and management | <p>In 2024, we set aside \$92.7 million over 10 years for coastal protection works including seawalls and beach replenishment. This year, the planned work in Mercury Bay – like seawall maintenance and new bollards – was put on hold so we could urgently extend the 30 metre rock seawall along Buffalo Beach Road, Whitianga, after Cyclone Gabrielle caused erosion. The original programme has been adjusted: the Mercury Bay Dune Protection is now planned for in 2025/26, and the Mercury Bay coastal protection asset renewal has been stopped after confirming that Whitianga Marina Limited owns the asset.</p> |
|  Economic development | <p>In May 2025, we asked 102 local businesses how supported they feel by our Council. The results were mixed: only 26% said they felt supported, 47% were neutral, and 28% felt unsupported. Respondents who felt less supported highlighted opportunities for our Council to simplify processes and build stronger relationships with local businesses, noting ongoing challenges with infrastructure investment, value for money, communication, regulatory and planning requirements. In response, we'll be improving how we promote the support we offer and looking for better ways to connect with local businesses.</p> <p>We also allocated \$58,500 to seven local events through two funding rounds. Some funding wasn't allocated because of eligibility and timing rules. To improve this, we're making the fund more flexible so it can support more events across our district.</p> |
|  Transport | <p>The costs of resurfacing sealed roads rose more than forecast, which meant we couldn't meet our target of 5% while staying within budget. Similar cost pressures are expected to continue into the year 2025/26, and we will continue to manage these challenges in an effort to achieve our target. There was also an increase in fatalities and serious injury crashes on local roads. After reviewing New Zealand Police reports and inspecting the crash sites, no road condition issues were found to have contributed to the incidents.</p> |
|  Wastewater | <p>This year we recorded 30 dry-weather overflows. The higher number partly reflects new reporting of smaller overflows that have reached the local ground area. We've identified key sites for CCTV inspection next year. In the meantime, we're upgrading our flushing programme in critical areas, reviewing high-overflow sites by October 2025, and starting targeted flushing in January 2026.</p> <p>We received 33 odour complaints, mostly from manholes and pump stations. Only two were linked to the Pāuanui treatment plant before its new odour system was fully up and running. A flushing upgrade planned for January 2026 should help reduce odours further.</p> <p>We also had 110 system fault complaints and 39 pipe blockages. We're continuing to work with our contractor to improve reporting and reduce response delays.</p> |

We didn't meet our targets for water loss in Thames, Coromandel, Pāuanui and Thames South. However, we made significant progress in Coromandel township this year in reducing system leaks by carrying out several leak detection surveys. Repair and renewal work in Pāuanui, Thames and Thames South is expected to show benefits from 2025/26.

Urgent call-out response times to customer issues met targets, but non-urgent jobs took longer because of the high number of service requests from billing, meter reading and fault work, as well as delays in closing jobs in the system (rather than field staff being slow to attend to issues).

We received 421 complaints about water interruptions, mostly in Thames South where pipe repairs required shutdowns. The rise in complaints is mainly because pipe failures affected wider areas, resulting in multiple customers reporting the same outage, with each complaint logged separately. Once the Thames South water treatment plant is completed in June 2028, it will help minimise future complaints of this nature.

The Department of Internal Affairs introduced new reporting rules this year, linking directly to the Drinking Water Quality Assurance Rules 2022 (DWQAR). We've continued to face some challenges meeting these requirements.



Water supply

- **Thames:** Protozoal requirements were exceeded due to UV disinfection settings (now resolved) and turbidity caused by adverse weather.
- **Thames South (Omahu/Thames Valley), Matatoki and Pūriri** remain on permanent boil water notices and do not meet the national drinking water standards, as expected and reflected in our LTP target, until the new plant opens in June 2028.
- **Coromandel:** Turbidity exceeded protozoal requirements during membrane servicing.
- **Matarangi:** Ageing equipment led to bacterial and protozoal issues. A new treatment plant, due November 2025, will resolve this. A separate bacterial non-compliance caused by sampling delays has been resolved.
- **Whitianga:** The Whitianga Treatment Plant met protozoal rules 98.6% of the time, with non-compliance mainly caused by December issues involving excess recycled water, elevated turbidity, and missed sensor checks, along with a few minor membrane and recycled water faults in other months.
- **Tairua:** Turbidity exceeded protozoal targets during membrane servicing.
- **Pāuanui:** Insufficient membrane testing causing a protozoal issue is now resolved.
- **Whangamatā, Wentworth, Beverley and Moana Point:** A mix of UV equipment failure, chlorine or turbidity exceedances, and UV programming errors led to bacterial and protozoal issues. All these have since been resolved.

Ngā Taumata ā Kaunihera me te Tohatoha Pūtea | Council Benchmarks and Where Your Money was Allocated

Part 2 of The Local Government (Financial Reporting and Prudence) Regulations require us to disclose our financial performance in relation to various benchmarks. A complete picture of the results can be obtained from the full Annual Report. The following is a snap shot of the results that were obtained in the 2024/25 financial year.

Rates affordability benchmarks



- 73% of total revenue received by Council was rates income. Rates received is capped at 80% of total revenue received.
- Rates rose by 14% for existing ratepayers. Council's limit was that rates must not rise by more than 9.7% in the 2024/25 financial year. Council's rates are outside the quantified limit in 2024/25 due to escalating costs to service delivery as forecasted in the financial strategy included in the Council's Long Term Plan.

Debt affordability benchmarks



- Total net external debt was \$65.7 million as at 30 June 2025 and was equivalent to 43% of total revenue. This is \$164 million under our total external debt cap of \$229.6 million (150% of total revenue).
- Net external interest on external debt was 3.1% of rates revenue. This was well within the limit set of 15%.
- Net interest on external debt was 5.6% of operating revenue. This was well within the limit set of 15%.

Balanced budget benchmark



- Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment) was 108% of total operating expenditure (excluding vested expenditure).

Essential services benchmark



- Council met this benchmark for the 2024/25 financial year as capital expenditure on network services was 123% of depreciation expenditure on network services.

Debt servicing benchmark



- Council's borrowing costs are 3.0% of its operating revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment). Council meets this benchmark if its borrowing costs equal or are less than 10% of its revenue.

Debt control benchmark



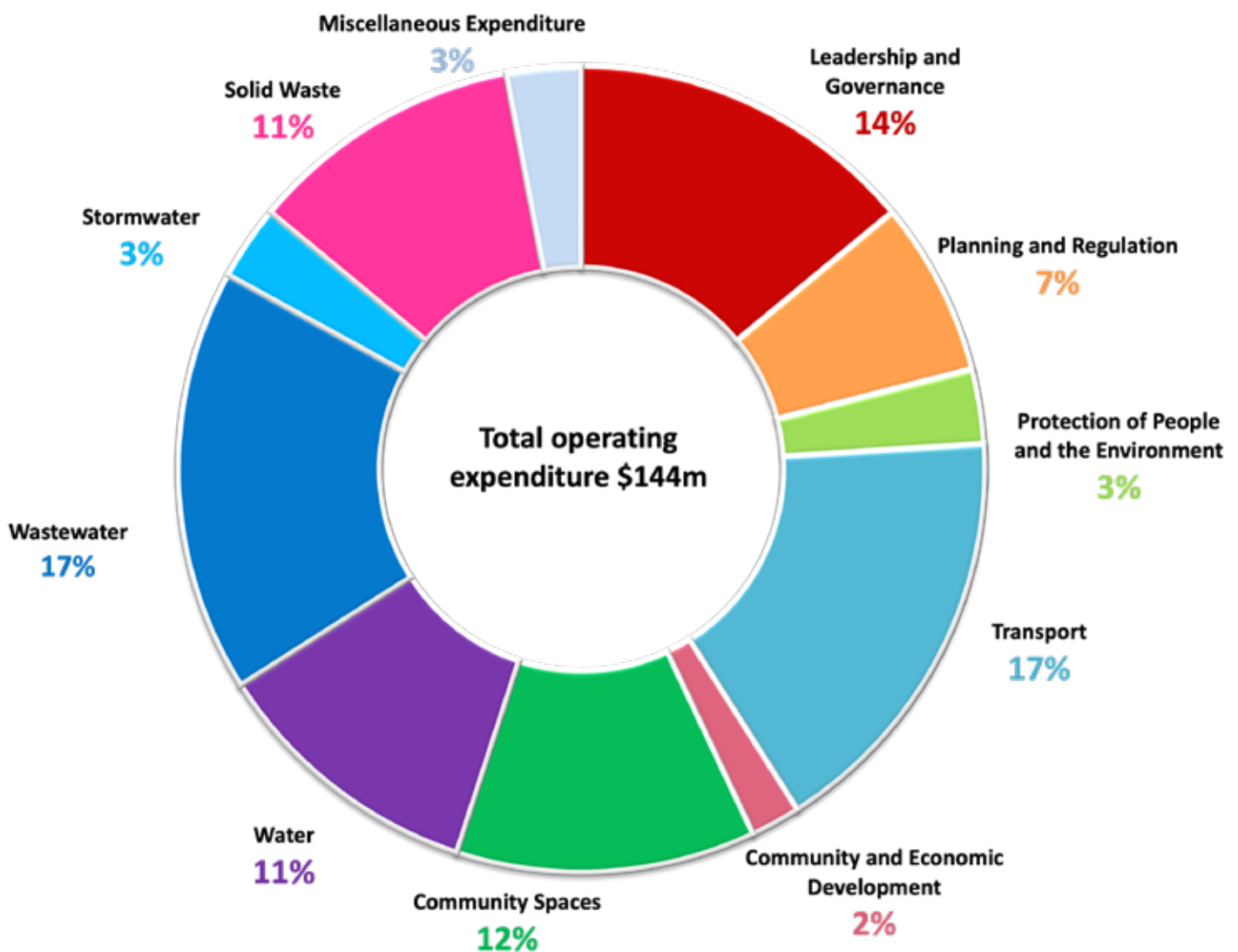
- Council's actual net debt of \$84.2 million was 67% of its planned net debt as at 30 June 2025. Net debt means financial liabilities less final assets (excluding trade and other receivables). Council met this benchmark as actual net debt was less than 100%.

Operations control benchmark



- Council's net cash flow from operations was \$42.6 million which was \$2.7 million more than budgeted. Council met the operations control benchmark for the year ending 30 June 2025 as its actual net cash flow from operations was more than its planned net cash flow from operations (107%).

Where your money was allocated



Tirohanga Whānui ki te Whakahaere Pūtea | Overview of our Financial Performance

Summary financial statements for the financial year ending 30 June 2025

| | 2025 | 2025 | 2024 |
|---|----------------|----------------|----------------|
| Statement of comprehensive revenue and expense | Budget | Actual | Actual |
| For the year ended 30 June 2025 | \$000's | \$000's | \$000's |
| Rates revenue | 108,854 | 108,023 | 94,354 |
| Fees and charges | 16,058 | 15,350 | 14,769 |
| Other revenue | 34,095 | 29,716 | 33,755 |
| Total revenue | 159,006 | 153,089 | 142,878 |
| Personnel costs | 27,946 | 26,429 | 24,460 |
| Depreciation and amortisation | 35,044 | 37,636 | 35,646 |
| Finance costs | 4,914 | 4,452 | 3,978 |
| Other expenses | 77,504 | 75,230 | 72,801 |
| Total expenditure | 145,408 | 143,747 | 136,885 |
| Income tax credit / (expense) | 0 | 32 | (26) |
| Surplus/(deficit) after tax | 13,597 | 9,374 | 5,967 |
| Gains on revaluation of property, plant and equipment | 68,405 | 2,279 | 2,926 |
| Deferred tax credit on revaluation | 0 | (32) | 26 |
| Total other comprehensive revenue and expense | 68,405 | 2,247 | 2,952 |
| TOTAL COMPREHENSIVE REVENUE AND EXPENSE | 82,003 | 11,621 | 8,919 |

| | 2025 | 2025 | 2024 |
|------------------------------------|------------------|------------------|------------------|
| Statement of financial position | Budget | Actual | Actual |
| As at 30 June 2025 | \$000's | \$000's | \$000's |
| Total current assets | 8,500 | 41,901 | 34,462 |
| Total non-current assets | 2,384,377 | 2,228,236 | 2,216,950 |
| Total assets | 2,392,877 | 2,270,138 | 2,251,411 |
| Total current liabilities | 30,705 | 45,785 | 34,942 |
| Total non-current liabilities | 105,964 | 75,683 | 79,421 |
| Total liabilities | 136,669 | 121,468 | 114,362 |
| NET ASSETS AND TOTAL EQUITY | 2,256,208 | 2,148,670 | 2,137,049 |

Summary financial statements for the financial year ending 30 June 2025 continued

| | 2025 | 2025 | 2024 |
|--|------------------|------------------|------------------|
| Statement of changes in equity | Budget | Actual | Actual |
| For the year ended 30 June 2025 | \$000's | \$000's | \$000's |
| Balance at 1 July | 2,174,205 | 2,137,049 | 2,128,126 |
| Total comprehensive revenue and expense for the year | 82,003 | 11,621 | 8,919 |
| BALANCE AT 30 JUNE | 2,256,208 | 2,148,670 | 2,137,049 |
| Equity represented by: | | | |
| Accumulated funds | 436,652 | 425,582 | 435,293 |
| Reserves | 1,819,557 | 1,723,089 | 1,701,756 |

| | 2025 | 2025 | 2024 |
|---|--------------|---------------|---------------|
| Statement of cash flows | Budget | Actual | Actual |
| For the year ended 30 June 2025 | \$000's | \$000's | \$000's |
| Net cash inflow/(outflow) from operating activities | 39,866 | 42,613 | 36,280 |
| Net cash inflow/(outflow) from investing activities | (55,631) | (47,484) | (51,285) |
| Net cash inflow/(outflow) from financing activities | 15,568 | 8,000 | 16,000 |
| Net increase/(decrease) in cash and cash equivalents | (197) | 3,129 | 996 |
| Cash and cash equivalents at the beginning of the year | 255 | 12,149 | 11,153 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | 58 | 15,278 | 12,149 |

Summary financial statements

The summary financial statements were extracted from the full audited financial report of Thames-Coromandel District Council for 30 June 2025.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as completed an understanding as provided by the full financial statements.

The full annual report was authorised for issue by Council on 31 October 2025.

The full annual report is available from the Council offices or can be downloaded at www.tcdc.govt.nz. An unmodified audit report was issued on the full financial statements.

Explanations for key variances from the budget

Revenue and Expense

Fees and charges

Fees and Charges was \$0.7 million less than budgeted due to lower than estimated solid waste collection fees and lower building consent activity.

Subsidies and grants

Subsidies and grants revenue was \$0.7 million more than was budgeted due to the new Tourism Infrastructure Fund revenue for public conveniences.

Development contributions

Development contributions revenue was \$1.1 million less than budget mainly due to fewer developments progressing in the financial year.

Other revenue

Other revenue was \$4.7 million less than budget mainly due to the value of assets vested to council.

Depreciation and amortisation

Depreciation was \$2.6 million more than budgeted, primarily due to shorter estimated useful lives of assets being recognised compared with original budgeting assumptions, particularly within 3 Waters.

Personnel Cost

Personnel costs were \$1.5 million less than budget due to vacancies, \$0.9m of which were offset by contract

costs in lieu of backfill under other expenses below. The main activity with high vacancies not offset by backfill costs is Planning and Regulation, due to lower building and consenting activity, and delays in district and spatial planning projects.

Other expenses

Other expenses were \$2.3 million less than budget due a number of underspends across activities. Notable variances to budget were in lower Council legal costs, software and information services, wastewater desludging, and contract costs.

Other comprehensive revenue and expense

Gain on property, plant and equipment revaluations

Gain on revaluation was \$66.1 million less than budgeted. This is mainly due to a reduction in Transportation asset valuation. The valuations of other asset class have also not increased at forecasted levels.

Assets

Cash and cash equivalents

The closing cash position is \$15.2 million higher than budgeted mainly as a result of unbudgeted cash reserves held at year end for upcoming cashflow requirements.

Receivables

Receivables were \$7.4 million more than budget due to a few large sundry receivables being due at year end including transport and other project subsidies.

Property, plant and equipment

Property, plant and equipment assets are \$151 million less than budgeted. This is mainly due to the revaluation movement as at 30 June 2025.

Liabilities

Borrowings

The total external debt is \$10.8 million lower than budgeted due to project delays and liquid cash holdings.

Equity

The total equity position is \$108 million lower than budgeted, largely due to asset revaluations.

Disclosure

Reporting entity

Thames-Coromandel District Council (Council) is a territorial local authority established under the Local Government Act 2002.

Basis of preparation

Statement of compliance

The Summary Annual Report is for the year ended 30 June 2025 and was authorised for issue by the Chief Executive on 17 November 2025. The full Annual Report was adopted by Council and approved for issue on 31 October 2025. The full financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). They also comply with Tier 1 PBE accounting standards. All statutory requirements relating to the Annual Report have been complied with. This Summary Annual Report has been prepared in accordance with the PBE Financial Reporting Standard 43 (PBE FRS 43) Summary Financial Statements.

Measurement base

The financial statements have been prepared on an historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investments, forestry assets and certain 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's).

Events After Balance Date

Water Services Reform

The Government enacted a water reform programme in February 2024 by repealing previous legislation and passing the Local Government Water Services Preliminary Arrangements Act 2024.

This new legislation required Council to deliver a Water Services Delivery Plan (WSDP) to the Secretary for Local Government. Our WSDP has been approved by Council on 28 August 2025 and was submitted to the Secretary for Local Government on 1 September 2025.

Thames-Coromandel District Council will continue to deliver water services through an internal business unit and has prepared the WSDP on this basis. This decision remains uncertain as the Secretary for Local Government has not yet approved the WSDP.

The preferred option for delivery of water services for Thames-Coromandel District Council was to establish a multi-Council Water Services Organisation (WSO). This preference was established by Council resolution on 24 June 2025. Due to decisions of the proposed partner Councils this was not able to be progressed and was not used as the basis of the WSDP. Council is still working to progress options for delivery of water services through a joint WSO.



Mayor
17 November 2025



Chief Executive
17 November 2025

Te Pūrongo ā-te Kaiarotake | Independent Auditor's Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of Thames Coromandel District Council's summary of the annual report for the year ended 30 June 2025

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

The summary of the annual report comprises the following information on pages 10 to 18:

- the summary statement of financial position as at 30 June 2025;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2025;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of Service Performance Overview.

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2025 in our auditor's report dated 31 October 2025.

Emphasis of matter – future of water delivery

Our auditor's report on the full annual report which includes an emphasis of matter paragraph on the future of water delivery, drawing attention to note 28 on page 128, which outlines that in response to the Government's Local Water Done Well reforms, the Council has decided to deliver water services itself directly. There is some uncertainty as the proposal is yet to be accepted by the Secretary for Local Government.

Information about this matter is also disclosed on page 18 of the summary annual report.

Council's responsibility for the summary of the annual report

The District 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 performed limited assurance engagements related to the District Council's debenture trust deed and assurance over the procurement of a professional services contract which is compatible with the independence requirements. Other than these engagements we have no relationship with, or interests in, the District Council.



Anton Labuschagne
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand
17 November 2025

Whakapā mai | **Contact us**



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