



Summary Annual Report 2020/2021

Te Kahui o Poutini Westland District Council



We work with the people of Westland to grow and protect our communities, our economy and our unique natural environment

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INTRODUCTION

This report summarises Westland District Council’s financial and service delivery performance for the year ended 30 June 2021. It provides an overview of how we delivered against planned activities and budgets.

It has been prepared in accordance with PBE FRS43 – Summary Financial Statements and was authorised for issue by the Mayor and Chief Executive on 21 January 2022.

Westland District Council’s Annual Report has been prepared in observance of the Local Government (Financial Reporting and Prudence) Regulations 2014 along with the Local Government Act 2002, which brings additional disclosure requirements. The ‘whole story’ is contained in the full Annual Report 2020/2021, which was adopted and authorised for issue by Council on 21 December 2021.

The Annual Report is available from

- Westland District Council’s website: https://www.westlanddc.govt.nz/media/i1ti05yt/20211221_final-annual-report-2020-2021-audit-approved.pdf
- Westland District Council’s Customer Service Centre, 36 Weld Street Hokitika

KEY FACTS

Population – Census Night (2018)	11,301
Resident in District	8,640
Total Area	1,186,272 ha
Rateable Area	141,522 ha
No. of Rateable Assessments	6573
No. of Non-rateable Assessments	772
Proportion of general rates to total income	22%
Average general rates per rateable property	1,200
Public debt (as a percentage of property, plant & equipment)	5%
Public debt (per rateable property)	3,317

Cover photo –Aoraki Mount Cook, credit Tony Maitland

Vision statement photo –Kotuku, credit Anonymous

MAYOR AND CE MESSAGE

E aku nui, e aku rahi, tēnā koutou katoa. Anei te pūrongo ā-tau hei pānui mā koutou.

Greetings to all of you. Here is the Annual Report for you to read.

When reflecting on the 2020/2021 year our thoughts first turn to the external influences that have impacted on our Council operations and capital programmes. The most significant impact being Covid-19 and the Government's response to this.

Our communities have seen first-hand that parts of the Westland economy have suffered badly with the loss of tourism, which is the primary basis for many businesses, particularly in Glacier Country. Through adversity, there have been opportunities offered and Council has seized on these to support the district's wellbeing. These opportunities have materialised in the form of government funding for organisations and local bodies to stimulate economic recovery and asset improvements. Westland District Council successfully applied for funding of \$16.2 million under these funding streams, which has gone towards the following projects:

- Hokitika Swimming Pool – funding of \$3 million to complete structural improvements and equipment modernisation.
- Old Christchurch Rd – funding of \$3.2 million to seal up to 23km of the road, improving road safety and reducing dust pollution to surrounding properties.
- Jackson Bay Wharf - funding of \$1 million to upgrade the wharf and secure its use for at least another 30 years.
- Franz Josef - funding of \$1.5 million to extend sealing and the footpath on Cron St.
- Fox Glacier Landfill remediation – funding of \$3.3 million to complete the removal of rubbish and cap the closed Fox Glacier Landfill site. Part of the funding was used to remove waste from the Fox River bed.
- Butlers Landfill – funding of \$3.3 million to open a new cell at the landfill, extending capacity for approximately 20 years.
- Community Halls and War Memorials – funding of \$900K to upgrade and refurbish community halls and war memorials around the district, such as the Hari Hari War Memorial Gate, Haast Community Hall and Bruce Bay Community Hall.

It has been great to see so many projects get off the ground and support the cultural and economic wellbeing of the district. Westland is made up of strong communities who will pull together and support each other when times are tough, and Council wants to make sure that they have the facilities and resources to do this.

While there has been generous support from the Government for sustaining our communities, Council has also had to continue to undertake significant work around Government reforms, such as new National Policy Statements on Fresh Water and Biodiversity; planning work for significant natural hazards, climate change and the Resource Management Act reform; and the proposed three waters reform. Working with local communities to engage with and understand these reforms involves significant amounts of work. The scale and scope of these aspirational reforms is unprecedented. There is an expectation that local government can keep up with the passage of the changes but Councils are really stretched to fulfil this expectation and it is unlikely the pace of change can keep up the current momentum.

In the early stages of the three waters reform, as part of the engagement process, Council received \$6.9 million towards future three waters asset works. This has allowed Council to upgrade and improve three waters infrastructure for the community – in some cases earlier than we had previously planned. Whilst we acknowledge and appreciate the funding it has come at the cost of councils own ambitious capital works programme as set out in the Long Term Plan, therefore many projects have been carried over to the new financial year.

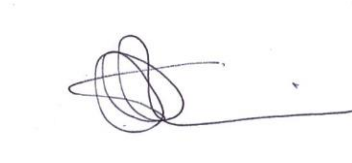
A highlight for Council was the adoption of the Long Term Plan for 2021 – 2031. A Long Term Plan is 18 months in the making and every department of Council contributes to the final plan. This plan is Council’s blueprint for the next three years and lets the community know what services we will provide, what capital work we plan to do, and how we will fund everything. There was strong engagement from the community and this allowed Council understand what is important to the community and to make the right decisions.

Nō reira e ngā iwi o tēnei rohe Tēnā koutou, tēnā koutou, tēnā tātou katoa



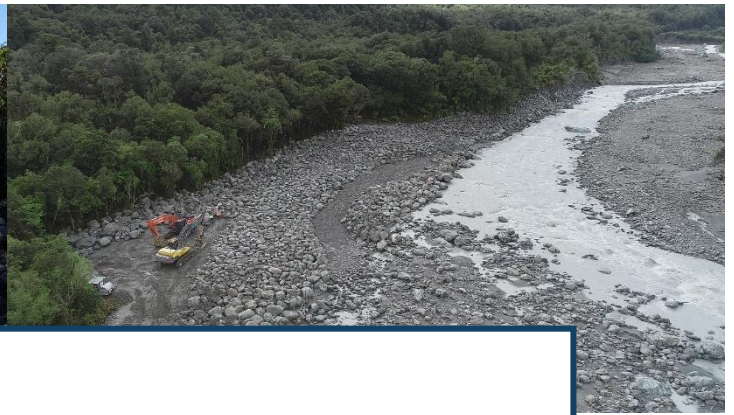
Bruce Smith

Mayor 2020/2021



Simon Bastion

Chief Executive



Fox Glacier Landfill restitution

Council received funding through the Covid-19 Shovel Ready Funding to complete the removal of waste from the closed Fox Glacier Landfill and to cap the site. This work involved taking 16,000 tonnes of cleared waste from Fox Glacier landfill to Butlers landfill near Hokitika by truck. The landfill was capped and 1100 m3 of rock was used to repair the riverbank.

Long Term Plan

The Long Term Plan 2021 – 2031 was adopted on 30 June 2021. Council were grateful to be gifted the name 'Te Kahui o Poutini' by Poutini Ngāi Tahu.

**Westland District Council
Te Kahui o Poutini**

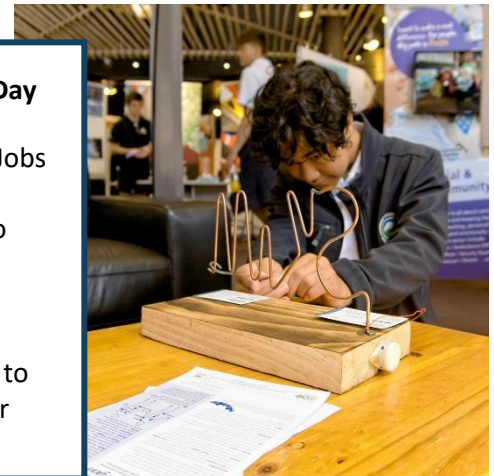


Long Term Plan 2021-2031



Inspire to Aspire Careers Day

The Mayors Taskforce for Jobs took over the Pakiwaitara building to bring 'Inspire to Aspire' careers day to the Westland District. School students and community members were connected to local businesses and career options.



Emergency Generator for Fox Glacier

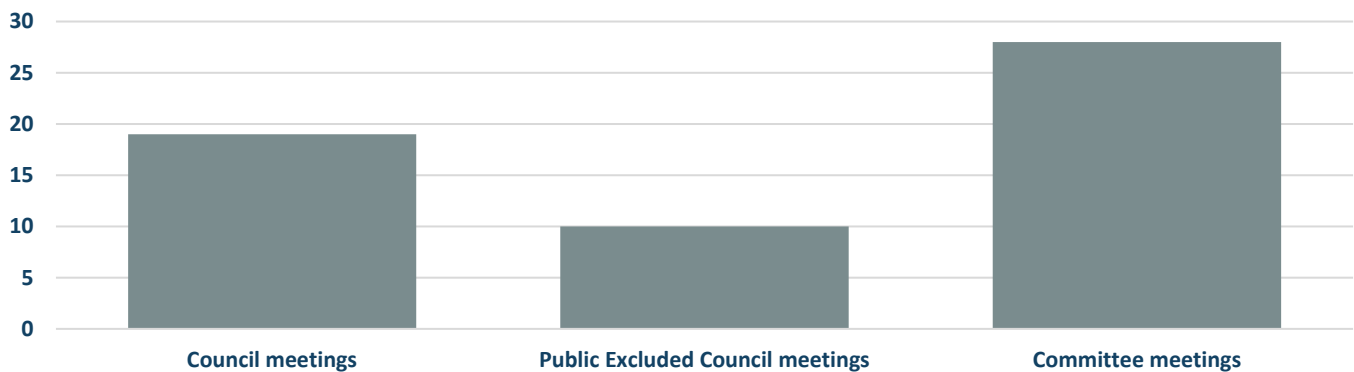
The Fox Community Recovery Group were able to fund the installation of a generator to support the Fox Glacier Community Centre provide welfare support in an emergency after successful funding applications to the Lotteries Community Grant and the Community Capability Resilience Fund.



PERFORMANCE AT A GLANCE

19 Council meetings; 28 Committee meetings; LGOIMA requests decreased 16%; 2586 Facebook followers; ~600 subscribers to Westland Matters

2020/2021 Council & Committee meetings



92 Resource consents issued

97.73% of building consents issued within 20 days

11 new liquor licences issued

2033 dogs registered

229 dog control complaints

11 groups received Sport NZ Rural Travel Funds

Mayors Taskforce for Jobs 92.8% success rate

-
- **40% increase in Swim School participants;**
 - **Up to 46,355 users on the West Coast Wilderness Trail;**
 - **3872 people attended events at the library;**
 - **Elderly housing occupied 99% of the time;**
 - **Over 9,000 people attended Hokitika Wildfoods festival**

4.9% of the road network resurfaced

100% compliance with stormwater discharge

New cell opened at Butlers landfill

New water treatment plant at Arahura



AN OVERVIEW OF COUNCIL PERFORMANCE

This is a summary of Council’s performance in delivering services, measured against selected non-financial targets. For complete details of Council performance, including the specific measures and explanations of the results, see the full Annual Report 2020/2021, available from https://www.westlanddc.govt.nz/media/i1ti05yt/20211221_final-annual-report-2020-2021-audit-approved.pdf or our service centre.

Council set many non-financial targets in the 2018-2028 Long Term Plan. To assess Council’s performance against these measures, a number of objective measures were used:

- One Council department conducted their own tailored customer survey. A Council-wide Resident Satisfaction Survey was not conducted in the 2020/2021 year and this is reflected in the 'not measured' statistics.
- Responsiveness measures were assessed with reference to incidents reported on Council’s service request system. These are captured when customers contact the Council helpdesk to request assistance, and retrospectively when staff or contractors have responded to emergencies and later report the details to customer service.
- Certain other targets are industry specific mandatory benchmarks or legislative requirements.

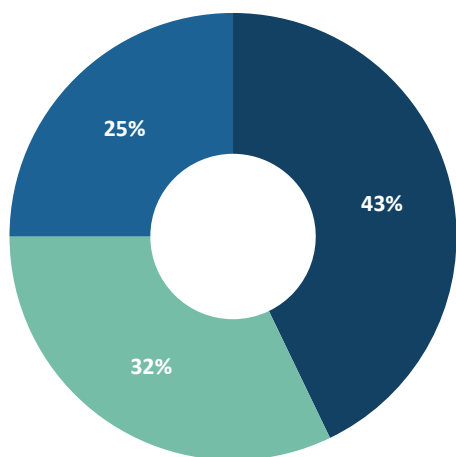
The data gathered is combined with the statistics and measurements captured in Council’s systems to give a balanced scorecard of where we are meeting our objectives, and the areas where improvement is required.

Council has 9 Groups of Activities as follows:

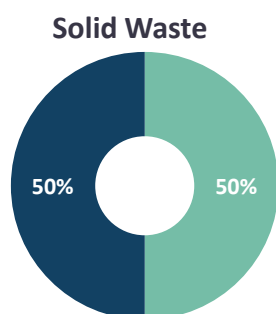
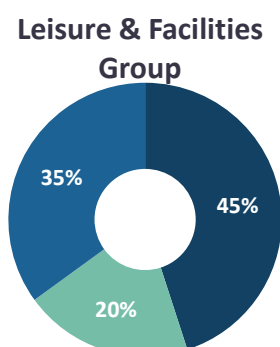
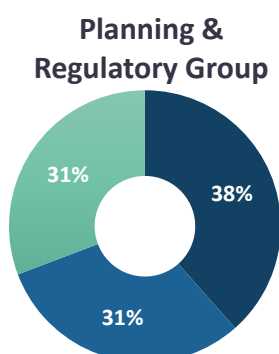
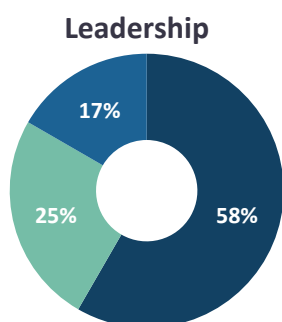
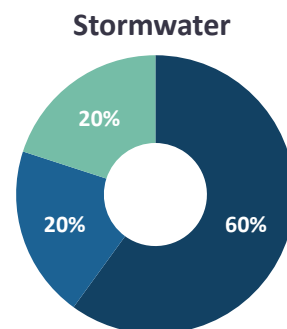
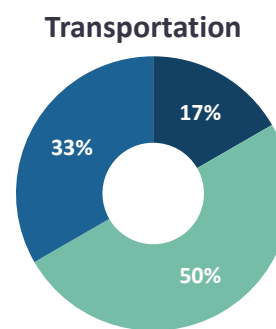
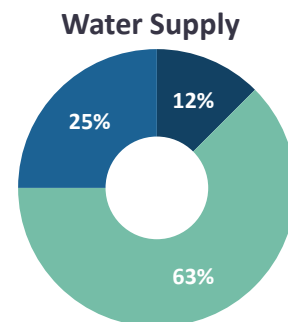
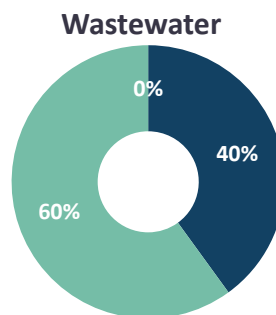
Activity Group	Activity
Leadership	Corporate Services, Governance, Council Controlled Organisations Professional Services Customer Services
Planning and Regulatory Services	Resource Management Inspections & Compliance Animal Control
Community Services	Community Development & Assistance Community Halls
Leisure Services and Facilities	Elderly Housing Hokitika Museum Swimming Pools i-SITE Events Parks & Reserves Cemeteries Land & Buildings Public Toilets Westland District Libraries West Coast Wilderness Trail
Transportation	
Water Supply	
Wastewater	
Stormwater	
Solid Waste	

Performance is measured against a number of different indicators. Some of these are mandatory measures set by central government and others are measures that Council set itself. There are 84 measures in total.

- We achieved 43% of the measures (36 out of 84). This includes 30% of the mandatory measures (7 out of 23)
- We did not achieve 32% of the measures (27 out of 84). Two CCO measures were not achieved due to the requirement to be in a specified range. However, they exceeded the specified range so overachieved in real terms.
- In the 2020/2021 year Council did not conduct a Bi-Annual Resident Satisfaction survey of non-mandatory satisfaction measures. 89% of the satisfaction indicators were not measured (16 out of 18). As well, some activities do their own survey, or are reviewing how they measure satisfaction indicators.



■ Achieved ■ Not Achieved ■ Not Measured



Mandatory Measure	Progress	Achievement	
Water Supply	<i>Safety of drinking water</i>	3/9 supplies fully compliance with bacterial compliance criteria 0/9 supplies compliant with protozoal compliance criteria	Not achieved
	<i>Fault response times</i>	91% (39/43) urgent callouts attended within 2 hours.	Not achieved
		68% (121/179) urgent callouts resolved within 12 hours	Not achieved
		42% (18/43) non-urgent callouts attended within 24 hours.	Not achieved
		37% (66/179) non-urgent callouts resolved within 72 hours	Not achieved
	<i>Maintenance of reticulation network</i>	Measured in context with the Benchloss NZ Manual	Not measured
<i>Demand Management</i>	Analysed on a three-yearly basis	Not measured	
<i>Customer Satisfaction</i>	Total complaints = 60 Complaints per 1000 connections = 22	Achieved	
Wastewater	<i>System and adequacy</i>	Complaints per 1000 connections = 3.3 – 7 dry weather overflows reported.	Achieved
	<i>Discharge compliance</i>	An abatement notice was issued for Haast WWTP breaching discharge consent.	Not achieved
	<i>Fault response times</i>	50% (4/8) responded to within 2 hours.	Not achieved
		75% (6/8) notifications resolved within 4 hours.	Not achieved
<i>Customer satisfaction</i>	Total complaints = 15 Complaints per 1000 connections = 7	Achieved	
Stormwater	<i>System adequacy</i>	0 flooding events affecting habitable floors occurred	Achieved
		Habitable floors effected = 0 per 1000 connections	Achieved
	<i>Response times</i>	There were no reported events to attend.	Not measured
	<i>Customer satisfaction</i>	Total complaints = 27 Complaints per 1000 connections = 53.1	Not achieved
	<i>Discharge compliance</i>	Fully compliant with resource consents	Achieved
Transport	<i>Road safety</i>	2 recorded fatal crashes on WDC network. No year-on-year change.	Achieved
	<i>Road condition</i>	94% smooth travel exposure (2020 survey)	Not measured
	<i>Road Maintenance</i>	4.9% as a result of increasing bitumen prices.	Not achieved
	<i>Footpaths</i>	92.4% within 1 – 4 rating. No agreed level of service standard	Not achieved
	<i>Customer service requests</i>	50% (142/279) responded to within 2 working days. 65% (182/279) resolved within the informal target timeframe.	Not achieved

Summary of Group Activities Performance

Activity	No. of Measures	Achieved	Not Achieved	Not Measured	% Achieved
Leadership	24				58%
Democracy	2	0	0	2	0%
Corporate Services	3	1	0	2	33%
Council Controlled Organisations	19	13	6	0	68%
Planning and Regulatory	13				38%
Resource Management	2	2	0	0	100%
Inspections and Compliance	6	0	3	3	0%
Animal Control	3	2	0	1	66%
Emergency Management	2	1	1	0	50%
Community Services Group	1				
Community Halls	1	0	0	1	0%
Leisure Services and Facilities	20				45%
Elderly Housing	4	3	1	0	75%
Hokitika Museum	2	0	0	2	0%
Hoiktika Wildfoods Festival	2	1	0	1	50%
i-SITE	2	1	1	0	50%
Parks and Reserves	1	0	0	1	0%
Cemeteries	2	2	0	0	100%
Public Toilets	2	0	1	1	0%
Swimming Pools	2	1	0	1	50%
West Coast Wilderness Trail	1	1	0	0	100%
Westland District Library	2	0	1	1	0%
Transportation	6	1	3	2	17%
Water Supply	8	1	5	2	12%
Wastewater	5	2	3	0	40%
Stormwater	5	3	1	1	60%
Solid Waste	2	1	1	0	50%
Total for the Council	84	35	28	21	42%

FINANCIAL PERFORMANCE

This is an overview of the financial results for the year ended 30 June 2021. The information is extracted directly from the financial statements contained in the full audited Annual Report 2020/2021. The audited financial statements comply with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The summary Financial Statements do not include all the disclosures that are provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. For a complete understanding of Council's financial performance, financial position and cash flows; readers are encouraged to refer to the full Annual Report 2020/2021.

The Group figures in these statements represent the consolidated financial statements for Council and the Group (which includes Westland Holdings, Westroads and Destination Westland). Figures are presented in New Zealand Dollars and rounded to the nearest thousand.

The full financial statements of the Council have been prepared in accordance with Tier 1 PBE Standards. The full financial statements comply with PBE Standards.

The Audit Report is included in the Annual Report. It is an unqualified opinion. It states that the information in the Annual Report fairly presents Council's financial and non-financial performance and that Council's financial statements comply with generally accepted accounting practice in New Zealand.

Summary	2020/2021 \$000
Rates (General)	7,891
Net surplus/(deficit)	7,640
Working Capital	1,652
Public Debt	21,818
Total Assets	444,525

Variations from the Long Term Plan

This is year 3 of the Long Term Plan 2018-28, therefore Council is reporting against the Annual Plan 2020/2021.

Council has a \$7.64 million surplus after tax, which is \$7.556 million favourable to budget. The main variances are set out below.

	Annual Report 2020/2021 \$000	Annual Plan 2020/2021 \$000	Variance
Revenue			
Rates	15,670	15,907	Actual rates income was lower than budgeted due to Rates remissions. Mainly non-contiguous remissions, 50% community remissions and seven year aged write-offs.
Grants & Subsidies	13,538	5,593	Grants and subsidies were \$7.6m higher than budgeted mainly due to unbudgeted grants received during the year for the following projects

			\$3.8 m for the Old Christchurch Road, Hokitika & Cron St, Franz Josef roading and pavement work.
			\$1.5m for Fox Landfill relocation to Butlers Landfill.
			\$0.9m for three waters projects.
			\$0.6m for the Mayor's Task Force for Jobs.
			\$0.5m for Jackson's Bay wharf.
			\$0.3m for War Memorials and Halls renovation.
Interest Revenue	51	43	Improved cash flow allowed for higher than budgeted term deposits, compensating for lower interest rates, and resulting in interest received being \$8k over budget.
Fees & charges	2,050	1,947	The higher fees and charges revenue is mainly due to increased activity in the building sector, with overall fees in Building Control \$0.1m higher than budgeted.
Other	3,976	1,209	\$2.8 million greater than budget due to: Vested assets income was \$2.2m higher than budgeted due to the Westland Sports Hub and Heritage Shed transferred to Council. A \$474k gain in financial hedging instruments. Recoverable income was \$210k higher than the budget due to response, recovery and welfare claims received from the National Emergency Management Agency for the March and December 2019 flood events.
Operating Expenditure			
Employee benefit expenses	4,731	4,236	\$495k higher than budget mainly due to the management of the Hokitika Museum reverting to Council, Human resources brought in-house from a shared service and new roles in the library funded by NZ Libraries grant funding.
Finance costs	606	867	\$261k lower than the budget due to lowered interest rates in response to the Covid-19 pandemic and efficient liquidity management.
Depreciation	7,555	7,141	\$414k higher than the budget as current year actual depreciation was calculated using last year's revalued assets, which were not available when depreciation budgets were set up for 2020/2021 Annual plan.
Other	14,803	12,373	Other expenses were higher than budgeted mainly due to following reasons: Roading repair was higher than planned by \$630k due to drainage and structure repair work, partly because of the 2019 floods. Unbudgeted costs for Emergency reinstatement from storm damage costs of \$388k. \$80k unbudgeted loss on swaps due to market factors, which is more than offset by an unbudgeted gain on swaps (included in other income). Unbudgeted \$912k expenditure offsetting the grants received for the Mayor's Task Force for Jobs; and the War Memorials and Halls renovation work. \$391k loss on disposal of infrastructure assets that were replaced during the year - the balance is mainly attributable.
Current Assets			
Cash & cash equivalents	11,411	3,689	Cash & cash equivalents is higher than the budget by \$7.7m mainly due unbudgeted grants received.

Non-Current Assets			
Assets under construction	10,088	1,474	\$8.6m increase in assets under construction as a result of unbudgeted grant funding received.
Property, plant & equipment	409,369	407,540	Acquisition of the Pakiwaitara building and other vested assets, offset by disposal of three waters assets have resulted in a net increase of property, plant and equipment of \$1.8m.
Current Liabilities			
Creditors & other payables	4,082	2,807	Creditors and other payables are higher than the budget by \$1.3m primarily due to a higher level of capital expenditure undertaken as a consequence of unbudgeted grant funding.
Other current liabilities	6,554	395	Other current liabilities are \$9.3m higher than budget as a result of unspent capital funding received of \$5.9m carried forward into the 2021-22 financial year, and an increase in rates received in advance of \$0.2m compared to the prior year. In addition, there is an unbudgeted derivative financial instrument asset.
Non-Current Liabilities			
Borrowings	18,818	25,626	Non current liabilities are lower than the budget by \$7.4m mainly due to lower than planned debt. Total debt is collectively lower than the budget by \$3.8m for both current and non current liabilities. This is due to loan funded capital expenditure being either deferred or re-scoped following the reprioritisation of grant funded unbudgeted capital works.

Contingencies

At balance sheet date Council is subject of a claim for >\$30,000,000 by Scenic Circle Hotel Group Ltd. Westland District Council is second plaintiff in these proceedings with West Coast Regional Council (WCRC) being the first plaintiff. This means that if the proceedings against WCRC do not succeed, then the claim may be laid on Council.

The claim is denied and will be defended by Council with the backing of its public liability insurer.

At balance sheet date Council is subject to a claim of threatened legal proceedings relating to a residential property in Hokitika. The homeowner has issued letters of claim to the engineers, and to the Council. The primary responsibility lays with the engineer who designed and supervised the construction of the house (2020: Scenic Circle [ongoing] and CCH).

Post Balance Date Disclosure

Pensioner Housing

The pensioner housing properties in Hokitika and Ross are to be transferred to Destination Westland Limited at valuation.

IMPACT OF COVID-19

New Zealand continues to be affected by the Covid-19 pandemic, with the entire country returning to Alert Level 4 on 17 August 2021 following an outbreak of the 'Delta' variant of the disease in the community.

Overall, the Council assessed that COVID-19 has had minimal impact on the financial and operational results for the year ended 30 June 2021.

Lock down slowed down the Capital project delivery programme with delays in materials arriving and work ceasing for two weeks during the August 2021 lockdown:

- Renovation works on the Hokitika Swimming Pool were delayed, with the handover running six to eight weeks behind schedule.

- Delays on work to the Carnegie Building have put the work 30 days behind schedule. Work is expected to be completed in March 2022.
- Work on the Cron Street Extension in Franz Josef is now expected to finish in December 2021.

The four-week alert levels 3 & 4 lockdown also affected provision of services:

- As in 2020, Westland District Library was closed under Alert Levels 4 and 3, and re-opened with strict hygiene measures, social distancing and contact tracing at Alert Level 2. However staff continued to provide and promote digital services. Programmes of activities have been adapted to online provision and a register and collect service for children's school holiday activities.
- Parks and playgrounds were closed during Alert Levels 4 and 3, in accordance with the Government's Alert levels. These facilities reopened under Alert level 2.
- The i-SITE was closed during Alert Levels 4 and 3. Visitor numbers have dropped significantly with the loss of international tourists and the loss of travellers from Auckland and the upper North Island as their lockdowns have been extended.

Council activities in 3 waters, roading, solid waste and public toilets are essential services and remained in operation during lockdown with strict health and safety protocols following the guidance provided by Central Government's Covid-19 Taskforce.

Communications remains focussed on providing accurate and factual information to the community, particularly promoting vaccination centres and testing centres through Council's communication channels.

For full details of the impact Covid-19 has had on Council performance refer to the statement of service provision on pages 79 – 138.

While the lockdown and potential future impacts of Covid-19 may negatively impact residents' ability to pay rates in the future, as at 30 June 2021 this does not appear to be the case. This was evidenced by the Council's rates receivable balance as at 30 June 2021, which was only 1.4% higher than the previous year.

Destination Westland

During Alert Levels 4 (August 2021), staff worked remotely where they could, and services were limited to essential services. The impact on the Company's tourism-based activities continues to be significantly impacted and the extent and duration to which Covid-19 will continue to disrupt and depress economic activity remains to be seen. In 2020, the Company reviewed all its activities to ensure they were viable, reduced nonessential spending, been through a staffing restructure. In 2021, the Company constantly reviewed its performance to ensure continued viability.

Wage Subsidy

Destination Westland Limited received \$92,646.59 Wage Subsidy from the Ministry of Social Development during the year ended 30 June 2021 as the necessary criteria was met, being an expected 30% reduction revenue.

Westroads

The company's business activity during Alert Level 4 was restricted to providing essential services, (emergency road maintenance, water utilities maintenance, cemetery maintenance & landfill operations). Approximately 25% of staff continued working. During Alert Level 3, all business activity resumed with the required health and safety protocols in place.

While COVID-19 has had a significant economic impact globally throughout 2021, the impact on the company's operations and financial performance and position this time has been minimal, as the Alert Level 4 Lockdown only lasted 2 weeks and at Alert level 3 the entire company was able to return to work.

Wage Subsidy

Westroads received no Covid-19 wage subsidies in the 2021 year as it did not meet the required income reduction. However, Covid-19 did have an effect in that jobs were delayed contributing to losses in the first half of the year.

THREE WATERS REFORM

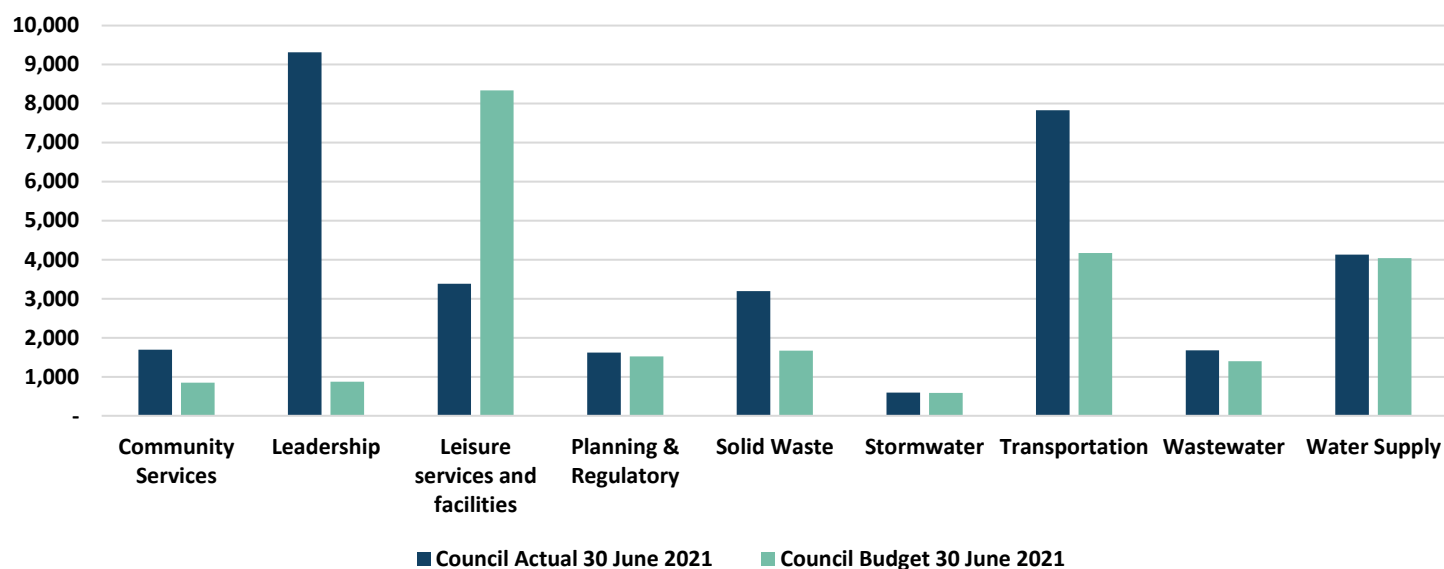
On 27 October 2021, the Local Government Minister announced that central government will proceed with the three waters service delivery reforms using a legislated “all in” approach. The three waters reform involves the creation of four statutory water services entities to be responsible for the service delivery and infrastructure from local authorities from 1 July 2024. Council will be part of Entity D, along with most other South Island districts. There are still a number of uncertainties associated with the new three waters delivery model including the mechanism for how assets will be transferred to the newly established entities, and the control and governance of these entities. Notwithstanding the current uncertainty the announcement once legislated will mean Council is no longer responsible for the delivery and infrastructure of three water services from 1 July 2024.

Statement of Comprehensive Revenue and Expense

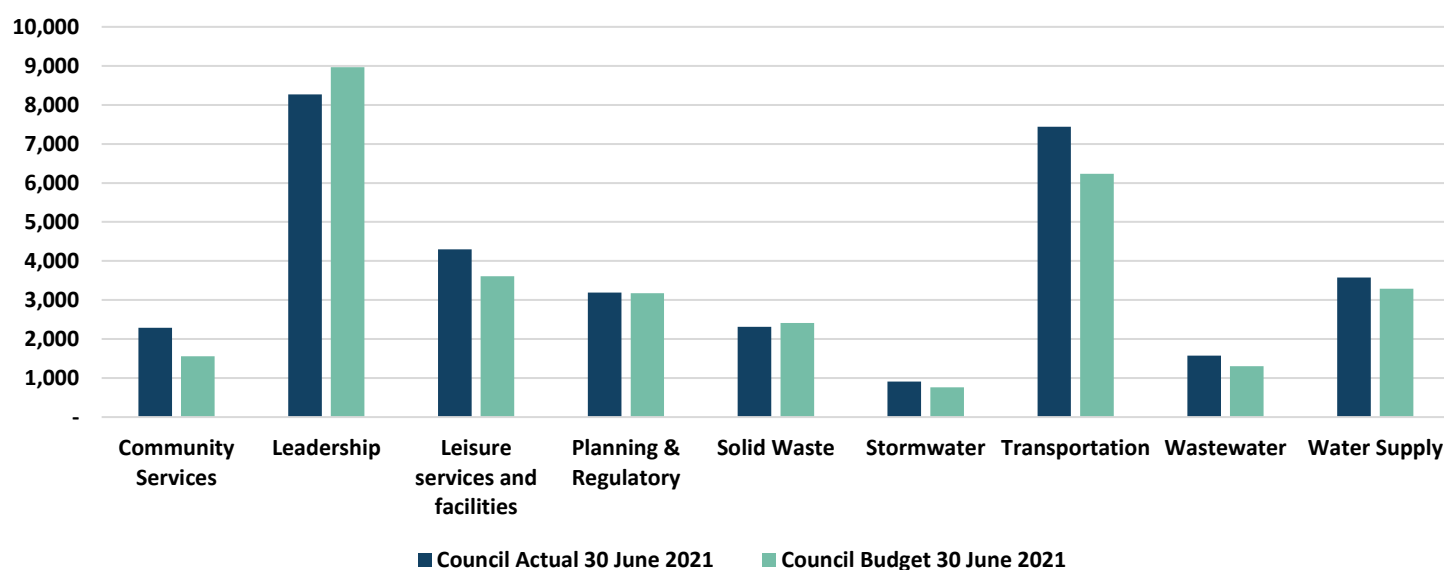
For the year ended 30 June 2021

Statement of Comprehensive Revenue and Expense						
	Council Actual 30 June 2021 \$000	Council Budget 30 June 2021 \$000	Council Actual 30 June 2020 \$000	Group Actual 30 June 2021 \$000	Group Actual 30 June 2020 \$000	Notes
Revenue						
Rates	15,670	15,907	16,396	15,548	16,396	3
Grants and subsidies	13,538	5,593	7,396	14,552	8,744	3
Interest revenue	51	43	42	53	42	3
Fees and charges	2,050	1,947	1,663	2,050	1,663	3
Other revenue	3,976	1,209	3,318	30,560	30,928	3
Total operating revenue	35,285	24,700	28,815	62,764	57,773	
Expenditure						
Employee benefit expenses	4,731	4,236	4,036	17,146	17,538	4
Finance costs	606	867	702	970	1,130	5
Depreciation and amortisation	7,555	7,141	7,131	10,125	9,619	13 & 14
Other expenses	14,803	12,373	13,518	27,148	24,412	6
Total operating expenditure	27,695	24,616	25,387	55,389	52,699	
Income tax expenses/(benefit)						
Income tax expenses/(benefit)	(50)	-	-	49	478	7
Income tax expenses/(benefit)	(50)	-	-	49	478	
Operating Surplus/(Deficit)	7,640	84	3,428	7,325	4,597	
Other comprehensive revenue and expense						
Gain on revaluation of assets	1,877	473	-	2,353	-	13
Tax benefit/(expense) on revaluation deficit/(surplus)	23	-	-	23	-	7
Revaluation losses on disposal of assets	(294)	-	-	(294)	-	13
Other Comprehensive Revenue and Expenses Subtotal	1,605	473	-	2,081	-	
Total comprehensive revenue and expense/(deficit) for the year attributable to Council	9,245	556	3,428	9,406	4,597	

Revenue by Activity \$000



Expenses by Activity \$000



Statement of Changes in Equity

For the year ended 30 June 2021

Statement of Changes in Equity					
	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000
Balance at 1 July	399,911	394,619	396,484	405,736	401,139
Total comprehensive income	9,245	556	3,428	9,406	4,597
Prior year lease restatement	-	-	-	(5)	-
Balance at 30 June	409,156	395,175	399,912	415,138	405,736

Statement of Financial Position

For the year ended 30 June 2021

Statement of Financial Position						
	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000	Notes
Assets						
Current assets						
Cash & cash equivalents	11,411	3,689	5,123	12,647	5,983	8
Debtors & other receivables	4,361	5,251	4,211	8,075	8,462	9
Inventory	-	-	-	727	666	10
Tax Refundable	1	-	-	1	-	7
Work in progress	-	-	-	20	222	13
Other financial assets	48	-	48	48	48	12
Total Current Assets	15,821	8,941	9,382	21,517	15,381	
Non-current assets						
Council Controlled Organisation	8,695	8,695	8,695	-	-	12
Intangible assets	65	329	75	65	74	14
Assets Under Construction	10,088	1,474	2,955	10,897	3,021	13
Derivative financial instruments	94	-	-	94	-	11
Other Financial Assets	394	366	314	394	314	12
Deferred tax	37	-	-	-	-	7
Investment property	-	-	-	1,010	1,010	13A
Property, Plant and Equipment	409,369	407,540	405,665	427,911	423,819	13
Term Inventory	-	-	-	327	299	10
Total Non-current assets	428,742	418,405	417,703	440,699	428,537	
Total Assets	444,563	427,346	427,085	462,215	443,919	
Liabilities						
Current liabilities						
Creditors & other payables	4,082	2,807	3,407	6,283	5,863	15
Employee benefit liabilities	436	374	476	1,929	1,898	17
Tax payable	-	3	3	-	565	7
Borrowings	3,000	-	3,000	4,430	3,891	18
Derivative financial instruments	94	-	34	94	34	11
Other	6,554	395	425	6,685	450	18
Total Current Liabilities	14,166	3,579	7,345	19,420	12,701	
Non-current liabilities						
Deferred Tax	-	32	32	232	202	7
Employee benefit liabilities	41	38	42	182	148	17
Provisions	1,846	2,222	2,040	1,846	2,040	16
Borrowings	18,818	25,626	16,618	24,861	21,995	18
Derivative financial instruments	536	673	1,097	536	1,097	11
Total Non-Current Liabilities	21,241	28,591	19,829	27,657	25,482	
Total Liabilities	35,407	32,170	27,174	47,077	38,183	
Net Assets	409,156	395,175	399,911	415,138	405,736	

	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000	Notes
Equity						
Retained earnings	158,744	142,381	151,089	164,250	156,913	19
Restricted Reserves	10,538	10,774	9,038	10,538	9,038	19
Revaluation reserves	239,788	241,956	239,721	240,264	239,721	19
Other comprehensive revenue and expense reserve	87	64	64	87	64	19
Equity	409,156	395,175	399,912	415,138	405,736	

Statement of Cash Flows

For the year ended 30 June 2021

Cash Flow Statement						
	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000	Notes
Net Cashflow Operating Activities						
Cash was provided from:						
Rates Revenue	16,579	15,775	16,589	16,457	16,375	
Fees, charges, and other receipts (including donations)	1,759	1,947	1,409	1,759	1,409	
Interest Received	48	43	32	48	32	
Dividends received	220	250	200	-	-	
Grants and Subsidies	17,330	4,759	7,941	18,344	9,288	
Other Revenue	1,617	1,209	1,200	30,677	27,802	
Cash was provided from:	37,553	23,983	27,371	67,285	54,907	
Cash was applied to:						
Payment Staff & Suppliers	17,659	16,644	16,279	43,757	38,897	
Interest Paid	579	867	733	983	1,161	
Income tax paid	1	-	-	563	230	
Cash was applied to:	18,240	17,511	17,012	45,303	40,288	
Net Cashflow Operating Activities	19,313	6,472	10,359	21,982	14,619	
Net Cashflow Investment Activities						
Cash was provided from:						
Proceeds from investments realised	-	-	-	46	-	
Proceeds sale of property, plant and equipment	2	-	-	242	690	
Movement in Westpac bonds	-	-	-	-	-	
Cash was provided from:	2	-	-	288	690	
Cash was applied to:						
Purchase of property, plant and equipment	15,113	10,907	8,739	18,924	12,575	
Purchase of investment property	-	90	-	-	1	
Purchase of intangibles	117	-	74	117	74	
Purchase of investments	-	-	16	-	16	
Cash was applied to:	15,230	10,997	8,829	19,041	12,666	
Net Cashflow Investment Activities	(15,228)	(10,997)	(8,829)	(18,753)	(11,976)	

Net Cashflow Finance Activities					
Cash was provided from:					
Proceeds from borrowings	2,200	5,383	1,000	6,309	1,826
Capital works loan repayments	3	-	3	3	3
Cash was provided from:	2,203	5,383	1,003	6,312	1,829
Cash was applied to:					
Repayment of borrowings	-	-	-	3,356	1,505
Cash was applied to:	-	-	-	3,356	1,505
Net Cashflow Finance Activities	2,203	5,383	1,003	2,956	324

Cash Balance					
Cash Balance					
Net increase/(decrease) in cash held	6,288	858	2,534	6,185	2,967
Total cash resources at start of theyear	5,123	2,831	2,589	5,979	3,012
Cash Balance	11,411	3,689	5,123	12,164	5,979
Cash & cash equivalents	11,411	3,689	5,123	12,647	5,983
Bank overdraft	-	-	-	(483)	(4)
Cash Balance	11,411	3,689	5,123	12,164	5,979

Whole of Council Funding Impact Statement

For the year ended 30 June 2021

Funding Impact Statement for Whole of Council				
	Annual Plan 2020 \$000	Annual Report 2020 \$000	Annual Plan 2021 \$000	Actual 2021 \$000
(SURPLUS) / DEFICIT OF OPERATING FUNDING				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	9,803	7,487	7,723	7,603
Targeted Rates	6,669	8,909	8,184	8,068
Subsidies and grants for operating purposes	2,078	3,193	2,896	3,751
Fees and charges	2,171	1,663	1,947	2,050
Interest and dividends from investments	602	242	293	271
Local authorities fuel tax, fines, infringement fees, and other receipts	502	3,118	959	1,573
Total Operating Funding (A)	21,825	24,612	22,002	23,316
Applications of Operating Funding				
Payments to staff and suppliers	15,961	17,392	16,609	19,143
Finance Costs	740	702	867	606
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	16,701	18,094	17,475	19,749
Surplus/(Deficit) of Operating Funding (A - B)	5,124	6,518	4,527	3,567
(SURPLUS) / DEFICIT OF CAPITAL FUNDING				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	2,259	4,202	2,697	9,787
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	3,893	1,000	5,383	2,200
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	6,152	5,202	8,081	11,987
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	41	29	31	3,032
- to improve the level of service	6,414	8,430	6,000	6,986
- to replace existing assets	4,702	4,812	5,102	5,212
Increase (decrease) in reserves	119	(1,551)	1,475	324
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	11,276	11,720	12,608	15,553
Surplus/(Deficit) of Capital Funding (C - D)	(5,124)	(6,518)	(4,527)	(3,567)
Funding Balance ((A - B) + (C - D))	-	-	-	-

Independent Auditor's Report

To the readers of Westland District Council's summary of the annual report for the year ended 30 June 2021

The summary of the annual report was derived from the annual report of Westland District Council (the District Council) for the year ended 30 June 2021.

The summary of the annual report comprises the following summary statements on pages 6 to 19:

- the summary statement of financial position as at 30 June 2021;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of group activities performance.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: *Summary Financial Statements*.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2021 in our auditor's report dated 21 December 2021. Our auditor's report on the full annual report also includes an emphasis of matter paragraph drawing attention to

the disclosures about the Government's three waters reform programme announcement as set out in the full annual report in note 26 to the financial statements. The Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the District Council will no longer deliver three waters services. These matters are addressed on page 14 of the summary of the annual report.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements in accordance with PBE FRS-43: *Summary Financial Statements*.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

Our opinion on the summary of the annual report is based on our procedures, which were 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.

Other than in our capacity as auditor, we have no relationship with, or interests in the District Council or any of its subsidiaries.



Chantelle Gernetzky
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
21 January 2022