

# NOTES TO FINANCIAL STATEMENTS

## (a) Self Funding Reserve

Self Funding Reserves are reserves established at Council's will for activities undertaken by Council on the basis that the activities will generate enough revenue over time to cover the cost of their operation. The reserve balance represents accumulated balances to date of such activities.

(thousands)	Closing Balance 2004	Closing Balance 2005	Closing Balance 2006	Closing Balance 2007	Closing Balance 2008	Closing Balance 2009	Closing Balance 2010	Closing Balance 2011	Closing Balance 2012	Closing Balance 2013	Closing Balance 2014
Pensioner											
Housing	231	(1,054)	(1,162)	(1,311)	(1,448)	(1,574)	(1,764)	(1,814)	(1,988)	(2,190)	(2,270)
Airport	0	(14,197)	(15,828)	(16,163)	(16,166)	(16,101)	(16,011)	(15,883)	(15,734)	(15,411)	(14,980)
Wastewater	(2,565)	(3,263)	(2,867)	(2,376)	(2,048)	(3,030)	(3,063)	(2,386)	(1,512)	(562)	533
Landfill	(546)	375	679	1,680	1,465	1,234	990	2,021	3,110	4,267	4,772
Water	(2,477)	(3,728)	(4,910)	(7,079)	(8,558)	(9,192)	(9,165)	(9,317)	(9,109)	(8,787)	(8,334)
Refuse											
Collection	150	165	181	200	222	246	269	294	321	349	379
Eastern Trunk Line	(553)	(3,156)	(2,473)	(2,565)	(3,616)	(3,788)	(3,692)	(3,589)	(3,479)	(3,361)	(3,235)
Rural Waste Water	(25)	(261)	(1,676)	(1,825)	(2,360)	(4,514)	(4,714)	(4,615)	(4,509)	(4,395)	(4,272)
<b>Total Self Funding Reserves</b>	<b>(5,785)</b>	<b>(25,119)</b>	<b>(28,056)</b>	<b>(29,439)</b>	<b>(32,509)</b>	<b>(36,719)</b>	<b>(37,150)</b>	<b>(35,289)</b>	<b>(32,900)</b>	<b>(30,090)</b>	<b>(27,408)</b>

## (b) Council Created Reserve

Council Created Reserves are established by Council Resolution for the purposes stated below. Transfers to and from these reserves is at the discretion of Council.

(thousands)	Closing Balance 2004	Closing Balance 2005	Closing Balance 2006	Closing Balance 2007	Closing Balance 2008	Closing Balance 2009	Closing Balance 2010	Closing Balance 2011	Closing Balance 2012	Closing Balance 2013	Closing Balance 2014
Reporoa Domain	13	13	12	13	13	13	14	14	15	15	15
Waikite Domain	28	28	29	29	29	30	30	30	31	31	31
<b>Total Council Created Reserves</b>	<b>41</b>	<b>41</b>	<b>41</b>	<b>42</b>	<b>42</b>	<b>43</b>	<b>44</b>	<b>44</b>	<b>46</b>	<b>46</b>	<b>46</b>

## (c) Restricted Reserve

Restricted Reserves are subject of specific conditions set either by legislation, Trust or Bequests and the purpose may not be changed without reference to the Courts of a third party.

(thousands)	Closing Balance 2004	Closing Balance 2005	Closing Balance 2006	Closing Balance 2007	Closing Balance 2008	Closing Balance 2009	Closing Balance 2010	Closing Balance 2011	Closing Balance 2012	Closing Balance 2013	Closing Balance 2014
Reserves Development	89	8	31	55	80	108	137	169	201	236	24
Library Bequest	300	300	0	0	0	0	0	0	0	0	0
Property Development	424	0	18	23	23	20	17	17	17	17	17
<b>Total Restricted Reserves</b>	<b>813</b>	<b>308</b>	<b>49</b>	<b>78</b>	<b>103</b>	<b>128</b>	<b>154</b>	<b>186</b>	<b>218</b>	<b>253</b>	<b>41</b>

### Restrictions

**Reserve Development:** Section 108 of the Resource Management Act 1991 requires funds to be set aside for the Development of Reserves.

**Library Bequest:** Section 31 of the Local Legislation Act 1937 states the fund is an endowment for the maintenance and benefit of a public library in the Borough of Rotorua.

**Property Development:** Sections 561,562,572 of the Local Government Act 1974 requires various sales of properties to be credited to a Housing and Property Account. Funds are used for Property Development.