



WESTLAND DISTRICT COUNCIL
SUMMARY ANNUAL REPORT 2022/2023



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Introduction

This report summarises Westland District Council's financial and service delivery performance for the year ended 30 June 2023. 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 PBE FRS 48 – Service Performance Reporting, and was authorised for issue by the Mayor and Chief Executive on 6 November 2023.

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 2022/2023, which was adopted and authorised for issue by Council on 31 October 2023.

The Annual Report is available from

- Westland District Council's website: <https://www.westlanddc.govt.nz/media/h2un2fqu/annual-report-2022-2023-final-audit-opinion.pdf>
- Westland District Council's Customer Service Centre, 36 Weld Street Hokitika

Key Facts

Population – Census Night (2018)	11,301
Resident in District (Census 2018)	8,640
Total Area	1,186,272 ha
Rateable Area	141,522 ha
No. of Rateable Assessments	6675
No. of Non-rateable Assessments	816
Proportion of general rates to total income	28%
Average general rates per rateable property	\$1,357
Public debt (as a percentage of property, plant and equipment)	5%
Public debt per rateable property	\$4,018

Cover Photo – Mahitahi – Peter Kurdulijia on Flickr

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.

Following the elections in October 2022 seven new Councillors were elected, with two previous elected members returning to the Council table. This group of elected members brings a fresh perspective and focus to the Council.

Council has made great progress this year with externally funded projects being completed or progressing into the next stage. While we still face challenges with recruiting and retaining staff, this is no different from other Councils around the country.

Affordable Water Reform (three waters) continues apace, with three pieces of legislation passed or in progress this year. While we support the Communities 4 Local Democracy's stance that the reform should be paused until after the elections in October, we have continued to undertake planning and preparation for the eventual transition. Great progress has also been made on the Te Tai Poutini One District Plan that will eventually fully replace the individual District Plans for Westland, Buller, and Grey Districts. The plan has proceeded to the formal statutory stage with submission completed and hearings to begin in the next financial year.



This year Council has continued the programme of significant investment, supported with funding from the Government:

- Works to complete the earthquake strengthening and exterior maintenance of the Carnegie Building with funding from Lotteries and Better Off Fund.
- Further development of Wadeson Island as a whitebait sanctuary and public cycling and walkway.
- Completion of maintenance and refurbishment of Community Halls with funding from the Provincial Growth Fund.
- Community engagement for the future development of Hokitika Racecourse.
- Shortlist of options for the Hokitika Wastewater Treatment Plant.
- Implementing chlorination of un-chlorinated water supplies to meet compliance with Drinking Water Quality Assurance Rules.
- Watermains replacements in Harihari, Hokitika, and Kumara.
- Stormwater improvements in Hokitika.

These are just a selection of the work that Council has done over the past year. We encourage you to read through for full details about our work for the community.

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

So, people of this region, thank you, thank you, thank you all.

A handwritten signature in black ink that reads "Helen Lash".

Helen Lash

Mayor 2022/2023

A handwritten signature in black ink that reads "Simon Bastion".

Simon Bastion

Chief Executive

Highlights of 2022/2023



July 2022 - Whataroa Playground opening

A new playground and toilet block was opened in Whataroa on 6 July. The playground replaced out-of-date and worn equipment.



August 2022 - Local Government Minister 's visit

Minister McAnulty visited Westland District Council to discuss key issues for the Westland District with the Deputy Mayor and Elected Members.



September 2022 - Greypower Kitchen Pantry donation

Westland District Council staff collected and donated food and personal care items to the Kitchen Pantry to support the elderly in the community.



October 2022 - New Council elected

Local body elections were held in October 2022 and a new Council was elected consisting of two returning members and seven new members.



November 2022 - Body camera implementation

Staff safety improvements were implemented with a body camera allocated to waste and recycling field officers.



December 2022 - Starlink training

Key staff were trained to set up Starlink Satellite equipment that was purchased to support communications resilience in the event of a civil defence emergency.



Community Awards - September & December

Ten individuals and one community group were presented with Community Awards. These were awarded to recognise individual achievements and community spirit.



January 2023 - Councillors Northern Tour

Councillors were taken on a tour of the Northern part of the district from Ōtira to Hokitika to view and learn about Council's Northern assets.



February 2023 - Inspire to Aspire

Westland Mayors Taskforce for Jobs held the second Inspire to Aspire careers fair at the Pakiwaitara building. Approximately 1200 people attended, including students from throughout Westland and Greymouth.



March 2023 - Councillors Southern Tour

Councillors were taken on a tour of the Southern part of the district from Ross to Jackson Bay to view and learn about Council's Southern assets.



April 2023 - 40th anniversary

Council celebrated dedication and service of Executive Assistant Diane Maitland in April. Diane joined Westland County Council in 1983 continuing with Westland District Council in different roles since amalgamation in 1989.



May 2023 - King Charles III Tree planting

A tree to commemorate the crowning of King Charles III was planted in Cass Square by Mayor Helen Lash and Deputy Mayor Ashley Cassin.



June 2023 - Hokitika Swimming Pool Pooches Pool Party

Staff at Hokitika pool welcomed canines of all shapes and sizes to an end of season pool party before the winter maintenance closure.



Citizenship Ceremonies - November 2022, March and June 2023

Council welcomed 22 new citizens to the Westland District with three ceremonies held during the 2022/2023 year.

Overview of our activities

8 new Elderly Housing units built

134 Resource Consent applications

New toilet block installed at **Paringa**

3510 people attended library events

4.8% of local sealed road resurfaced

Over 700 swimming lessons provided

164 research enquiries to the Museum

93% registered food premises inspected

96% registered liquor premises inspected

3 citizenship ceremonies and **22** new citizens

37% LGOIMA requests answered within **5 days**

2 dry weather Wastewater overflows reported

26 complaints received about Stormwater issues

29 community and sports groups received funding

Starlink emergency satellite kits for **19** communities

55 notices to fix issued for unconsented building work

Airport passenger number increased by **more than 10,000**

Full length rides of West Coast Wilderness Trail **reduced 1.1%**

37 Council and Committee meetings and **24** workshops/briefings

257 Drinking Water service requests received; **66%** completed on time

100% of priority 1 animal control call outs attended within 30 minutes or less

93.5% of Resource Consent applications processed within legislative timeframes

Statement of Service Performance

Westland District Council (the Council) is a local authority that is domiciled on the West Coast of New Zealand and governed by the Local Government Act 2002.

Westland District Council enables the economic, social and cultural development of Westland District, supports individuals and groups, and provides a wide range of services for the wellbeing of the local community.

The Council adopted PBE FRS 48 Service Performance Reporting in the 2022/2023 reporting period.

The Council has made a number of judgements in preparing its service performance information. The judgements exercised do not have a significant effect on the selection, measurement, aggregation and presentation of the Council's service performance information.

Council has taken the following judgements into account: where there are legislative requirements through various Acts or through the mandatory performance measures, the likely need for a reader to interpret results and how a measure describes the fundamental function of an activity.

The statement was developed in consultation with the Westland District Council leadership team and reviewed by the Risk and Assurance Committee and adopted by Council.

Council’s Performance in Each Activity

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 2022/2023, available from our website or our service centre.

Council set many non-financial targets in the 2021-2031 Long Term Plan. To assess Council’s performance against these measures, a number of objective measures were used:

- District-wide Resident Satisfaction Survey was conducted in the 2021/2022 year.
- 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.

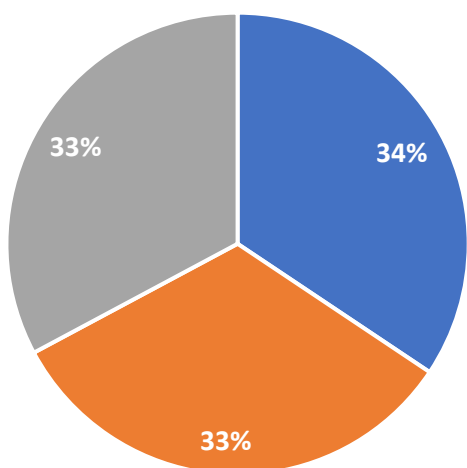
The data gathered is combined with the statistics and measurements captured in Council’s systems to give a balanced scorecard of where we are meeting our objectives, and the areas where improvement is required.

Council has 9 Groups of Activities as follows:

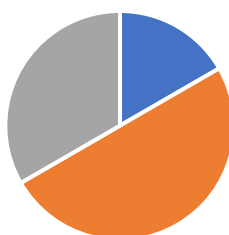


Performance is measured against a number of different indicators. Some of these are mandatory measures set by central government and others are measures that Council set itself. There are 64 measures in total.

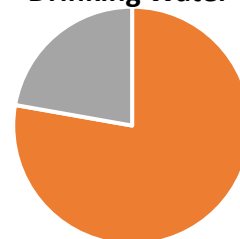
- We achieved 34% of the measures (22 out of 64). This includes 21% of the mandatory measures (5 out of 24)
- We did not achieve 33% of the measures (21 out of 64).
- 33% of the measures were not measured (21 out of 64). Council did not undertake a Resident Satisfaction Survey in the 2022/2023 year. Two of these are mandatory measures for drinking water. Council does not measure these as to do so would incur an unreasonable cost. Three stormwater measures could not be measured as there were no reported flooding events to attend.



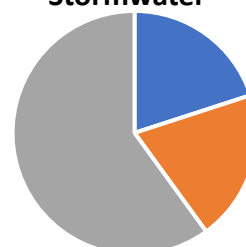
Land Transport



Drinking Water



Stormwater

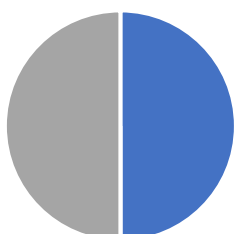


Wastewater

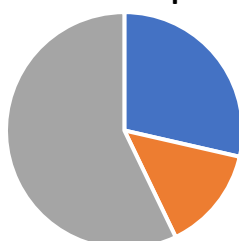


■ Achieved ■ Not Achieved ■ Not Measured

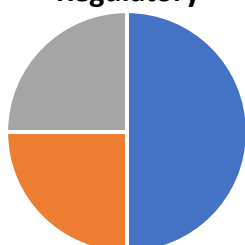
Community Services



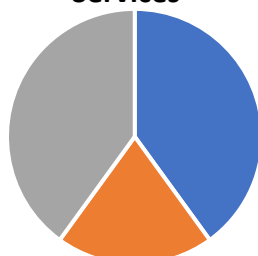
Leadership



Planning & Regulatory



Facilities, & Leisure Services



Solid Waste



	Mandatory Measure	Progress	Achievement
Drinking Water	Safety of drinking water	6/9 supplies fully compliance with bacterial compliance criteria	Not Achieved
		0/9 supplies compliant with protozoal compliance criteria	Not achieved
	Fault response times	20% (15/76) urgent callouts attended within 2 hours.	Not achieved
		78% (59/76) urgent callouts resolved within 12 hours	Not achieved
		51% (79/148) non-urgent callouts attended within 24 hours.	Not achieved
		74% (115/148) non-urgent callouts resolved within 72 hours	Not achieved
Maintenance of reticulation network	Measured in context with the Benchloss NZ Manual	Not measured	
Demand Management	Analysed on a three-yearly basis	Not measured	
Customer Satisfaction	Total complaints = 91 Complaints per 1000 connections = 32	Not achieved	
Stormwater	System adequacy	0 flooding events affecting habitable floors occurred	Not measured
		Habitable floors effected = 0 0 per 1000 connections	Not measured
	Response times	There were no reported events to attend.	Not measured
	Customer satisfaction	Total complaints = 26 Complaints per 1000 connections = 46.8	Not achieved
	Discharge compliance	Fully compliant with resource consents	Achieved
Wastewater	System and adequacy	2 dry weather overflows reported. Complaints per 1000 connections = 0.9	Achieved
		100% compliance.	Achieved
	Fault response times	50% (1/2) responded to within 2 hours.	Not achieved
		50% (1/2) notifications resolved within 4 hours.	Not achieved
Customer satisfaction	Total complaints = 13 Complaints per 1000 connections = 5.9	Achieved	
Land Transport	Road safety	1 fatality, 2 serious injury crashes	Not achieved
	Road condition	Primary collector 95.5%; Secondary collector 93.4%; Access 91.1%; Low Volume 87.4%	Not achieved
	Road Maintenance	4.8% as a result of increasing bitumen prices.	Not achieved
	Footpaths	1 - 4 = 94%; 1 - 3 = 75%; 5 = 6%. No agreed level of service standard	Achieved
	Customer service requests	47% (154/330) responded to within 3 working days.	Not achieved

Summary of Group Activities Performance

Activity	No. of Measures	Achieved	Not Achieved	Not Measured	% Achieved
Leadership	7	2	1	4	29%
Democracy	2	0	0	2	0%
Corporate Services	4	2	0	2	50%
Council Controlled Organisations	1	0	1	0	0%
Planning and Regulatory	16	8	4	4	50%
Resource Management	2	1	1	0	50%
Inspections and Compliance	6	0	3	3	0%
Animal Control	3	2	0	1	67%
Emergency Management	5	5	0	0	100%
Community Services Group	4	2	0	2	50%
Community Halls	1	0	0	1	0%
Community Development	3	2	0	1	67%
Leisure Services and Facilities	10	4	2	4	40%
Cemeteries	2	2	0	0	100%
Hokitika Museum	3	2	1	0	67%
Parks and Reserves	1	0	0	1	0%
Public Toilets	1	0	0	1	0%
Swimming Pools	1	0	0	1	0%
West Coast Wilderness Trail	1	0	1	0	0%
Westland District Library	1	0	0	1	0%
Transportation	6	1	3	2	17%
Drinking Water	9	0	7	2	0%
Stormwater	5	1	1	3	20%
Wastewater	5	3	2	0	60%
Solid Waste	2	1	1	0	50%
Total for the Council	64	22	21	21	34%

How Council Activities Contribute Towards Meeting Its Vision

Community Outcomes

Council adopted the following Community Outcomes in the Long Term Plan 2021 – 2031:

Diverse Economy	Sustainably Managed Environment	Resilient Communities
<i>This means...</i>	<i>This means...</i>	<i>This means...</i>
<ul style="list-style-type: none"> We work to find sustainable, diverse and resilient options for encouraging economic growth. We collaborate with other stakeholders to achieve common outcomes. Economic growth has a minor / reduced impact on the natural environment. 	<ul style="list-style-type: none"> The district is involved in sustainable waste management practices We support sustainable environmental practices. We support strategies to enhance and protect the district's ecosystems. Development is sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs. 	<ul style="list-style-type: none"> All areas of the district have access to quality recreational and cultural facilities. A community that cares for all members at all life stages to reduce isolation and promote inclusion. Communities less vulnerable to natural hazards and climate change. All voices are enabled and heard, power is more evenly distributed and the community can share its strengths.

The following groups of activities contribute to the Council's community outcomes and what it intends to achieve during the reporting period:

Group of activities	Activities included within the group	Community outcomes supported by group of activities	Number of performance measures supporting outcome	Number of performance measures achieving against each outcome
Leadership	<ul style="list-style-type: none"> Governance Corporate services Council Controlled Organisations 	Resilient Communities	7	2
		Diverse Economy	1	0
Planning & Regulatory	<ul style="list-style-type: none"> Planning Compliance (Building Control, Liquor Licencing, and Food Control) Animal Control Emergency Management 	Sustainably Managed Environment	4	2
		Resilient Communities	9	8
		Diverse Economy	6	0

Community Services	<ul style="list-style-type: none"> • Community Development • Community Halls 	Resilient Communities	4	2
Facilities, & Leisure Services	<ul style="list-style-type: none"> • Cemeteries • Hokitika Museum • Parks & Reserves • Public Toilets • Swimming Pools • West Coast Wilderness Trail • Westland District Library 	Sustainably Managed Environment	4	2
		Resilient Communities	10	4
		Diverse Economy	1	0
Infrastructure	<ul style="list-style-type: none"> • Land Transport • Drinking Water • Stormwater • Wastewater • Solid Waste 	Sustainably Managed Environment	14	5
		Resilient Communities	23	5
		Diverse Economy	3	0

Council is committed to ensuring its services work towards achieving positive outcomes for the community. Council struggled to achieve many of the performance measures that relate to Community Outcomes. Many of Council's performance measures relate to community perception based on the Residents' Satisfaction Survey. The most recent survey was undertaken in the Covid-19 environment, where community satisfaction with Council was low due to the need to implement measures to reduce the spread of infection and follow government mandates. This survey was not undertaken in 2022/2023 and the results of the survey were carried over. Some of the performance measures cannot be achieved because changes to requirements regarding inspections do not match with the way the performance indicator was framed at the time of developing the Long Term Plan.

Each activity group has identified the way in which their activity contributes to the measures and indicators of the Community Outcomes, which may not be a part of specified performance measures.

Activities contribute by:

- Open and transparent meeting processes, and engagement opportunities with meaningful community involvement.
- Iwi participation, partnership and protection.
- Conducting a biennial resident satisfaction survey.
- Creating diverse employment opportunities, encouraging residents to remain in the district, and providing a means for tourists and residents to get to Hokitika.
- Community resilience is enhanced with provision and maintenance of recreational assets and elderly housing.
- Assisting customers to be compliant with legislation.
- Fostering connections and reducing isolation.
- Increasing the quantity of recyclable material extracted from the waste stream.
- Project improvements aligned with sustainably managed environment and resilient communities.

Financial Performance

This is an overview of the financial results for the year ended 30 June 2023. The information is extracted directly from the financial statements contained in the full audited Annual Report 2022/2023. 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 2022/2023.

The Group figures in these statements represent the consolidated financial statements for Council and the Group (which includes Westland Holdings Ltd, Westroads Ltd and Destination Westland Ltd). 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	2022/2023
	\$000
Rates (General)	9,075
Net surplus/(deficit)	(3,536)
Working Capital	3,171
Public Debt	26,818
Total Assets	551,133

Variations from the Long Term Plan

This is year 2 of the Long Term Plan 2021-2031, therefore Council is reporting against the Annual Plan 2022/2023.

Council has an operating deficit of \$3.5 million before tax, which is \$7.9 million unfavourable to budget. The main variances are set out below.

	Annual Report 2022/2023 \$000	Annual Plan 2022/2023 \$000	Variance
Revenue			
Rates	18,767	19,227	Actual rates income was lower than budgeted mainly due to revenue from metered water charges being lower than forecast.
Grants and subsidies	7,859	11,291	<p>Grants and subsidies were \$3.4m lower than budgeted. The value of grants is a reflection of either the amount of work completed compared to work expected to be completed for grants actually approved; work completed under new unplanned grants received; or budgeted grants not actually received in the year.</p> <p>Where grants are subject to performance measures not yet fulfilled, Grant actuals have been adjusted for the unspent portion of grants received by transfers to Revenue Received in Advance.</p> <ul style="list-style-type: none"> Only \$4.5m of the budgeted grant of \$7.0m for road transport was completed in the 2022/23 year. This is the second year of a three year funding cycle with NZTA during which the balance of any under/over expenditure in selected projects can be carried forward into the next year. Work funded by the Provincial Growth Fund (PGF) continued into 2022/23 and included funded expenditure for community halls totalling \$0.6M. Receipt of the final grant claim for Old Christchurch Road Seal Extension of \$0.6M. The Mayor's Task Force for Jobs funding continued with a further \$0.5m of funding recognised in the current year. Anticipated \$0.4M Cass Square playground funding not received due to the deferral of project. Only \$0.3M of budgeted \$0.7M received for Cycle Trail grants.
Interest revenue	750	7	<p>The steep increase in interest rates seen over the last financial year has led to more significant interest revenue from term deposits, interest rate swaps, and the current account.</p> <p>A positive variance of \$0.7M against budgeted interest revenue more than offsets the adverse increase of \$0.4M in finance costs against budget.</p>

	Annual Report 2022/2023 \$000	Annual Plan 2022/2023 \$000	Variance
Fees and charges	2,254	2,037	Regulatory fees exceeded budget by \$0.2M due to a higher number of consents being processed than anticipated. Landfill fees are collectively above budget by \$0.1M - an indication of the return of international tourism.
Other revenue	2,961	1,334	Other revenue was \$1.6M higher than the budget mainly due to below factors: <ul style="list-style-type: none"> • Interest rate swaps increased in value by \$1.0M throughout the 2022/2023 financial year due to the favourable movement in interest rates. • Unbudgeted cost recoveries for 3-Waters transition support now total \$0.3M. • Recreation Contributions exceed budget by \$0.2M, with 26 contributions being received in 2022/2023.
Expenditure			
Employee benefit expenses	5,550	6,079	Actual salary cost was lower than anticipated due to unfilled roles. However, the shortages in Planning and Building has resulted in an increase in contractor costs (see 'Other expenses' note below).
Finance costs	1,395	986	While finance costs were over budget by \$0.4M due to higher than forecast interest rates, these costs are more than offset by interest revenue, as mentioned within the 'Interest revenue' note above.
Depreciation and amortization	8,754	8,515	Depreciation is higher than budget by \$0.2M, mainly due to higher-than-expected asset value revaluation gains.
Other expenses	20,467	13,871	Other expenses were higher than budgeted by \$6.5M mainly due to following reasons: <ul style="list-style-type: none"> • Non-cash loss on interest rate swaps of \$0.8M which is offset by the \$1.0M gain on swaps mentioned under the 'Other revenue' note above. • Unbudgeted contractor costs for Responsible Camping are \$0.4M but there is grant funding, of which \$0.3M was received this year, to offset this. • With staffing shortages and high demand in the planning and building sectors, more resource and building consents processing had to be outsourced which resulted in these costs exceeding budget by \$0.4M. This is offset by reduced employee benefit expenditure due to the aforementioned staff shortages as well as regulatory fees as mentioned under the 'Fees and charges' note above.

Annual Report 2022/2023 \$000	Annual Plan 2022/2023 \$000	Variance
		<ul style="list-style-type: none"> MTFJ funded programme costs of \$0.4M. This programme is fully funded so neither the revenue nor expenditure were budgeted for.
		<ul style="list-style-type: none"> PGF funded project management costs of \$0.2M were not budgeted for.
		<ul style="list-style-type: none"> Numerous asset disposals throughout the year resulted in realising a loss on disposal, including \$0.3M loss on Hokitika Water Supply assets and a \$0.1M loss on road transport assets.
		<ul style="list-style-type: none"> Repairs & Maintenance costs are over budget \$1.0M. This is, in part, due to the impact of a higher than forecast rate of inflation.
		<ul style="list-style-type: none"> Land transport costs exceed budget by \$0.4M, mostly due to unbudgeted repair works for storm damages.
		<ul style="list-style-type: none"> Unbudgeted \$2.9M loss on disposal of assets replaced.

Financial Position

Current assets	11,288	5,255	<p>Cash & cash equivalents is higher than the budget by \$5.9M. This includes two term deposits at \$3M each.</p> <p>The main reason for this variance is forecast capital program expenditure was under budget.</p>
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Three Waters Reform Programme

The New Zealand Government is implementing a water services reform programme that is intended to ensure all New Zealanders have safe, clean and affordable water services. The Government believes this will be achieved by establishing new public entities to take on the delivery of drinking water, wastewater and stormwater services across New Zealand. The reform will be enacted by three pieces of legislation:

- The Water Services Entities Act 2022, which (as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023) establishes ten publicly owned water services entities and sets out their ownership, governance and accountability arrangements. A water services entity is established (for transitional purposes) on the date on which the appointment of the entity's establishment board takes effect, and its establishment date (operational date) will be a date between 1 July 2024 and 1 July 2026.
- The Water Services Legislation Act 2023, which amended the Water Services Entities Act 2022 on 31 August 2023 to provide for the transfer of water services assets and liabilities to the water services entities.
- The Water Services Economic Efficiency and Consumer Protection Act 2023, which provides the economic regulation and consumer protection framework for water services. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023.

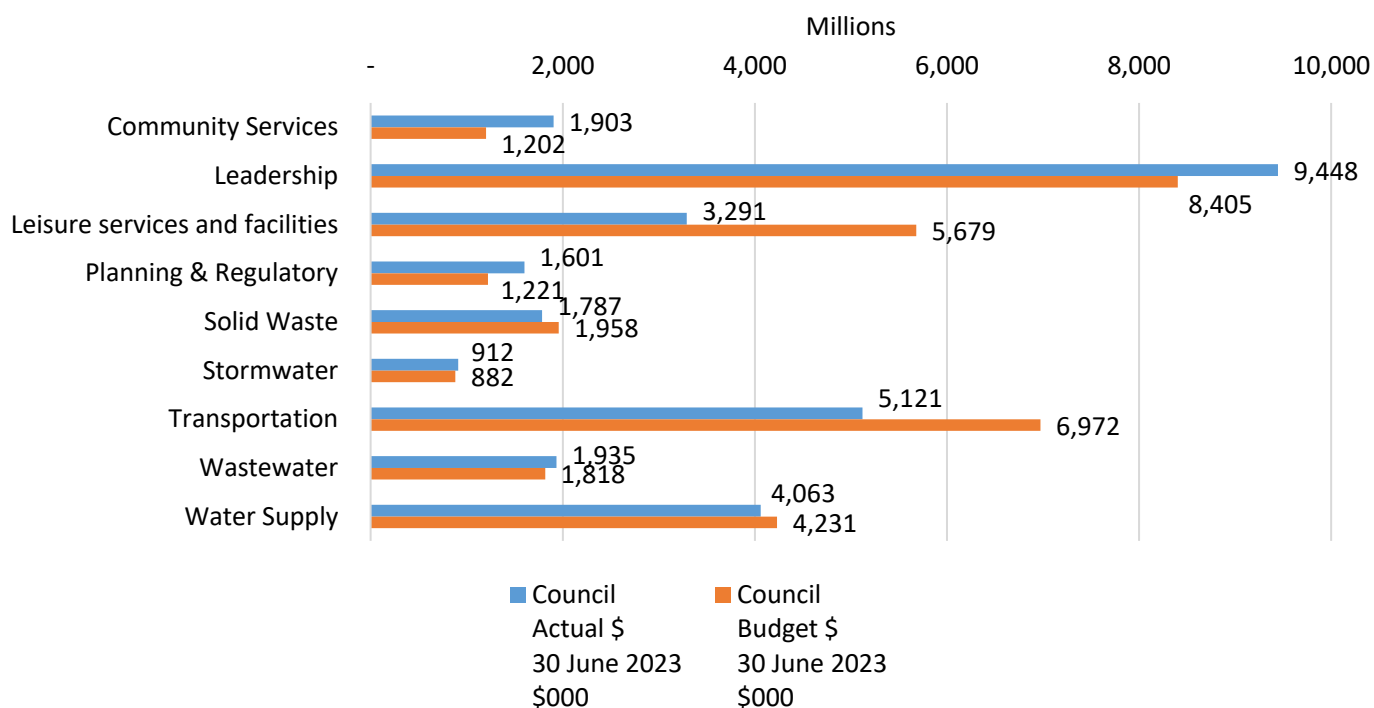
Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2023

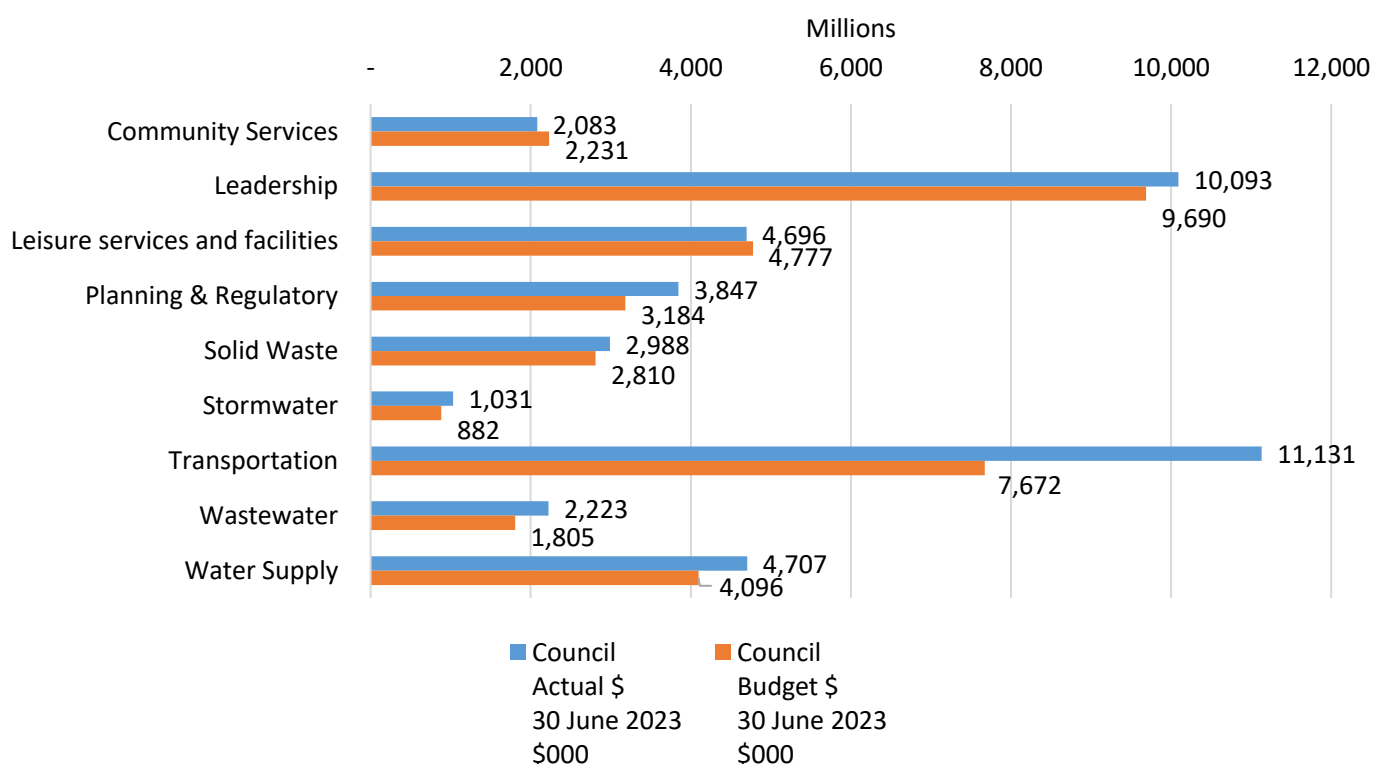
Statement of Comprehensive Revenue and Expense					
	Council Actual 30 June 2023 \$000	Council Budget 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Revenue					
Rates	18,767	19,227	18,086	18,570	17,906
Grants and subsidies	7,859	11,291	16,426	7,985	17,405
Interest revenue	750	7	115	758	119
Fees and charges	2,254	2,037	2,047	2,254	2,141
Other revenue	2,961	1,334	3,287	26,163	28,635
Total operating revenue	32,592	33,896	39,960	55,731	66,207
Expenditure					
Employee benefit expenses	5,550	6,079	5,409	17,693	16,852
Finance costs	1,395	986	640	1,807	983
Depreciation and amortisation	8,754	8,515	8,019	11,404	10,546
Other expenses	20,467	13,871	16,298	29,091	26,614
Total operating expenditure	36,166	29,451	30,365.816	59,995	54,995
Surplus/(Deficit) before tax	(3,574)	4,445	9,594	(4,264)	11,212
Income tax expenses/(benefit)					
Income tax expense/(benefit)	(39)	1	(10)	400	(82)
Income tax expenses/(benefit)	(39)	1	(10)	400	(82)
Operating Surplus/(Deficit)	(3,536)	4,444	9,604	(4,664)	11,293
Other comprehensive revenue and expense					
Gain on revaluation of assets	19,908	-	84,594	28,178	85,104
Tax on revaluation surplus/(deficit)	-	-	90	(2,374)	90
Revaluation losses	-	-	(4,006)	-	(4,006)
Revaluation losses on impairment of assets	-	-	(66)	-	(66)
Other Comprehensive Revenue and Expenses Subtotal	19,908	-	80,612	25,804	81,122
Total comprehensive revenue and expense/(deficit) for the year attributable to Council	16,373	4,444	90,216	21,139	92,415

Revenue includes both exchange and non-exchange transactions which are detailed in Note 3(vi) of the Annual Report 2022/2023.

Revenue by activity



Expenditure by activity



Statement of Changes in Equity

For the year ended 30 June 2023

Equity				
	Council Actual \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Retained earnings				
Balance at 1 July	170,583	158,744	177,777	164,249
Impairment reversal *	-	87	-	87
Adjusted balance at 1 July	170,583	158,830	177,777	164,336
Transfers to restricted reserves	(11,108)	(6,174)	(11,108)	(6,174)
Transfers from restricted reserves	14,002	3,744	14,002	3,744
Fair Value loss on Jackson Bay Wharf recognised in surplus/deficit for the year	-	323	-	323
Transfer from property revaluation reserve on disposal	2,471	4,254	2,471	4,254
Surplus/(deficit) for the year	(3,536)	9,605	(4,664)	11,293
Balance at 30 June	172,412	170,582	178,477	177,776
Restricted reserves				
Balance at 1 July	12,968	10,538	12,968	10,538
Transfers to retained earnings	(14,002)	(3,744)	(14,002)	(3,744)
Transfers from retained earnings	11,108	6,174	11,108	6,174
Balance at 30 June	10,073	12,968	10,073	12,968
Assets revaluation reserve				
Balance at 1 July	315,733	239,788	316,696	240,264
Revaluation gains of property, plant and equipment	19,908	84,271	27,999	84,757
Revaluation losses	-	(4,006)	-	(4,006)
Revaluation Loss on impairment of assets	-	(66)	-	(66)
Transfer of revaluation reserve to retained earnings	(2,471)	(4,254)	(2,471)	(4,254)
Balance at 30 June	333,170	315,733	342,224	316,696
Taxation on Revaluations				
Balance 1 July	177	87	177	87
Tax on revaluations	-	90	(2,374)	90
Balance at 30 June	177	177	(2,197)	177
Total equity	515,833	499,460	528,578	507,616

*Re-measurement as a result of Rates Debtors not meeting the definition of financial asset under PBE IPSAS 41 have been recognised directly in accumulated funds. For more details see note 9 of the Annual Report 2022/2023.

Statement of Financial Position

For the year ended 30 June 2023

Statement of Financial Position					
	Council Actual 30 June 2023 \$000	Council Budget 30 June 2023 \$000	Council Actual 30 June 2022 \$000	Group Actual 30 June 2023 \$000	Group Actual 30 June 2022 \$000
Assets					
Current assets					
Cash & cash equivalents	8,378	2,436	9,389	10,060	10,304
Debtors & other receivables	2,809	2,819	5,029	6,418	8,560
Inventory	-	-	-	1,021	941
Tax refundable	-	-	10	-	174
Work in progress	-	-	-	11	63
Derivative financial instruments	53	-	12	53	12
Other financial assets	48	-	3,048	125	3,048
Total Current Assets	11,288	5,255	17,487	17,688	23,101
Non-current assets					
Council Controlled Organisation	12,695	12,695	12,695	-	-
Deferred Tax	176	-	137	-	-
Intangible assets	151	392	136	151	136
Assets Under Construction	9,571	737	11,675	11,278	11,788
Derivative financial instruments	1,052	235	869	1,052	869
Other Financial Assets	553	825	617	611	617
Investment property	-	-	-	1,105	1,125
Property, Plant and Equipment	515,647	460,329	493,213	546,461	515,708
Term Inventory	-	-	-	-	-
Total Non-current assets	539,845	475,213	519,341	560,657	530,242
Total Assets	551,133	480,468	536,828	578,345	553,343
Liabilities					
Current liabilities					
Creditors & other payables	4,001	2,596	2,755	5,699	4,405
Employee benefit liabilities	521	384	489	1,757	1,794
Tax payable	-	-	-	231	-
Borrowings	3,000	-	3,000	5,647	5,031
Derivative financial instruments	-	94	-	-	-
Other	595	1,160	1,450	993	1,863
Total Current Liabilities	8,117	4,234	7,693	14,328	13,093
Non-current liabilities					
Deferred Tax	-	10	-	2,402	223
Employee benefit liabilities	30	42	35	164	144
Provisions	3,335	1,846	2,821	3,335	2,821
Borrowings	23,818	35,759	26,818	28,456	29,444
Derivative financial instruments	-	272	-	-	-
Total Non-Current Liabilities	27,183	37,929	29,674	34,357	32,632
Total Liabilities	35,300	42,163	37,368	48,685	45,725
Net Assets	515,833	438,305	499,460	529,660	507,617

Equity					
Retained Earnings	172,412	182,545	170,583	178,477	177,777
Restricted Reserves	10,073	6,747	12,968	10,073	12,968
Revaluation reserves	333,170	248,926	315,733	342,224	316,696
Other comprehensive revenue and expense reserve	177	87	177	(2197)	177
Total Equity	515,833	438,305	499,460	528,578	507,617

Statement of Cash Flows

For the year ended 30 June 2023

Cash Flow Statement					
	Council Actual \$ 30 June 2023 \$000	Council Budget \$ 30 June 2023 \$000	Council Actual \$ 30 June 2022 \$000	Group Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2022 \$000
Cash flows from Operating Activities					
Cash was provided from:					
Rates Revenue	19,275	19,231	17,530	19,082	17,353
Fees, charges, and other receipts (including donations)	1,962	2,150	2,099	1,962	2,060
Interest Received	684	7	93	692	91
Dividends received	300	250	-	-	-
Grants and Subsidies	9,320	11,289	11,143	9,446	11,085
Other Revenue	1,370	786	1,138	24,428	24,363
	32,911	33,713	32,003	55,611	54,952
Cash was applied to:					
Payment Staff & Suppliers	20,996	19,774	20,179	41,792	38,552
Interest Paid	1,141	986	549	1,553	963
Income tax paid/(refunded)	(10)	-	9	184	10
	22,127	20,760	20,737	43,529	39,525
Net cash flow Operating Activities	10,784	12,953	11,267	12,082	15,427
Cash flows from Investment Activities					
Cash was provided from:					
Proceeds from Investments realised	48	-	-	48	-
Term Deposit with maturity greater than 90 days	3,000	-	-	3,000	3,000
Proceeds sale of property, plant and equipment	13	-	8	948	680
	3,061	-	8	3,996	3,680
Cash was applied to:					
Purchase of property, plant and equipment	11,649	28,283	17,792	16,346	20,049
Purchase of intangibles	212	239	283	212	283
Purchase of Investments	-	149	-	135	-
Term Deposit with maturity greater than 90 days	-	-	3,000	-	3,000
	11,861	28,671	21,075	16,693	23,332
Net cash flows from Investment Activities	(8,800)	(28,671)	(21,067)	(12,697)	(19,652)
Cash flows from Financing Activities					
Cash was provided from:					
Proceeds from borrowings	-	5,941	7,773	5,871	7,793
Capital works loan repayments	5	13	6	5	6
	5	5,954	7,779	5,876	7,799
Cash was applied to:					
Repayment of borrowings	3,000	-	-	6,245	2,436
	3,000	-	-	6,245	2,436
Net cash flows from Financing Activities	(2,995)	5,954	7,779	(369)	5,363

Cash Balance					
Cash Balance					
Net increase/(decrease) in cash held	(1,011)	(9,764)	(2,022)	(246)	(1,863)
Total cash resources at start of the year	9,389	12,200	11,411	10,301	12,164
Cash Balance	8,378	2,436	9,389	10,055	10,301
Cash & cash equivalents	8,378	2,436	9,389	10,060	10,304
Bank overdraft	-	-	-	(5)	(3)
Cash Balance	8,378	2,436	9,389	10,055	10,301

Reconciliation of movements in liabilities arising from financing activities

Council	Loans
	\$000
Balance as at 01 July 2021	21,818
Cash inflows	7,773
Cash outflows	-
Non-cash changes	227
Balance as at 01 July 2022	29,818
Cash inflows	-
Cash outflows	(3,000)
Non-cash changes	-
Balance as at 30 June 2023	26,818

Group	Loans
	\$000
Balance as at 01 July 2021	29,292
Cash inflows	7,773
Cash outflows	(3,407)
Non-cash changes	817
Balance as at 01 July 2022	34,475
Cash inflows	5,738
Cash outflows	(6,245)
Non-cash changes	135
Balance as at 30 June 2023	34,103

Whole of Council Funding Impact Statement

For the year ended 30 June 2023

Funding Impact Statement for Whole of Council				
	2022 Annual Plan \$000	2022 Annual Report \$000	2023 Annual Plan \$000	2023 Actual \$000
(SURPLUS) / DEFICIT OF OPERATING FUNDING				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	8,852	8,820	8,982	8,889
Targeted Rates	9,179	9,266	10,245	9,878
Subsidies and grants for operating purposes	2,640	3,208	2,135	3,867
Fees and charges	1,801	2,047	2,037	2,254
Interest and dividends from investments	8	115	257	1,050
Local authorities fuel tax, fines, infringement fees, and other receipts	1,009	2,716	1,084	2,649
Total Operating Funding (A)	23,488	26,172	24,740	28,588
Applications of Operating Funding				
Payments to staff and suppliers	18,285	19,660	19,950	23,011
Finance Costs	904	640	986	1,395
Total Applications of Operating Funding (B)	19,189	20,300	20,936	24,407
Surplus/(Deficit) of Operating Funding (A - B)	4,298	5,872	3,804	4,181
(SURPLUS) / DEFICIT OF CAPITAL FUNDING				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	8,111	13,218	9,156	3,992
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	6,391	8,000	5,941	(3,000)
Gross proceeds from sale of assets	-	4,008	-	12
Total Sources of Capital Funding (C)	14,502	25,226	15,097	1,004
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	968	5,528	1,735	666
- to improve the level of service	6,937	4,045	14,250	4,891
- to replace existing assets	10,471	8,501	12,537	6,276
Increase (decrease) in reserves	425	9,023	(9,770)	(6,647)
Increase (decrease) of investments	-	4,000	149	-
Total Applications of Capital Funding (D)	18,800	31,098	18,901	5,185
Surplus/(Deficit) of Capital Funding (C - D)	(4,298)	(5,872)	(3,804)	(4,181)
Funding Balance ((A - B) + (C - D))	-	-	-	-



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WESTLAND DISTRICT COUNCIL AND GROUP'S SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

The summary of the annual report was derived from the annual report of Westland District Council and Group (the District Council) for the year ended 30 June 2023.

The summary of the annual report comprises the following summary statements on pages 8 to 25:

- the summary statement of financial position as at 30 June 2023;
- the summaries of the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended 30 June 2023;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of group activities performance (referred to as "Statement of Service 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 2023 in our auditor's report dated 31 October 2023. Our opinion included an emphasis of matter drawing readers' attention to the disclosures about uncertainty over the water services reform programme.



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 the audit of the annual report and debenture trustee reporting, we have no relationship with or interests in the District Council or its subsidiaries and controlled entities.

A handwritten signature in blue ink, appearing to read 'B Summerfield', is written over a faint, light blue circular stamp.

Brendan Summerfield
Ernst & Young
Chartered Accountants
On behalf of the Auditor-General
Christchurch, New Zealand
6 November 2023