



AGENDA

RĀRANGI TAKE

NOTICE OF AN ORDINARY MEETING OF

Council Controlled Organisation Oversight Committee

to be held on **Thursday, 27 March 2025** commencing at **10 am** in the Council Chambers, 36 Weld Street, Hokitika and via Zoom

Chairperson:	Stephen Reindler
Members:	Her Worship the Mayor
Deputy Mayor Cassin	Cr Burden
Kw Tumahai	Kw Madgwick



In accordance with clause 25B of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link.

Council Vision

By investing in our people, caring for the environment, respecting the Mana Whenua Cultural heritage, and enabling investment, growth, and development we will enrich our district and the people that reside here.

Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. NGĀ WHAKAPAAHA APOLOGIES

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or the Group Manager Corporate Services Risk and Assurance (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

3. NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Section 46A of the Local Government Official Information and Meetings Act 1987 states:

- (7) An item that is not on the agenda for a meeting may be dealt with at the meeting if –
 - (a) the local authority by resolution so decides, and
 - (b) the presiding member explains at the meeting at a time when it is open to the public, –
 - (i) the reason why the item is not on the agenda; and
 - (ii) the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- (7A) Where an item is not on the agenda for a meeting, –
 - (a) that item may be discussed at the meeting if –
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (b) No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.

4. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

The minutes of the previous meeting were circulated.

- **Inaugural Council Controlled Organisation Oversight Committee Meeting – 29 January 2025**
(Pages 4-6)

5. ACTION LIST

Nil

6. NGĀ TĀPAETANGA PRESENTATIONS

- **Westroads Ltd 6 Monthly Update**
Mark Rogers, Chair Westroads Ltd and Graeme Kelly, Chief Executive Westroads Ltd
- **Destination Westland Ltd 6 Monthly Update**
Chris Gourley, Chair Destination Westland Ltd and Melanie Anderson, Chief Executive Destination Westland Ltd

7. PŪRONGO KAIMAHI REPORTS

- **Introduction from the Chair**
Steve Reindler, Chair CCO Oversight Committee
- **Westroads Ltd Draft Statement of Intent** (Pages 7-24)
Mark Rogers, Chair Westroads Ltd
- **Destination Westland Ltd Draft Statement of Intent** (Pages 25-39)
Chris Gourley, Chair Destination Westland Ltd
- **Committee Workplan** (Page 40)
Steve Reindler, Chair CCO Oversight Committee

**DATE OF NEXT COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING – 5 JUNE 2025
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

INAUGURAL COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING MINUTES

MINUTES OF THE INAUGURAL COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON WEDNESDAY, 29 JANUARY 2025 COMMENCING AT 1 PM

The Committee Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

Chairperson:	Stephen Reindler
Members:	Her Worship the Mayor Deputy Mayor Cassin Cr Burden

1. INTRODUCTIONS:

1.1 Chairperson

The Chairperson provided a brief introduction for the Committee on his history and previous rolls.

1.2 Mayor and Committee Members

Her Worship the Mayor, Deputy Mayor Cassin, Councillor Burden, Chief Executive and Council staff in attendance then introduced themselves.

1.3 Board Chair of Destination Westland Limited and Westroads Limited

The following attendees introduced themselves as follows:

- Mark Rogers, Chair, Westroads Limited.
- Rob Caldwell, Director, Westroads Limited.
- Graeme Kelly, General Manager, Westroads Limited.
- Chris Gourley, Chair, Destination Westland Limited (via zoom).

2. NGĀ WHAKAPAAHA APOLOGIES

Kw Tumahai. Kw Madgwick

Moved Her Worship the Mayor, seconded Cr Burden and **Resolved** that the apologies from Kw Tumahai and Kw Madgwick be received and accepted.

STAFF PRESENT

B. Phillips, Chief Executive; L. Crichton, Group Manager Corporate Services and Risk Assurance; D. Maitland, Executive Assistant; E. Rae, Strategy and Communications Advisor (via Zoom); P. Coleman, Governance Administrator.

3. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The Interest Register had been circulated.

The following changes were noted to the Interest Register as follows:

Deputy Mayor Cassin advised of the following changes to the Interest Register as at 27 January 2024:

- Removal of the following interests:
 - Hokitika Touch Rugby
 - Kiwi Rugby Football Club
 - Community Organisation Grant Scheme

4. **PŪRONGO KAIMAHI STAFF REPORTS**

Council Controlled Organisation Oversight Committee – Terms of Reference

Lesley Crichton, Group Manager Corporate Services and Risk Assurance spoke to this and advised the purpose of this report was to present the draft Council Controlled Organisation (CCO) Oversight Committee Terms of Reference (ToR) for adoption.

- The Terms of Reference had been adopted by Council on 28 November 2024.
- The ToR are for the Committee and not for the CCO Boards.
- An amendment to be made to the ToR as follows -
 - 2. Responsibilities - Review of Strategy Documents (point 2)
 - Making recommendations to Council regarding approval endorsement of strategic plans and business plans.

Moved Her Worship the Mayor, seconded Deputy Mayor Cassin and **Resolved** that:

1. The report be received.
2. The Committee adopt the amended Council Controlled Organisation Oversight Committee Terms of Reference as follows:
 - 2. Responsibilities - Review of Strategy Documents (point 2)
 - Making recommendations to Council regarding approval endorsement of strategic plans and business plans.

5. **ESTABLISH THE MEETING SCHEDULE**

- As per the ToR, the Committee will meet at least quarterly in each financial year.
- Considerations to be made on when these meetings should be taking place.
- Meetings to be coordinated around the preparation of documents to be endorsed by the Committee from Westroads Ltd and Destination Westland Ltd.
- A letter of expectation will be a key document for the boards to work under.
- At the conclusion of the meeting, the Chair and Chief Executive will create a draft meeting calendar for circulation to the Committee for their input and confirmation.

6. **FUTURE AGENDA ITEMS**

6.1 Committee Workplan

- A workplan is to be developed by the Chair of the Committee and Council's Chief Executive, around the key milestones and expectations of the Committee and CCO Boards.
- A letter of expectation will be the starting point for the Workplan, and this will be written and circulated to the Committee by the Chief Executive before being finalised.

**DATE OF NEXT COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE MEETING – TBC
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

MEETING CLOSED AT 1.21PM

Confirmed by the Council Controlled Organisation Oversight Committee at their meeting on ____.

Stephen Reindler
Chair

Date:

UNCONFIRMED

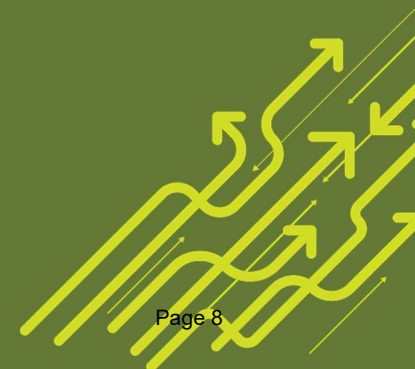


Westroads

**Statement of Intent
2025/2026**

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Introduction

This Statement of Intent is prepared in accordance with section 64 and schedule 8 of the Local Government Act 2002.

Westroads Limited (the Company) is a council-controlled organisation for the purposes of the Local Government Act 2002 and is registered under the Companies Act 1993.

The company is owned 100% by Westland District Council (the Council).



2: Company Mantra and Values

Company Mantra:

Pursue excellence in everything we undertake.

Values:

The following Values guide our activities and actions, in our pursuit of excellence.

We pursue improvement in all that we do



- Learning from our mistakes
- Looking for better ways
- Being innovative
- Embracing change

We are committed to the team



Safety comes first

- Keep ourselves, our team and the public safe
- We all lead by example
- Have courage to correct unsafe behaviour
- Follow established procedures
- Ask if unsure

Respect goes a long way

- Respect ourselves, our teammates, clients and the public
- Respect the Company's assets and image
- Trust our people to do the right thing
- Listen openly
- Respect and protect the environment

Value our people

- Together we achieve more
- "Please" and "Thank You" goes a long way
- Care enough to provide constructive feedback
- Develop our people through training, mentoring and support
- Provide opportunities for career advancement
- Reward competitively

We are Performance Driven



Plan and Communicate

- Understand the requirements in detail
- Plan using team knowledge
- Communicate effectively

Always do our best

- Come to work to work
- Deliver the plan efficiently
- Do it right first time
- Meet performance targets

We Take Pride

- Lead by example
- Take pride in ourselves, our work and our Company
- Enjoy work and celebrate success

3: Our Principal Objectives and Strategic Priorities

The Principal objectives of the Company are to:

- A. Operate as a successful business
- B. Maximise shareholder value
- C. Provide positive community outcomes

Strategic Priorities

- A. Invest in People and Culture
 - Be employer of choice
 - Invest in leadership and skills training for all our people
 - Provide opportunities for young West Coasters
- B. Achieve Outstanding Results
 - Grow shareholder value (Year on Year)
 - Dividend growth
 - Equity growth
- C. Diversify
 - Grow customer base, work streams and geographical areas
- D. Care for the Community and the Environment
 - District wide emergency response capability
 - Five-year sustainability plan
 - Give back to our Westland communities
- E. Build Quality Relationships
 - Highly engaged relationships with our shareholder, clients and Iwi
 - Promote the business and develop new customer relationships

4: Nature and Scope of Activities

The nature of Westroads Limited activities will be that of a general contractor and a trading organisation offering goods and services for sale and plant and equipment for hire. Its activities will include:

- A. Three Water Services – maintenance and construction.
- B. Roding - maintenance and construction, including bridge maintenance and construction.
- C. Greenspace maintenance and construction, including maintenance of council parks and reserves.
- D. Waste Management services including landfill and transfer station operation.
- E. General civil contracting activities include carpark, driveway and building pad construction.
- F. Vehicle and equipment maintenance services including automotive maintenance and engineering services.
- G. The manufacture and supply of aggregates/sand and base course products.
- H. The supply of goods, materials, services and equipment for sale or hire.
- I. Any other relevant activity as determined by the Directors from time to time.

5: Governance

The Company is governed by a board. The directors of the company are:

- Mark Rogers (Chair)
- Rob Caldwell (Deputy Chair and Chair Risk and Assurance)
- Ross Pickworth

The director's role includes:

- A. Strategic governance
- B. Financial oversight
- C. Management performance review
- D. Overseeing tender prices for major tenders
- E. Ensuring statutory and regulatory compliance



One director retires each year in rotation. Directors can make themselves available for re-appointment.

Board evaluation is conducted at least biannually and is facilitated by the Chair. Directors consider training requirements annually to ensure that professional standards are adhered to.

6. Performance Targets

6.1 Financial Performance Targets

- The ratio of net profit before taxation and revaluations (before extraordinary items) to average shareholder funds shall be at least 10% for the three years commencing 1 July 2025.
- An annual dividend to the shareholder within a range of 40-70% of the Company's net profit after tax, after adjusting for returns to shareholders via a subvention payment.
- Compliance with statutory and regulatory requirements that will allow the Company and the Council to comply with the Local Government Act 2002.
- The ratio of consolidated shareholder funds to total assets shall be greater than 45%. Shareholders' funds are defined as the paid-up capital, plus any tax paid profits earned less any dividends distributed to shareholders. They include undistributed profits which have been accumulated in accounts known as either "Revenue Reserves" or "Capital Reserves".

6.2 Social Performance Targets

Westroads Limited is committed to:

- Attracting and retaining the best people for our organisation.
- Maintaining a high level of transparent and effective communication with our shareholder.
- Being an asset to the community through returns to the Council.
- Supporting local community initiatives.
- Providing effective first response and support for infrastructure during adverse events, especially in remote areas.
- Providing employment in the district and ensuring the community receives competitive prices for work done.

To achieve this for the Company's people and communities:

- We utilise a wide range of training schemes via the industry training organisations to continuously extend the skills of our staff and ensure that they are up to date with professional and technical current practice. Performance reviews are undertaken for all management and staff on an annual basis.

- We are committed to work together to ensure safe and sustainable working conditions for our employees. The Company provides inoculations for employees and monitors hearing, eyesight, and lung functions to ensure we have a healthy workforce.

The Company has the following performance measures regarding employees and safety:

- Number of incidents notifiable to WorkSafe – Target Zero
- Continue to promote Safety First
- Achieving a TRIFR below 1.5 per 100,000 manhours
- Training expenditure as a percentage of Revenue Target – Target 0.8%
- Staff turnover rates excluding fixed term and temporary workers < 18%

6.3 Strategy

The company will update its Strategy document every year and provide a copy of this to the Council.

7. Distribution Policy

Distributions will be paid by way of dividends and subvention payments to the Council in accordance with the annual Statement of Intent.

The level of profit retention/distribution will be agreed annually with the Council, subject to the following criteria:

- The Company will utilise Group losses to the maximum extent available and pay for the use of the losses at the current tax rate by way of Subvention Payments.
- The amount of any distribution will consider the Company's ability to fund future capital expenditure requirements, to maintain and expand its operations, to meet its obligations under the Companies Act 1993 and to address matters related to the debt structure of the Company.

8. Capital Expenditure

The board's policy is to replace plant and equipment on a "wear and tear" basis, with all items requiring board approval.

Approval of the Council must be obtained for any significant purchases or developments more than \$500,000 for any one project, including the funding mechanism for the purchase or development. For general plant replacement items, amounts in excess of \$750,000 need to be referred to the Council as above.

9. Procedures for Acquisition of Other Interests

The Company will not subscribe for, purchase, or otherwise acquire shares in any company or other organisation without first being authorised to do so by a special resolution from the Council.

10. Commercial Value of Shareholders' Investment

The director's estimate that the opening balance of shareholders' funds fairly reflects the commercial value of the investment. The directors will advise the Council on an annual basis if they believe the value to differ materially from this amount.

The value of the investment will be reassessed every three years by evaluating the movement in asset values, in particular changes in land and improvements as recorded on the tri-annual government valuations.

11. Risk Mitigation

The Company shall regularly review key risks together with strategies for mitigation of these risks.

The Company has a formal Fraud Policy in place. All Directors and staff are aware of this policy.

12. Reporting to Shareholders

The following information will be made available to the Council:

12.1 Draft Statement of Intent

On or before the 1st of March each year, the directors shall deliver to the Council a draft Statement of Intent with tracked changes which fulfils the requirements of clause 9 of schedule 8 of the Local Government Act 2002.

12.2 Completed Statement of Intent

On or before the 30th of June each year, the directors shall deliver to the shareholders a final Statement of Intent.

12.3 Half Yearly Report

On or before the end of February each year, the directors shall deliver to the shareholders an unaudited report containing the following information as a minimum in respect of the half year under review:

- A. A revenue statement disclosing actual and budgeted revenue and expenditure, and comparative figures in second and subsequent half yearly reports;
- B. A statement of financial position at the end of the half year;
- C. A commentary on the results for the first six months of the year together with a report on the outlook for the second six months with reference to any significant factors that are likely to influence the company's performance, including an estimate of the financial result for the year based on that outlook;
- D. A report on non-financial performance measures; and
- E. A copy of the auditor's management report for the previous year.

12.4 Annual Report

By the 30th of September each year, or such later date set by government and approved by the shareholder, the directors shall deliver to the shareholders an annual report and audited financial statements in respect of the financial year ending on the preceding 30 June, containing the following information as a minimum:

- A. A directors' report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to a dividend;
- B. A revenue statement disclosing actual and budgeted revenue and expenditure, and comparative figures in second and subsequent annual reports;
- C. A statement of financial position at the end of the year.

12.5 Annual Budget

An annual budget shall be provided for the coming financial year and the following two years, at such a time to enable it to be included within the draft Annual Plan for the Council.

12.5 Quarterly Report

A report containing financial and operational information as agreed between the Company and the Council shall be supplied each quarter. These quarterly reports shall include commentary on the quarterly operations performance and outlook of the Company and any special events likely to affect the Company's performance.

13. Accounting Policies

Reporting Entity

Westroad's accounting policies will comply with legal requirements of the Companies Act 1993, the Financial Reporting Act 1993, the Local Government Act 2002 and with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements comply with New Zealand equivalents to International Financial Reporting Standards. For the purposes of complying with NZ GAAP, the company is a for-profit entity.



14. Financial Forecasts

	SOI Budget	Budget	Forecast	Forecast
	2024/25	2025/26	2026/27	2027/28
	000's	000's	000's	000's
Gross Revenue	31,203	35,128	37,939	41,733
Cost of Sales	24,621	27,998	30,147	33,155
Gross Profit	6,582	7,131	7,782	8,577
Other Income	180	400	432	475
Administrative Expenses	3,124	3,517	3,799	4,178
Depreciation	2,094	2,164	2,337	2,571
Finance Costs	215	256	276	304
Net Profit Before Tax	1,328	1,593	1,802	1,999
Tax Expense	316	390	448	504
Subvention Payments	200	200	200	200
Total Comprehensive Income for the Year	812	1,003	1,153	1,295
Other Performance Targets				
Dividends	330	402	477	547
Earnings Retained	483	602	677	747
Closing Shareholder's Funds	12,511	12,552	13,228	13,976
Pre-Tax & Subvention Return on Average Shareholder's Funds	11.04%	13.33%	14.35%	15.11%

Subvention payments to be paid instead of dividends where possible.



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www.westroads.co.nz



Statement of Intent

For three years commencing
1 July 2025





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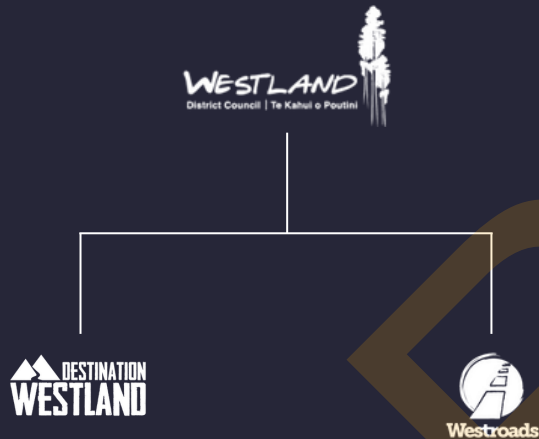
DISTRIBUTION POLICY

SALES OF GOODS/SERVICES TO LOCAL AUTHORITY

INTRODUCTION

Destination Westland Limited is a Westland District Council-Controlled Organisation for the purposes to the Local Government Act 2002 and is registered under the Companies Act 1993.

This Statement of Intent (SOI) is prepared in accordance with Section 64 and Schedule 8 of the Local Government Act 2002 and outlines the overall objectives and forecasts for Destination Westland for three years commencing from 1 July 2025



COMPANY MISSION STATEMENT

Striking a balance between investing in capital to maintain and improve our assets and producing long-term profitable operational results





OUR VALUES

S **AFETY:**
Health and Safety is everyone's business, and everyone is expected to share in our commitment to avoid all accidents and incidents.

T **RUST:**
Acting with credibility, professionalism and integrity every day.

A **CCOUNTABILITY:**
Being responsible for our actions and behaving openly and straightforwardly

R **ESPECT:**
Recognising each other's differences. Being considerate to each other and our environment.

T **EAMWORK:**
Our unifying Value: We are One Team working together in a positive spirit towards the same goal.

OUR GOALS AND OBJECTIVES

HEALTH, SAFETY & RISK MANAGEMENT

We will foster a proactive health, safety, and risk management culture that prioritises continuous improvement and learning.

We will:

- Embed a Civil Aviation Authority (CAA) compliant Safety Management System across both of our aerodromes, ensuring that these safety practices are integrated into all our operational activities.
- Promote health, safety, and wellness through regular discussions with our whole team and ensure it is central to all that we do.
- Identify critical risks and develop plans to mitigate them.

COMMERCIAL

- Develop new opportunities across the core strategic focus areas - Manage and Leverage Assets to Attract Investment.
- Provide quality, efficient and cost-effective management services on a commercially competitive basis.
- Conduct business in a professional manner in accordance with the mandate and Company statement of Intent.
- Consistent with achieving the objectives stated, deliver both financial & nonfinancial returns to the Shareholder.

GROWTH FOCUS

- Grow and diversify revenue streams from existing activities.
- Seek out opportunities for new revenue streams.
- Be enabling for partnership in new activities.
- Enhance the value of the Shareholders' investment.

GOVERNANCE

The Directors of Destination Westland are appointed to govern and direct the company's activities, and have the following roles:

- 1.Strategic vision and governance.
- 2.Develop strategy implementation plans with management, to ensure consistency with vision and governance objectives.
- 3.Financial planning and management to achieve strategic and governance objectives.
- 4.Company performance monitoring and review.
- 5.Manage relationships with Shareholders, stakeholders and external parties at a governance level.
- 6.Manage Company Risk and Compliance requirements
- 7.Ensure the Governance Culture aligns with the delivery of the stated Vision, Values and Objectives of the Company.

Directors are appointed by the shareholder, Westland District Council. The Directors are appointed on rotation policy. The current Board of Directors and rotation dates are:

Director	First Appointed	Current Term End Date	Eligible for Reappointment
Chris Gourley (Chair)	June 2020	AGM 2027	Yes
Marie-Louise Tacon	November2021	AGM 2025	Yes
Peter De Goldi	December 2022	AGM 2026	Yes

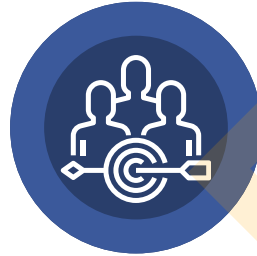
Board evaluation will be conducted annually and facilitated by the Chair. Directors will consider training requirements annually to ensure that professional standards are adhered to.

ACTIVITIES OF THE COMPANY



Managing core infrastructure

Developing and executing a long-term strategy to oversee and enhance the critical infrastructure of Westland, including the **Airport, Heliport, and Property**.

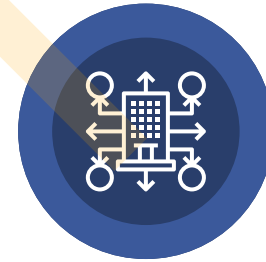


Leveraging our assets

Generate operating profits that align with our primary focus areas:

Airport - Heliport Property

Achieve this by boosting aviation movements, enhancing land utilisation, and fostering business expansion linked to our assets.



Attracting investment

Collaborate with local and central government entities to establish robust investment streams that promote appropriate levels of capital and infrastructure expenditure.


Engage with private investors aligned with our core focus areas:

Airport - Heliport - Property





PERFORMANCE MEASURES & TARGETS



Financial Results

Measure	Target
 <p>Manage financial performance to show year on year growth while maintaining a strong balance sheet</p>	<p>Interest Cover >2 Pre-Tax ROE 1-6% Net Debt/EBITDA <5x FIFO/Net Debt 12-20%</p>


Communication

Measure	Target
 <p>Maintain high level of communication with Shareholder</p>	<p>Meet communication requirements with CCO committee</p>
 <p>Annual Independent Tenant Satisfaction Survey to be undertaken</p>	<p>Complete the tenant Survey by 30 June 2025</p>

Health, Safety and Risk

Measure	Target
 <p>Meet our obligations and standards under Civil Aviation Act Rules</p>	<p>"Major " findings - Zero Independent Review of SMS completed</p>
 <p>Meet our obligations under the Health & Safety at Work Act and drive safety improvements.</p>	<p>Notifiable incidents to Worksafe - Zero TRIFR < 2</p>

Environmental

Measure	Target
 <p>Pursue sustainability initiatives that reduce our carbon footprint.</p>	<p>Annual reduction of Green House Gas emissions.</p>

1. An occurrence or deficiency involving a major system that caused, or had the potential to cause, significant problems to the function or effectiveness of that system.



CAPITAL EXPENDITURE

Capital expenditure will generally be related to the development of existing land and property but will also be considered from time to time in relation to strategic asset developments or acquisitions for the benefit of Westland District and the Company.

The approval of Westland District Council must be obtained for any significant purchases or asset developments, including the funding mechanism for any purchase or development in excess of \$500,000.

ACQUISITION OF OTHER INTERESTS

The Company will not subscribe for, purchase, or otherwise acquire shares in any company or other organisation without first being authorised to do so by a special resolution of the Shareholder.

SALE AND DISPOSAL OF ASSETS

The Company will not sell or dispose of any Company assets exceeding \$100,000 in value without first being authorised to do so by a special resolution of its Shareholder.

COMMERCIAL VALUE OF SHAREHOLDER INVESTMENT

The Directors estimate that the commercial value of the Shareholders' investment in Destination Westland Limited will be represented by the opening balance of Shareholders' Funds. The Directors will advise the Shareholders on an annual basis if they believe the Shareholder Investment Value will differ materially from this amount.

The Directors may elect to revalue land improvements and investments on an annual basis in line with current Audit New Zealand policy.

RISK MANAGEMENT

The Company shall complete and document a risk management analysis together with strategies for mitigation of these risks.

The Company shall work with Westland District Council to agree on formal communication protocols to improve communication with Council's elected representatives, relevant staff and stakeholders as it relates to the activities of the Company.

The company has formal Fraud and Communication Policies in place and all Directors and staff are to be aware of this policy.



REPORTING TO SHAREHOLDERS

DWL operates on a 'no surprises' basis in respect of significant shareholder-related matters, especially on matters likely to cause community or political concerns, to the extent possible in the context of commercial sensitivity and confidentiality obligations.

Statement of Intent

- Draft to be delivered to the shareholder on or before 1 March in the year preceding the financial year to which the draft Statement of Intent relates.
- Comments from the shareholder on draft Statement of Intent, if any, to be provided to NAL by 1 May.
- Final Statement of Intent to be delivered to the shareholder following consideration of any shareholder comments by 31 May, or later if allowed by the shareholder. In any case not later than 30 June.
- Final Statement of Intent to be made available to the public following adoption by the shareholder.

Half Yearly Financial Report

To be delivered to shareholders by 28 February. The half-yearly report will include:

- A Directors' Report which includes commentary on DWL's operations and performance against non-financial performance measures
- A condensed Statement of Comprehensive Income
- A condensed Statement of Changes in Equity
- A condensed Statement of Financial Position
- A condensed Statement of Cash Flows
- Appropriate Notes to the condensed Financial Statements

Quarterly Report

Between the annual report and half yearly report, DWL will:

- Deliver to WDC a quarterly report
- Provide commentary on the quarterly operations performance and future outlook and any special events likely to affect the performance of areas of operation

Annual Report

- To be delivered to the shareholder by 30 September unless shareholder advises otherwise.
- A Directors' Report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives.
- A Statement of Comprehensive Income disclosing actual and budgeted revenue and expenditure and comparative actual figures from the previous year.
- A Statement of Changes in Equity with actuals and comparative figures from the previous year.
- A Statement of Financial Position with actuals and comparative figures from the previous year.
- A Statement of Cash Flows with actuals and comparative figures from the previous year.
- An Auditor's Report on the above statements and the measure of performance in relation to objectives.

Annual Shareholder Meeting

To be held by 31 December each year.

ACCOUNTING POLICIES

The reporting entity for accounting and financial reporting purposes is Destination Westland Limited. Destination Westland Limited has a balance date of 30 June.

Destination Westland's accounting policies comply with legal requirements of the Companies Act 1993, the Financial Reporting Act 2013, the Local Government Act 2002 and with New Zealand Generally Accepted Account Practice (NZ GAAP).

The Company reports financially under the Accounting Standards Framework implemented by the Financial Accounting External Reporting Board. For financial reporting purposes Destination Westland Limited is a public benefit entity (PBE). By Virtue of the size of the business the Company reports under the Reduced Disclosure Regime to Tier 2 requirements.

Accounting Policies are set out in detail in Destination Westland Limited's Annual Report which is available on the Company's website at www.destinationwestland.co.nz





DISTRIBUTION POLICY

Distributions will be paid, either by way of Dividends to Westland District Council or Subvention Payment to Westland District Council, as agreed with Westland District Council.

A subvention payment is defined as a payment based on a dollar for a dollar of tax loss.

The degree of profit retention/distribution will be agreed annually with Westland District Council, and included in the annual Statement of Intent, subject to the following criteria:

- The amount of any distribution considers Destination Westland Limited's ability to fund future capital expenditure requirements, to maintain and expand its operations, or to address matters related to the debt structure of the Company.
- Total liabilities not to exceed 30% of the total assets without the approval of Westland District Council.

SALE OF GOODS/SERVICES TO LOCAL AUTHORITY

It is considered likely that Destination Westland Limited will carry out some activities for which the Board will seek compensation from the Westland District Council, or its subsidiaries. These charges could be related to the sale, rental or leasing of property owned or managed by the Company or by Council or any other services as required.

Any compensation received and details of the undertaking will be reported in the annual report of Westland District Council.

Any commercial activities carried out for and or by Destination Westland Limited in relation to Westland District Council, or its subsidiaries will be at market rates.

FINANCIAL FORECASTS

	BUDGET 2025/26 \$000	FORECAST 2026/27 \$000	FORECAST 2027/28 \$000
Revenue	2,650	2,855	3,050
Less Expenditure			
Operating Expenses	950	985	1,035
Depreciation & Impairment Losses	350	400	420
Interest Expense	125	120	115
Service Delivery Costs	550	605	635
Occupancy Costs	430	480	550
Total Expenses	2,405	2,590	2,755
Surplus/(Deficit) before Income Tax	245	265	295
Income Tax Expense	69	74	83
Surplus for the Period	176	191	212
Net Other Comprehensive Income ^{1.}	450	-	-
Total Comprehensive Income	626	191	212



Hokitika Airport
13 Airport Drive
Hokitika 7810

www.destinationwestland.co.nz

COUNCIL CONTROLLED ORGANISATION OVERSIGHT COMMITTEE WORK PLAN

ITEM	DESCRIPTION	DATE	RECEIVED
Letter of Expectation	A letter of expectation, written by the Committee Chair and CE with Council approval, will be sent to the CCOs.	28.03.25	
CCOs 6 monthly Financial Reports	CCO 6 monthly Financial Reports due to Council. (WR received 27.02.25 DWL received 14.02.25)	28.02.25	Yes
Draft SOI	Draft Statement of Intent from Destination Westland Ltd and Westroads Ltd, due to the Committee. (WR received 27.02.25 DWL received 14.02.25)	10.03.25	Yes
CCOs 6 monthly Financial Reports	CCOs to present 6 monthly Financial Reports to CCO Committee.	27.03.25	
CCOs 6 monthly Financial Reports	Committee to present CCO 6 monthly Financial Reports to Council.	27.03.25	
Provide comment on Draft SOI	Committee to provide comments to the CCOs on their respective draft Statement of Intent.	01.04.25 to 30.06.25	
Reports from CCOs	Quarterly reports due from the CCOs to the Committee for the upcoming Committee Meeting (05.06.25).	30.05.25	
Final SOI	Final Statement of Intent due from Destination Westland Ltd and Westroads Ltd.	01.07.25	
Reports from CCOs	Quarterly reports due from the CCOs to the Committee for the upcoming Committee Meeting (08.12.25).	28.11.25	
CCOs End of Year Reports	End of Year reports, signed off with audit opinion included, due to Council from the CCOs 30 September 2025. Present to Council 27.11.25.	30.09.25	