THE SUMMARY

ANNUAL REPORT

PŪRONGO Ā-TAU

Year 2 of the LTP 2024-34

2025-26



South Waikato District Council

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MAYOR'S MESSAGE
He kōrero nā te Koromatua

Three years on from our Council setting itself the ambitious goal of balancing the books and getting back on track, I'm incredibly proud to say that we have returned to a pathway that leads towards financial sustainability.

It's taken significant hard graft to achieve that, and it hasn't been easy on our communities, who have had to absorb some high rates increases over the past couple of years in order for us to make up for years of inaction, which put us well behind the eight ball and left future generations facing the prospect of carrying a massive burden.

The positive result against budget for this period puts us ahead of our projected timeline, with improved cost efficiencies meaning we are now funding operations appropriately, removing the need to borrow for our day-to-day expenses.

The fact that Council has been able to accomplish all this ,without having to reduce the levels or quality of the services we offer to our community, is a credit to the efforts of staff. Core services have been maintained and actual spending was focused on asset maintenance and resilience.

Council set an efficiency target of 1% per annum - which is worth approximately $960,000 in 2025-26 – and has achieved this. The report notes actual performance exceeded these expectations, contributing to our improved financial results and debt serviceability levels.

Alongside all this we have executed an ambitious capital projects programme, which involved planned budgeted works which has exceeded the amount spent in the previous five years combined. It means

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"COUNCIL IS CONTINUALLY LOOKING TO BALANCE OUR LOCAL INVESTMENT NEEDS AGAINST THE RATEPAYER AFFORDABILITY. ECONOMIC PRESSURES AND FUTURE PROOFING FOR GROWTH CONTINUE TO SHAPE OUR FINANCIAL DECISIONS."

Collectively, we have taken a big leap together. Making bold choices to move away from 'the red' can be intimidating and comes with pressure and challenges for both the Council and our community. But now we can say, we are moving in a positive financial direction - and I am deeply gratified for our District to be 'back in the black' as we step into the future.

Ngā mihi,
Mayor Gary Petley
South Waikato District Council



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OUR STRATEGIC DIRECTION

Tō mātou rautaki ahunga

South Waikato District Council must comply with the Local Government Act 2002. This legislation tells us that the purpose of Local Government is to promote community wellbeing.

This means that we, as local authorities, are responsible for promoting the social, economic, environmental and cultural wellbeing of our communities at present and in the future. Council's Vision statement reflects aspirations of contributing to our District economy's improved quality of life for the next ten years and beyond. Together, with the community outcomes, it paints a picture of the future state of our District.

OUR VISION

A thriving community and robust economy that outpaces the rest of NZ

THRIVING COMMUNITIES

Our diverse people are healthy and well, with ample opportunities to support their quality of life.

SUSTAINABLE ENVIRONMENT

The District is a national leader in benefitting from a circular economy.

ROBUST ECONOMY

Leveraging our location and rich soils, we rebuilt a strong foundation for our grandchildren.



GOAL 1) More people own their own home than ever before

GOAL 2) More people participate in community activities and events than ever before

GOAL 3) No waste or rubbish leaves the District

GOAL 4) Our economy grows faster than anywhere else in the country

GOAL 5) All our young people are in education or employment

The five Goals complete Council's strategic framework and provide direction across all activity and service areas for our communities. Each goal is supported by metrics that will be tracked and used as a performance framework guiding the work of each team. These metrics will be reported annually as part of our Annual Report requirements.

Separate to these goals are our statement of service performance measures that were outlined in our 2024-34 LTP which are reported on in Our Services Measures section of the annual report.



OUR GOALS & STRATEGIC MEASURES

GOAL 1) More people own their own home than ever before

STRATEGIC MEASURE	OUTCOME 2024-25	TARGET 2025-26	RESULT 2025-26
Individual home ownership increases over time. Baseline will be measured by internal data and updated 2023 Census data when released.	Trending up	Trending up	Unable to be measured

Commentary: No new census data is available since last year's Annual Report, however house sales have declined between June 2025 and 2026 by -5.1%. Despite this residential subdivision enabled by rezoning of land (43 new sections) and developments taking place in the District, which are providing more home ownership opportunities across the district.

GOAL 2) More people participate in community activities and events than ever before

STRATEGIC MEASURE	OUTCOME 2024-25	TARGET 2025-26	RESULT 2025-26
Measure of community participation in services and facilities, voter turnout, targeted satisfaction surveys and census data is increasing over time.	Trending up	Trending up	Trending up

Commentary: The overall service delivered by the library has remained consistently high at 90% over the past two years, whereas users' satisfaction with our community pools is at an all-time low of 58% due to it being closed for the past 18 months for an upgrade. Despite this, attendance numbers have increased at our two outdoor summer season pools from 2,161 to 3,225 attendees in Tīrau and 6,433 to 11,969 attendees in Putāruru. Community events such as Christmas parades and Balloons Visit South Waikato 2026 attracted approximately 8-10,000 attendees, with Wings and Wheels over South Waikato newly added this year.

GOAL 3) No waste or rubbish leaves the District

STRATEGIC MEASURE	OUTCOME 2024-25	TARGET 2025-26	RESULT 2025-26
Waste to landfill tonnage decreases over time. Baseline of 6,042 tonnes of waste to landfill for the 2022-23 financial year.	Trending down	Trending down	Trending down

Commentary: We have had 5,822 tonnes of waste to landfill during the 2025-26 year. This target of trending down was achieved as the tonnage is 220 tonnes less than the baseline of 6,042 tonnes. The annual measure for materials diverted from landfill was 48.23%.

GOAL 4) Our economy grows faster than anywhere else in the country

STRATEGIC MEASURE	OUTCOME 2024-25	TARGET 2025-26	RESULT 2025-26
District GDP increases at a higher rate than the national average. Baseline of $1.5 billion in 2024 (Infometrics measure), employment and business growth.	Trending down	Trending up	Trending up

Commentary: South Waikato's GDP for the year ending June 2026 was $1.7b, down slightly on the previous year (-0.1%). This has been impacted by unemployment increases as a result of large manufacturing and associated industry closures in the district including the paper manufacturing at Kinleith Mill. An upward trend has continued from the base year benchmark set in the Long Term Plan 2024-34.

GOAL 5) All our young people are in education or employment

STRATEGIC MEASURE	OUTCOME 2024-25	TARGET 2025-26	RESULT 2025-26
District's NEET rate decreases over time. Baseline of 22.6% of young persons population.	Trending down	Trending down	Trending up

Commentary: The latest information available from Infometrics indicates that the NEET measurement is 25.1% for the South Waikato District, which is significantly higher than New Zealand at 13.8%. This is an increase from last years NEET measurement (22%). Youth unemployment in South Waikato continues to be significant community challenge.

REPORTING PRINCIPLES & NOTES

Pūrongo mātāpono me ngā tuhi

BASIS OF PREPARATION

The Summary Annual Report has been prepared in accordance with Public Benefit Entities Financial Reporting Standard No.43 Summary Financial Statements (PBE FRS 43).
The presentation currency of the financial statements is New Zealand dollars and values are rounded to the nearest thousand dollars.

The specific disclosures included in the Summary Report have been extracted from the corresponding full Annual Report, which was authorised for issue by Council on 29 October 2026.

South Waikato District Council has designated itself as a public benefit entity for the purposes of financial reporting. The full financial statements included in the full Annual Report have been prepared in accordance with NZ GAAP and they comply with Tier 1 Public Benefit Entity (PBE) Standards.

This summary cannot be expected to provide a complete understanding of the comprehensive revenue and expense, financial position and cash flow as indicated in the full Annual Report of the South Waikato District Council. Please note that this summary of financial statements does not include all disclosures provided in the full financial statements.

The full and summary financial statements presented are for the Council.
The full financial statements were audited by Deloitte on behalf of the Office of the Auditor General, and an unmodified opinion was issued on 29 October 2026.

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MAJOR BUDGET VARIATIONS

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Fees and charges were $414k higher than expected, driven by an increased number of Land Information Memoranda (LIM) applications, higher building consent fees and levies, a boost in trade waste income, and transfer station fees.

An additional $914k in development and financial contributions reflects increased growth across the District, primarily driven by applications received for new lots and other property developments.

Finance and other revenue is performing above budget, largely driven by realised gains from the BNZ WealthNet Portfolio, and higher vested assets (assets transferred or donated to Council at no cost), including a $73k contribution from the Ministry of Business, Innovation and Employment (MBIE) toward the Arapuni Retaining Wall replacement within Parks and Reserves and $395k for A & P Building at 37 Mossop Road, Tokoroa.

Other expenses were $552k higher than budget. This variance was driven by a range of factors, including increased litter disposal and operational costs at the transfer station, higher roading maintenance expenditure associated with vegetation control requirements, and remediation works following weather-related landslides across the District. Additional expenditure included $101k for event delivery and $96k for the demolition and removal of the former Pirates Clubrooms at Mossop Road, Tokoroa.

These additional costs were partially offset by savings of $324k in wastewater treatment plant operations due to efficient plant performance, and $545k lower expenditure on roading operations. Further underspends included $241k on district plan activities and $740k wastewater treatment chemicals across the District, primarily due to the timing of planned activities not aligning with the anticipated budget profile.

STATEMENT OF FINANCIAL POSITION

Other reserves are higher than expected. This is mainly due to the increase in the property revaluation reserve as a result of Roading revaluation undertaken in 2025-26 and a significant increase in the restricted and council-created reserves. An additional $484k was received during the year for the national waste levy programme but not utilised for waste minimisation projects as expected, instead they have been held for future use.

Property, plant and equipment and current assets held for sale are higher than expected, showing the effect of the Roading assets revaluation outcome along with a capital expenditure programme lagging behind what was expected to be done. The lagging capital expenditure programme is reflected in the lower-than-expected borrowings.

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The $5m reduction in other assets reflects the realisation of investments held in the BNZ WealthNet Portfolio.

The uplift in value of Current Assets is driven by the movement in Assets Held for Sale. This is primarily because of the site improvements to the 15-19 Maraetai Road, Tokoroa development which added $9.625m to the carrying value.

STATEMENT OF CASH FLOWS

Purchase of property, plant and equipment is lower than budget due to capital programme delivery capabilities by contractors. Cash and cash equivalents at balance date were $2.75m below budget, primarily due to lower-than-expected investment returns and decrease in cash at the bank due to the timing of payments from customers prior to the balance date.

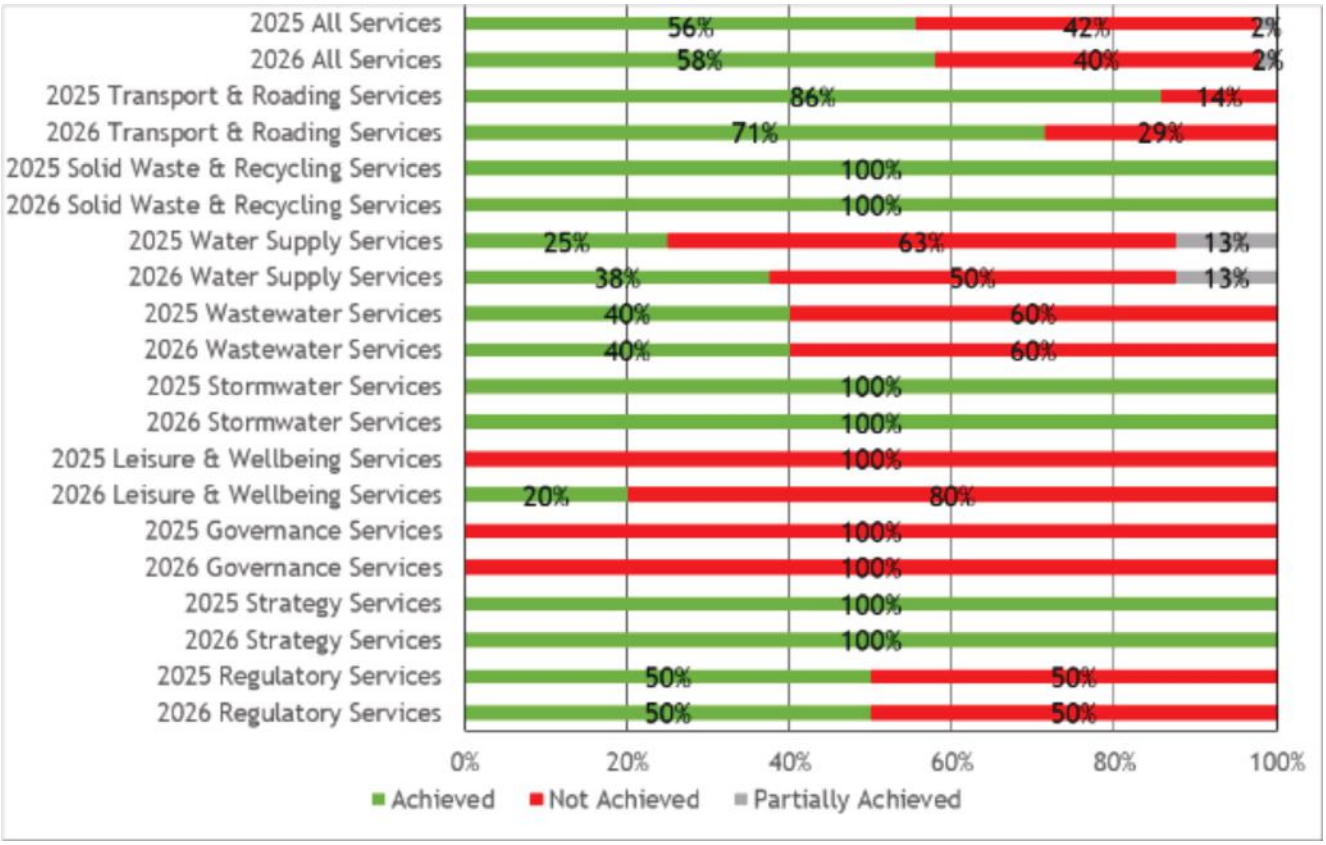
SUMMARY OF CAPITAL PROJECTS

Below is a summary of the capital project work that was undertaken in the 2025-26 financial year. Full details are available in the 2025-26 Annual Report.

CAPITAL PROJECTS	ACTUAL SPEND 2026 $000s	BUDGET SPEND 2026 $000s	ACTUAL SPEND 2025 $000s
Transport & Roading	5,869	4,673	1,278
Solid Waste & Recycling	202	105	80
Water Supply	4,866	6,448	2,220
Wastewater	3,997	9,574	3,082
Stormwater	1,604	3,575	1,971
Leisure & Wellbeing	16,559	14,532	14,710
Governance	1,297	1,405	1,973
Total	**34,394**	**40,312**	**25,314**

SUMMARY OF PERFORMANCE MEASURES

Below is a summary of performance measures for the 2025-26 financial year based on the percentage achieved, not achieved and partially achieved. Full details are available in the 2025-26 Annual Report.



FINANCIAL STATEMENTS

Ngā tauākī ahumoni

The information in the financial statements is based on the actual financial results that have been achieved for the period 1 July 2025 to 30 June 2026 in comparison with budget and the previous financial year. Events and circumstances may not have occurred as expected, or may not have been predicted, or Council may have taken actions that differ from the courses of action on which the 2025-26 budget was prepared.

Council and management of Council accept responsibility for the preparation of the financial statements and all other required disclosures. Minor rounding may exist in the numbers included in the financial statements.

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STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 June 2026

	ACTUAL 2026 $000s	BUDGET 2026 $000s	ACTUAL 2025 $000s
REVENUE			
Rates, excluding targeted water supply rates	47,753	47,649	43,619
Fees, charges and targeted rates for water supply	6,136	5,722	5,746
Development and financial contributions	1,619	705	594
Subsidies and grants	8,598	8,552	8,199
Finance revenue	967	480	901
Other revenue	2,259	898	1,606
Total revenue	**67,332**	**64,006**	**60,665**
EXPENDITURE			
Personnel costs	17,332	17,168	16,384
Finance expenses	2,675	2,932	3,242
Depreciation and amortisation	14,515	14,624	13,336
Other expenses	31,084	30,532	31,629
Total expenditure	**65,606**	**65,256**	**64,591**
Operating surplus (deficit)	**1,726**	**(1,250)**	**(3,926)**
OTHER COMPREHENSIVE REVENUE AND EXPENSE			
Gain/loss asset revaluation reserves	139,928	6,336	22,924
Gain/loss investment revaluation reserve	-	-	625
Total other comprehensive revenue and expense	**139,928**	**6,336**	**23,549**
Total comprehensive revenue and expense	**141,654**	**5,086**	**19,623**

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STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	ACTUAL 2026 $000s	BUDGET 2026 $000s	ACTUAL 2025 $000s
Equity balance at 1 July	604,388	589,717	584,765
Total comprehensive revenue and expense	141,654	5,086	19,623
Equity balance at 30 June	**746,042**	**594,803**	**604,388**
ACCUMULATED COMPREHENSIVE REVENUE AND EXPENSE			
Balance at 1 July	166,051	169,353	170,060
Operating surplus (deficit)	1,726	(1,250)	(3,926)
Transfer to retained earnings	6,746	-	-
Transfer from/(to) restricted, asset revaluation & council created reserves	(265)	-	(83)
Balance at 30 June	**174,258**	**168,103**	**166,051**
RESTRICTED AND COUNCIL CREATED RESERVES			
Balance at 1 July	1,147	1,504	864
Transfer from (to) reserves	265	-	283
Balance at 30 June	**1,412**	**1,504**	**1,147**
ASSET REVALUATION RESERVES			
Balance at 1 July	430,507	412,802	407,783
Revaluation gains (losses)	139,928	6,336	22,924
Transfers to retained earnings on disposal	(63)	-	(200)
Balance at 30 June	**570,372**	**419,138**	**430,507**
INVESTMENT REVALUATION RESERVES			
Balance at 1 July	6,683	6,058	6,058
Revaluation gains (losses)	-	-	625
Transfer to retained earnings on disposal	(6,683)	-	-
Balance at 30 June	**-**	**6,058**	**6,683**
Equity balance at 30 June	**746,042**	**594,803**	**604,388**

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STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2026

	ACTUAL 2026 $000s	BUDGET 2026 $000s	ACTUAL 2025 $000s
ASSETS			
Current assets			
Cash and cash equivalents	9,251	12,000	8,064
Receivables	8,711	5,189	6,826
Inventory	72	126	72
Assets held for sale	16,353	-	6,807
Derivative financial instruments	112	-	199
Other assets	862	852	195
Total current assets	**35,361**	**18,167**	**22,163**
Non-current assets			
Property, plant and equipment	782,290	667,864	633,907
Intangible assets	478	500	1,060
Derivative financial instruments	21	-	195
Other assets	5,619	11,153	9,468
Total non-current assets	**788,408**	**679,517**	**644,630**
TOTAL ASSETS	**823,769**	**697,684**	**666,793**
LIABILITIES			
Current liabilities			
Payables and deferred revenue	9,610	9,465	9,301
Employee entitlements	1,103	1,428	1,688
Borrowings	36,000	9,000	9,000
Derivative financial instruments	45	-	157
Provisions	77	53	49
Total current liabilities	**46,835**	**19,946**	**20,195**
Non-current liabilities			
Employee entitlements	558	255	396
Borrowings	29,000	82,049	41,000
Derivative financial instruments	139	-	92
Provisions	1,195	631	722
Total non-current liabilities	**30,892**	**82,935**	**42,210**
TOTAL LIABILITIES	**77,727**	**102,881**	**62,405**
NET ASSETS	**746,042**	**594,803**	**604,388**
EQUITY			
Accumulated funds	174,258	168,103	166,051
Restricted and council created reserves	1,412	1,504	1,147
Asset revaluation reserves	570,372	419,138	430,507
Investment revaluation reserves	-	6,058	6,683
TOTAL EQUITY	**746,042**	**594,803**	**604,388**

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STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	ACTUAL 2026 $000s	BUDGET 2026 $000s	ACTUAL 2025 $000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash will be provided from:			
Rates	47,711	47,649	42,601
Subsidies and grants	7,973	8,552	7,964
Development and financial contributions	1,780	705	1,136
Finance revenue	967	480	901
Fees, charges and other revenue	7,370	6,620	6,268
	65,801	**64,006**	**58,870**
Cash will be applied to:			
Payments to employees	17,332	17,168	16,384
Payments to suppliers	32,803	30,532	31,752
Finance expenses	2,675	2,932	2,213
	52,810	**50,632**	**50,349**
Net cash inflows/(outflows) from operating activities	**12,991**	**13,374**	**8,521**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash will be provided from:			
Proceeds from investments	3,378	-	7,398
Proceeds from sale of property, plant and equipment	-	-	-
	3,378	**-**	**7,398**
Cash will be applied to:			
Purchase of property, plant and equipment	30,182	40,312	23,029
	30,182	**40,312**	**23,029**
Net cash inflows/(outflows) from investing activities	**(26,804)**	**(40,312)**	**(15,631)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash will be provided from:			
Loans raised	24,000	33,938	12,000
	24,000	**33,938**	**12,000**
Cash will be applied to:			
Loans repaid	9,000	9,000	6,000
Net cash inflows/(outflows) from financing activities	**15,000**	**24,938**	6,000
Net increase/(decrease) in cash and cash equivalents	**1,187**	**(2,000)**	**(1,110)**
Cash and cash equivalents balance at 1 July	8,064	14,000	9,174
Cash and cash equivalents balance at 30 June	**9,251**	**12,000**	**8,064**

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EVENTS AFTER BALANCE DATE: TRANSFER OF DRINKING WATER AND WASTEWATER SERVICES TO WAIKATO WATERS LIMITED.

On 1 July 2026, Council completed the transfer of its drinking water and wastewater operations to Waikato Waters Limited (WWL), a multi-council water services council-controlled organisation established under the Local Water Done Well reforms. WWL is jointly owned by seven participating councils and has been established to provide drinking water and wastewater services on behalf of those councils. Stormwater services were excluded from the transfer and remain the responsibility of Council. WWL is governed by an independent Board, with shareholder oversight exercised through the Shareholder Representative Forum in accordance with the Constitution and Shareholders' Agreement.

Initially, 100 $1 shares were issued to Council, the fair value of these stage one shares cannot be reliably determined at balance date. On transfer date of the 1 July 2026 the initial shares were cancelled and replaced with stage two shares, issued proportionate to councils' number of connections and these shares carry voting rights. Council was issued with 17 shares, 4.8% of total shares on issue. This shareholding proportion has subsequently increase to 6.2% as of 1 October 2026 but is not expected to change further as part of the washup calculations to take place in November 2026.

The purpose of the company is to provide drinking water and wastewater services to the communities the company serves. Once the remaining three councils transfer their services, assets and liabilities the company will be responsible for 50,000 connections, 60 treatment plants and 2,300 km of pipes across the greater South Waikato – Hauraki plans region. Financial returns are not the primary objective of the company and any profits it does generate are to be reinvested in the company or reduce debt. Any distributions to shareholding councils are specifically prohibited.

The regulatory environment the company will operate under is multilayered and includes the Waters Services Act 2021, the Local Government (Water Services) Act 2025 and other acts and regulations. The company is and will be governed by an independent board of directors, who are appointed by the Shareholder Representatives Forum. The forum's membership is one elected member per each shareholding council, and its purpose is to oversee and provide direction to the Board and including the facilitation of a Statement of Expectations.

At 30 June 2026, all drinking water and wastewater assets, liabilities, employees, contracts and operational responsibilities remained under Council ownership and control and are therefore recognised in these financial statements. Water supply and wastewater assets recognised by Council at 30 June 2026 had carrying values of approximately $45.9 million and $61.4 million respectively, together with associated capital work in progress, inventories and working capital balances.

Under the Transfer Agreement, specified drinking water and wastewater assets, liabilities and operational responsibilities transferred to WWL from 1 July 2026. As part of the transfer arrangements, borrowings of $21.0 million were novated to WWL. The transfer also included infrastructure assets, selected contracts,

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regulatory obligations, resource consent responsibilities and employees whose primary responsibilities related to the delivery of drinking water and wastewater services. Council held a receivable of $4.001 million at 30 June 2026 relating to Waikato Waters establishment funding, which forms part of the agreed transition and settlement arrangements. Council also held 100 Stage 1 shares in WWL and, following completion of the transfer, became entitled to receive Stage 2 shares allocated under the agreed water connection methodology contained within the Shareholders' Agreement.

The transfer is accounted by under PBE IPSAS 40: PBE Combinations and the “net” amount transferred, being the value of the assets less that of the debt transferred is expected to be accounted for as an intangible asset in Council’s balance sheet. The value of the intangible asset is not recognised until the date of the transfer cannot be reliably measured until the value all assets and liabilities is finalised, which will occur during 2026/27 financial year. This asset will not be amortised but will be subject to impairment testing, based on the going concern assumption applied to Waikato Waters Limited.

Under the transfer arrangements, there is a seamless transfer of services for ratepayers and connected properties. Billing for water and wastewater services will be carried out by Council for the 2026/27 financial year as a rate under the Rating Act 2002, then by the Company for 2027/28 as fees and charges.

There remains uncertainty of the financial impact for ratepayers for both fees and charges set by Waikato Waters Limited for drinking water and wastewater services and rates (and fees and charges) for Council for the remaining services provided by Council. Fees and charges set by Waikato Waters Limited will be subject to economic regulation by the Commerce Commission.

The establishment of WWL has required Council to incur costs associated with governance establishment, legal and financial advisory services, programme management, transition planning, employee transfer activities, systems implementation and other readiness work. In addition, Council will continue to provide certain transitional customer, billing and administrative services to WWL for a defined period following transfer to support continuity of service delivery to customers. During this period, water and wastewater customers will continue to experience minimal operational change while new arrangements are embedded.

The transfer occurred after balance date and therefore represents a non-adjusting event under PBE IPSAS 14. Accordingly, no transferred assets, liabilities, borrowings or ownership interests have been de-recognised or recognised in these financial statements as at 30 June 2026. The final settlement amount, debt allocation adjustments, ownership interests, transfer values and other post-completion reconciliations continue to be finalised in accordance with the Transfer Agreement. Future financial statements will reflect the completed transfer, including derecognition of transferred water and wastewater assets and liabilities, recognition of Council's ongoing ownership interests in WWL, and any associated intangible assets or other balances arising from the final settlement process. While WWL is expected to provide long-term benefits through regional collaboration, improved resilience, enhanced access to capital and regulatory compliance, there remains uncertainty regarding the final financial impacts of the transfer until all settlement and post-completion processes have been concluded.

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INDEPENDENT AUDITOR'S REPORT

Pūrongo a te kaiarotake

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of South Waikato District Council's summary of the annual report for the year ended 30 June 2026

The summary of the annual report was derived from the annual report of South Waikato District Council (the Council) for the year ended 30 June 2026.

The summary of the annual report comprises the following information on pages 12 to 22;

- the summary statement of financial position of the Council as at 30 June 2026;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows of the Council for the year ended 30 June 2026;
- the notes to the summary financial statements that include accounting policies and 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 2026 in our auditor's report dated 29 October 2026.

Our auditor's report on the full annual report includes an emphasis of matter paragraph drawing attention to note 33 of the financial statements in the full annual report, which outlines the government's announcement to simplify local authorities by amalgamations within regions.

Council's responsibility for the summary of the annual report

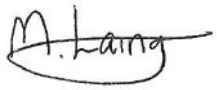
The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements.*

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.

Other than in our capacity as auditor for the statutory audit and long term plan and assurance services related to Trustee Reporting, we have no relationship with, or interests in, the Council.



Matt Laing, Partner
for Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand
29 October 2026

HOW TO OBTAIN A COPY OF THE 2025-26 ANNUAL REPORT

The Annual Report is Council's key accountability document.

Copies of the 2025-26 Annual Report and 2025-26 Summary Annual Report can be obtained by:

Visiting our website: www.southwaikato.govt.nz to download a copy

Calling our customer services staff on (07) 885 0340 during normal business hours

Emailing us at: info@southwaikato.govt.nz

Writing to us at: South Waikato District Council, Private Bag 7, Tokoroa 3444

(If a hard copy of the Annual Report is requested, there is a charge for printing and providing/sending this to you. The charge for printing and postage is set out in our Fees & Charges.)

You can view a hard copy at our Council offices and library sites (located in Tokoroa, Putāruru, Tīrau)



South Waikato District Council

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