

Council adopts Group Annual Report

Auckland Council's Group audited annual report for the year ended 30 June 2015 was formally adopted by council's governing body today.

The report shows a strong Group financial performance this year, reflecting a need to invest for Auckland's future, balanced with financial prudence and best value for money.

Group highlights include:

- Operating surplus before gains and losses of \$80 million
- Total Group net debt of \$6,997 million, which is \$206 million below budget
- Assets value of \$42.2 billion, increased by \$2.3 billion
- Targets for cumulative efficiency gains of \$183 million were met this year

In 2014-2015 Auckland experienced substantial population growth of almost 3 per cent, or an estimated 45,000 people on the previous year.

This growth increased pressures on existing infrastructure and demands for more council services impacting on this year's annual results with both total expenditures and total revenues for the year being higher than budgeted.

In conjunction with the region's growth the Group delivered a large capital investment programme of \$1.5 billion into infrastructure to improve Auckland's transport network, the three waters networks, and community facilities.

This includes \$350 million in roads and footpaths to maintain the existing network and improve roads, \$204 million in new electric trains (EMUs) and a depot, \$153 million in water and waste water infrastructure, and \$133 million in local and regional parks.

During the year the Group maintained credit ratings of AA from Standard and Poor's and Aa2 from Moody's Investors Service. These remain among the strongest credit ratings in New Zealand, confirming the Group's strong debt servicing capability.

The annual results provide a solid foundation for the new Long-term Plan 2015-2025. Over the next 10 years the asset base is expected to grow from \$42 billion to \$60 billion. The Group will slow the growth of debt and drive greater efficiencies across the Group working towards achieving \$309 million per annum in permanent efficiency gains by 2025.

The Auckland Council Group annual report is available on the council [website](#)

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