



# 2022-23 Annual Report

*TE PŪRONGO Ā-TAU 2022/23*

**Schedule of Proposed Changes to Copy Submitted to Council Review**

21 December 2023



## Management Identified fixes identified in second marked up copy sent to councillors on 20 December 2023

REF	Page and or Note Number	Fixes / Auditor Findings	Post Revision Comments
1.	Page 2	Correct page reference for INDEPENDENT AUDITORS REPORT from 164 to 165	
2.	Page 15	Removed duplication of item list reference for item 1. Master	
3.	Page 15	Correct name from Molly Morpeth Canady to Molly Morpeth Canaday	
4.	Page 20	Correct naming reference for limited partnership to Te Rāhui Herenga Waka 2021 Whakatāne	
5.	Page 20	Identify the partners in the Limited Partnership for public reference	
6.	Page 26	Include Reference that Civic Centre project was completed, on time and on budget	
7.	Page 38	Correct run on paragraph wrapping alignment in tables	
8.	Page 39	Correct run on paragraph wrapping alignment in tables	
9.	Page 40	Correct macron missing "...supporting the aspiration of Iwi, Hapū and Whānau."	
10.	Page 93	Entry \$1,804k: transfer onerous contract provision movement from Revenue – Gains to Expenses – Other Expenses (\$1,804k)	
11.	Page 93	Correct Subtotal of Total Expenses	
12.	Page 93	Entry \$1,728k: to adjust recognition of revaluations to align to workings <ul style="list-style-type: none"> <li>• Land (+138k)</li> <li>• Museum (-1,440k)</li> <li>• Roothing (-426k)</li> </ul>	
13.	Page 93 / 94 / 95 /96	Correct Page reference from 162 to 163	
14.	Page 94	Entry \$1,152: Adjust equity to correct reflect elimination entries associated with MOT contribution to Share or Losses and Capital <ul style="list-style-type: none"> <li>• Equity (+1,152k)</li> <li>• Receivables (+1,152)</li> </ul>	

REF	Page and or Note Number	Fixes / Auditor Findings	Post Revision Comments
15.	Page 94	Entry \$382k movement in classification between payables and receivables	
16.	Page 94	REF M.12: Adjust PPE Operational Assets and Infrastructure assets	
17.	Page 95	REF M.12: Reflect adjustment from revaluation change in Total Comprehensive Revenue and Expense	
18.	Page 95	Add disclosure for Equity adjustment on PBE IPSAS 41	
19.	Page 95	REF M.14; Reflect adjustment for MOT share to equity / receivables	
20.	Page 96	Correction of \$6,000k between Acquisition of Investments and Proceeds from borrowings	
21.	Page 96	Correct subtotal Cash, Cash Equivalents	
22.	Page 96	Correct Comparative to Budget for Proceeds from Borrowing, copied wrong column in	
23.	Page 96	Correct Note reference for ANZ Short Term Loan to Note 22	
24.	Page 96	Remove line referencing \$6,000k for Term Deposit Proceeds	
25.	Page 98	REF M14: Provide for adjustment between Comprehensive and PPE from revaluation adjustment	
26.	Page 113	Correct Sub Heading DIRECTLY ATTRIBUTABLE DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY should read OTHER EXPENSES	
27.	Page 113	Change reference from in footnote Future Loss on Sale – Investment Property Provisions to Investment Property Held for Sale Provisions	
28.	Page 114	REF M.10 Reflect change in classification of Gain on onerous contract provision	
29.	Page 117	REF M.14 Reflect change in equity / MOT reference	
30.	Page 118	Remove '?' following GST?	
31.	Page 119	REF M.14 Reflect change in equity / MOT reference	
32.	Page 119	Footnote – add reference note for equity impact of change in PBE IPSAS 41	
33.	Page 127	REF M.12: Reflect valuation changes	
34.	Page 127	Correct Valuation typo for Roothing Revaluation	
35.	Page 127	REF M.12: Reflect valuation changes	
36.	Page 131/32	Move note from Below Note 15 to be below Note 16	

REF	Page and or Note Number	Fixes / Auditor Findings	Post Revision Comments
37.	Page 138	REF M.14 Reflect change in equity / MOT reference	
38.	Page 138	Remove Total Accumulated Funds Subtotal as it doesn't tie to anything and creates confusion	
39.	Page 138	REF M.12: Reflect valuation changes	
40.	Page 140	Change reference to Whakatāne-Ohope Community Board	
41.	Page 146	Correct note to updated Surplus / (Deficit) Before tax of (7,660)	
42.	Page 146	Correct first sub-total not adding up	
43.	Page 146	REF M.15: Reflect reclassification between payables and receivables	
44.	Page 148	Change disclosure note regarding Riskpool	
45.	Page 153	Correct sub-total of 2023 Headcount from 311 to 325	
46.	Page 154 (new Page)	Add disclosure for PBE IPSAS 41	
47.	Page 154 (+1)	Change heading to 32b	
48.	Page 155 (+1)	Change heading to 32c	
49.	Page 156 (+1) / 157 / 158 /158	Change heading to 32d	
50.	Page 161 (+1) / 162	Update variance disclosure for all of the M Ref entries above	

## Audit New Zealand Identified fixes identified in second marked up copy sent to councillors on 20 December 2023

REF	Page and or Note Number	Fixes / Auditor Findings	Post Comments	Revision
51.	Page 113	Change title to Other Expenses (REF 26)		
52.	Page 113	Change comparative Other Operating Expenses to 32,996k		
53.	Page 159	Change comparative headings to be 2022		
54.	Page 159	Fix 2022 Debt and total sensitivity should be 870/(870) and 3,536/4,775 respectively		
55.	Page 94	Operating reserves should refer Note 23		
56.	Page 96	Formatting – Extra bracket for acquisition of investment actual 2022 to be deleted		
57.	Page 154	Trade and other receivables does not tie between Note 32a and Note 32c. Should be \$6,800, not 4,636.		
58.	Page 161 (+1)	Statement highlighted above should read “\$20.5mil <b>lower</b> than budgeted surplus of \$12.9mil”		
59.	Page 124	Need to put in zeros for all prior year entries instead of leaving blanks		
60.	Page 124	Current assets should be 14,095		
61.	Page 124	Missing net assets total		
62.	Page 118	The bracket for the 2022 comparative in CE writes-offs to be removed		
63.	Page 118	? to be removed (REF 30)		
64.	Page 118	The prior year figures have been restated, please add disclosure footnote to explain this		
65.	Page 119	The sum is \$5,070 not 5,080		
66.				
67.				
68.				
69.				
70.				
71.	Page 112	Typo: Comma to be removed from “676,” should just read 676		

REF	Page and or Note Number	Fixes / Auditor Findings	Post Comments	Revision																																										
72.	Page 124	Typo: Revenue should read 15 not 115																																												
73.	Page 124	Typo: Joint Partners should read 161 not 1,611																																												
74.	Page 127	Typo: Comma missing from 2,186																																												
75.	Page 89	Adjust to make Disclosure on quantified limit consistent with the disclosure in LTP 2021-2031																																												
76.	Page 97	The word "receipts" is missing from the Council's disclosure, at the WOC level per LG (Financial Reporting and Prudence) Regulations 2014																																												
77.	Page 90	Based on adjustment the 2023 Balanced Budget benchmark should be at 86%.																																												
78.	Page 105	<p>The below useful life disclosures need to be updated per our last discussion with WDC Finance:</p> <table border="1"> <thead> <tr> <th colspan="2">Parks</th> </tr> </thead> <tbody> <tr> <td>Land</td> <td>Not depreciated</td> </tr> <tr> <td>Park assets</td> <td>17.5</td> </tr> <tr> <th colspan="2">Operation assets</th> </tr> <tr> <td>Museum assets</td> <td>Not depreciated</td> </tr> <tr> <td>Land</td> <td>Not depreciated</td> </tr> <tr> <td>Buildings</td> <td>8-55</td> </tr> <tr> <td>Vehicles</td> <td>5-8</td> </tr> <tr> <td>Plant and equipment</td> <td>4-33</td> </tr> <tr> <td>Furniture and fittings</td> <td>5-10</td> </tr> <tr> <td>Library books</td> <td>3-4</td> </tr> <tr> <td>Office equipment</td> <td>5-10</td> </tr> <tr> <th colspan="2">Water</th> </tr> <tr> <td>Treatment plant / headworks</td> <td>13</td> </tr> <tr> <th colspan="2">Sewer</th> </tr> <tr> <td>Service line</td> <td>25</td> </tr> <tr> <td>Gravity main</td> <td>40</td> </tr> <tr> <td>Rising main</td> <td>57</td> </tr> <tr> <td>Pump station</td> <td>12</td> </tr> <tr> <td>Treatment plant</td> <td>47</td> </tr> <tr> <td>Outfall</td> <td>28</td> </tr> </tbody> </table> <p>To reflect:</p>	Parks		Land	Not depreciated	Park assets	17.5	Operation assets		Museum assets	Not depreciated	Land	Not depreciated	Buildings	8-55	Vehicles	5-8	Plant and equipment	4-33	Furniture and fittings	5-10	Library books	3-4	Office equipment	5-10	Water		Treatment plant / headworks	13	Sewer		Service line	25	Gravity main	40	Rising main	57	Pump station	12	Treatment plant	47	Outfall	28		
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79.	Page 127	Roading network Revaluation Amount is incorrect- It should be \$14,608 (REF 34)																														
80.	Page 137	FIX – missing numbers and Subtotalling. 2022 Actual should be: Maturity in under one year – 9,000 / Maturing in 1-2 years – 11,000																														
81.	Page 151 / 152	Remuneration: Peter Falwasser should be 570 Peter Flowerday should be 646 Total should be 57,412																														
82.	Page 151 / 152	Remove column references of \$000 as this are whole value not ,000																														
83.	Page 100	Make New Zealand Transport Agency roading subsidies heading bold																														
84.	Page 154 (New Page)	The 30 June 2022 number for Receivables is incorrect. Should be \$2,720k thus number for 1 July 2022 is also incorrect, Difference \$99																														
85.	Page 155 (154+1)	Receivables amount is not updated. Should be \$6,800. Total Loans and Receivables as a consequence needs to be updated as well.																														
86.	Page 155 (154+1)	“Loans and receivables” heading should change to “Financial Assets at Amortised Costs” and “Total Loans and receivables” to be “Total Financial Assets at Amortised Costs” consistent with PBE IPSAS 41 term definition.																														

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87.	Page 155 (154+1)	Payables amount has changed as a result the Payables should be \$13,701. Needs to be updated.																													
88.	Page 158 (157+1)	<p><b>Note 32d - Financial instrument risks (continued)</b></p> <p>The Council's credit risk exposure for each class of financial instrument is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2023 \$000</th> <th>2022 \$000</th> </tr> </thead> <tbody> <tr> <td><b>MAXIMUM EXPSOURE TO CREDIT RISK</b></td> <td></td> <td></td> </tr> <tr> <td>Cash at bank and term deposits</td> <td>3,815</td> <td>1,888</td> </tr> <tr> <td>Trade and other receivables</td> <td>4,636</td> <td>2,819</td> </tr> <tr> <td>Local authority and government stock</td> <td>2,433</td> <td>1,664</td> </tr> <tr> <td>Investment in Whakatāne Airport</td> <td>7,656</td> <td>7,224</td> </tr> <tr> <td>Loan to Air Chathams</td> <td>350</td> <td>350</td> </tr> <tr> <td>Derivatives</td> <td>2,298</td> <td>1,098</td> </tr> <tr> <td><b>Total Credit Risk</b></td> <td><b>21,188</b></td> <td><b>15,042</b></td> </tr> </tbody> </table> <p><i>The Council is exposed to credit risk as a guarantor of all the LGFA's borrowing. Information about this exposure is explained in Note 27.</i></p> <p>The amounts highlighted above are not consistent with the Other related disclosures in the note. To be updated</p> <p>Balances highlighted are not consistent to note financials:</p> <ul style="list-style-type: none"> <li>• Trade and Other Receivables 6,800 (Note 11)</li> <li>• Investment in Whakatane Airport 6,641 (Note 13)</li> <li>• Total Credit Risk 22,337 (add)</li> </ul>		2023 \$000	2022 \$000	<b>MAXIMUM EXPSOURE TO CREDIT RISK</b>			Cash at bank and term deposits	3,815	1,888	Trade and other receivables	4,636	2,819	Local authority and government stock	2,433	1,664	Investment in Whakatāne Airport	7,656	7,224	Loan to Air Chathams	350	350	Derivatives	2,298	1,098	<b>Total Credit Risk</b>	<b>21,188</b>	<b>15,042</b>		
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<b>Total Credit Risk</b>	<b>21,188</b>	<b>15,042</b>																													
89.	Page 158 (157+1)	The highlighted amount is not correct. Both this amount and the total need to be updated to \$5,674 (See Note 13). Difference \$1,600 associated with earlier BH equity change																													
90.	Page 159 (158+1)	Trade and other payables to be updated from \$13,519 to \$13,701																													
91.	Page 160 (159+1)	Receivables amount is not correct. new balances should be \$6,800																													
92.	Page 99 Note 1	Wordings of this disclosure is to match with the statement of compliance where the breach of s98(3) of LGA 2002 is mentioned.																													
93.	Page 99 Note 1	Council should also mention compliance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R).																													
94.	Page 99	Change IPAS 41 to IPSAS 41																													



REF	Page and or Note Number	Fixes / Auditor Findings	Post Comments	Revision
95.	Page 99	Change PBE IFR9 to PBE IPSAS 29		
96.				
97.				
98.				
99.				
100.				