

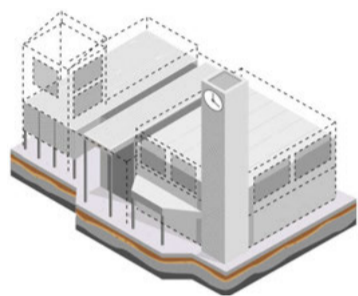
SUMMARY ANNUAL REPORT TO 30 JUNE 2015

WE ARE PROUD TO PRESENT OUR ANNUAL REPORT FOR THE 2014-15 FINANCIAL YEAR. THIS REPORT COVERS ONE OF THE MOST AMBITIOUS PROGRAMMES OF REVITALISATION FOR LOWER HUTT IN MANY YEARS, WHICH WAS SET OUT IN OUR ANNUAL PLAN FOR 2014-15.

In last year's Annual Report, we talked about the development of four key strategies to guide us in delivering our vision of Lower Hutt as a great place to live, work and play. These four strategies have now been finalised and adopted, you can read a summary of these overleaf.

We are committed to investing in the rejuvenation of Lower Hutt and our sound financial management has allowed us to do this. We are managing these significant investments with some of the lowest rates increases in New Zealand. Our increased debt is well within forecast; our Long Term Plan 2015-2025 shows net debt will not exceed \$125 million in 2020 and 2025. Over the same period our operating revenue is forecast to rise from \$150 million to \$194 million, despite limiting rates increases to inflation. Our total assets are also forecast to increase in value, from a current value of \$1.4 billion to over \$1.8 billion by 2025.

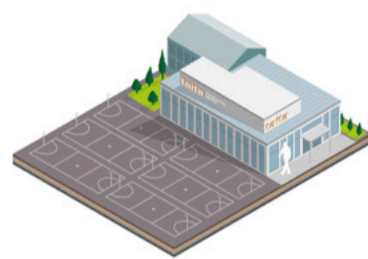
This programme of work is progressing well and it is fantastic to see some of the key projects completed. We're pleased to update you on the significant projects of this past financial year.



THE REDEVELOPMENT OF OUR CIVIC PRECINCT IS A LARGE PROJECT FOR LOWER HUTT.

A new events centre will cater to both community and commercial events, and is expected to provide growth to the local economy. The centre is set for completion in early 2017, the historic Town Hall is being strengthened and restored, and a new staff administration building is being constructed, which we expect to move back into in March 2016.

Set in close proximity to the Dowse Art Museum, the Riddiford Gardens, the War Memorial Library and Little Theatre, these new and improved buildings will greatly enhance the heart of Lower Hutt's CBD.



THE WALTER NASH CENTRE OPENED ITS DOORS TO THE PUBLIC ON 16 OCTOBER 2015.

The \$12 million project came in on time and within budget. It includes five indoor courts, 11 outdoor netball courts, a new library, multi-purpose meeting rooms and activity spaces and a fitness centre.

The Walter Nash Centre is an important part of our commitment to investing in our communities in the north-east.



IN OUR ANNUAL PLAN 2014-15, COUNCIL COMMITTED AN ADDITIONAL \$6 MILLION TO ADVANCING FRASER PARK SPORTSVILLE.

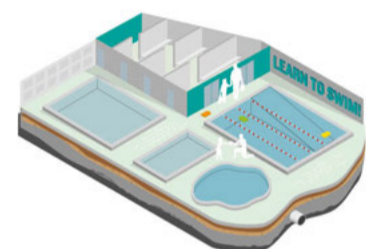
Work on stage one of the two-stage project is completed and includes an artificial football and rugby turf with floodlights, and a major upgrade of the softball diamonds on which we have received very positive feedback from clubs and the general public alike. Stage two is the construction of a multi-purpose, recreational hub including indoor training areas, squash courts, social spaces, meeting rooms, office areas and a restaurant and café.

When completed, Fraser Park Sportsville will be a regionally and nationally significant precinct for sport, recreation and other community activities, catering for seven diverse sports clubs.



ANOTHER IMPORTANT PROJECT IS THE REDEVELOPMENT OF AVALON PARK, A POPULAR REGIONAL AMENITY.

A total of \$5 million has been allocated to the project that began with a new entrance and pathways at Taita Drive in 2014. The next phase beginning in October 2015 will be to create a new play area for those under five including a large sandpit, a twin flying fox, climbing walls, giant bird's nest swing and sound play equipment. There will be extensive landscaping done with more pathways connecting to the main internal walking and cycle routes, additional BBQ units and seating between Avalon Pavilion and the playground.



THE HUIA POOL REDEVELOPMENT IS ON TRACK TO COMMENCE EARLY IN 2016.

The project will incorporate a dedicated learn to swim pool, a hydrotherapy pool and a fitness suite co-joined along a central spine allowing for a shared access ramp and a single filtration and heating system. The learn to swim pool will have specialised equipment and teaching benches, freeing up the current pools for greater recreational use by the general public.

We would like to thank the community for their interest and involvement in these significant projects, and the staff at Council and our partners who have been so committed to delivering this exciting programme of work for Lower Hutt.



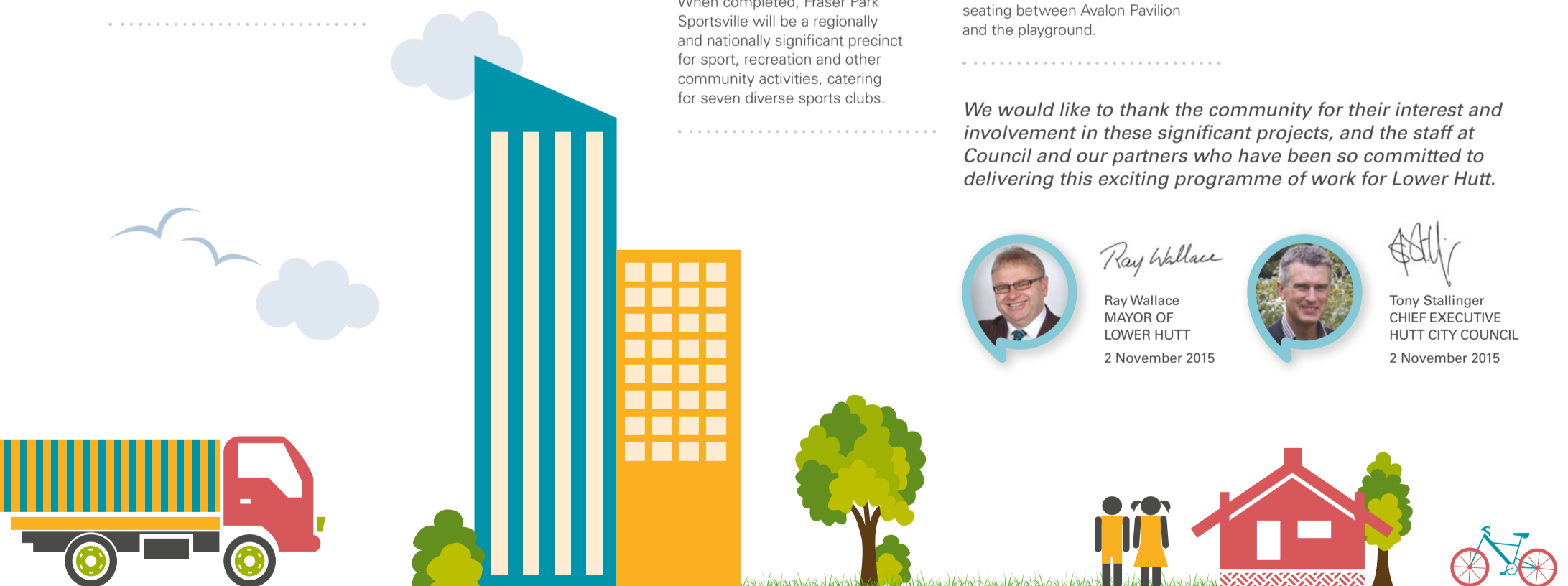
Ray Wallace

Ray Wallace
MAYOR OF
LOWER HUTT
2 November 2015



Tony Stallinger

Tony Stallinger
CHIEF EXECUTIVE
HUTT CITY COUNCIL
2 November 2015



CONTACT THE MAYOR OR ANY COUNCILLOR

Hutt City Council, 531 High Street, Private Bag 31 912, Lower Hutt 5040

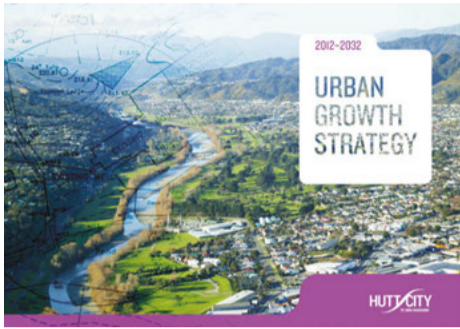
P 04 570 6666 or 0800 HUTT CITY F 04 569 4290

E contact@huttcity.govt.nz W huttcity.govt.nz

HUTT CITY
TE AWA KAIRANGI

OUR FOUR KEY STRATEGIES

OUR STRATEGIES GUIDE OUR VISION OF MAKING LOWER HUTT A GREAT PLACE TO LIVE, WORK AND PLAY



URBAN GROWTH STRATEGY

Our *Urban Growth Strategy* promotes sustainable growth and development of the city and its economy. It focuses on how much we want the city to grow, where new homes and businesses will be accommodated, and what will be done to encourage this development.

The key areas we are working on improving are:

- Population – aiming for a population increase in Lower Hutt of 0.6 per cent per year
- Housing – aiming to achieve 250 new homes built per year over the next five years, increasing to 300 new homes built in each of the following five years
- Employment – more opportunities through improved economic conditions

This strategy was developed to address the low population growth, ageing population and falling number of working-age people in the city that was projected in both the 2006 and 2013 Census results.

The strategy recognises that the current level of housing growth will not be enough to provide for the increasing number of smaller households as a result of the population ageing. Reversing this trend and encouraging economic growth that embraces new technology will offset the affordability issues that could arise from these changes.

Examples of the strategy in action, in the past year:

- Council processed approximately 1200 building consents, with a total value of \$185 million – a \$42 million increase from the previous year
- The inaugural Science Technology Engineering Mathematics and Manufacturing (STEMM) Festival was held in June, with more than 30 events held over the course of five days
- By June this year, approximately 80 of the 109 planned houses in the new subdivision in Pomare had been sold with 65-70 already completed and occupied



LEISURE AND WELLBEING STRATEGY

Our *Leisure and Wellbeing Strategy* promotes the development of sustainable community facilities, and provision of services that promote wellbeing, particularly in the northern and eastern suburbs of the city.

The key areas of focus are:

- Delivery of the best core services
- Renewal, revitalisation and integration of Lower Hutt's network of community facilities
- Improvement in the quality of life and wellbeing of residents

The 2014-15 Annual Plan saw the community commit to a raft of new projects, including the upgrade of sporting facilities, parks, swimming pools and community centres to ensure these facilities are fit for purpose for our community, now and well into the future. We've also partnered with other organisations and businesses to start delivering some great programmes for school-age children in the northern and eastern suburbs, and have exciting plans to extend these initiatives.

Examples of the strategy in action, in the past year:

- Completion of Walter Nash Centre in Taita
- Over 27,000 people attended the three Wellington Phoenix games at Hutt Recreation Ground during summer
- Council was selected as the lead provider for the new government initiative Healthy Families, aimed at improving people's lives and preventing chronic disease in Lower Hutt
- The Magic Card Pilot was launched, in partnership with schools in our north-east. A Magic Card breaks down the barrier of cost to participation, providing free access to all Lower Hutt pools and libraries



ENVIRONMENTAL SUSTAINABILITY STRATEGY

Our *Environmental Sustainability Strategy* promotes the sustainability of our natural environment.

It provides short, mid and long-term solutions for change, including:

- Council taking increased responsibility for environmental stewardship and sustainability of our city
- Working in partnership with the community and local businesses to use resources efficiently and to minimise pollution
- The city as a whole beginning to actively improve our environment
- Managing our own role to control and respond where there could be adverse effects on the environment. These include pollution, waste, water usage, stormwater, sewage, transport and urban development

This strategy recognises that our dependence on the environment is fundamental to many aspects of our lives, and that proper care is essential if the city and our communities are to prosper.

Examples of the strategy in action, in the past year:

- Over 500 people attended the second annual Eco-Fashion Week in June, showcasing more than 35 designers of sustainable, ethical and cutting edge fashion from New Zealand and abroad
- Using the latest in sustainable technologies in our new facilities, for example the Walter Nash Centre exceeds the highest standards for insulation and is double glazed
- Naenae Primary won Council's Bright Sparks Challenge, securing funding for solar roofing panels



INFRASTRUCTURE STRATEGY

Infrastructure underpins the quality of life we value and includes essential services that are often taken for granted such as water, sewerage, stormwater, flood protection, roads and footpaths.

Our *Infrastructure Strategy* identifies four key issues that will affect our infrastructure over the next 30 years:

- Natural hazard risks including landslip, flooding, earthquake and tsunamis: While the risk of a natural hazard event changes little over time, the exposure of property and infrastructure increases. Council carries out projects on bridges, roads, and water mains, to ensure we manage risks from natural hazards
- Climate change including changing temperatures and rainfall patterns, the likelihood of more intense storms and sea level rise are all likely to place increased pressures on our infrastructure, including the increased likelihood of flooding
- Pressure on the environment arising from the construction or operation of infrastructure: Achieving a balance between infrastructure provision, cost and sound environmental management can be challenging. Council has requirements to contain and minimise adverse environmental effects arising from Council projects
- Population and demographic change: Council will work to quantify the likely effects of an ageing population on rates income and long term expenditure, to ensure we are prepared to deal with the potential effects of population changes on infrastructure

Examples of the strategy in action, in the past year:

- The Wellington region merged their water services, renaming themselves Wellington Water Limited
- Our earthquake resiliency programme for water networks continued including a number of seismic assessments across the region
- Council was one of the first recipients of a grant from the newly formed Urban Cycleway Fund, receiving funding for several cycling and walking networks in Lower Hutt



HOW HUTT CITY PERFORMED IN 2014-2015

Council uses five key performance indicators to assess its overall performance:

Budget management	●	All activities operated within net capital and operating budgets.
Customer satisfaction	●	In total, 91% of customers were satisfied or very satisfied with council services (peer average 86%).
Staff perceptions	●	Our performance index was greater than the local government performance index of 66.3%, at 66.8%.
Project completion	●	In total, 70% of projects were completed on time, below the target of 90% completion. This is mainly due to some projects being deferred with the intention to have them underway and/or completed in the following financial year.
Compliance	●	There was one significant instance of non-compliance where an infringement notice was received from GWRC. Wellington Water Limited, who managed the incident on Council's behalf, are reviewing the contractor's, and their own procedures, to look for improvements.

● Fully achieved	● Mainly achieved	● Not achieved
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GROUP PEOPLE

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Libraries	● Five out of six performance measures were achieved. The percentage of residents who have used library services during the year fell short of our target by 1%, at 79%. However, our Libraries Online target of 250,000 was more than doubled, with 526,689 unique visits. We also exceeded our pay sessions on Connect target of 75,000 by over 32,000 at 107,285.
Museums	● All performance measures were achieved covering number of visits and satisfaction with both the Dowse Art Museum and Petone Settlers Museum, and number of public education programmes and satisfaction rating for delivery.
Aquatics and Recreation	● Five out of six performance measures were achieved. POOLSAFE accreditation was secured for five out of our six public swimming pools. An audit of Wainuiomata Pool is to be completed in November 2015. All other performance measures were achieved including residents' satisfaction and use, cost per visit, and satisfaction and use of our Leisure Active programmes.
Parks and Reserves	● Six out of seven performance measures were achieved. Maintenance and development of playgrounds, parks, reserves, gardens and cemeteries fell short, meeting 89% of contract and asset management plan requirements with the expectation being 95% or greater.
City Safety and Community Funding	● All performance measures were achieved covering residents' perceptions of safety in the neighbourhood during the day and after dark, and in the city during the day and after dark; and satisfaction with availability and quality of support, advice and training.
Community Facilities Development	● Six out of ten performance measures were achieved covering the completion of Walter Nash Centre and Fraser Park Sportsville stage 1, identification of our next community hub project (Stokes Valley) and completion of pre-consultation for the hub. We also met budget and accountability requirements for the year. We fell short with fundraising for Walter Nash Centre but the shortfall was offset by an additional \$1 million grant from Hutt City Council. Fraser Park Sportsville stage 2 fundraising was not implemented and design is yet to get underway on the Stokes Valley Community Hub.

GROUP UTILITY SERVICES

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Roading and Traffic	● Eight out of ten performance measures were achieved covering satisfaction with roads and gutters being free of litter, the city being free of graffiti, footpaths, roads, and parking around the city as well as Road Condition Index, 'Quality of Ride', and our accident trend. We were slightly behind our historical average in satisfaction with street lighting and traffic control by 1% at 89% and 88% respectively.
Water Supply	● All performance measures were achieved covering satisfaction with water supply, compliance with New Zealand drinking water standards, quality of drinking water, reliability of water supply service, response to water supply disruptions and the maintenance of average unmetered water consumption in Lower Hutt.
Wastewater	● Three out of four performance measures were achieved covering satisfaction with the city wastewater service, the reliability of our wastewater service and our response to wastewater disruptions. We received one resource consent-related infringement notice from GWRC. This is currently being reviewed to look for improvements.
Stormwater	● Three out of four performance measures were achieved covering satisfaction and reliability of our stormwater service and our response to stormwater disruptions. We fell 1% short of achieving water quality at main recreational beaches at 89%.
Solid Waste	● Two out of three performance measures were achieved covering satisfaction with rubbish collection and no resource consent-related infringement notices received from GWRC. Satisfaction with refuse disposal was 9% behind target at 82%.

GROUP ENVIRONMENT

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Environmental Management	● 14 out of 18 performance measures were achieved covering satisfaction with Animal Services, enforcement of parking restrictions, and environmental health services; compliance with processing times for LIMs, building consents, PIMs, resource consents, solar panel applications, premise operation and code compliance certificates; Animal Services opening hours; and response to dog complaints, and noise complaints. Requests for service referred to RMA Monitoring and Enforcement team within required timeframes was 3% below target at 97%. Our aim is to have 100% of fireplace applications processed within five days however we had one processed within six days resulting in being 2% below target at 98%.
Emergency Management	● All three performance measures were achieved covering household preparedness for a civil emergency, time to activate Emergency Operations Centres and community response plans.

GROUP ECONOMY

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Local Urban Environment	● Three out of five performance measures were achieved including satisfaction with litter control, recycling and households that have used the recycling service in the previous 12 months. For overall look and feel of the city, we fell short by 1% at 86% and we had 230 tonnes less recycling than our previous year.
Economic Development	● Five out of seven performance measures were achieved covering satisfaction with i-SITE, number of businesses, full-time equivalents, Gross Domestic Product, and high value sectors. The business satisfaction target was reviewed as part of our new Economic Development Plan and will be measured in the 2015-16 year.

GROUP ORGANISATION

ACTIVITY	ACHIEVEMENT OF PERFORMANCE MEASURES
Elected Members	● All three performance measures were achieved covering satisfaction with the Mayor and councillors' performance, the way rates are spent, and public consultation.
Advice and Support	● All four performance measures were achieved this year, covering councillors' and community boards' and committee members' satisfaction with the formal advice and responses to requests they received from officers.
Managing Services	● One out of three performance measures was achieved covering work-related accidents. The staff turnover target was exceeded by 1.66% at 13.66% and we had one significant instance of non-compliance which is currently being reviewed.



FINANCIAL OVERVIEW



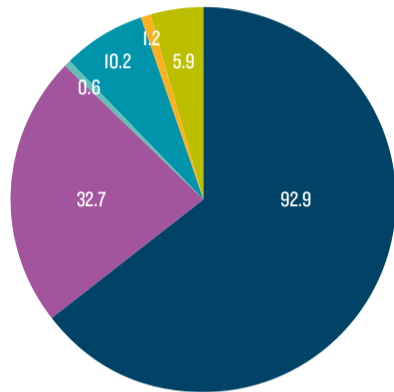
OUR RESULTS FOR THE YEAR

The net surplus is the difference between the income received and expenses incurred during the year.

The Council recorded a net deficit of \$8.3 million compared to a budgeted net deficit of \$7.5 million. The difference has no impact on debt as it relates mainly to the transfer of \$2.8 million of assets and timing of payments of \$2.0 million to the Community Facilities Trust and a loss of \$2.7 million on the revaluation of financial instruments. Apart from these differences Council's revenue was up by approximately \$3.0 million and expenditure was over budget by approximately \$3.9 million.

2015 ACTUAL REVENUE (\$M)

■ RATES, EXCLUDING TARGETED WATER SUPPLY RATES
■ SUBSIDIES AND GRANTS
■ DEVELOPMENT AND FINANCIAL CONTRIBUTIONS
■ FEES, CHARGES AND TARGETED RATES FOR WATER SUPPLY
■ OTHER REVENUE
■ FINANCE INCOME

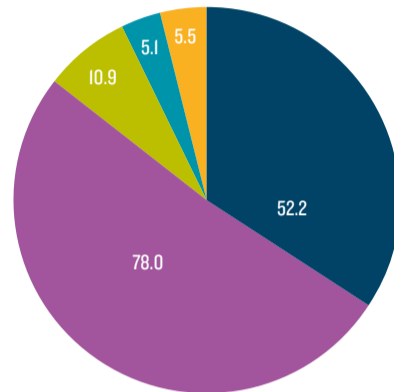


REVENUE

The graph above shows where Council's revenue comes from. Total revenue for the year was \$143.5 million which was \$3.0 million above budget. \$92.9 million (65%) comes from rates with \$32.7 million (23%) from Fees and Charges. The balance is made up predominantly of subsidies and grants.

2015 ACTUAL EXPENDITURE (\$M)

■ GROUP UTILITY SERVICES
■ GROUP PEOPLE
■ GROUP ECONOMY
■ GROUP ENVIRONMENT
■ GROUP ORGANISATION

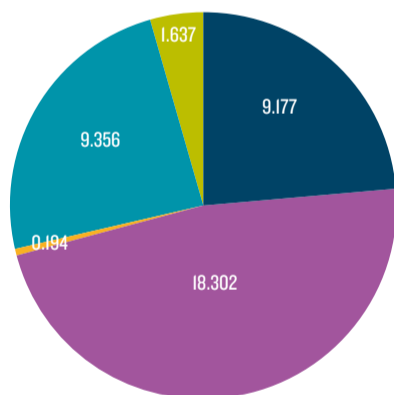


EXPENDITURE

The graph above shows where Council's expenditure was actually incurred during the year. Total expenditure for the year was \$151.8 million which was over budget by \$3.9 million. Maintaining infrastructure is a major portion of Council spending at \$78 million. Council also spent some \$52 million providing community facilities and services. A smaller portion of \$16 million was for the provision of services for the environment and economy with the remainder being for governance and support of the organisation.

2015 CAPITAL EXPENDITURE (\$M)

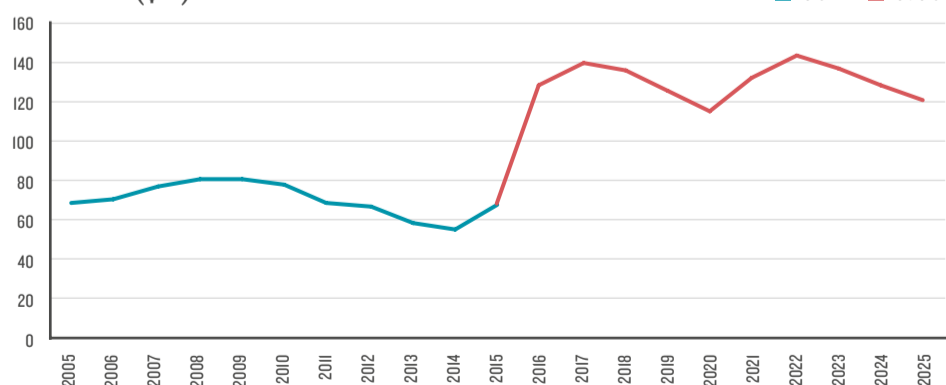
■ GROUP UTILITY SERVICES
■ GROUP PEOPLE
■ GROUP ECONOMY
■ GROUP ENVIRONMENT
■ GROUP ORGANISATION



CAPITAL EXPENDITURE

Capital expenditure is money spent to replace existing assets, to improve levels of service, or to meet additional demand. The graph on the left shows where expenditure was actually incurred during the year across Council's core groups. Council's planned capital expenditure programme was \$53.8 million. Council has a target to achieve at least 90% of its capital programme each year. Actual capital spent this year was \$38.7 million which is below this target with \$3.3 million spent through Urbanplus Limited (Council's CCO) and about \$12 million of projects are to be completed in the next financial year. Replacing and improving infrastructure made up almost \$18.3 million of Council spending, \$9.2 million was spent on providing community facilities, \$9.6 million was spent on environment and economy facilities, and \$1.6 million on organisation support facilities.

NET DEBT (\$M)



DEBT REPAYMENT

Council's Financial Strategy identifies maximum net debt levels with specific targets at five yearly intervals with the next targets being to reduce debt to below \$125 million by 2020 and again by 2025. Council achieved its debt repayment this year with net debt which excludes borrowing on behalf of Council's CCOs being reduced to \$68.1 million compared to a target of \$79.5 million. Council has operated within other borrowing limits as shown in the Report on Financial Policies contained in the full Annual Report. The Council Debt Repayment Programme has now placed Council in a good position to carry out future developments that require additional debt funding as shown in the graph above.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

The Statement of Comprehensive Revenue and Expenses represents Council's financial performance for the year. Total revenue for the year was \$143 million with expenses of just over \$150 million. The overall comprehensive revenue for Council amounted to \$26.3 million which flows into Council's equity.

	COUNCIL		GROUP		
	ACTUAL 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2015	ACTUAL 2014
	\$000	\$000	\$000	\$000	\$000
Total revenue	143,465	140,475	138,677	149,034	142,499
Finance costs	(5,474)	(5,152)	(4,642)	(5,474)	(4,642)
Operating expenditure excluding finance costs	(146,316)	(142,780)	(133,277)	(137,110)	(136,651)
Share of associate's surplus/(deficit)	-	-	-	154	9
Surplus/(deficit) before tax	(8,325)	(7,457)	758	6,604	1,215
Income tax expense	-	-	-	166	(213)
Surplus/(deficit) after tax	(8,325)	(7,457)	758	6,438	1,428
Gain/(loss) on revaluation of financial instruments	(2,702)	-	943	(2,702)	943
Gain/(losses) on property revaluations	37,371	61,239	(6,478)	38,538	(4,589)
Adjustment for deferred tax on transition to PBE accounting standards	-	-	-	-	(1,334)
Deferred tax on revaluation	-	-	-	66	(241)
Total other comprehensive revenue and expenses	34,669	61,239	(5,535)	35,902	(5,221)
Total comprehensive revenue and expenses attributable to Hutt City Council	26,344	53,782	(4,777)	42,340	(3,794)

Net Equity

	COUNCIL		GROUP		
	ACTUAL 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2015	ACTUAL 2014
	\$000	\$000	\$000	\$000	\$000
Equity at the beginning of the year	1,242,364	1,247,832	1,247,141	1,245,878	1,249,672
Total comprehensive revenue/expenses	26,344	53,782	(4,777)	42,340	(3,794)
Equity at the end of the year	1,268,708	1,301,614	1,242,364	1,288,218	1,245,878

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position of Council is the difference between its assets (what it owns) and liabilities (what it owes). The Council has assets of over \$1.2 billion with liabilities of only \$0.1 billion. The table above shows the equity at the start of the year plus the net surplus achieved during the year.

	COUNCIL		GROUP		
	ACTUAL 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2015	ACTUAL 2014
	\$000	\$000	\$000	\$000	\$000
Current assets	25,867	40,401	33,670	27,270	33,708
Non-current assets	1,377,412	1,401,898	1,324,506	1,398,452	1,330,917
Total assets	1,403,279	1,442,299	1,358,176	1,425,722	1,364,625
Current liabilities	35,868	84,854	52,999	37,339	54,588
Non-current liabilities	98,703	55,831	62,813	100,165	64,159
Total liabilities	134,571	140,685	115,812	137,504	118,747
Net assets	1,268,708	1,301,614	1,242,364	1,288,218	1,245,878
Total equity	1,268,708	1,301,614	1,242,364	1,288,218	1,245,878

STATEMENT OF CASH FLOW

Cash flow represents the movement through receipts and payments of all cash including loans raised and repaid. The net cash from operating activities is close to budget. The net cash outflow from investing is above budget due to loans made to Council-Controlled Organisations (CCOs). This is offset by higher cash inflows from financing activities.

	COUNCIL		GROUP		
	ACTUAL 2015	BUDGET 2015	ACTUAL 2014	ACTUAL 2015	ACTUAL 2014
	\$000	\$000	\$000	\$000	\$000
Net cash flow from operating activities	20,435	28,847	29,292	36,896	30,329
Net cash flow from investing activities	(40,880)	(43,478)	(26,054)	(56,027)	(24,284)
Net cash flow from financing activities	15,775	20,438	(44)	15,775	(44)
Net cash flow for the year	(4,670)	5,807	3,194	(3,356)	6,001

GROUP HIGHLIGHTS

The group consists of Council, its subsidiaries Seaview Marina Limited, Urbanplus Limited and Hutt City Community Facilities Trust (all 100% owned) and associate Wellington Water Limited.

	2015	2014	2013	2012	2011	2010
	\$M	\$M	\$M	\$M	\$M	\$M
Net surplus	6.4	1.4	1.8	(2.0)	1.7	7.7
Total assets	1,425.7	1,364.6	1,370.2	1,373.9	1,274.7	1,274.9
Total liabilities	137.5	118.7	120.5	124.3	122.8	128.0
Total equity	1,288.2	1,245.9	1,249.7	1,249.5	1,151.9	1,146.9

NOTES

- The specific disclosures included in the summary financial report have been extracted from the full financial report. Both reports were adopted by Council on 2 November 2015. The full financial statements have been prepared in accordance with Tier 1 PBE Standards.
- The summary financial report has been presented in New Zealand dollars.
- The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The full financial report dated 2 November 2015 has received an unmodified audit report. A copy of the financial report may be obtained from the Council's website huttcity.govt.nz from late November.
- This summary financial report has been examined by the auditor for consistency with the full financial report. An unmodified auditor's report is included with this summary.
- These summary financial statements are the first financial statements presented in accordance with the new PBE accounting standards. There were no material adjustments arising on transition to the new PBE accounting standards.



INDEPENDENT AUDITOR'S REPORT



AUDIT NEW ZEALAND
Mana Arotake Aotearoa

TO THE READERS OF HUTT CITY COUNCIL'S SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

We have audited the summary of the annual report (the summary) as set out on pages 3 to 4, which was derived from the audited statements in the annual report of the Hutt City Council (the City Council) for the year ended 30 June 2015 on which we expressed an unmodified audit opinion in our report dated 2 November 2015.

The summary comprises:

- the summary statement of financial position as at 30 June 2015, and summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of the City Council's non financial performance information and summaries of other information contained in its annual report.

Opinion

In our opinion, the information reported in the summary complies with FRS 43: Summary Financial Statements and represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

Basis of opinion

The audit was conducted in accordance with the Auditor General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand).

The summary and the audited statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 2 November 2015 on the audited statements.

The summary does not contain all the disclosures required for audited statements under generally accepted accounting practice in New Zealand. Reading the summary, therefore, is not a substitute for reading the audited statements in the annual report of the City Council.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary in accordance with FRS 43: Summary Financial Statements. The Council is also responsible for the publication of the summary, whether in printed or electronic form. We are responsible for expressing an opinion on the summary, based on the procedures required by the Auditor General's auditing standards and the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements.

In addition to this audit, which includes our report on the Other Requirements, we have carried an audit of the LTP amendment and an assurance engagement providing an auditor's report to the City Council's bond trustees, which are compatible with those independence requirements. Other than this engagement we have no relationship with or interests in the City Council or any of its subsidiaries.

Andy Burns, Audit New Zealand
2 November 2015

On behalf of the Auditor General
Wellington, New Zealand