

8 October 2025



**SOUTH WAIRARAPA
DISTRICT COUNCIL**
Kia Reretahi Tātau

Sefton Vuli
Appointed Auditor
Audit New Zealand
PO Box 99
Wellington

Dear Sefton,

Representation letter for the year ended 30 June 2025

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor General, of the financial statements of South Wairarapa District Council (District Council) and statement of service performance for the year ended 30 June 2025 for the purpose of expressing an independent opinion about whether:

- the financial statements of the Council:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2025;
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the Council's statement of service performance for the year ended 30 June 2025:
 - provides an appropriate and meaningful basis to enable readers to assess the Council's actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
 - fairly presents, in all material respects, the Council's actual levels of service for each group of activities, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act;

- the funding impact statement for each group of activities of the Council for the year ended 30 June 2025 has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act;
- the funding impact statement of the Council for the year ended 30 June 2025, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.

We understand that you are also required to report on:

- whether the Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We understand that your audit was 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.

We understand that, because you will be issuing a non-standard audit report, the Auditor General has the responsibility to refer to that audit report in a report to Parliament in accordance with section 20 of the Public Audit Act 2001.

General responsibilities

To the best of our knowledge and belief:

- the resources and activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations, and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the District Council to prevent and detect fraud or error, and which enables the preparation of the financial statements and the statement of performance that are free from material misstatement whether due to fraud or error.

Representations on the financial statements and the statement of service performance



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We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements and statement of service performance, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements and the statement of service performance as required by the Local Government Act 2002 and, in particular, that:
- the financial statements of the Council:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2025;
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the Council's statement of service performance for the year ended 30 June 2025:
 - provides an appropriate and meaningful basis to enable readers to assess the Council's actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
 - fairly presents, in all material respects, the Council's actual levels of service for each group of activities, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act;
- the funding impact statement for each group of activities of the Council for the year ended 30 June 2025 has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act;
- the funding impact statement of the Council for the year ended 30 June 2025, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.
- Council has complied with the information disclosure requirements of Schedule 10 of the Act that apply to the annual report;

- Council disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence Regulations) 2014 are complete and accurate;
- we believe the methods, significant assumptions, and data used in making and supporting accounting estimates and the related disclosures in the financial statements and statement of service performance are appropriate to achieve recognition, measurement, or disclosure that is in accordance with Public Benefit Entity Reporting Standards;
- we have appropriately accounted for and disclosed related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to 30 June 2025 that require adjustment or disclosure;
- we believe the effects of uncorrected misstatements are immaterial, both individually or in the aggregate, to the financial statements and [description used for statement of service provision] as a whole; and
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Benefit Entity Reporting Standards.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements and the statement of service performance; and
 - unrestricted access to persons within the District Council from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements and statement of service performance;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the District Council and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements and statement of service performance;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the District Council's financial statements statement of service performance communicated by employees, former employees, analysts, regulators, or others;



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- we have disclosed to you all known instances of non compliance or suspected non compliance with laws and regulations whose effects should be considered when preparing financial statements and the statement of service performance, including possible non compliance with laws for setting rates;
- we have provided you with all the other documents (“other information”) which will accompany the financial statements and the statement of service performance which are consistent with one another, and the other information does not contain any material misstatements; and
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware.

Publication of the financial statements and statement of service performance and related audit report on a website

The Council accepts that it is responsible for the electronic presentation of the audited financial statements and statement of service performance.

The electronic version of the audited financial statements and statement of service performance and the related audit report presented on the website are the same as the final signed version of the audited financial statements and statement of service performance and audit report.

We have clearly differentiated between audited and unaudited information on the website and understand the risk of potential misrepresentation without appropriate controls.

We have assessed the security controls over audited financial and statement of service performance and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.

Where the audit report on the full financial statements and statement of service performance is provided on a website, the financial statements and statement of service performance are also provided in full.

Going concern

We confirm that, to the best of our knowledge and belief, the District Council has adequate resources to continue operations at their current level for the foreseeable future. For this reason, the Council continues to adopt the going concern basis of accounting in preparing the financial statements and the statement of service performance for the year ended 30 June 2025. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the District Council during the period of one year from 8 October 2025, and to circumstances that we know will occur after that date which could affect the validity of the going concern assumption.

We consider that the financial statements and statement of service performance adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the District Council.

Sign off on these representations

These representations are made at your request, and to supplement information obtained by you from the records of the District Council and to confirm information given to you orally.

Yours sincerely

Martin Connelly

Mayor

8th October 2025

Janice Smith

Chief Executive

8th October 2025