



ANNUAL REPORT

2010/2011

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INTRODUCTION



MAYOR & CHIEF EXECUTIVE'S REPORT

Welcome to the Annual Report of the Westland District Council for the year 1st July 2010 to 30th June 2011. Copies of this report can be found on the Council's website www.westland.govt.nz or in hard copy at your local library.

The Council is very proud to have developed a new vision for Westland.

Westland will, by 2030, be a world class tourist destination and have industries and businesses leading through innovation and service.

This will be achieved by:

- Involving the community and stakeholders
- Having inspirational leadership
- Having expanded development opportunities
- Having top class infrastructure for all communities
- Living the '100% Pure New Zealand' brand

The Vision sets the boundaries for our planning and performance. We are working hard to deliver the very best - for the best value we can for Westland and to ensure Westland is the last best place to live, work and play.

Council's Cycle Trail Project is set to become a reality. Most funding is now in place, thanks to the hard work of the Westland Wilderness Trust, Westland District Council, Development West Coast and community leaders. The trail is grade one, meaning it is suitable for riders of all ages and abilities. There will be many attractions along the trail including gold panning and paddle boat cruising. The Cycle Trail has already started to create economic opportunities for residents and investors. The refurbishment of the Theatre Royal in Kumara is an excellent example of some of the economic spin offs we can expect from the cycle trail.

Westland still leads the country in formally opposing the aerial discharge of 1080 poison, while continuing to support the possum control programme. Following our lead other Councils have moved to formalise their views in opposition.

In July/August of 2011, Council commissioned Cinta Research to survey public opinion of Council's performance. Council has now introduced questions reflecting areas of interest to Westland District residents. Resident satisfaction is a key performance measure for many Council services. Targets are set in the Annual and Long Term Plans (LTP) and survey results are reported in the Annual Report.

A total of 450 people participated in the survey and participants were randomly selected. The survey was undertaken by telephone. The most highly rated service was the Library while the lowest rated service was Dog Control. A new partnership between Westland District Council and the Hokitika SPCA should result in an improvement in Dog Control results next time. Council is also investigating with the



SPCA options for a dedicated dog exercise area in Hokitika. The research will help us improve services across Council. Thank you to all residents who participated. We are beginning to plan for the next update of the Long Term Plan and there will be numerous opportunities for residents to tell Council what they think, so keep participating.

In the 2010/11 year Council divested the water scheme at Hannah's Clearing after a special consultation with the community. Residents are borrowing the money from the Council for water tanks and pumps and paying it back through rates over time. This is much more cost effective than installing a new water scheme and the community agreed. The cost of infrastructure and maintaining our community facilities in the future is of concern. We must realise that the nature of our geography and the amount of people living in Westland means that we have to be careful. We must do what is affordable and be creative and innovative.

As always you are invited to contribute your thoughts and ideas as we continually work towards improving Westland and addressing key issues of the community.

Kind regards

Two handwritten signatures. The first is Maureen Pugh's signature, and the second is Robin Reeves' signature.

Maureen Pugh

Mayor
31 October 2011

Robin Reeves

Chief Executive Officer
31 October 2011

ROLE OF THE ANNUAL REPORT OF COUNCIL

Purpose of this Annual Report

The purpose of this annual report for the year ended 30 June 2011 is to compare the actual performance of Council for the year against what was forecast in the 2010/2011 Annual Plan.

The LTCCP was prepared and adopted under section 93 of the Local Government Act 2002, which requires that the Annual Report for 2010/2011 be prepared under section 98 of that Act. Section 111 of the Local Government Act 2002 includes the requirement to comply with generally accepted accounting practice.

Relationship to Key Documents

Under the Act, a local authority must prepare and adopt these key documents:

- Revenue and Financing Policy (sec:102:2)
- Investment Policy (sec:102: 2)
- Liability Management Policy (sec: 102: 2)
- Annual Plan (sec: 95)
- Annual Report (sec: 98)
- Long Term Plan (sec: 93)
- Policy on Development Contributions or Financial Contributions (sec: 102: 2)
- Policy on Partnerships with the Private Sector (sec: 102: 4 (e))
- Policy on the Remission and Postponement of Rates on Maori Freehold Land (sec: 102: 2)
- Rates Remission and Postponements Policies (sec: 102: 3(a),(b))

The Long Term Plan was previously called the Long Term Council Community Plan (LTCCP).

Overview

Council made significant progress during 2010/2011 toward the achievement of objectives and policies as set out in the LTCCP relating to its Revenue and Financing Policy, Investment Policy and Liability Management Policy.

Details of achievement against the objectives and policy are set out below.

Revenue and Financing Policy

The Revenue and Financing Policy identifies significant activities of Council and provides for the associated estimated future expenses, revenues, cash flows and other movements in the Statement of Financial Position.

The general aim of the policy is to ensure that Council has adequately considered and accounted for its future operations in accordance with the following six principles:

- Prudent management of Council activities in the interest of the district and its inhabitants.
- Adequate provision for expenditure needs of Council.
- Adequate consideration and assessment of benefits and costs of different options.
- Lawful funding mechanisms that on reasonable grounds can be considered as appropriate.
- Maintaining prudent levels of debt in accordance with its liability management policy.
- Operating revenue to cover all projected operating expenses.

The development and review of the Revenue and Financing Policy followed a three step process which, after setting out the functions that Council performs, addressed the following issues:

- Why Council is involved in each activity and whether there are any alternatives to the way the service can be provided;
- Who benefits from each of the services provided; and
- Who should pay for each of the services i.e. how much should come from user charges and how much from rates.

The following table summarises the level of public funding achieved for the year ended 30 June 2011.

The total level of funding, whether split between public and private, will always equal 100%. The table below discloses the public portion (or rate portion) of the funding of each significant activity, as a percentage of total revenue for the year for that activity.

Activity	Public Funding		
	Target	Result	Note
Promoting and Supporting the Community			
Library	94%	89%	1
Safer Community Council	24%	57%	2
Cemeteries	60%	56%	1
Elderly Housing	0%	0%	
Swimming Pools	80%	72%	1
Community Assistance/Funding	100%	65%	1
*Community Halls and Buildings	90%	20%	1
*Parks and Reserves	90%	86%	1
Land and Buildings	0%	0%	
Westland Business Unit	25%	21%	1
Planning for our Community			
Animal Control	6%	6%	3
Resource Management	70%	47%	1
Inspectorate & Regulatory	60%	18%	1
Providing Essentials for the Community			
Civil Defence	98%	139%	2
Rural Fire	100%	82%	4
*Transportation	35%	28%	3
Water Supplies	30%	82%	3
Wastewater	82%	79%	1
Stormwater	100%	100%	3
Waste Management	100%	74%	1
Public Toilets	100%	97%	3
Community Township Development	100%	123%	5
Providing Leadership for the Community			
Governance	100%	82%	1

Notes

1. An operating deficit which was funded from reserves.
2. An operating surplus from less expenditure than budget to be transferred to reserves.
3. An operating surplus from more 'Other income' than budget to be transferred to reserves.
4. An operating surplus from 'Other income' which was used to fund the Kokatahi Fire Station.
5. Additional rates were raised to fund the Franz Josef Township Development.

* These activities also had some unfunded depreciation.

Investment Policy

This policy outlines why Council holds various investments, what it does with the proceeds and how the investments are to be managed.

Equity Investments

Management	
Shares are held in Civic Assurance Limited to ensure that adequate insurance arrangements are available at the lowest available cost.	Council reviews its commitment to the scheme annually.
Westland Holdings Limited is a wholly owned Council Controlled Trading Organisation (CCTO) formed on 24 July 2002; it holds 100% of the shares and assets in Hokitika Airport Limited, Westroads Limited and Westland District Property Limited.	Council supports the directors of Westland Holdings Limited, Westland District Property Limited, Westroads Limited and Hokitika Airport Limited in the management of each company with the aim to maximise the benefits to Council and the ratepayers of Westland.

Financial Investments

Council's primary objective is the protection of its investment.

Management	
Credit risk is minimised by limiting investments to local authorities, registered banks, strongly rated SOEs and corporate entities within prescribed issuer and portfolio limits.	As at 30 June 2011 Council's investments were with ASB Bank in the amount of \$1,770,290 and \$40,000 with Civic Assurance.

Foreign Exchange Policy

Council does not borrow or enter into incidental arrangements within or outside New Zealand in other than NZ currency.

Cash Management

Surplus monies are placed on call or term deposits and operational, special and trust funds are clearly reflected in the general ledger. Council invested surplus funds in 30 – 131 days call investments as required.

Liability Management Policy

Council exercises its borrowing powers within the Local Government Act 2002 S:113-122. The borrowing programme is approved by Council by resolution during the Annual Planning process. Council manages its borrowing by adhering to the following limits:

Limit	Performance
Gross interest expense on all borrowing will not exceed 35% of total annual rates income, net of remissions.	Interest expense is currently 5.1% of total annual rates income, net of remissions.
A debt to income ratio of not more than 0.80.	Debt to income ratio is currently 0.86.
Net cash inflows from operating activities exceed gross annual interest by two times.	Net cash flows from operating activities exceed annual interest by 6.40 times.
Liquidity ratio of 1:1.	Current liquidity ratio is 0.67:1. This is a breach of the policy.
Not more than 75% of existing and forecast borrowings are subject to refinancing in any financial year.	57% of total borrowings was refinanced in the financial year.

THE LONG TERM COUNCIL COMMUNITY PLAN (LTCCP)

The Local Government Act 2002 (the Act) requires all local authorities to develop a LTCCP for their districts. These plans identify the directions or outcomes chosen by the community and the role of Council in achieving these outcomes. The Plan also details the cost of Council's activities over the next 10 years. When developing and adopting a LTCCP the community must be consulted.

The Act requires Council to carry out a process once every 6 years of identifying the desired priorities of the residents and ratepayers of Westland for the current and future social, economic, environmental, and cultural well being of Westland District. Council's LTCCP was adopted by Council on 31 July 2009 for the 2009-2019 periods.

The outcomes identified and included in the LTCCP outline the expectation of the residents and communities within the District on how the activities of Council can assist in achieving the goal of developing and maintaining the social, economic, environmental, and cultural well being of Westland District both currently and in the future.

Council was required to consult widely with the Community and organisations within the District to identify the outcomes which form the basis for the LTCCP covering the period commencing 1 July 2009 to 30 June 2019.

In subsequent years, Council is required to report against the targets and forecasts set out in the LTCCP.

Community Outcomes

The six community outcomes that Westland District will aspire to for the 2009-2019 period were:

1. HEALTH

- Healthy communities with access to quality facilities and services.
- Opportunities for participation in recreational, sporting and leisure activities.

2. EDUCATION

- A region that values and supports learning with accessible relevant education and training opportunities.
- Opportunities for participation in arts, culture and heritage activities.

3. SAFETY

- A region that is a safe place to live.

4. ECONOMY

- A thriving, resilient and innovative economy creating opportunities for growth and employment.
- Services and infrastructure systems to support economic growth and development.

5. ENVIRONMENT

- The distinctive character of the environment is appreciated and retained.

6. IDENTITY

- A 'happening' region with a strong community spirit and distinctive lifestyle.
- Accessible leaders working together.
- Opportunities for all to contribute to and participate in decision-making affecting Westland District.

Council's Role in Achieving these Outcomes

The LTCCP set out Westland District Council's contribution in creating an environment where the District can achieve the stated mission of making Westland a better place to live in for its residents and ratepayers.

It also sets out what Council is planning over the next 10 years to 2019 and provides additional detail on the planned activities for the 2010/11 year and the costs associated with these activities.

Community Outcomes are achieved when Council and other organisations within the District undertake activities that provide a community service or output.

Several outputs may contribute to one outcome and similarly one output may contribute toward the achievement of more than one outcome.

Westland District Council will contribute to achieving the community outcomes outlined in the LTCCP by undertaking the activities as summarised in the table on page 8. The rationale for carrying out these activities and services is outlined more fully in the LTCCP.

Monitoring

Council has worked with Buller and Grey District and the West Coast Regional Council to produce a progress report on community outcomes. The councils collected data for indicators that have been identified as appropriate measurements related to a given outcome. The Community Outcomes Report was completed and presented to the Councils in June 2009.

The monitoring of progress towards the achievement of Community Outcomes is summarised in the following table:

MONITORING OF PROGRESS TOWARDS THE ACHIEVEMENT OF COMMUNITY OUTCOMES

During the 2010/11 financial year the following monitoring of progress towards the community outcomes was completed.

Outcome	Monitoring	At time of LTCCP	2011 Results
Healthy communities with access to quality facilities and services	Drinking Water Quality	Ministry of Health carries out independent assessment of water supplies in the district. At present all the water supplies which require testing have returned unsatisfactory results, according to the Drinking Water Standards. In order to become compliant, Council has provided for improvements to these water supplies	The Hokitika water treatment plant failed to achieve compliance due to Free Available Chlorine dropping below acceptable levels. Harihari has a treatment plant which fully complies with DWSNZ2005. The Ross Water treatment contract has been let, building consents have been lodged and construction is set to begin in mid-October.
A district that is a safe place to live.	Youth offending rates Number of youth offences	Currently there are some key projects being undertaken by the Safer Community Council focusing on youths.	66% (63% 2009) of residents feel that generally Westland District is definitely a safe place to live, 27 % (34% 2009) say mostly, and 5% (3% 2009) say not really, and 2% (0% 2009) of residents say definitely not a safe place.
	Motor vehicle crash rates	There were four fatal crashes on Westland Roads during the year ended 31/12/07.	One fatal crash on Westland roads during year ended 31/12/10 per NZTA Crash Analysis System - Target was less than 4.
A thriving, resilient and innovative economy creating opportunities for growth and employment.	Building consents issued	Total number 477 - 69% (327 completed within 20 days)	There were 301 (320 2009/10) building consents issued in 2010/11. 100% were processed within the necessary timeframe of 20 days. Numbers are down as a result of the economic climate.
A 'happening' region with a strong community spirit and distinctive lifestyle.	Participation in leisure, arts and cultural activities	i-Site responded to 20,922 recorded enquiries.	i-Site responded to 52,693 (63,125 2009/10) recorded enquiries. Visitor numbers are down as a result of the recession.
Level of visitor waste minimisation activity	Reducing tonnage to the District's landfill.	300 tonnes of recyclable material per year at time of LTCCP	1,010 tonnes recycled (832 tonnes 09/10) or a 21% increase. 3,013 tonnes of waste was dumped in the Districts landfill (2,818 tonnes 2009/10) or a 7% increase.

STATISTICAL DATA

Date of Constitution of District	1 November 1989	
District Office	36 Weld Street, Hokitika	
Postal Address	Private Bag 704, Hokitika	
Communications	Phone (03) 756 9010	
	Fax (03) 756 9045	
	Email: council@westlanddc.govt.nz	
	Website: www.westland.govt.nz	
Auditor	Audit New Zealand, on behalf of the Auditor-General	
Bankers	Westpac Bank	
Solicitors	Elcock & Johnston	
Insurance Broker	Fraser Macandrew Ryan	
Population - Census Night (2006)	11,202	
Resident in District	8,403	
Total Area	1,188,017 ha	
Rateable Area (11.8%)	140,632 ha	
No. of Rateable Assessments	6,480	
Rateable Capital Value as at 30 June 2010	\$2,322,690,800	
Rateable Land Value as at 30 June 2010	\$1,450,310,700	
Date of Last Valuation	1 September 2008	
Date of Next Valuation	1 September 2011	
System of Rating	General	Land Value
	Waste Management	Capital Value
Public Debt Outstanding at 30 June 2011	\$13,528,248	

COUNCIL FINANCIAL STATISTICS

	Actual 2010/11	Estimate 2010/11	Actual 2009/10
Proportion of general rates to total income	25%	26%	28%
Average general rates per rateable property	694	693	678
Public Debt (as a percentage of property, plant and equipment)	3.57%	2.07%	2.06%
Public Debt (per rateable property)	\$2,088	\$1,269	\$1,216

COUNCIL FIVE-YEAR FINANCIAL PERFORMANCE SUMMARY

	2010/11 \$'000	2009/10 \$'000	2008/09 \$'000	2007/08 \$'000	2006/07 \$'000
Rates – General	4,539	4,395	4,405	4,094	3,876
Net surplus (deficit)	(606)	409	(970)	1,098	686
Working Capital	*(4,639)	1,256	3,875	536	5,220
Public Debt	13,528	7,881	6,313	5,856	5,864
Total Assets	399,947	397,052	395,182	354,742	346,943

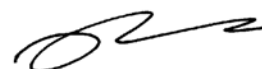
The figure for Working Capital reflects that \$10,725,000 of the Council's borrowing are included in current liabilities. This will be rectified in the 2011/12 year.

STATEMENT OF COMPLIANCE

The Council of Westland District Council hereby confirms that all statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.



Maureen Pugh
Mayor
Date: 31 October 2011







Robin Reeves
Chief Executive Officer
Date: 31 October 2011



DISTRICT REPRESENTATIVES & STAFF

MAYOR AND COUNCILLORS CONTACT DETAILS

AS AT 30 JUNE 2011

Mayor				
M.H. Pugh (Maureen)	Turiwhate, Private Bag 614, Greymouth 7840	03 736 9843	03 736 9843	maureen.pugh@westlanddc.govt.nz mayor@westlanddc.govt.nz
Northern Ward				
A.N. Bradley (Neil)	Three Mile, RD 2, Hokitika 7882	03 755 7279	03 755 7280	bradleynm@xnet.co.nz
M.D Montagu (Murray)	1508 Kumara Junction Highway, RD 2, Hokitika 7882	03 755 6807		murray@snap.net.nz
C.A. van Beek (Kees)	1616 Old Christchurch Road, RD 2, Hokitika 7882	03 736 9844 03 755 8844	03 755 8844	kawhakastation@kinect.co.nz
Hokitika Ward				
J.H. Butzbach (Jim)	56 Brittan Street, Hokitika, 7810	03 755 8180 (wk)		jimbutzbach@westlandmed.co.nz jbutzy1@gmail.com
A.M. Hurley (Allen)	12 Fitzherbert Street, Hokitika 7810	03 755 8098	03 755 8096	heritage@minidata.co.nz
K.R. Scott (Kyle)	88 Stafford Street, Hokitika 7810	03 755 6581	n/a	kylescott@xtra.co.nz
F.I.W Stapleton (Frances)	112 Stafford Street, Hokitika	03 755 6205	03 755 6200	stapleton.frances147@gmail.com
Southern Ward				
J.G. Birchfield (John)	P O Box 130, Bruce Bay, South Westland 7950	03 751 0095	03 751 0195	johnb@farmside.co.nz
K.J. Eggeling (Kerry)	P O Box 8, Haast 7844	03 750 0848	03 750 0713	bigegg.dragon@internet.co.nz
B.O. Thomson (Bryce) (Deputy Mayor)	Petersen Road, Harihari 7844	03 753 3138	03 753 3138	bryce.lorraine@xtra.co.nz

Committees

Performance Management Committee

- Deputy Mayor Councillor Bryce Thomson
- Councillor Murray Montagu - Chairperson
- Councillor Allen Hurley
- Councillor Kees van Beek
- Councillor Kyle Scott
- Councillor Jim Butzbach
- Councillor Frances Stapleton

Strategy Committee

- Mayor Maureen Pugh
- Deputy Mayor Councillor Bryce Thomson - Chairperson
- Councillor Murray Montagu
- Councillor Frances Stapleton
- Councillor Allen Hurley

Operations Committee

- Councillor Kyle Scott - Chairperson
- Councillor Kerry Eggeling
- Councillor Murray Montagu
- Councillor Neil Bradley
- Councillor John Birchfield

Risk Management Committee

- Mayor Maureen Pugh
- Deputy Mayor Councillor Bryce Thomson - Chairperson
- Councillor Jim Butzbach
- Councillor John Birchfield
- Councillor Kees van Beek
- Councillor Allen Hurley

OTHER APPOINTMENTS

Hearings and Licensing Commissioners

- Councillor Allen Hurley

Westland Holdings Limited Directors

- Mayor Maureen Pugh
- Les Singer
- Graeme King - Chairperson

Hokitika Airport Limited Directors

- Les Singer
- Bruce Smith - Chairperson
- Linda Robertson

Westroads Limited Directors

- Durham Havill - Chairperson
- Peter Cuff
- Deputy Mayor Councillor Bryce Thomson
- Maurice Fahey

Westland District Property Limited

- Durham Havill - Chairperson
- Suzanne Merriman
- Bruce Smith

Pensioner Flat Allocation Committee

- Mayor Maureen Pugh
- Councillor Kyle Scott

Westland Nature Trust

- Mayor Maureen Pugh - Chairperson
- Chris Auchinvole MP
- Councillor Allen Hurley
- Francois Tumahai, Te Runanga O Ngati Waewae
- Mike Slater, Conservator, Department of Conservation
- Councillor Peter Haddock, Grey District Council

APPOINTMENTS TO ORGANISATIONS

Big Brothers Big Sisters		Cr. Neil Bradley
Community Associations	Kumara	Cr. Murray Montagu (or Cr. Van Beek if unavailable)
	Enterprise Hokitika	Cr. Kyle Scott
	Heritage Hokitika	Cr. Kyle Scott
	Kokatahi/Kowhitirangi	Cr. Murray Montagu
	Ross Community Society	Cr. Bryce Thomson (or Cr. van Beek, or Cr. Scott, or Cr. Stapleton if unavailable)
	Harihari Community Association	Cr. Bryce Thomson
	Whataroa Community Association	Cr. Bryce Thomson
	Okarito Community Association	Cr. John Birchfield
	Franz Josef Community Forum	Cr. John Birchfield
	Franz Inc.	Cr. John Birchfield
	Fox Glacier Community Association	Cr. John Birchfield
	Glacier Country Tourism Group	Cr. John Birchfield
	Haast Promotions Group	Cr. Kerry Eggeling
Development West Coast – Appointment Panel		Mayor Maureen Pugh
Life Education Trust		Community Services Officer
Local Government New Zealand & National Council Representative		Mayor Maureen Pugh
New Zealand Historic Places Trust		Manager Planning and Regulatory
Road Controlling Authority Forum		Group Manager – Assets & Operations
Tourism West Coast Representative		Jenny Keogan
Wasteminz		Community Development Officer
West Coast Regional Land Transport Committee		Cr. Kerry Eggeling
West Coast Rural Fire District		Cr. Murray Montagu, Group Manager – Assets & Operations
West Coast Waste Management Group		Mayor Maureen Pugh, Cr. Frances Stapleton, Cr. Jim Butzbach, Group Manager – Assets & Operations
Safer Community Council		Cr. Frances Stapleton, Cr. Kyle Scott, Cr. Kees van Beek
Creative New Zealand		Cr. Neil Bradley, Cr. Kyle Scott

INTRODUCTION

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STAFF

The Management Team

CHIEF EXECUTIVE OFFICER

Robin Reeves

As Chief Executive Officer, Robin has the overall responsibility to ensure that Westland District Council:

- Receives good policy advice.
- Delivers all services to the desired standard.
- Delivers the Annual, and Long Term Council Community Plan
- Complies with the law.
- In order to achieve this, Robin has the responsibility of ensuring that he has the right people to do the job.

Telephone: 03 756 9010

Email: robin.reeves@westlanddc.govt.nz

MANAGER: FINANCE

Quecha Horning

As Manager Finance, Quecha is responsible for all financial management, office management, preparation of the Long Term Plan (10 Year Plan), the Annual Plan and the Annual Report. Quecha is also the Secretary for Westland Holdings Limited.

Telephone: 03 756 9031

Email: quecha.horning@westlanddc.govt.nz

MANAGER: PLANNING & REGULATORY

Richard Simpson

As Manager: Planning and Regulatory, Richard is responsible for the department of Council which deals with resource and building consents, liquor licensing, environmental health and all registration and licensing. The department also has responsibility for the strategic planning issues and the development and maintaining of the District Plan outcomes.

Telephone: 03 756 9035

Email: richard.simpson@westlanddc.govt.nz

GROUP MANAGER: ASSETS & OPERATIONS

Vivek Goel

As Group Manager - Assets and Operations, Vivek's primary responsibility is for operating, maintaining and improving Council's infrastructural assets. These include roading, water services, recreational assets, cemeteries, buildings, solid waste disposal and the Jackson Bay Wharf. Vivek is also responsible for rural fire management, transportation planning and civil defence.

Telephone: 03 756 9034

Email: vivek.goel@westlanddc.govt.nz



FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	COUNCIL			GROUP	
		2011 ACTUAL \$000	2011 BUDGET \$000	2010 ACTUAL \$000	2011 ACTUAL \$000	2010 ACTUAL \$000
Income						
General rates	3	4,539	4,456	4,395	4,382	4,240
Targeted rates	3	3,115	3,187	2,864	3,115	2,864
Income from activities	4	7,696	8,665	7,144	14,546	13,967
Vested assets income		402	517	1,132	402	1,132
Other gains/(losses)	5	194	0	(4)	(12)	(14)
Gains/(losses) on Investment Property	15a	0	0	200	0	200
Total income		15,945	16,824	15,731	22,433	22,389
Less Expenditure						
Employee benefit expenses	6	3,799	3,008	3,112	8,067	7,258
Depreciation and amortisation	15 16	4,666	4,066	4,259	5,869	5,394
Other expenses	7	7,831	7,942	7,563	8,838	8,175
Finance costs	8	435	218	367	573	539
Total Expenditure		16,731	15,234	15,301	23,346	21,366
Net Surplus/(Deficit) before tax		(785)	1,589	430	(914)	1,023
Income tax expense	9	(179)	0	21	(118)	530
Net Surplus/(Deficit) after tax		(606)	1,589	409	(796)	493
Add Other Comprehensive Income						
Gain/(Loss) on property revaluations	23	(1,931)	11,951	0	(1,931)	0
Impairment of property, plant, and equipment	15 23	(249)	0	0	(249)	0
Financial assets at fair value through other comprehensive income	23	(4)	0	129	(4)	129
Total Comprehensive Income		(2,790)	13,540	538	(2,980)	622

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	COUNCIL			GROUP	
		2011 ACTUAL \$000	2011 BUDGET \$000	2010 ACTUAL \$000	2011 ACTUAL \$000	2010 ACTUAL \$000
Equity at start of year		385,593	385,593	385,055	386,627	386,005
Add Total Comprehensive Income for Year		(2,790)	13,540	538	(2,980)	622
Equity at end of year	23	382,803	399,133	385,593	383,647	386,627

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

		COUNCIL			GROUP	
	NOTE	2011 ACTUAL \$000	2011 BUDGET \$000	2010 ACTUAL \$000	2011 ACTUAL \$000	2010 ACTUAL \$000
Assets						
Current assets						
Cash and cash equivalents	10	4,243	599	70	4,738	352
Trade and other receivables	11	2,942	2,477	2,290	3,995	3,330
Inventories	12	26	0	0	485	248
Other financial assets	13	1,810	3,684	3,765	1,810	4,100
Total current assets		9,021	6,760	6,125	11,028	8,031
Non-current assets						
Property, plant and equipment	15	378,888	395,145	382,789	389,710	390,990
Intangible assets	16	31	0	20	79	91
Work in progress	17	3,078	1,966	1,549	3,167	1,709
Investment property	15	0	0	500	0	500
Term Inventory	12	0	0	0	751	0
Other financial assets	13	8,929	6,120	6,070	2	2
Total non-current assets		390,927	403,231	390,928	393,709	393,292
Total assets		399,947	409,991	397,052	404,737	401,322
Liabilities						
Current liabilities						
Trade and other payables	18	2,139	1,783	2,206	2,370	2,635
Deferred income	19	149	86	136	150	136
Provisions	20	83	121	157	83	157
Employee benefit liabilities	21	459	222	234	964	685
Borrowings	22	10,725	505	2,078	11,938	2,532
Tax payable		0	0	0	0	104
Derivative financial instruments	14	105	0	59	105	59
Total current liabilities		13,660	2,717	4,869	15,610	6,307
Non-current liabilities						
Provisions	20	371	339	272	371	272
Employee benefit liabilities	21	207	142	232	326	349
Borrowings	22	2,803	7,660	5,803	4,359	7,138
Deferred tax liability	9	104	0	283	424	629
Total non-current liabilities		3,485	8,141	6,590	5,480	8,388
Total liabilities		17,145	10,858	11,459	21,090	14,695
Net Assets		382,803	399,133	385,593	383,647	386,627
Equity						
Retained earnings	23	155,396	156,102	154,434	156,240	155,468
Restricted reserves	23	3,019	2,689	2,884	3,019	2,884
Revaluation reserve	23	224,389	240,342	228,275	224,389	228,275
Total equity		382,803	399,133	385,593	383,647	386,627

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2011

COUNCIL				GROUP	
NOTE	2011 ACTUAL \$000	2011 BUDGET \$000	2010 ACTUAL \$000	2011 ACTUAL \$000	2010 ACTUAL \$000
Cash Flows from Operating Activities					
Cash provided from					
Rates	7,534	7,613	7,199	7,534	7,199
Interest received	200	265	234	221	259
Dividends received	300	230	251	0	1
Grants & other sources	6,716	8,424	6,732	13,630	14,015
Agency bookings received	750	1,000	631	750	631
Cash paid to					
Cost of services	(11,484)	(11,024)	(10,813)	(16,860)	(15,904)
Agency bookings paid	(750)	(1,000)	(631)	(750)	(631)
Interest paid	(442)	(496)	(317)	(580)	(489)
Income tax paid	0	0	0	(341)	(245)
Net Cash Flows from Operating Activities	24	2,824	5,012	3,286	4,836
Cash Flows from Investing Activities					
Cash provided from					
Sale of fixed assets	2,434	517	308	2,541	399
Sale of investments	1,972	0	886	2,307	886
Cash paid to					
Purchase of fixed assets	(5,828)	(6,797)	(6,166)	(10,693)	(7,144)
Purchase of investments	(2,876)	0	0	0	(335)
Net Cash Flows from Investing Activities	(4,298)	(6,280)	(4,972)	(5,845)	(6,194)
Cash Flows from Financing Activities					
Cash provided from					
Loans raised	7,725	1,852	0	8,846	0
Cash paid to					
Loan repayments	(500)	(173)	(10)	(635)	(865)
Net cash flows from financing activities	7,225	1,679	(10)	8,211	(865)
Net Increase/(Decrease) in Cash,					
cash equivalents and bank overdraft	5,750	411	(1,696)	5,970	(2,223)
Opening Cash and Cash Equivalents	(1,508)	188	188	(1,345)	878
Closing Cash and Cash Equivalents	10	4,243	(1,508)	4,625	(1,345)

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Statement Of Accounting Policies For The Year Ended 30 June 2011

1.1 Reporting entity

Westland District Council (Council) is a territorial local authority governed by the Local Government Act 2002. It was formed in November 1989 from the amalgamation of Westland County Council and Hokitika Borough Council. The Westland District Council group (Group) consists of Westland District Council and its subsidiaries, Westland Nature Trust, Westland Holdings Limited (100% owned), and its 100% owned subsidiaries Westroads Limited, Hokitika Airport Limited and Westland District Property Limited. Westroads Limited owns 100% of the share capital of Westroads Greymouth Limited.

All Group entities are incorporated in New Zealand and have a financial year ended 30 June.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself and the Group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

1.2 Basis of preparation

The financial statements of Council and Group have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property and financial instruments (including derivative instruments).

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

The functional currency of Council and Group is New Zealand dollars.

1.3 Cost allocation policy

- Direct costs are charged directly to significant activities.
- Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- Direct costs are those costs directly attributable to a significant activity.

- Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as staff numbers, items processed, and/or based on level of support provided to each activity.

1.4 Subsidiaries

Council consolidates as subsidiaries in the Group financial statements all entities where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

1.5 Basis of consolidation

The purchase method is used to prepare the consolidated financial statements, which NZ IFRS involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant intra-group balances, transactions, income and expenses are eliminated on consolidation.

Council's investments in its subsidiaries are carried at cost in Council's own "parent entity" financial statements.

1.6 Revenue

Revenue is measured at the fair value of consideration received.

• Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

• Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Council also from time to time receives grants from other parties that are recognised on the same basis.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The stage of completion is assessed by reference to surveys of work performed.

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns or allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

Assets vested in Council are valued, by external valuers, at fair value and recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

1.7 Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the surplus or deficit in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the surplus or deficit.

1.8 Borrowing costs

The Council and Group has elected to defer the adoption of NZ IAS 23 *Borrowing Costs (Revised 2007)* in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

1.9 Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilized.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Council and Group can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the surplus or deficit, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the tax is dealt with in other comprehensive income or equity.

1.10 Leases

• Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the Council and Group recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council and Group will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

• Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/ investment.

They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

A provision for impairment of receivables is established when there is objective evidence that the Council and Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

1.12 Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

In the case of metal inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Metal inventory cost is calculated on a discounted sale value basis, as an approximation of weighted average cost.

Inventories include development properties that are being developed for sale. These properties are measured at the lower of cost and net realisable value and the cost include development costs to date.

Net realisable value is the estimated selling prices in the ordinary course of business, less the estimated costs of completion and selling expenses.

1.13 Financial assets

The Council and Group classify its financial assets into the following four categories: financial assets at fair value through the surplus or deficit, held-to-maturity investments, loans and receivables, and financial assets available for sale. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the surplus or deficit in which case the transaction costs are recognised therein.

Purchases or sales of financial assets are recognised on trade-date, the date on which the Council and Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council and Group has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council and Group use a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- **Financial assets at fair value through surplus or deficit**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit where hedge accounting is not applied.

Financial assets in this category include derivative financial instruments.

- **Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

- **Held to maturity investments**

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council and Group has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

The Council and Group currently do not have any investments that have been classified as held to maturity investments.

- **Financial assets available for sale**

Financial assets available for sale are those that are designated as available for sale or are not classified in any of the other categories above.

This category encompasses:

- Investments that the Council and Group intends to hold long-term but which may be realised before maturity;
- Share holdings that the Council and Group holds for strategic purposes.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the surplus or deficit.

In the event of impairment, any cumulative losses previously recognised in other comprehensive income will be removed from equity and recognised in surplus or deficit even though the asset has not been de-recognised.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is recognised in the surplus or deficit.

Council's investments in its subsidiaries are not included in this category as they are held at cost as allowed by NZ IAS 27 *Consolidated and Separate Financial Statements*.

1.14 Impairment of financial assets

At each balance sheet date, the Council and Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

1.15 Accounting for derivative financial instruments and hedging activities

The Council and Group use derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. The Council and Group do not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The movement in the fair value of the derivative contracts is recognised in the surplus or deficit.

1.16 Property, plant and equipment

Property, plant and equipment consist of:

- **Operational assets**

These include land, buildings, improvements, museum artefacts, Jackson Bay Wharf, library books, plant and equipment, and motor vehicles.

- **Restricted assets**

Restricted assets are parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. These include land vested under the Reserves Act 1977 and endowments or other property held in trust for specific purposes.

- **Infrastructure assets**

Infrastructural assets are the fixed utility systems owned by Council.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses. Assets carried at a valuation are detailed below.

1.17 Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and Group and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

1.18 Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

1.19 Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and Group and the cost of the item can be measured reliably.

1.20 Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and museum artefacts, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Operational	Depreciable life (years)
Buildings	50
Furniture & Fittings	10
Motor Vehicles	5
Plant & Equipment (including computers)	3 to 10
Library collection	8
Jackson Bay Wharf	30
Restricted	
Buildings	50
Infrastructural	
Roads	
Formation	N/A
Sub-Base	N/A
Base Course	20 to 75
Surfacing (sealed)	1 to 16
Surfacing (unsealed)	5
Bridges	60 to 150
Box culverts/channels	60 to 150
Footpaths	5 to 50
Streetlights	20 to 40
Signs	10

Infrastructural	Depreciable life (years)
Water	
Pipeline	60 to 80
Connections	60
Reservoirs & Tanks	20 to 50
Pump Stations	15 to 20
Sewer	
Pipeline	60 to 80
Manholes	50 to 60
Pump Stations	15 to 20
Oxidation Ponds	60 to 100
Stormwater	
Pipeline	60 to 80
Bank protection	50 to 100
Manholes	50 to 60
Pump Stations	15 to 20
Runway	0 to 67

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

1.21 Revaluation

All valuations are carried out on a five-yearly cycle by independent qualified valuers, unless there is a significant change in carrying value, in which case they will be revalued as required.

All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

• Land and buildings

Council's operational, restricted and infrastructural land has been valued at fair value by Quotable Value NZ as at 30 June 2011.

Council buildings, excluding pump stations, Treatment Plant buildings and other infrastructure assets, have been valued at net current value as at 30 June 2011 by Quotable NZ.

• Infrastructural asset classes

Roading infrastructural assets (including bridges) have been valued by MWH Limited registered valuer at depreciated replacement cost as at 30 June 2009. Sewerage, Water Supply and Stormwater infrastructural assets have been valued by MWH Limited, registered valuers at depreciated replacement cost as at 30 June 2009.

• Land under roads

Land under roads was valued based on fair value determined by MWH Limited effective 30 June 2003. Under NZ IFRS Council has elected to use the fair value of land under roads as at 30 June 2003 as deemed cost. Land under roads is no longer revalued.

• Accounting for revaluations:

The Council and Group accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to other comprehensive income and an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to other comprehensive income and the revaluation reserve for that class of asset.

1.22 Intangible assets

Mining licences

Mining licences that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated remaining useful lives for the mining licences is 2 years.

1.23 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against other comprehensive income and the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus or deficit.

1.24 Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

1.25 Employee benefits

• Short-term benefits

Employee benefits that the Council and Group expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date and retiring and long service leave entitlements expected to be settled within 12 months.

The Council and Group recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

• Long-term benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave; have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- The present value of the estimated future cash flows. A discount rate of between 6.13 and 7.0%, and an inflation factor of 2.1 to 3.0% were used.

The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

1.26 Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme. Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

1.27 Provisions

The Council and Group recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

1.28 Trade and Other Payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

1.29 Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council or Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

1.30 Equity

Equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Separate funds
- Special funds
- Trusts and bequests
- Asset revaluation reserves

1.31 Council created reserves

Council created reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Special funds relate to funds that Council has set aside during the year for a special purpose e.g. a major construction project.

Separate funds are those which have been designated as being "self funding accounts".

Revenue is charged by way of separate rates, user charges. Refuse, pensioner flats, sewerage and water supply accounts make up Council's separate funds.

Trust and Bequest funds are provided to Council by various people and organisations for specific projects. Each account has been set up as a separate account in the ledger to maintain a degree of independence from general council funds. Payments made from these funds during the year are in accordance with the conditions of the trust or bequest.

Council's objectives, policies and processes for managing capital are described in note 32.

1.32 Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

1.33 Budget figures

The budget figures are those approved by Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

1.34 Landfill aftercare provision

Note 20 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

1.35 Infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets.

These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be affected by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit

To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

1.36 Critical judgements in applying Council's accounting policies

Management does not consider that there are any material critical judgements in applying Council's accounting policies for the period ended 30 June 2011.

1.37 Standards, amendments and interpretations issued but not yet effective that have not been early adopted

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council include:

Reference	Title	*Application Date	Footnote
NZ IFRS 9	Financial Instruments	1 January 2013	1
NZ IAS 24	Related Party Disclosures (revised)	1 January 2011	2
Various	Annual improvements process – 2010	1 July 2010 or 1 January 2011	3

* The application date is for periods beginning on or after this date.

1. NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. It proposes changes the requirements for the classification and measurement of financial assets and financial liabilities to reduce the complexity in reporting financial instruments. The first stage of the new standard has been released but only discusses financial assets. When adopted, it will affect the categories under which financial assets are classified in the Annual Report, but will have no impact on the values currently reported.
2. The revision to NZ IAS 24 Related Party Disclosures removes some inconsistencies with the definition of a related party and modifies some of the disclosure requirements for government related entities.
3. The Annual improvements process for 2011 has resulted in various minor amendments and clarifications to existing standards and interpretations.

1.38 Changes in accounting policies

There have been no changes in accounting policies during the financial year.

2. Summary Cost Of Services

	Council		
	Actual 2011 \$000	Budget 2011 \$000	Actual 2010 \$000
Income			
Governance	55	45	20
Planning and Regulatory	710	968	646
Roading	3,563	4,697	4,182
Water Supplies	546	10	111
Stormwater and Wastewater	77	693	58
Solid Waste Management	63	0	56
Other Operational Activities	79	2	74
*Community Services	2,120	2,767	2,336
Total Activity Income	7,213	9,182	7,483
Westland Holdings Limited	37	0	20
Petrol Tax	121	115	113
Interest	200	265	234
Dividends	300	230	251
General Rates	4,499	4,062	4,322
Rates Penalties	131	160	158
Targeted Rates	2,254	2,175	1,982
Metered Water	912	1,012	882
Gains/(losses) on Investment Property	0	0	200
Subvention payment	84	120	90
*Other	194	(497)	(4)
Total income	15,945	16,824	15,731
Expenditure			
Interest paid and bank charges	388	496	317
Loss on fair value of derivative financial instrument	47	0	50
Rates written off	96	85	75
Governance	796	610	694
Planning and Regulatory	1,405	1,305	1,425
Roading	4,855	4,744	3,911
Water Supplies	1,812	1,621	1,746
Stormwater and Wastewater	1,096	1,065	1,300
Solid Waste Management	1,323	950	1,107
Other Operational Activities	594	460	525
*Community Services	4,086	4,395	4,136
Westland Holdings Limited	37	0	20
*Other	194	(497)	(4)
Total expenditure	16,731	15,234	15,301
Net Surplus/(Deficit) before tax	(785)	1,589	430

*Community Services includes the Land & Buildings activity which had a net gain of \$194,000. The gains (revenue) and losses (expenditure) for the sale of land and buildings are separated in this note.

This note restates the income and expenditure by separating out items which were netted in the 2010/11 Annual Plan budget. The Net Surplus/(Deficit) is the same, but the total operating income and expenditure figures will be different because of that separation.

Each significant activity is stated gross of internal costs and revenues, and includes targeted rates attributable to activities (refer to note 3).

The rates remissions for targeted rates are also included within the respective activity and therefore are not included in the above figure for Rates written off. The figure of \$76,000 is rates written off for General Rates only.

3. Rates

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
General rates	4,499	4,322	4,342	4,167
Net rates penalties	131	158	131	158
Targeted rates attributable to activities				
Kokatahi Rural Fire	8	8	8	8
Glacier Country Promotions	71	67	71	67
Enterprise Hokitika	38	17	38	17
Ross Swimming Pool	11	11	11	11
Solid Waste Management	975	873	975	873
Sewerage	520	453	520	453
Water Supplies	580	553	580	553
Metered Water	912	882	912	882
Total Targeted Rates	3,115	2,864	3,115	2,864
Total revenue from rates	7,745	7,344	7,588	7,189

3.1 Rates remissions

Rates revenue is shown net of rates remissions. The Council's rates remission policy allows the Council to remit rates on:

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Total rates revenue	7,745	7,344	7,588	7,189
Rates remissions				
Community and sports organisations full remission	9	12	9	12
Community and sports organisations half remission	11	10	11	10
Unoccupied Maori land	18	15	18	15
Other remissions	33	33	33	33
Discounts	20	15	20	15
Total remissions	91	85	91	85
Rates revenue net of remissions	7,654	7,259	7,497	7,104

In accordance with the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under the Council's rates remission policy.

3.2 Rates summary

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
General rates	4,499	4,322	4,499	4,167
Rates penalties	131	158	131	158
Rates remissions	(91)	(85)	(91)	(85)
Total	4,539	4,395	4,539	4,240

4. Other Revenue

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
User charges	686	224	686	224
NZ Transport Agency government grants	3,114	2,939	3,114	2,939
Regulatory revenue	710	646	710	646
Infringements and fines	9	10	9	10
Rendering of services	2,119	2,317	2,119	2,317
Petrol tax	121	113	121	113
Interest	200	234	259	259
Dividends	300	251	0	0
Subvention receipt	84	90	0	0
Other	352	320	7,333	7,458
Total other revenue	7,696	7,144	14,352	13,967

5. Other Gains/Losses

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
(Loss)/ gain on disposal of property, plant and equipment	194	(4)	(12)	(14)
Total gains/(losses)	194	(4)	(12)	(14)

6. Employee Benefit Expenses

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
Salaries and wages	3,476	3,000	8,080	7,057
Employer contributions to multi-employer defined benefit plans	123	123	243	236
Increase/(decrease) in employee benefit liabilities	200	(11)	(256)	(35)
Total employee benefit expenses	3,799	3,112	8,067	7,258

7. Other Expenses

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
<i>Fees to principal auditor:</i>				
Audit fees for current financial statement audit	82	82	145	136
Audit fees for LTCCP	10	21	10	21
Audit fees for 09/10 financial statement audit	7	53	7	53
Donations and grants	133	99	133	100
Lease payments	37	46	100	117
Rates written off	91	85	91	85
Doubtful debts provision movement between years	29	12	32	8
Doubtful debts written off	34	11	41	32
Provision for loans	0	0	0	0
Other operating expenses	7,408	7,153	8,279	7,623
Total other expenses	7,831	7,563	8,838	8,175

8. Finance Costs

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
Interest expense				
Interest on bank borrowings	389	317	526	489
Fair value (gains)/losses on derivatives				
(Gain)/loss on changes in fair value of interest rate swaps (note 14)	46	51	46	51
Total finance costs	435	367	573	539

9. Tax

Component of tax expense	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Current tax expense	(0)	0	87	211
Adjustments to current tax rate	0	0	0	0
Deferred tax expense	(179)	21	(205)	319
Deferred tax adjustment – prior year	0	0	0	0
Income tax expense	(179)	21	(118)	530

Relationship between tax expense and accounting profit	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Surplus/(deficit) before tax	(785)	430	(914)	1,023
Tax @ 30%	(236)	129	(189)	307
Plus/(less) tax effect of:				
Permanent difference	235	(125)	249	(111)
Tax loss not recognised	0	0	11	8
Change in deferred tax on buildings	(192)	17	(202)	326
Prior year adjustment	0	0	0	0
Deferred tax adjustment -tax rate	13	0	13	0
Income Tax Expense	(179)	21	(118)	530

Deferred tax assets/(liabilities)	Property, Plant & Equipment	Employee Entitlements	Tax Losses	Other Provisions	Total
Westland District Council					
Balance at 1 July 2009	(275)	0	13	0	(262)
Charged to Profit & Loss	(21)	0	0	0	(21)
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - tax rate	0	0	0	0	0
Balance at 1 July 2010	(296)	0	13	0	(283)
Charged to Profit & Loss	192	0	(13)	0	179
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - prior year	0	0	0	0	0
Balance at 30 June 2011	(104)	0	0	0	(104)
Group					
Balance at 1 July 2009	(514)	38	45	121	(310)
Charged to Profit & Loss	(313)	(8)	(6)	8	(319)
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - tax rate	0	0	0	0	0
Balance at 1 July 2010	(827)	30	39	129	(629)
Charged to Profit & Loss	212	3	(25)	15	205
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - prior year	0	0	0	0	0
Balance at 30 June 2011	(615)	33	14	144	(424)

10. Cash And Cash Equivalents

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Cash at bank and in hand	1,812	70	2,307	352
Short term deposits maturing three months or less from date of acquisition	2,431	0	2,431	0
Total cash and cash equivalents	4,243	70	4,738	352

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Cash at bank and in hand	1,812	70	2,307	352
Short term bank deposits maturing within three months	2,431	0	2,431	0
Bank overdrafts (note 22)	0	(1,578)	0	(1,697)
	4,243	(1,508)	4,738	(1,345)

The carrying value of short-term deposits with original maturity dates of three months or less approximates to their fair value.

Refer to note 13 for weighted average effective interest rate for cash and cash equivalents. Cash and bank overdrafts include the following for the purposes of the cash flow statement:

11. Trade and Other Receivables

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Rates receivables	1,005	901	1,005	901
Other receivables	703	623	1,876	1,831
NZ Transport Agency	1,199	652	1,199	652
Amounts due from subsidiaries	29	73	0	0
Subvention receivable	84	90	0	0
	3,020	2,340	4,080	3,385
Less provision for impairment of receivables	(78)	(49)	(85)	(54)
	2,942	2,290	3,995	3,330

Provision for impairment of receivables includes a rates component covering pre 7 year debts, unoccupied Maori land rates and abandoned land rates. Council has various powers under the Local Government (Rating) Act 2002 to recover other outstanding rates. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments.

These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The age of receivables overdue are as follows:

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
0 to 3 months	2,134	1,487	2,854	2,331
3 to 6 months	218	191	457	256
6 to 9 months	121	111	195	216
9 to 12 months	79	98	99	117
> 12 months	468	453	476	465
Carrying amount	3,020	2,340	4,081	3,385

As of 30 June 2010 and 2011, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

12. Inventories

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Metal stocks	0	0	281	127
Other supplies	26	0	204	121
	26	0	485	248
Less provision for obsolescence	0	0	0	0
Total inventories	26	0	485	248

Development land inventory

Transferred from Investment Property	0	0	500	0
Additional costs	0	0	251	0
Total term inventory	0	0	751	0

Policy is to store a small amount of inventory, and purchase supplies as required.

13. Other Financial Assets

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000

Current portion

Assets available for sale

Civic Assurance	40	50	40	50
ASB Bonds	1,770	3,715	1,770	3,715
Loans and receivables				
ASB investments	0	0	0	335
Total current portion	1,810	3,765	1,810	4,100

Non-current portion

Loans and receivables

Loan Hokitika Airport Limited	233	0	0	0
Assets available for sale				
Forestry	2	2	2	2

Cost

Westland Holdings Limited - Westland District Property Limited	2,627	0	0	0
Westland Holdings Limited - Hokitika Airport Limited	2,718	2,718	0	0
Westland Holdings Limited - Westroads Limited	3,350	3,350	0	0
Total non-current portion	8,929	6,070	2	2

There were no impairment provisions for other financial assets.

Fair Value Hierarchy Disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- **Level 1 Quoted market price** - Financial instruments with quoted prices for identical instruments in active markets.
- **Level 2 Valuation technique using observable inputs** - Financial instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are not observable.
- **Level 3 Valuation technique with significant non-observable inputs** - Financial instruments valued using models where one or more significant inputs are not observable.

Assets available for sale

The assets available for resale are valued at fair value, based on the published price of the assets. The basis of valuation is using observable inputs (Level 2).

Maturity analysis and effective interest rates

The maturity dates for Council's investments of \$1,770,290 in ASB Bonds range from 2011 to 2017 for the Council and Group (2010: \$3,715,000), with a weighted average effective interest rate of 8.45% (2010: 9.16%).

14. Derivative Financial Instruments

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Interest rate swaps asset/ (liability)	(105)	(59)	(105)	(59)
Total current portion	(105)	(59)	(105)	(59)

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2011 were \$3,000,000 and \$2,800,000 (2010: \$3,000,000 and \$2,800,000).

At 30 June 2011, the fixed interest rate of the interest rate swaps is 4.08% and 4.81% respectively.

The interest rate swaps have been included at fair value. The basis for valuation are observable inputs (Level 2 - see note 13 for Fair Value Hierarchy).

The termination dates of the interest rate swap agreements are: 17 March 2012 for the \$3,000,000 swap and 1 October 2012 for the \$2,800,000 swap. Under this agreement the Council has the option of changing the term if there are movements in interest rates, or other events.

15. Property, Plant and Equipment

2011 Group	Cost/ revalue 1-Jul-10	Acc depn 1-Jul-10	Carrying amount 1-Jul-10	Current year additions
	\$000	\$000	\$000	\$000
Council operational assets				
Land (leased)	6,804	0	6,804	
Land (leased airport)	4,756	0	4,756	
Land (operational)	7,214	0	7,214	
Buildings	6,126	(248)	5,878	174
Furniture and fittings	787	(243)	544	11
Library collections	882	(675)	207	53
Museum Artefacts	158	0	158	
WBU Assets	0	0	0	42
Computer equipment	782	(683)	99	27
Office equipment	454	(340)	114	3
Motor vehicles	318	(228)	90	93
Jackson's Bay Wharf	670	(113)	557	
	28,951	(2,530)	26,421	403
Council infrastructural assets				
Land	2,073	0	2,073	
Buildings	615	(14)	601	
Roading network	165,684	(1,861)	163,823	2,997
Land under roads	55,397	0	55,397	9
Bridges	67,918	(695)	67,223	
Water Supply	27,102	(624)	26,478	606
Drainage/Stormwater	14,161	(301)	13,860	217
Sewerage/Wastewater	12,924	(339)	12,585	98
Total infrastructural assets	345,874	(3,834)	342,040	3,927
Restricted assets				
Land	1,260	0	1,260	75
Public buildings	1,926	(73)	1,853	142
Cemetery buildings	53	(5)	48	4
Cemetery land	1,033	0	1,033	
Reserve/recreation land	6,867	0	6,867	
Reserve/recreation buildings	2,117	(60)	2,057	16
Reserve/improvements	139	(10)	129	103
Swimming pools	1,157	(76)	1,081	11
Total restricted assets	14,552	(224)	14,328	351
Total Council assets	389,377	(6,588)	382,789	4,681
Subsidiaries property, plant and equipment				
Buildings	968	(157)	811	1,955
Plant and machinery	9,573	(4,643)	4,930	1,791
Office equipment	240	(206)	34	18
Hokitika Airport	2,880	(454)	2,426	163
Total subsidiaries	13,661	(5,460)	8,201	3,927
Total Group assets	403,038	(12,048)	390,990	8,608

Current year disposals	Current year impairment	Current year depn	Current year disposals depn	Reclassify	Revaln depn w/ back	Revaln Surplus / (loss)	Cost/ revalue 30-Jun-11	Acc depn 30-Jun-11	Carrying amount 30-Jun-11
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
(1,031)				27		(394)	5,406	0	5,406
						(478)	4,278	0	4,278
(452)				(249)		(103)	6,410	0	6,410
(272)		(114)	22	(413)	331	(981)	4,634	(9)	4,625
		(91)		662			1,460	(334)	1,126
		(40)					935	(715)	220
							158	0	158
		(18)					42	(18)	24
		(52)					809	(735)	74
		(20)					457	(360)	97
(62)		(57)	55				349	(230)	119
		(13)					670	(126)	544
(1,817)	0	(405)	77	27	331	(1,956)	25,608	(2,527)	23,081
				(91)		166	2,148	0	2,148
		(21)			35	(217)	398	0	398
		(2,140)		(19)			168,662	(4,001)	164,661
				64			55,470	0	55,470
		(699)					67,918	(1,394)	66,524
	(249)	(646)					27,459	(1,270)	26,189
		(309)					14,378	(610)	13,768
		(348)					13,022	(687)	12,335
0	(249)	(4,163)	0	(46)	35	(51)	349,455	(7,962)	341,493
						(81)	1,254	0	1,254
		(39)			112	(139)	1,929	0	1,929
		(1)			4	(5)	52	(2)	50
						5	1,038	0	1,038
				(46)		(166)	6,655	0	6,655
		(21)			81	(81)	2,052	0	2,052
		(8)		65			307	(18)	289
		(25)			61	(81)	1,087	(40)	1,047
0	0	(94)	0	19	258	(548)	14,374	(60)	14,314
(1,817)	(249)	(4,662)	77	0	624	(2,555)	389,437	(10,549)	378,888
		(55)		2			2,925	(212)	2,713
(373)		(1,083)	247				10,991	(5,479)	5,512
		(15)					258	(221)	37
		(27)		(2)			3,041	(481)	2,560
(373)	0	(1,180)	247	0	0	0	17,215	(6,393)	10,822
(2,190)	(249)	(5,842)	324	0	624	(2,555)	406,652	(16,942)	389,710

All valuations are carried out on a cyclical basis by independent qualified valuers. A detailed valuation was performed by Kerry Stewart of Darroch at 30 June 2011 for land and buildings. Infrastructural assets were valued by MWH Limited as at 30 June 2009.

2010 Group	Cost/ revalue 1-Jul-09	Acc depn 1-Jul-09	Carrying amount 1-Jul-09	Current year additions	Current year disposals	Current year impairment	Current year depn	Current year disposals depn	Reclassify
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council operational assets									
Land (leased)	6,789	0	6,789		(45)				60
Land (leased airport)	4,756	0	4,756						
Land (operational)	7,602	0	7,602	252	(215)				(425)
Buildings	6,008	(119)	5,889	118			(130)		
Furniture and fittings	526	(199)	327	261			(44)		
Library collections	838	(640)	198	44			(35)		
Museum Artefacts	158	0	158						
Computer equipment	753	(635)	118	31	(2)		(49)	1	
Office equipment	400	(323)	77	54			(17)		
Motor vehicles	348	(204)	144		(30)		(51)	27	
Jackson's Bay Wharf	670	(99)	571				(14)		
	28,848	(2,219)	26,629	760	(292)	0	(340)	28	(365)
Council infrastructural assets									
Land	2,058	0	2,058						15
Buildings	315	(7)	308	300			(7)		
Roading network	162,524	0	162,524	3,160			(1,861)		
Land under roads	54,743	0	54,743	304					350
Bridges	67,471	0	67,471	447			(695)		
Water Supply	25,998	0	25,998	1,104			(624)		
Drainage/Stormwater	13,815	0	13,815	346			(301)		
Sewerage/Wastewater	12,523	0	12,523	401			(339)		
Total infrastructural assets	339,447	(7)	339,440	6,062	0	0	(3,827)	0	365
Restricted assets									
Land	1,260	0	1,260						
Public buildings	1,802	(37)	1,765	124			(36)		
Cemetery buildings	53	(4)	49				(1)		
Cemetery land	1,033	0	1,033						
Reserve/recreation land	6,710	0	6,710	157					
Reserve/recreation buildings	2,134	(40)	2,094	3	(20)		(21)	1	
Reserve/improvements	80	(4)	76	59			(6)		
Swimming pools	1,107	(51)	1,056	50			(25)		
Total restricted assets	14,179	(136)	14,043	393	(20)	0	(89)	1	0
Total Council assets	382,474	(2,362)	380,112	7,215	(312)	0	(4,256)	29	0
Subsidiaries property, plant and equipment									
Buildings	968	(133)	835				(24)		
Plant and machinery	9,149	(3,909)	5,240	804	(380)		(1,013)	279	
Office equipment	224	(197)	27	22	(6)		(15)	6	
Hokitika Airport	2,687	(406)	2,281	204	(11)		(59)	11	
Total subsidiaries	13,028	(4,645)	8,383	1,030	(397)	0	(1,111)	296	0
Total Group assets	395,502	(7,007)	388,495	8,245	(709)	0	(5,367)	325	0

15 a. Investment Property

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000

Cost or deemed cost

Balance at 1 July	500	0	500	0
Additions	0	300	0	300
Disposals	500	0	0	0
Transfers to inventory	0	0	500	0
Fair value gains/(losses) in valuation	0	200	0	200
Balance at 30 June	0	500	0	500

Investment properties are valued annually effective at 30 June to fair value. The valuation was performed by QV Valuers, an independent valuer. The property above, the Three Mile Sawmill, has subsequently been transferred to Westland District Property Limited at 27 June 2011.

16. Intangible Assets

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000

Cost or deemed cost

Balance at 1 July	23	0	273	250
Additions	15	23	15	23
Disposals	0	0	0	0
Balance at 30 June	38	23	288	273

Depreciation and amortisation losses

Balance at 1 July	3	0	182	155
Amortisation for the year	4	3	27	27
Impairment loss	0	0	0	0
Disposals	0	0	0	0
Balance at 30 June	7	3	209	182

Carrying amounts

At 1 July	20	0	91	95
At 30 June	31	20	79	91

17. Work In Progress

	Council		Group	
	Actual	Actual	Actual	Actual
	2011	2010	2011	2010
	\$000	\$000	\$000	\$000
Capital projects	3,078	1,549	3,167	1,709
Balance at 30 June	3,078	1,549	3,167	1,709

Revaln deprn w/ back	Revaln Surplus / (loss)	Cost/ revalue 30-Jun-10	Acc deprn 30-Jun-10	Carrying amount 30-Jun-10
\$000	\$000	\$000	\$000	\$000
		6,804	0	6,804
		4,756	0	4,756
		7,214	0	7,214
		6,126	(248)	5,878
		787	(243)	544
		882	(675)	207
		158	0	158
		782	(683)	99
		454	(340)	114
		318	(228)	90
		670	(113)	557
0	0	28,951	(2,530)	26,421
		2,073	0	2,073
		615	(14)	601
		165,684	(1,861)	163,823
		55,397	0	55,397
		67,918	(695)	67,223
		27,102	(624)	26,478
		14,161	(301)	13,860
		12,924	(339)	12,585
0	0	345,874	(3,834)	342,040
		1,260	0	1,260
		1,926	(73)	1,853
		53	(5)	48
		1,033	0	1,033
		6,867	0	6,867
		2,117	(60)	2,057
		139	(10)	129
		1,157	(76)	1,081
0	0	14,552	(224)	14,328
0	0	389,377	(6,588)	382,789
		968	(157)	811
		9,573	(4,643)	4,930
		240	(206)	34
		2,880	(454)	2,426
0	0	13,661	(5,460)	8,201
0	0	403,038	(12,048)	390,990

18. Trade And Other Payables

	Council		Group	
	Actual	Actual	Actual	Actual
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Other payables	1,186	1,240	1,947	2,118
Waiho relocation grants	303	303	303	303
Accrued expenses	120	213	120	213
Amounts due to subsidiaries	530	450	0	0
Total trade and other payables	2,139	2,206	2,370	2,635

19. Deferred Income

	Council		Group	
	Actual	Actual	Actual	Actual
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Rates and other revenue received in advance	149	136	150	136
Total deferred income	149	136	150	136

20. Provisions

	Council		Group	
	Actual	Actual	Actual	Actual
	2011 \$000	2010 \$000	2011 \$000	2010 \$000

Current provisions are represented by:

Landfill closure and monitoring	41	82	41	82
Leaky homes provision	42	75	42	75
Total current provisions	83	157	83	157

Non-current provisions are represented by:

Landfill closure and monitoring	371	272	371	272
Total non-current provisions	371	272	371	272

Council & Group			
	Actual	Actual	
	2011 \$000	2010 \$000	
Movement in provisions			
Provision at 1 July	429	527	
Movements in provision	111	(20)	
Amount used in year	(87)	(78)	
Provision at 30 June	453	429	

Provision for landfill aftercare costs

The Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed. The responsibilities include fencing, drainage, signage, planting, coverage and monitoring the site for a set number of years after closure.

The cash outflows for landfill post-closure are expected to occur in one to thirty three years time. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

The provision has been estimated taking into account existing technology and using a discount rate of 6%, and an inflation rate of 3%.

The following major assumption has been made in the calculation of the provision:

- Council believes that with proper maintenance and monitoring, West Coast Regional Council will remove responsibility for the sites from WDC once they have "settled down".

Insurance risk

The Council has an insurance plan in place for damages as a result of personal bodily injury by an employee over the course of employment that is not covered by the ACC New Zealand.

21. Employee Benefit Liabilities

	Council		Group	
	Actual	Actual	Actual	Actual
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Accrued severance	156	0	156	0
Annual leave	287	220	723	613
Long service leave	17	14	80	69
Retirement gratuities	207	232	332	352
Total employee benefit liabilities	666	466	1,290	1,034

Comprising:

Current	459	234	964	685
Non-current	207	232	326	349
Total employee benefit liabilities	666	466	1,290	1,034

22. Borrowings

	Council		Group	
	Actual	Actual	Actual	Actual
	2011 \$000	2010 \$000	2011 \$000	2010 \$000
Current				
Bank overdraft	0	1,578	111	1,697
Secured loans	0	0	0	0
Term debt	10,725	500	11,827	835
Total current borrowings	10,725	2,078	11,938	2,532
Non-current				
Secured loans	0	0	0	0
Term debt	2,803	5,803	4,359	7,138
Total non-current borrowings	2,803	5,803	4,359	7,138
Total borrowings	13,528	7,881	16,297	9,670

Fixed-rate debt

The Council's secured debt of \$ 13,524,792 (2010 \$7,881,121) is issued at variable rates of interest. At 30 June 2011 there was an interest rate swap agreement for a face value of \$3,000,000 for 3 years at 4.08%, from 17 March 2009. In addition, an interest rate swap with a face value of \$2,800,000 from 1 October 2009 at 4.81% for 3 years, see note 14. Council has a Multi Option Credit Line, which allows the facility to be repaid/redrawn within the facility limit for a term of 5 years. The current portion of borrowings will be redrawn within the facility based on the best term and pricing available at the time.

Borrowings (continued)

Loan Name	Maturity date	Interest rate	Balance at 1 July 2010	New loans raised	Principal Repaid	Balance at 30 June 2011
Waste Management Projects	16/08/2011	3.67%		2,400,000		2,400,000
Water Supply Projects	16/08/2011	3.67%		2,180,000		2,180,000
Loan to Hokitika Airport Ltd.	16/08/2011	3.67%		250,000		250,000
Westland District Council Overdraft	17/09/2010	5.55%	1,577,664		1,577,664	0
Ross Pensioner Housing	15/11/2017	3.50%	3,456		0	3,456
ASB Facility	17/09/2010	3.46%	500,000		500,000	0
Westland Holding Limited	4/07/2011	3.66%		2,126,792		2,126,792
Westland Holding Limited	16/08/2011	3.68%		500,000		500,000
Westland Holding Limited	16/08/2011	3.66%		268,000		268,000
Westland Holding Limited	1/10/2012	4.81%	2,800,000			2,800,000
Westland Holding Limited	17/03/2012	4.08%	3,000,000			3,000,000
Total Council			7,881,120	7,724,792	2,077,664	13,528,248
Westroads Flexible Finance Loan			0	750,000		750,000
Westroads Limited overdraft		9.90%	119,000		8,000	111,000
Westroads Limited	2014	5.90%	177,000		24,000	153,000
Westroads Limited	2010	6.43%	154,000		43,000	111,000
Westroads Limited	2014	0.00%	233,000		233,000	0
Westroads Limited	2014	7.40%	889,000		94,000	795,000
Westroads Limited	2013	9.48%	217,000		19,000	198,000
Westroads Limited	2014	6.12%	0	150,000		150,000
Westroads Limited	2016	5.97%	0	221,000		221,000
Westroads Limited	2016	5.97%	0	279,000		279,000
Westroads Limited - cash advance facility	2014	variable	0			0
			1,789,000	1,400,000	421,000	2,768,000
Total Group			9,670,120	9,124,792	2,498,664	16,296,248

Security

The Council's loans are secured over either separate or general rates of the district.

A debenture exists over the assets of Westroads Limited Group. The debenture is held by the BNZ to secure the company's current and term lending facilities.

Loans Raised

Under the terms of its Revenue and Financing policy the Council raised loans as follows:

\$2,400,000 loan is related to the Butler's Landfill (\$2,000,000) and \$400,000 for the Hokitika Transfer Station. This loan will be paid off over a 20 year period.

\$2,180,000 loan is related to the Hokitika Water Treatment Plant (\$1,822,000) and the Hokitika Reservoir (\$358,000). This loan will be paid off over a 20 year period.

The rest of the loans raised for Westland Holdings Limited are for capitalising the subsidiaries. The interest on these loans are deductible within the Group. These loans have subsequently been hedged by an interest rate swap.

Maturity analysis and effective interest rates

The following is a maturity analysis of the Council's borrowings. There are no early repayment options.

	Council	Group
2011	\$000	\$000
Less than one year	10,725	11,938
Later than one year but not more than five years	2,800	4,355
Later than five years	3	3
	13,528	16,297
2010		
Less than one year	2,078	2,532
Later than one year but not more than five years	5,803	7,138
Later than five years	0	0
	7,881	9,670

Fair values of non-current borrowings

The carrying amounts and the fair values of non-current borrowings are as follows:

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Term debt	2,803	5,803	4,359	7,138
Total	2,803	5,803	4,359	7,138

The carrying amounts of borrowings repayable within one year approximate their fair value. The fair values have been calculated by reference to the market value of the loans. The interest rate swaps relating to these loans, have been included at fair value as a derivative financial instrument (see note 14).

23. Equity

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Retained earnings				
As at 1 July	154,434	159,350	155,468	160,300
Transfers to:				
Restricted reserves	(4,312)	(14,337)	(4,312)	(14,337)
Transfers from:				
Restricted reserves	4,177	8,764	4,177	8,764
Revaluation reserve - disposals	1,702	248	1,702	248
Surplus/(deficit) for the year	(606)	409	(796)	493
As at 30 June	155,396	154,434	156,240	155,468
Restricted reserves				
As at 1 July	2,884	(2,689)	2,884	(2,689)
Transfers to Retained Earnings:				
Special funds	(0)	(42)	(0)	(42)
Separate funds	(4,083)	(8,567)	(4,083)	(8,567)
Trusts and bequests	(94)	(154)	(94)	(154)
Transfers from Retained Earnings:				
Special funds	157	352	157	352
Separate funds	4,063	13,541	4,063	13,541
Trusts and bequests	92	443	92	443
As at 30 June	3,019	2,884	3,019	2,884
Restricted reserves consist of:				
Special funds	2,412	2,255	2,412	2,255
Separate funds	(315)	(295)	(315)	(295)
Trusts and bequests	922	924	922	924
As at 30 June	3,019	2,884	3,019	2,884
Asset revaluation reserves				
As at 1 July	228,275	228,394	228,275	228,394
Revaluation of property, plant and equipment	(1,931)	0	(1,931)	0
Impairment of property, plant and equipment	(249)	0	(249)	0
Revaluation of financial assets held for resale	(4)	129	(4)	129
Transfer of revaluation reserve to retained earnings on disposal of property, plant and equipment	(1,702)	(248)	(1,702)	(248)
Deferred tax	0	0	0	0
As at 30 June	224,389	228,275	224,389	228,275
Total Equity	382,803	385,593	383,647	386,627

24. Reconciliation Of Net Surplus/(Deficit) After Tax To Net Cash Flow From Operating Activities

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Surplus/(deficit) after tax	(606)	409	(796)	493
Add/(less) non-cash items:				
Vested assets	(402)	(1,132)	(402)	(1,132)
Depreciation and amortisation	4,666	4,259	5,869	5,394
Increase/(decrease) in Employee entitlements (LT)	(25)	28	(23)	(11)
Increase/(decrease) deferred tax	(179)	21	(205)	319
Gain on fair value of investment property	0	(200)	0	(200)
Movement in fair value of interest rate swap	46	51	46	51
Add/(less) items classified as investing or financing activities:				
(Gains)/losses on sale of assets	(194)	4	12	14
Capital Creditors	0	0	54	0
Add/(less) movements in working capital items:				
Trade and other receivables	(652)	180	(603)	173
Inventories	(26)	0	(237)	(21)
Trade and other payables	(67)	(236)	(265)	(316)
Deferred income	13	39	13	38
Current and non-current provisions	24	(98)	24	(98)
Employee entitlements (ST)	225	(39)	279	46
Taxation provision	0	0	(165)	86
Net cash inflow/(outflow) from operating activities	2,824	3,286	3,604	4,836

25. Capital Commitments And Operating Leases

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Capital commitments				
Capital commitments approved and contracted	425	179	733	347
Total capital commitments	425	179	733	347

Operating leases as lessee

The Council has the following non-cancellable operating lease commitments as follows:

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Not later than one year	50	14	101	66
Later than one year and not later than two years	43	13	68	46
Later than two years and not later than five years	103	12	153	67
	196	39	322	179

Non-cancellable contracts

The Council has entered into non-cancellable contracts with Westroads Limited for roading, water, sewerage, stormwater maintenance.

Details of the commitments under these contracts are as follows:

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Non-cancellable contracts				
Not later than one year	2,243	2,164	2,243	650
Later than one year and not later than two years	2,035	851	2,035	643
Later than two years and not later than five years	1,943	1,929	1,953	1,929
Later than five years	1,393	2,037	1,408	2,037
Total non-cancellable contracts	7,615	6,981	7,640	5,259

Leases can be renewed at the Council's option, with rents set by reference to current market rates for items of equivalent age and condition.

The Council does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on the Council by any of the leasing arrangements.

26. Contingencies

Contingent liabilities

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
Performance bonds	0	0	332	221
Mining bonds	0	0	25	35
Total contingent liabilities (refer note below)	0	0	357	256

The Group has contingent liabilities relating to performance Bonds in favour of Grey District Council.

The Council is a participating employer in the National Provident Fund's Defined Benefit Plan Contributors Scheme (the 'Scheme'), which is a multi-employer defined benefit scheme. As at 31 March 2010, the Scheme had a past surplus of \$43.6 million (2009: \$15.3 million) and 18.2% (2009: 5.7%) of the liabilities. This amount is exclusive of specified superannuation contribution withholding tax. This surplus was calculated by the actuary to the Scheme using a discount rate equal to the expected return on the assets, but otherwise the assumptions and methodology were consistent with the requirements of NZ IAS 19. The actuary to the Scheme has recommended the employer contribution continues at 1.0 times contributors' contribution at present. The 1.0 times is inclusive of specified superannuation contribution withholding tax. The equivalent information as at 31 March 2011 is not available at the date of preparation of these financial statements.

The council is currently in legal proceedings with one of its contractors, it is unknown at this stage whether these proceedings will mean a settlement paid by council.

Contingent assets

The Council and Group have no contingent assets at 30 June 2011 (2010 Nil).

27. Related Party Transactions

Related parties' transactions are with Westland Holdings Limited, Westroads Limited, Westland District Property Limited and Hokitika Airport Limited (being subsidiaries of the Council). Council provided administrative services to Westland Nature Trust and have paid for the audit fees of \$1,500 at the cost of Council. Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated. The value of transactions between the Council and these companies are as follows:

	Actual 2011 \$000	Actual 2010 \$000
Westroads Limited		
Revenue earned	46	49
Expenditure charged	4,432	4,799
Accounts payable at 30 June	530	450
Accounts receivable at 30 June	5	4
Group tax Loss offset	196	210
Subvention payable	84	90
Hokitika Airport Limited		
Revenue earned	115	106
Expenditure charged	13	14
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	20	69
Loan advanced	250	0
Loan payable at 30 June	232	0
Westland District Properties Limited		
Revenue earned	0	0
Expenditure charged	0	0
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	0	0
Property purchase	2,427	0
Westland Holdings Limited		
Revenue earned	37	20
Expenditure charged	37	20
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	4	0
Dividends received	300	250

Westland District Council has the ability to appoint Trustees to Tourism West Coast Incorporated. The trustees appointed by Westland District Council have between 20% to 50% of the voting rights to the entity.

Westland District Council does make a contribution to Tourism West Coast (\$83,200 annually) for operational purposes but does not have any rights to any distributions from that entity. Therefore no income, expenses or assets are recognised in respect of these investments.

Key management personnel

During the year, Councillors and senior management, as part of a normal customer relationship, were involved in minor transactions with the Council. During the year, the Council purchased services from Heritage Highway Motel and Beachfront Hotel Hokitika in which Councillor Allen Hurley is a shareholder/director. These services cost \$9,683.63 (2010 \$3,200) and were supplied on normal commercial terms. There is a balance of \$0 (2010 \$0) outstanding for unpaid invoices at year end. During the previous year, the Council purchased services from Mahitahi Lodge in which Councillor John Birchfield is a shareholder/director. These services cost \$0 (2010 \$460) and were supplied on normal commercial terms. There is a balance of \$0 (2010 \$0) outstanding for unpaid invoices at year end.

Key management personnel compensation

	Council	
	2011 \$000	2010 \$000
Salaries and other short term employee benefits	914	888
Post employment benefits (including fringe benefit tax)	35	43
Telephone rental	1	1
Expense allowances	14	4
Professional allowances/fees	2	2
Other long term benefits	55	0
Termination benefits	96	0

Key management personnel include the Mayor, Councillors, Chief Executive Officer and Senior Managers.

28. Remuneration

Chief Executive Officer

The Chief Executive Officer of the Council appointed under section 42 (1) of the Local Government Act 2002 received a salary of \$200,369 including bonus and backpay (2010 \$188,718). In terms of his contract, he also received the following additional benefits:

	2011	2010
Telephone rental	0	431
Professional allowances/fees	0	459

For the year ended 30 June 2011, the total annual cost including fringe benefit tax to the Council of the remuneration package being received by the Chief Executive Officer is calculated at \$200,369 (2010 \$189,608).

Name of elected representative	Position	2011			2010		
		Remuneration	Reimbursements	Total	Remuneration	Reimbursements	Total
M H Pugh	Mayor	*63,153	11,707	74,860	62,203	14,800	77,003
B Thomson	Deputy Mayor	21,000	3,380	24,380	23,480	3,150	26,630
A Payn	Councillor	2,948	520	3,468	13,090	714	13,804
I W Hustwick	Councillor	2,948	1,344	4,292	15,500	658	16,158
K J Eggeling	Councillor	13,604	6,576	20,180	13,000	6,433	19,433
K R Scott	Councillor	14,604	820	15,424	16,970	0	16,970
J G Birchfield	Councillor	13,604	3,212	16,816	14,780	6,069	20,849
A M Hurley	Councillor	14,604	755	15,359	17,660	15	17,675
A N Bradley	Councillor	13,604	650	14,254	15,040	0	15,040
R F Gugich	Councillor	2,948	820	3,768	15,070	133	15,203
J H Butzbach	Councillor	13,604	520	14,124	15,560	57	15,617
F I Stapleton	Councillor	10,656	0	10,656	0	0	0
M D Montagu	Councillor	10,656	458	11,115	0	0	0
K C van Beek	Councillor	10,656	264	10,920	0	0	0
		208,589	31,026	239,615	222,353	32,030	254,383

*Remuneration includes directors fees for Westland Holdings Limited of \$6,000 (2010: \$2,000) and \$2,000 for Zone 5 Chair Honorarium (2010: \$2,000).

29. Severance payments

The Council had 2 severance payments for the year ended 30 June 2011 of \$2,100 and \$5,700 (2010: Nil).

The Council had no other payments for final pay or retirement gratuity (2010: Nil).

30. Events after the balance sheet date

There were no events after balance date.

31. Financial instrument risks

The Council and Group is party to financial instruments as part of its normal operations. These instruments relate to the hedging of interest on loans and bank debt.

The interest rates on the Council's investments are disclosed in note 13 and on the Council's borrowings in note 22.

Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Council is exposed to equity securities price risk on its investments, which are classified as financial assets available for sale. This price risk arises due to market movements in share investments held. This price risk is managed by diversification of the Council's investment portfolio in accordance with the limits set out in Council's Investment policy.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to any currency risk, as it does not enter into foreign currency transactions.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Borrowing issued at fixed rates expose the Council to fair value interest rate risk. The Council's Liability Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to cover the fair value interest rate risk arising where the Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose the Council to fair value interest rate risk.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates.

Borrowings and investments issued at variable interest rates expose the Council and Group to cash flow interest rate risk.

The Council and Group manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if the Council and Group borrowed at fixed rates directly. Under the interest rate swaps, the Council and Group agrees with other parties to exchange at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss. The Group has no significant concentrations of credit risk other than the New Zealand Transport Agency, as it has a large number of credit customers, mainly ratepayers, and the Council has powers under Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Maximum exposure to credit risk

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
ASB Bonds	1,770	3,715	1,770	3,715
Cash at bank and term deposit	4,243	70	4,738	352
Trade and other receivables	2,942	2,289	3,995	3,330
Local authority and government stock	40	50	40	50
Total credit risk	8,995	6,124	10,543	7,447

The group invests funds only in deposits with registered banks and local authority stock and its Investment policy limits the amount of credit exposure to any one institution or organisation to \$1,000,000. The Council's investment policy only allows investment in financial institutions with a Standard and Poor's credit rating of A and above and A+ and above for New Zealand Corporates.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available. In meeting its liquidity requirements, the Council maintains a liquid portfolio of investments that can be liquidated on short notice as required. The Council manages its borrowings in accordance with its Revenue and Financing Policy, and its Liability Management Policy.

These policies have been adopted as part of the Council's Long Term Council Community Plan.

The Council has a maximum amount that can be drawn down against its overdraft facility of \$150,000 (2010 \$4,000,000). There are no restrictions on the use of this facility.

The maturity profiles of the Council and Group's interest bearing investments and borrowings are disclosed in notes 13 and 22 respectively.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

	Council		Group	
	Actual 2011 \$000	Actual 2010 \$000	Actual 2011 \$000	Actual 2010 \$000
COUNTERPARTS WITH CREDIT RATINGS				
Cash at bank and term deposits				
AA-	4,243	70	4,738	687
Total cash at bank and term deposits	4,243	70	4,738	687
ASB Bonds and investments				
AA	208	104	208	104
AA-	687	1,829	687	1,829
A	367	741	367	741
A+	104	257	104	257
A-	198	285	198	285
BBB	205	497	205	497
Total ASB Bonds	1,770	3,714	1,770	3,714

Contractual maturity analysis of financial liabilities

The table below analyses the Council and Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Council 2011					
Trade and other payables	2,139	2,139	2,139	0	0
Term debt	13,528	15,119	5,149	1,274	8,696
Bank overdraft	0	0	0	0	0
Total	15,667	17,258	7,288	1,274	8,696
Group 2011					
Trade and other payables	2,370	2,370	2,370	0	0
Term debt	16,186	0	0	0	0
Bank overdraft	0	0	0	0	0
Total	18,556	2,370	2,370	0	0
Council 2010					
Trade and other payables	2,206	2,206	2,206	0	0
Term debt	6,303	7,098	266	1,031	5,801
Bank overdraft	1,578	1,578	1,578	0	0
Total	10,087	10,882	4,050	1,031	5,801
Group 2010					
Trade and other payables	2,635	2,635	2,635	0	0
Term debt	7,973	9,947	1,131	3,015	5,801
Bank overdraft	1,697	1,697	1,697	0	0
Total	12,305	14,279	5,463	3,015	5,801

Contractual maturity analysis of financial assets

The table below analyses the Council and Group's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Council 2011					
Cash and cash equivalents	4,243	4,243	4,243	0	0
Trade and other receivables	2,942	2,942	2,942	0	0
ASB Bonds	1,770	2,273	323	1,073	877
Civic Assurance	40	40	40	0	0
ASB investments	0	0	0	0	0
Total	8,995	9,458	7,508	1,073	877
Group 2011					
Cash and cash equivalents	2,307	2,307	2,307	0	0
Trade and other receivables	3,995	3,995	3,995	0	0
ASB Bonds	1,770	2,273	323	1,073	877
Civic Assurance	40	40	40	0	0
ASB investments	0	0	0	0	0
Total	8,112	8,615	6,665	1,073	877
Council 2010					
Cash and cash equivalents	70	70	70	0	0
Trade and other receivables	2,290	2,290	2,290	0	0
ASB Bonds	3,715	4,456	560	2,835	1,061
Civic Assurance	50	50	50	0	0
ASB investments	0	0	0	0	0
Total	6,125	6,866	2,970	2,835	1,061
Group 2010					
Cash and cash equivalents	352	352	352	0	0
Trade and other receivables	3,330	3,330	3,330	0	0
ASB Bonds	3,715	4,456	560	2,835	1,061
Civic Assurance	50	50	50	0	0
ASB investments	335	335	335	0	0
Total	7,782	8,523	4,627	2,835	1,061

Sensitivity analysis

Interest Rate Risk – Council

As at 30 June 2011 it is estimated that a two percentage point increase/decrease in market interest rates would decrease/increase the Council's equity by approximately \$127,634 (30 June 2010 \$263,409)

This calculation is based on a reassessment of the fair values of financial assets that are classified as available for sale.

Interest Rate Risk – Group

As at 30 June 2011 it is estimated that a two percentage point increase/decrease in market interest rates would decrease/increase the Council and Group's equity by approximately \$141,634 (30 June 2010 \$279,409).

This calculation is the annual impact on loans and borrowings which are subject to a variable market interest rate at balance date.

32. Capital management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilizing the Council's assets and not expecting them to meet the full cost of long term assets that will benefit residents in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the revenue and financing policy in the Council's LTCCP.

The Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate.

Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

33. Explanation of major variances against budget

Explanations for major variations from the Council's estimated figures in the 2010/2011 Annual Plan are as follows:

REVENUE: APPROXIMATELY \$879,000 LESS THAN BUDGET.

This result was the net effect of:

Activity	Explanation	Amount
GENERAL RATES	General Rates was more than budget due to subdivisions and revaluations.	83,000
OTHER GAIN	Gain on sale of land and buildings to Westland District Property Limited.	194,000
PARKS & RESERVES	General Reserves Contributions from subdivisions was more than budget.	87,000
WESTLAND BUSINESS UNIT	Museum income up due to receipt of NZ Lotteries funding for Whitebait Exhibition.	61,000
RESOURCE MANAGEMENT	A reduction in resource consents lodged resulted in lower income than budgeted.	(43,000)
INSPECTIONS & COMPLIANCE	A change in the Revenue and Finance Policy in the 2010/2011 Annual Plan resulted in Inspections & Compliance becoming more reliant on fees and charges income. Consequently during the 2010/2011 financial year there was a downturn in the economy and less residents were inclined to embark on renovations or building so fees and charges income was lower than anticipated.	(218,000)
RURAL FIRE	Subsidies from West Coast Rural Fire and Kokatahi's share of the construction of a new fire station was the reason for the increased income in 2011.	50,000
TRANSPORTATION	It was anticipated that the funding for the cycleway would be realised in the 2010/2011 year. The grant is expected to be received in the 2011/12 year.	(1,130,000)
WATER SUPPLY	Subsidy Received for the Harihari Water Scheme. This was budgeted in 2009/10.	528,000
WASTEWATER	Franz Josef Sewerage had a subsidy budgeted for upgrading this scheme. However the subsidy was not received as work has not yet commenced.	(575,000)
WASTE MANAGEMENT	Actual Targeted Rates received was higher than anticipated.	25,000
	Waste Minimisation received more levies, grants and recoveries than expected.	59,000

EXPENDITURE: APPROXIMATELY \$1,497,000 GREATER THAN BUDGET.

This result was the net effect of:

Activity	Explanation	Amount
DEPRECIATION	Depreciation was higher than budget. This was due to revaluation of infrastructure and additional assets being built and brought into service.	600,000
EMPLOYEE BENEFIT EXPENSES	Salaries and wages are higher than budget for the following reasons: (a) \$156,000 of redundancy payments are recognised in this financial year, (b) Westland Business Unit's cost increased by \$192,000, (c) Westland District Council had increases related to restructuring and adjustments for inflation of \$243,000, and (d) there was a movement in Employee Benefit Liabilities of \$200,000.	791,000
LAND & BUILDINGS	Set up Costs associated with the Property Company, these were not included in budget.	75,000
TRANSPORTATION	Expenditure was less than budget as some maintenance work was considered to lengthen the lives of the assets so it was capitalised.	(352,000)
WASTE MANAGEMENT	Butlers Landfill incurred legal fees that were not expected.	97,000
	Increase in Landfill Provision	111,000
	Contractor's costs for Waste Management were higher than anticipated.	110,000
GOVERNANCE	Accommodation and Meals were also higher than budget due to more councillors participating in workshops and conferences.	14,000
	Consultants Fees were higher than forecast, due to an organisational structure external review and media management.	28,000
	Zone Five was taken over by another council and this required payment of funds brought forward.	26,000

SIGNIFICANT CAPITAL EXPENDITURE VARIANCES

Activity	Explanation	Amount
PARKS & RESERVES	Harihari Community Facility capital project was budgeted for but has not yet been started.	(225,132)
RURAL FIRE	The new fire depot had a budgeted cost of \$31,020, the actual cost was \$83,714. This project was spearheaded by the Kokatahi Community and was funded partly from a \$50,000 grant and partly by rates which were held in reserve.	52,695
TRANSPORTATION	Hau Hau Road Widening identified in the 2010/2011 Annual Plan was not completed as it was a R-Funding Project for which funding is no longer available.	(517,000)
	Walking and Cycling facilities identified in the 2010/2011 Annual Plan were not completed as it was a R-Funding Project for which funding is no longer available.	(31,020)
	National Cycleway project was deferred to 2011/12.	(1,137,400)
	Renewals were higher than expected due to flood damage. This was principally funded by the NZTA Rooding Programme.	635,000
	Work was completed which extended the lives of the assets and was therefore included in renewals.	216,255
WATER SUPPLY	The upgrade of Railway Terrace 2009/10 was completed this financial year.	74,066
	The Fire pump booster investigation is still in progress.	(46,035)
	Hokitika Mains Replacement capital expenditure came in under budget.	(35,743)
WASTEWATER	Franz Josef new Mains and Pump Station was due to commence in the 2010/2011 year, however this project has been deferred.	(1,023,000)
	The desludging of the Hokitika ponds has commenced in the 2011/12 year.	(425,000)
	Hokitika Pump replacement was another capital project deferred to 2011/2012.	(102,000)
WASTE MANAGEMENT	Butlers Landfill was not completed at 30 June 2011 and is included in Work in Progress.	440,750



STATEMENTS OF SERVICE PERFORMANCE

INTRODUCTION

Please consider the following key issues as you read through the Statements of Service Performance.

Westland Wilderness Trail

Council's Cycle Trail Project is set to become a reality. Most funding is now in place, thanks to the hard work of the Westland Nature Trust, Westland District Council, Development West Coast and community leaders. The trail is grade one, meaning it is suitable for riders of all ages and abilities. There will be many attractions along the trail including gold panning and paddle boat cruising. The Cycle Trail has already started to create economic opportunities for residents and investors. The refurbishment of the Theatre Royal in Kumara is an excellent example of some of the economic spin offs we can expect from the cycle trail.

Water Supply

Westland still leads the country in formally opposing the aerial discharge of 1080 poison, while continuing to support the possum control programme. Following our lead other Councils have moved to formalise their views in opposition. In the 2010/11 year Council divested the water scheme at Hannah's Clearing after a special consultation with the community. Residents are borrowing the money from the Council for water tanks and pumps and paying back through rates over time. This is much more cost effective than installing a new water scheme and the community agreed. The cost of infrastructure and maintaining our community facilities in the future is of concern. We must realise that the nature of our geography and the amount of people living in Westland means that we have to be careful. We must do what is affordable and be creative and innovative.

Resident's Satisfaction Survey

In July/August of 2011, Council commissioned Cinta Research to survey to public opinion of Council's performance. Council has now introduced questions reflecting areas of interest to Westland District residents. Resident satisfaction is a key performance measure for many Council services. Targets are set in the Annual and Long Term Plans (LTP) and survey results are reported in the Annual Report.

A total of 450 people participated in the survey and participants were randomly selected. The survey was undertaken by telephone. The most highly rated service was the Library while the lowest rated service was Dog Control. A new partnership between Westland District Council and the Hokitika SPCA should result in an improvement in Dog Control results next time. Council is also investigating with the SPCA options for a dedicated dog exercise area in Hokitika. The research will help us improve services across Council. Thank you to all residents who participated. We are beginning to plan for the next update of the Long Term Plan and there will be numerous opportunities for residents to tell Council what they think, so keep participating.

District Plan Review & Levels of Service

Any changes in levels of services will be reviewed at the next LTCCP and will incorporate the results of the other engagement processes which Council has undertaken. In the 2009/10 year Council reviewed its levels of service with each township across the District, as well as forming a Technical Assessment Group which reviewed the commercial rating system. Council is also currently reviewing the District Plan.

Have your say!

As always you are invited to contribute your thoughts and ideas as we continually work towards improving Westland and addressing key issues of the community.

Just call or email Kamaya Crawford at 03 756 9010 or at kamaya.crawford@westlanddc.govt.nz.

PROMOTING AND SUPPORTING THE COMMUNITY



LIBRARY

What we do

The library offers an adult collection, books for children and young adults, adult fiction, large print books, non fiction, magazines, newspapers, local interest books, reference books, talking books, video, CD's and DVD's, Housebound Service, visitor membership, Aotearoa Peoples Network, Multimedia Computer, Fundview Databases, photocopying and fax service, reserves, requests, group visits and a book covering service.

Why we do it

To ensure all members of the community have ready access to a wide range of high quality resources in a range of formats for information, education, leisure and cultural enrichment.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	The provision of quality services and facilities for library users
Education	By the provision of and access to quality resources to participate in relevant educational and training activities

Service Levels and Performance Measures

Customer group Core value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009– 2011	Target 2012– 2019
Accessibility	Library services are available at convenient times and locations	Opening hours are at least 44 hours with a target in 2009-2011 of 52 hours per week over 6 days at the District Library in Hokitika	District Library Opening hours	The Library is now open 55 Hours per week compared to 51 hours in the 2009/10 year	44 to 52 hours	60 hours
		Increased use of library facilities	Library members and issues numbers	3,528 members (3,367 09/10 year) 88,001 issues (86,739 09/10 year)	3,200 70,000	4,000 72,000
Quality	Library is safe, clean and comfortable	Customer satisfaction	*Customer surveys	90%	90%	90%
	There is a wide range of books and formats to choose from	90 % of customers satisfied with the choice of books, other collections and IT services.	*Customer Surveys	86%	90%	90%
	Special programmes provided i.e. Book Week activities and holiday programmes.	5 programs provided per annum	Feedback and numbers of participants	5 Programmes were provided which is the same as the 2009/10 year	6	7
	School and community group visits hosted when requested by the schools or groups	13 groups hosted	Feedback and groups revisiting independently	20 Groups were hosted compared to 20 in the 2009-10 year. This includes groups hosted at their request and revisiting independently.	13	14

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Financial Performance - Library

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	368,356	368,356	331,192
Vested Assets	0	0	0
Other Income	43,567	32,940	52,926
Total Operating Revenue	411,923	401,296	384,118
Operating Expenses			
Expenditure	330,603	325,296	360,021
Interest	0	0	0
Depreciation	82,638	76,000	76,464
Total Operating Expenditure	413,241	401,296	436,485
Operating Surplus/(Deficit)	(1,318)	0	(52,367)
Operating Surplus Transferred to (Operating Deficit funded from)			
Reserve	(1,318)	0	(52,367)
Depreciation not Funded (Retained Earnings)	0		0
Funding for Capital Projects	0	0	0
	(1,318)	0	(52,367)
Capital Expenditure			
New Assets	10,008	0	26,932
Renewals Assets	52,956	44,200	44,513
Debt Repayment	0	0	0
Capital & Debt Repayment	62,964	44,200	71,445
Vested Assets	0	0	0
Operating Deficit	1,318	0	52,367
Transfer to Reserves	0	0	0
Total Funding Required	64,282	44,200	123,812
Funded By:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	52,956	44,200	44,513
Loans Raised	0	0	0
Reserves	11,326		79,299
Total Funding Applied	64,282	44,200	123,812

Variance Explanations - Library

2011 Actual versus 2010 Actual	
Total Operating Expenditure Variance	(23,244)
Made up of:	
Reduction level of allocation of overheads to the Library.	(23,244)
Total	(23,244)
2011 Actual versus 2011 Budget	
Total Capital Expenditure Variance	18,764
Made up of:	
Increased purchases of Adult Non Fiction books.	12,900
Increased purchases of rental books.	3,900
Increased purchases in the remaining book categories.	1,964
Total	18,764

SAFER COMMUNITY COUNCIL

What we do

Gather information regarding crime prevention and safer communities and assist in coordinating existing and new crime prevention programmes.

Why we do it

Central Government originally provided funding for this activity. Council wanted to continue the funding of community safety and building capacity in the community and now funds a greater percentage. However the community is heavily involved in looking at the issues and looking to solutions that best fit their communities.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Education	By providing or coordinating training, education and support opportunities for at risk youth, offenders and victims.
Safety	By raising the level of safety through the provision of services and liaison with various government and non government organisations.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009-2011	Target 2012-2019
Residents Youth Health & Safety	To build capacity in the community by providing youth mentoring	90% satisfaction with level of support given to target community group	Survey	100% *	90%	90%
Residents Youth Health & Safety	Achieve a reduction in reported crime such as family violence, burglary and reported traffic crashes by providing mentoring and restorative justice programmes and a Community Patrol.	Number of crimes reduced on previous years	Monthly reports From NZ Police	Family violence notified cases 74 Burglary reported offences 44 Traffic crashes 137 Traffic offences 5,025	Family violence notified cases 30. Burglary reported 40. Traffic offences 4,000.	Family violence notified cases 30. Burglary reported 40. Traffic Crashes 120

* 100% of respondents to the survey indicated that they thought the approach to targeting the community group through the Restorative Justice Conference was a good way to sort out problems. The Community Services Officer successfully runs the Big Brother Big Sister programme in Westland and participating mentors have indicated in a survey that 100% feel supported in their mentoring relationship with a young person.

Financial Performance - Safer Community Council

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0		0
General Rates	33,208	33,208	32,644
Vested Assets	0	0	0
Other Income	31,540	53,700	43,281
Total Operating Revenue	64,748	86,908	75,925
Operating Expenses			
Expenditure	58,151	86,689	60,844
Interest	0	0	0
Depreciation	66	219	99
Total Operating Expenditure	58,217	86,908	60,943
Operating Surplus/(Deficit)	6,531	0	14,982
Operating Surplus Transferred to (Operating Deficit funded from)			
Reserve	6,531	0	14,982
	6,531	0	14,982
Capital Expenditure			
New Assets	0	0	0
Renewals Assets	0	0	0
Debt Repayment	0	0	0
Capital & Debt Repayment	0	0	0
Vested Assets	0	0	0
Operating Deficit	0	0	0
Transfer to Reserves	6,531	0	14,982
Total Funding Required	6,531	0	14,982
Funded By:			
Operating Surplus	6,531	0	14,982
Funding from Accumulated Depreciation	0	0	0
Loans Raised	0	0	0
Reserves	0	0	0
Total Funding Applied	6,531	0	14,982

Variance Explanations - Safer Community Council

2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(22,160)
Made up of:	
Big Brother Big Sister was unable to obtain a budgeted subsidy from the Ministry of Justice's Crime Prevention unit.	(22,160)
Total	(22,160)
Total Operating Expenditure Variance	(28,691)
Made up of:	
Reduction in Salaries & Wages for Safer Community Council.	(7,281)
Reduction in Salaries & Wages for Big Brother Big Sister.	(15,644)
Reduction in Salaries & Wages for Big Brother Big Sister.	(5,766)
Total	(28,691)

CEMETERIES

What we do

The Council manages cemeteries which:

- Provide plots for interment on demand to meet the needs of the bereaved for a suitable resting place for departed relatives or friends
- Provide areas for the burial and recording of ashes
- Provide roading, carparks, seating, footpaths and other infrastructure to meet the needs of visitors
- Meet Council's statutory obligation to provide paupers graves
- Meet the social and cultural needs of the community
- Provide park like grounds which are visually appealing for visitors
- Provide a historical record of the deceased for the community.

Why we do it

The Council is required to ensure that there are sufficient cemeteries within the District under the Burial and Cremation Act 1964.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Safe well maintained cemetery grounds. Facilities are operated within the required health standard

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Cemetery visitors Accessibility	Cemeteries are developed and managed so that users feel safe getting around the cemetery	% of customers feels safe in cemetery grounds.	*Customer satisfaction survey	76%	70%	80% satisfaction
		Headstone structural repair program instigated.	Reports to Council on structural repairs required and carried out	To date there has been no repairs started however a programme has been instigated. Thompson Funeral Directors and Monument Masons of Hokitika have offered to do the repairs free of charge. In 2009-10, no programme had been developed	5 structural repairs to headstones per year	10 structural repairs to headstones per year
	Provision of timely information relating to cemetery records	% of customers satisfied that information is responded to promptly.	*Customer satisfaction survey	76%	70% satisfaction	80% satisfaction
Funeral attendees, Recreational users Quality	Cemetery grounds are well maintained tidy, and attractive	Complaints are responded to within 5 working days.	Monthly meeting and audit report from contractor	No complaints were received	100%	100%
		% customers satisfaction with state of cemetery grounds	*Customer satisfaction survey	76%	70% satisfaction	90% satisfaction
Funeral directors Health and Safety	Burials are completed within 3 days of notification of death	Standards for burial are adhered to Cemeteries & Cremations Act 1964.	Cemetery records	100%	100%	100%

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

The survey question for cemeteries was combined to include maintenance, records and safety.

Financial Performance - Cemeteries

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	52,927	52,927	69,692
Vested Assets	0	0	0
Other Income	39,998	32,561	25,439
Total Operating Revenue	92,925	85,488	95,131
Operating Expenditure			
Expenditure	92,370	79,388	68,201
Interest	0	0	0
Depreciation	1,599	1,100	1,563
Total Operating Expenditure	93,969	80,488	69,765
Operating Surplus/(Deficit)	(1,044)	5,000	25,366
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(1,044)	0	0
Funding for Capital Projects	0	5,000	25,366
	(1,044)	5,000	25,366
Capital Expenditure			
New assets	29,202	5,000	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	29,202	5,000	0
Vested assets	0	0	0
Operating Deficit	1,044	0	0
Transfers to Reserves	0	0	25,366
Total Funding Required	30,246	5,000	25,366
Funded by:			
Operating Surplus	0	5,000	25,366
Funding from Accumulated Depreciation	29,202	0	0
Loans raised	0	0	0
Reserves	1,044	0	0
Total Funding Applied	30,246	5,000	25,366

Variance Explanations - Cemeteries

2011 Actual versus 2010 Actual	
Total Operating Expenditure Variance	24,204
Made up of:	
Grant Payment to community organisations from Hokitika Cemetery.	5,000
Increase in actual allocated overheads for Hokitika Cemetery.	13,134
Actual Contractor expenses relating to tidying up various rural cemeteries which was not budgeted for.	6,070
Total	24,204
2011 Actual versus 2011 Budget	
Total Capital Expenditure Variance	24,202
Made up of:	
Completion of Hokitika Cemetery Information Kiosk (2010/11)	2,936
Completion of 2009/10 LTCCP project: Development of Hokitika Cemetery.	21,266
Total	24,202

ELDERLY HOUSING

What we do

Provide accommodation in the form of self contained units in a central location for the elderly.

Why we do it

The aim of the activity is to provide good quality low cost accommodation for the elderly of Westland. It also allows the larger houses the elderly may currently occupy to be available for families who may want to enter the housing market.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Identity	Provision of appropriate infrastructure to support a vibrant community e.g. retain colourful characters
Safety	Provision of a safe environment that meets the needs of the elderly

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Tenants Health & Safety	The units are safe to live in	Maintenance programme is completed each year	Monitoring against Maintenance Programme	* 100% of people surveyed felt their unit was safe to live in	100%	100%
Tenants Quality	The units are clean and comfortable	% of satisfaction of tenants with living conditions	Tenants Satisfaction Survey	* 100% in Hokitika 100% Ross	95%	95%
Tenants Responsiveness	Tenants receive prompt responses to their requests for service	% of requests for maintenance or complaints actioned within 7 working days.	Customer RFS System	All complaints were actioned within the 7 day timeframe.	100%	100%

* The 2010/11 Pensioner Flats Survey asked tenants how satisfied they were with the standard of accommodation provided, this question encompasses issues of safety.

In 2010/11 100% of Hokitika flats tenants and 100% of Ross flats tenants were satisfied with living conditions compared to 2009-10 95% of Hokitika pensioners and 95% of Ross tenants were satisfied with living conditions.

100% of tenants feel safe in their unit compared to 100% in the 2009/10 year.

Financial Performance - Elderly Housing

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	135,055	140,337	139,951
Total Operating Revenue	135,055	140,337	139,951
Operating Expenditure			
Expenditure	119,948	102,115	113,401
Interest	137	0	273
Depreciation	42,506	38,222	41,610
Total Operating Expenditure	162,591	140,337	155,284
Operating Surplus/(Deficit)	(27,536)	0	(15,333)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(27,536)	0	(15,333)
	(27,536)	0	(15,333)
Capital Expenditure			
New assets	0	0	0
Renewals assets	46,051	33,812	43,543
Debt Repayment	0	0	0
Capital and Debt Repayment	46,051	33,812	43,543
Vested assets	0	0	0
Operating Deficit	27,536	0	15,333
Transfers to Reserves	0	0	0
Total Funding Required	73,586	33,812	58,875
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	46,051	33,812	43,543
Loans raised	0	0	0
Reserves	27,536	0	15,333
Total Funding Applied	73,586	33,812	58,875

Variance Explanations - Elderly Housing

2011 Actual versus 2011 Budget	
Total Operating Expenditure Variance	22,254
Made up of:	
Additional maintenance expenditure was required for Hokitika Flats.	15,711
Depreciation expenses higher due to asset renewals.	6,543
Total	22,254
Total Capital Expenditure Variance	12,239
Made up of:	
Actual costs for repainting and replacing part of the roof on Hokitika flats were higher than budget.	12,239
Total	12,239

SWIMMING POOLS

What we do

Provide recreational pool facilities in Hokitika and Ross.
Provision of learn to swim programs at Hokitika.

Why we do it

Council provides swimming pools which allow the community to participate in this recreation activity in a safe environment.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	The provision of clean bathing areas providing the opportunity for recreation, sporting and leisure activities.
Education	Provision of safe training facilities for users.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Quality	Maximise the duration of the swimming season	Minimum season October to April	Opening times	The pool was open from 9 August 2010 until 5th June 2011 which is 43 weeks in total compared to 41 weeks in 2009/10.	Maintain current hours	Maintain current hours
	Maintain a comfortable water temperature for swimming.	Water temperature to be maintained at between 27.5 and 28.5° Celsius	Monthly report	The temperature is between 27° C and 28.5° C	28°C	28°C
	Maximise use of Hokitika pool	Increase pool usage by 1% pa	Annual report	16,695 paying visitors (14,118 2009–10). This shows an increase of 18.25%. The reason for this is the plateau effect of the Grey Aquatic centre, and the growing admission of adults, as children and preschoolers admission decreases. Furthermore, Hokitika pool is a \$1.00 cheaper than Grey Aquatic centre	1% per annum	1% per annum
Health and Safety	Provide active programmes for swimming pool users	A minimum of 5 courses to be held each year in either learn to swim or exercise programme	Annual Report	There are six blocks of learn to swim lessons and twice weekly aqua aerobics	6 courses	6 courses
	Ensure safe swimming water	Tests compliant with NZS5826:2000	Monthly report for Ross and Hokitika	99% compliant in Hoitika	100%	100%
	Ensure pool user safety	Life guard supervision provided in accordance with Swimming pool Guidelines published by New Zealand Recreation Association (Hokitika Pool only)	Pool Safe Accreditation	The Hokitika Pool was re-accredited in April 2011	Maintain accreditation	Maintain Accreditation

Financial Performance - Swimming Pools

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	10,461	11,243	10,461
General Rates	244,534	244,534	196,862
Vested Assets	0	0	0
Other Income	72,322	74,500	73,185
Total Operating Revenue	327,317	330,277	280,508
Operating Expenditure			
Expenditure	315,808	308,677	299,912
Interest	0	0	0
Depreciation	25,967	21,600	25,475
Total Operating Expenditure	341,775	330,277	325,387
Operating Surplus/(Deficit)	(14,458)	0	(44,879)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserve	(14,458)	0	(50,060)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	5,181
	(14,458)	0	(44,879)
Capital Expenditure			
New assets	11,179	0	46,296
Renewals assets	0	0	5,181
Debt Repayment	0	0	0
Capital and Debt Repayment	11,179	0	51,477
Vested assets	0	0	0
Operating Deficit	14,458	0	44,879
Transfers to Reserves	0	0	0
Total Funding Required	25,637	0	96,356
Funded by:			
Operating Surplus	0	0	5,181
Funding from Accumulated Depreciation	11,179	0	23,148
Loans raised	0	0	0
Reserves	14,458	0	68,027
Total Funding Applied	25,637	0	96,356

Variance Explanations - Swimming Pools

2011 Actual versus 2010 Actual	
Total Operating Expenditure Variance	16,388
Made up of:	
Increased allocation in overhead cost and repairs and maintenance for Hokitika Pool.	16,388
Total	16,388
2011 Actual versus 2011 Budget	
Total Capital Expenditure Variance	11,179
Made up of:	
Putting in Toilet Partitions for Ross Pool.	11,179
Total	11,179

COMMUNITY ASSISTANCE/ FUNDING

What we do

Approve requests from Community Groups and Organisations and individuals to assist with recreational and cultural activities and other special events or activities.

Provide advice to the community regarding other funding alternatives

Why we do it

Council assists in building capacity in the Community.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Education	Recognise and support education excellence and opportunity in the District
Identity	Support and encourage community groups and organisations providing events within the region

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Community Groups Accessibility	That funding is available and able to be allocated to relevant groups or individual projects	Advertising of grants occurs 4 times per year	Newspaper Ads Advertising in Uniquely Westland	There were ads placed in the local newspaper and council's newsletter to ratepayers 4 times a year	4 times a year	4 times a year
		Number of Groups / Individuals applying	Applications received	There were 26 applications received by Council for discretionary funding. (41 2009-10). Council's \$10,000 contribution to the Canturbury Earthquake appeal was reported widely, and the community was well-aware that this was funded from the discretionary fund. This coverage, as well as inquires of Council staff, contributed to the reduced number of applications.	30	30

Financial Performance - Community Assistance/Funding

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	108,436	104,333	84,256
General Rates	318,568	318,568	311,171
Vested Assets	0	0	0
Other Income	30,951	14,500	24,469
Total Operating Revenue	457,955	437,401	419,896
Operating Expenditure			
Expenditure	485,611	436,291	401,749
Interest	0	0	0
Depreciation	1,110	1,110	1,605
Total Operating Expenditure	486,721	437,401	403,354
Operating Surplus/(Deficit)	(28,766)	0	16,542
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(28,766)	0	16,542
	(28,766)	0	16,542
Capital Expenditure			
New assets	0	0	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	0
Vested assets	0	0	0
Operating Deficit	28,766	0	0
Transfers to Reserves	0	0	16,542
Total Funding Required	28,766	0	16,542
Funded by:			
Operating Surplus	0	0	16,542
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	28,766	0	0
Total Funding Applied	28,766	0	16,542

Variance Explanations - Community Assistance/Funding

2011 Actual versus 2010 Actual	
Total Operating Expenditure Variance	83,367
Made up of:	
Community Grants distributed increased on 2010.	36,442
Promotional Grant was not fully distributed in the 2010 year.	20,800
Increase on salaries and wages from 2010 for community services.	26,125
Total	83,367
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	20,554
Made up of:	
Slight increase in targeted rates revenue for Glacier Country.	6,131
Slight increase in targeted rates revenue for Enterprise Hokitika.	4,923
A grant from SPARC which was not budgeted for.	9,500
Total	20,554
Total Operating Expenditure Variance	49,320
Made up of:	
Actual salaries increased due to restructure.	18,878
Community Grants distributed was higher than budget.	20,000
Vehicle Expense, Gifts and presentations, Advertising, Materials were higher than budget.	7,559
Overhead and support costs were higher than budget.	2,883
Total	49,320

COMMUNITY HALLS AND BUILDINGS

What we do

Provide and manage various buildings and halls to be used for non commercial purposes by the community

Why we do it

The Council provides halls as a focus for community functions, activities and meetings, to assist with meeting the social and recreational needs of communities.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Provision of Recreation facilities within the halls
Identity	Halls provide a sense of community

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009– 2011	Target 2012– 2019
Community residents Quality	The facilities provide a safe and central resource for the use of the local community.	Buildings have current WOF where required	Annual report	100%	100%	100%
	Community halls are appropriate to the community needs	Percentage of residents satisfied with the standard of their hall or community building	*Satisfaction survey	51%	80%	80%
		Complaints are responded to within 3 working days	Service Request support system	There were 2 complaints received with both being responded to within 2 days	100%	100%

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Many respondents commented that there were no problems with community halls and buildings. However a large proportion also felt that they could be improved by upgrading and also that more were needed.

The majority of halls are run by the community. At the direction of the community, Council will assist with developing the hall in accordance with what the community desires. In some instances, Major District Initiative funding can be committed to a well-planned project.

Financial Performance - Community Halls and Buildings

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	56,357	56,357	54,825
Vested Assets	0	0	0
Other Income	160,897	212,000	362,959
Total Operating Revenue	217,254	268,357	417,784
Operating Expenditure			
Expenditure	247,909	268,357	492,311
Interest	0	0	0
Depreciation	27,350	29,502	28,406
Total Operating Expenditure	275,259	297,859	520,716
Operating Surplus/(Deficit)	(58,005)	(29,502)	(102,932)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(30,655)	0	(74,526)
Depreciation Not Funded (Retained earnings)	(27,350)	(29,502)	(28,406)
	(58,005)	(29,502)	(102,932)
Capital Expenditure			
New assets	6,112	0	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	6,112	0	0
Vested assets	0	0	0
Operating Deficit	58,005	29,502	102,932
Transfers to Reserves	0	0	0
Total Funding Required	64,117	29,502	102,932
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	64,117	29,502	102,932
Total Funding Applied	64,117	29,502	102,932

Variance Explanations - Community Halls and Buildings

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	(202,062)
Made up of:	
MDI Funding was received for the Regent Theatre and Westland Boy's brigade Hall in 2010 totalling \$362,640. The Regent Theatre received MDI Funding in 2011 of \$160,897.	(202,062)
Total	(202,062)
Total Operating Expenditure Variance	(245,457)
Made up of:	
In 2010 the MDI Funding described above was distributed to Regent Theatre and Westland Boy's Brigade Hall. This is why there is a reduction in spending in 2011 compared to 2010.	(245,457)
Total	(245,457)
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(51,103)
Made up of:	
Rental income was down from budget.	(11,103)
\$200,000 was budgeted for MDI funding for Regent Theatre. \$160,000 was received.	(40,000)
Total	(51,103)
Total Operating Expenditure Variance	(22,600)
Made up of:	
MDI Funding budget for Regent Theatre was \$40,000 less than budget.	(40,000)
Costs have been met for Donovan's Store Restoration, however the MDI funding application has not yet been approved.	17,400
Total	(22,600)

PARKS & RESERVES

What we do

The Council manages and maintains a number of parks and reserves throughout the District for active and passive recreation.

Recreation and Local Purpose Reserves are managed under the Reserves Act 1977.

For the past 18 years the main sports ground in Hokitika, Cass Square, has provided the venue for the famous Wildfoods Festival.

Why we do it

There is a public expectation for Council to continue to manage and maintain reserves for the benefit of the community.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Safe well maintained parks and playgrounds Facilities are provided and maintained for active recreation to support the health of the community.
Identity	The Wildfoods Festival creates a unique identity for Westland District

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information will we use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Reserves users: Passive Active (Sports people) Availability Accessibility Safety	Reserves are pleasant and enjoyable place	Complaints received about the appearance of reserves	Number of complaints	10 complaints were received compared to none last year. all minor and dealt within 7 days except 1 concerning multiple staff members	Nil	Nil
		Customer satisfaction	*Surveys	67%	80% satisfaction	80% satisfaction
	Sports grounds available for play	Sports ground closures per season	Number of closures	2 days (29th & 30th June 2011). This was due to extremely high rainfall over this period	Nil	Nil
	Playgrounds are safe	Reported injuries	Number of reported injuries	Nil	Nil	Nil
Wildfoods Festival Reliability	Cass Square available for festival in good condition	Festival committee satisfied with Cass Square venue	Feedback from Festival Committee	Satisfied	Satisfied	Satisfied

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Financial Performance - Parks & Reserves

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	294,928	294,928	275,128
Vested Assets	0	0	0
Other Income	121,559	158,039	129,427
Total Operating Revenue	416,487	452,967	404,555
Operating Expenditure			
Expenditure	315,621	303,888	441,168
Interest	0	0	0
Depreciation	27,427	38,050	25,146
Total Operating Expenditure	343,048	341,938	466,315
Operating Surplus/(Deficit)	73,440	111,029	(61,760)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	(36,614)
Depreciation Not Funded (Retained earnings)	(27,427)	(38,050)	(25,146)
Funding for Capital Projects	100,867	149,079	0
	73,440	111,029	(61,760)
Capital Expenditure			
New assets	26,074	244,132	66,129
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	26,074	244,132	66,129
Vested assets	0	0	0
Operating Deficit - Depreciation Not Funded	27,427	0	61,760
Transfers to Reserves - Capital Projects Not Completed	74,792	0	0
Total Funding Required	128,294	244,132	127,888
Funded by:			
Operating Surplus	73,440	111,029	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	54,854	133,103	127,888
Total Funding Applied	128,294	244,132	127,888

Variance Explanations - Parks & Reserves

2011 Actual versus 2010 Actual	
Total Operating Expenditure Variance	(123,267)
Made up of:	
Hokitika Reserves had reductions in Repairs & Maintenance costs .	(40,000)
A review of overhead allocation costs for Hokitika Reserves also resulted in reductions.	(10,701)
Hokitika Reserves also had reduced contractor costs.	(14,000)
Reduced contractor costs for Ross Reserves.	(8,994)
Cass Square had reductions in Repairs & Maintenance costs.	(6,226)
Contractor Costs for Cass Square were all reduced.	(21,828)
A review of overhead allocation costs for Cass Square also resulted in reductions.	(14,473)
Harper Park also had reduced contractor costs.	(7,045)
Total	(123,267)
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(36,480)
Made up of:	
Cass Square Rental actual was less than expected due to GST change.	(4,223)
Funding for the Harihari Community Facility not received.	55,546
General Reserves Contributions from subdivisions was more than budget.	(87,803)
Total	(36,480)
Total Capital Expenditure Variance	(218,058)
Made up of:	
Harihari Community Facility capital project was budgeted for but has not yet been started.	(225,132)
Hokitika Walkways Capital Project for 2009/10 has been finished.	7,074
Total	(218,058)

LAND AND BUILDINGS

What we do

These cover land and buildings managed commercially. Included are:

- Council Headquarters building
- Emergency Centre Haast
- Carnegie Building/Museum
- Houses for Nurses (Harihari, Fox Glacier) and contractor staff (Fox Glacier)
- Forestry Land at Kaniere and Kumara, managed in conjunction with PF Olsen
- Licenses to Occupy legal road
- Leased land
- Works depots at Haast, Fox Glacier, Whataroa and Harihari
- Westland Industrial Heritage Park

Why we do it

Council has a property portfolio from which it expects to earn a commercial return. This activity provides management of these property resources.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Safety	Provision of safe structures which meet the required building standard WOF where required
Economy	Tenants and lessees generate economic returns

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Tenants Health and Safety	That facilities are well maintained and of good appearance	Asset management is carried out as per plans	Completion of work according to plan	Achieved. Programmed maintenance is carried out according to the maintenance plans.	100%	100%
		Buildings get current WOF where required	WOF issued	Achieved. 100% All buildings under management and ownership of the council have an up to date WOF.	100%	100%
		Complaints are responded to within timeframes	Service request system	Achieved. There were 3 service requests received and all were responded to within 3 days.	Within three working days	Within three working days
Ratepayers Affordability	That a commercial rate is charged for space	Return is at market rate	Market review gained	Not achieved. There was no market review undertaken for the 2010-11 year as most commercial properties were sold or managed by the Property company.	100%	100%
		Occupancy rate is greater than 95%	Records of occupation	Achieved. All commercial properties had a 100% occupancy rate.	≥95%	≥95%

A Council Controlled Trading Organisation (CCTO) was set up to commence on 1 July 2010. Westland District Property Limited (WDPL) was established to manage a portfolio of Council's property. This does not include any strategic assets at this time, however some strategic assets may be transferred after being considered by Council and subject to a special consultative process during the next review of the LTCCP. There are two schedules which were transferred, subsequent to the year end. Schedule 1 - Freehold Land With No Restrictions and Schedule 2 - Land to be Transferred for Management Purposes - Requires Council Approval for Use Changes. The fair market value of Schedule 1, which was transferred to WDPL, is \$2,304,000. The fair market value of Schedule 2 which was transferred to WDPL for management purposes only (still owned by WDC) is \$4,825,000.

Council's intention is that the portfolio will be managed in a more commercial way (with the exception of the strategic assets, if transferred) and that a profit will be returned to Council via a distribution to offset the general rate.

Financial Performance - Land and Buildings

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	725,581	103,694	397,414
Total Operating Revenue	725,581	103,694	397,414
Operating Expenditure			
Expenditure	543,622	93,761	414,516
Interest	0	0	0
Depreciation	71,972	9,933	64,029
Total Operating Expenditure	615,594	103,694	478,544
Operating Surplus/(Deficit)	109,987	0	(81,130)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	109,987	0	(81,130)
Depreciation not Funded (Retained Earnings)	0	0	0
	109,987	0	(81,130)
Capital Expenditure			
New assets	0	0	337,781
Renewals assets	54,865	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	54,865	0	337,781
Vested assets	0	0	0
Operating Deficit	0	0	81,130
Transfers to Reserves	109,987	0	0
Total Funding Required	164,852	0	418,911
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	54,865	0	64,029
Loans raised	0	0	0
Reserves	109,987	0	354,883
Total Funding Applied	164,852	0	418,911

Variance Explanations - Land and Buildings

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	328,167
Made up of:	
Sale of Property and Land in the 2011 Year to the Westland District Property Company Limited.	328,167
Total	328,167
Total Operating Expenditure Variance	137,050
Made up of:	
Set up costs associated with the Property Company.	137,050
Total	137,050
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	621,887
Made up of:	
Gain on sale of property and land to Westland District Property Limited.	400,000
Rentals / Leases on Harihari, Whataroa, Fox Glacier, Haast and Three Mile. These Leases / rental payments were not budgeted for as it was expected that the property company would be collecting the revenue for these.	63,649
Council Headquarters rental which is treated as an overhead and a contra expense cost is accounted for.	151,238
Rural Baches were reviewed and resulted in increased actual lease income.	7,000
Total	621,887
Total Operating Expenditure Variance	511,900
Made up of:	
Loss on sale of land and buildings to Westland District Property Limited.	192,633
Set up costs for Westland District Property Limited	74,942
Council Headquarters rental which is treated as an overhead and a contra revenue income is accounted for.	151,238
Overhead and support costs were higher than budget.	93,087
Total	511,900
Total Capital Expenditure Variance	54,865
Made up of:	
Programmed Renewals	
Haast	8,213
Custom House	2,206
Carnegie Building	7,399
Council Headquarters	33,851
Ross Memorial Hall	3,197
Total	54,865

WESTLAND BUSINESS UNIT

What we do

The Westland Business Unit was established as an autonomous unit of Council in July 2008 to manage, coordinate and lead the marketing of the visitor products and services of the District.

Activities to be undertaken by the Business Unit are to:

- Market Westland.
- Manage events in Westland.
- Manage and promote the Westland i-Site Visitor Information Centre.
- Manage and promote the Hokitika Museum, Westland's tales and treasures.

Why we do it

Our over-arching goal is to market Westland. By marketing the District to visitors, we gain benefit from the transient traveller passing through, and draw attention to where and how we live which may ultimately entice some of those travellers to choose to stay, live and work here.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Visitors Visitor Services	Market visitor services	Increase visitor numbers by 5% per year	Visitor numbers from Stats NZ	Hokitika i-SITE responded to 52,693 enquiries.	To Respond to 53,470 enquiries	To respond to 56,140 enquiries
Events	Run Events	Events run successfully and profitably	Community satisfaction Financial outcome	A net operating surplus of \$42,900 was realised. Attendance numbers at Festival 2011 were adversely affected by the Canterbury Earthquake. 3,433 fewer tickets were sold to Festival 2011 as compared with Festival 2010; 3,564 fewer tickets were sold when compared against 2010/11 budgeted ticket sales of 14,000 and 4,947 less than when compared against the benchmarked measure – Festival 2008.	Maintain attendee and surplus amounts	Maintain attendee and surplus amounts
Stakeholders Service operators Council Board	Co-ordinate and promote liaison	Promotion coordinated	Stakeholder Satisfaction Survey	Not measured. In the 2010 / 11 period the Business Unit's operational focus was the fine-tuning and stabilisation of core activities of each of the Business Unit's assets (i-SITE, Museum and Events). Accordingly much of the period was spent examining expenditure, exploring revenue generation opportunities and considering the best fit for the Business Unit in the wider marketing and promotional environment, without duplicating the marketing and promotional efforts of the regional tourism organisation or other district-based promotions groups. A survey will be completed in the 2011/12 year.	75%	75%
	Profitability	Gross Margin	Financial Statement of Performance	Not achieved. A net operating deficit of \$268,608 was realised.*	Operate the unit at a surplus	Operate the unit at a surplus

*Performance mirrors downward trends in visitor levels at a national, regional and district level. The Wildfoods Festival was badly affected by the proximity to the devastating Christchurch Earthquake of February 22. Revenue and numbers to the festival were far from budget forecasts. Governance and Human Resources issues also compounded the operating deficit.

The Westland Business Unit is no longer under consideration as a Council Controlled Organisation. The Museum is now under direct Council control as a core service and the unit is being reviewed to better deal with the current economic environment.

Financial Performance - Westland Business Unit

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	268,738	268,738	257,000
Vested Assets	0	0	0
Other Income	758,589	1,944,415	1,076,165
Total Operating Revenue	1,027,327	2,213,153	1,333,165
Operating Expenditure			
Expenditure	1,251,849	2,143,532	1,204,307
Interest	958	0	0
Depreciation	43,127	30,854	15,006
Total Operating Expenditure	1,295,934	2,174,386	1,219,313
Operating Surplus/(Deficit)	(268,608)	38,767	113,852
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve (Future events)	(268,608)	38,767	(183,101)
Funding for Capital Projects (MDI Project)	0	0	296,953
	(268,608)	38,767	113,852
Capital Expenditure			
New assets	26,420	0	570,331
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	26,420	0	570,331
Vested assets	0	0	0
Operating Deficit	268,608	0	0
Transfers to Reserves	0	38,767	0
Total Funding Required	295,027	38,767	570,331
Funded by:			
Operating Surplus	0	38,767	113,852
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	295,027	0	456,479
Total Funding Applied	295,027	38,767	570,331

Variance Explanations - Westland Business Unit

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	(317,577)
Made up of:	
i-Site income up \$53,758 on 2009 / 10 due to increased advertising, merchandising and booking sales.	53,758
Events income down due as a direct result of February earthquake on Wildfoods; 4,000 fewer tickets sold; \$71,000 of sponsorship lost due to business disruption.	(131,109)
Museum income up due to receipt of NZ Lotteries funding for Whitebait Exhibition.	57,702
Corporate down to the receipt of a one-of MDI funding payment received in the 2009/10 year.	(297,928)
Total	(317,577)
Total Operating Expenditure Variance	76,622
Made up of:	
i-Site expenditure down due to increasing efficiencies.	(50,571)
Events expenditure down due to increasing efficiencies.	(95,471)
Museum expenditure up due to additional wages and Exhibition costs.	71,859
Corporate expenditure up due to unforeseen HR matters, board costs, implementation of financial management system, and inclusion of corporate salaries and wages.	150,805
Total	76,622
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(1,185,826)
Made up of:	
i-Site budget contains bookings income, which it receives as agent.	(1,000,000)
i-Site income down due to 11.35% decrease in visitor numbers.	(47,054)
Events income down due as a direct result of February earthquake on Wildfoods; 4,000 fewer tickets sold; \$71,000 of sponsorship lost due to business disruption.	(203,115)
Museum income up due to receipt of NZ Lotteries funding for Whitebait Exhibition.	57,702
Corporate up due to contracting of time and expertise.	6,641
Total	(1,185,826)
Total Operating Expenditure Variance	(875,000)
Made up of:	
i-Site budget contains bookings reimbursed, which it pays as agent.	(875,000)
Total	(875,000)
Total Capital Expenditure Variance	26,420
Made up of:	
Alterations to office and equipment required.	26,420
Total	26,420

FINANCIAL SUMMARY OF PROMOTING AND SUPPORTING OUR COMMUNITY

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	118,897	115,576	94,717
General Rates	1,637,616	1,637,616	1,528,514
Vested Assets	0	0	0
Other Income	2,000,397	2,766,686	2,325,217
Total Operating Revenue	3,756,910	4,519,878	3,948,448
Operating Expenditure			
Expenditure	3,761,492	4,147,994	3,856,430
Interest	1,095	0	273
Depreciation	323,763	246,590	279,404
Total Operating Expenditure	4,086,349	4,394,584	4,136,106
Operating Surplus/(Deficit)	(329,439)	125,294	(187,659)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(375,529)	38,767	(461,606)
Ratepayers Equity (Non-Funded Depreciation)	(54,777)	(67,552)	(53,552)
Funding for Capital Projects	100,867	154,079	327,500
	(329,439)	125,294	(187,659)
Capital Expenditure			
New assets	101,059	249,132	1,047,469
Renewals assets	153,872	78,012	93,237
Debt Repayment	0	0	0
Capital and Debt Repayment	254,931	327,144	1,140,706
Vested assets	0	0	0
Operating Deficit	546,824	29,502	358,401
Transfers to Reserves	191,311	38,767	56,891
Total Funding Required	993,066	395,413	1,555,997
Funded by:			
*Operating Surplus	79,971	154,796	175,924
Funding from Accumulated Depreciation	186,318	78,012	175,232
Loans raised	0	0	0
Reserves	726,777	162,605	1,204,841
Total Funding Applied	993,066	395,413	1,555,997

*Despite the group running at an overall deficit, there were surpluses in activities which will be transferred to specific reserves or were used to fund projects.

PLANNING FOR OUR COMMUNITY



ANIMAL CONTROL

What we do

Undertake dog and animal control functions

- Enforcement and control of roaming dogs and other animals
- Ensure all known dogs are registered
- Education of dog owners through dog control contractors
- Provide a dog pound

Why we do it

Council has a statutory obligation to administer the registration of dogs and ensure they don't become a nuisance to the community.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Safety	Menacing and dangerous dogs are identified. Wandering and nuisance causing dogs and other animals are controlled.
Environment	Menacing and dangerous dogs are identified. Wandering and nuisance causing dogs and other animals are controlled.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2001/11	Target 2009– 2011	Target 2012– 2019
All Residents Responsiveness	The public are safe from dogs	All complaints are responded to within 1 working day.	Customer complaint form	** 53 Complaints were received. 5 complaints were over one day. 91%. (100% last year)	100%	100%
		That the public are satisfied with the service	*External survey	38%	95%	95%
		Records will be kept relating to dog numbers, location, sex and breed and in conformity with the National Dog Database (NDDB).	NDD	Records are updated to the NDDB every working day and any discrepancies are corrected the next working day.	100%	100%

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Council has formed a partnership with the SPCA to control dogs and focus more on animal welfare. There are also plans to upgrade the pound and increase resources to patrol.

** The five complaints that were not dealt within 1 day were because the service request system was not updated within the timeframe.

Financial Performance - Animal Control

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	5,267	5,267	5,093
Vested Assets	0	0	0
Other Income	92,391	84,600	89,997
Total Operating Revenue	97,658	89,867	95,090
Operating Expenditure			
Expenditure	89,351	89,867	96,886
Interest	0	0	0
Depreciation	974	0	974
Total Operating Expenditure	90,325	89,867	97,860
Operating Surplus/(Deficit)	7,333	0	(2,771)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve	7,333	0	(2,771)
	7,333	0	(2,771)
Capital Expenditure			
New assets	0	0	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	0
Vested assets	0	0	0
Operating Deficit	0	0	2,771
Transfers to Reserves	7,333	0	0
Total Funding Required	7,333	0	2,771
Funded by:			
Operating Surplus	7,333	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	0	0	2,771
Total Funding Applied	7,333	0	2,771

RESOURCE MANAGEMENT

What we do

Day to day activities include:

- District Plan development, policy and planning.
- Processing Resource Consents.
- Issuing Land Information Memoranda (LIM).
- Answering general enquiries.
- Ensuring activities within the District comply with the Resource Management Act and the District Plan.
- Monitoring Resource Management requirements.
- Performing environmental monitoring.

Why we do it

Council has to fulfil statutory functions under the Resource Management Act (RMA). It also has a desire to create an environment for Westland that reflects the needs, values and aspirations of the District.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009– 2011	Target 2012– 2019
Resource Consent Applicants Responsiveness	Process Resource Consents within statutory timeframes as specified in Resource Management Act.	% of non notified Resource Consents processed within the timeframes of the Act	Monthly report	For the reporting period 100% of non-notified Resource Consent applications without a hearing had been determined within the statutory timeframes. (100% 2009/10)	100%	100%
	Public complaints relating to environment are investigated and responded to in a timely manner	Council respond to within 10 days	Monthly Report	No relevant complaints were received during the reporting period.	100%	100%
Quality	Provide and maintain District Plan which is reflective of the community	Work plan is developed on changes required to the District plan and these are effected	Workplan developed and updated annually	The Strategy Committee has been appraised of work being undertaken and has approved two Plan Changes to proceed to notification.	30 June 2011	Annually reviewed
Responsiveness	Process all applications lodged under section 44A of the Local Government Official Information and Meetings Act 1987 within the timeframes specified within the Act	% of LIMs processed within 10 working days	Monthly reports	For the reporting period 100% of LIMs had been issued within 10 working days (100% 2009/10)	100%	100%
		% of fast-track LIMs processed within 3 working days	Monthly reports	For the reporting Period 100% of fast-track LIMs were processed within 3 working days (100% 2009/10)	100%	100%

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Additional recreational activities are funded and improved through financial contributions.
Education	Heritage values are protected.
Safety	Development standards are adopted.
Economy	Opportunities and certainty given to developers.
Environment	Environmental standards are protected.
Identity	Notified Resource Consents and changes to the District Plan are public participatory processes.

Financial Performance - Resource Management

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	156,557	156,557	213,632
Vested Assets	0	0	0
Other Income	116,436	162,150	113,608
Total Operating Revenue	272,993	318,707	327,240
Operating Expenditure			
Expenditure	331,310	318,061	373,406
Interest	0	0	0
Depreciation	1,186	646	742
Total Operating Expenditure	332,496	318,707	374,148
Operating Surplus/(Deficit)	(59,503)	0	(46,908)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(59,503)	0	(46,908)
	(59,503)	0	(46,908)
Capital Expenditure			
New assets	1,728	0	1,572
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	1,728	0	1,572
Vested assets	0	0	0
Operating Deficit	59,503	0	46,908
Transfers to Reserves	0	0	0
Total Funding Required	61,230	0	48,479
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	61,230	0	48,479
Total Funding Applied	61,230	0	48,479

Variance Explanations - Resource Management

2011 Actual versus 2010 Actual	
Total Operating Expenditure Variance	(41,652)
Made up of:	
Reduction in consultants fees in the 2011 year as most consents lodged did not require their expertise.	(41,652)
Total	(41,652)
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(45,714)
Made up of:	
A reduction in resource consents lodged resulted in lower income than budgeted.	(45,714)
Total	(45,714)

INSPECTIONS AND COMPLIANCE

What we do

The Council's role is principally in the nature of approval, licensing/registration, consents and surveillance. The inspection and compliance function is based on health and safety, community and environmental standards.

This activity comprises

- Building Inspection and Control
- Environmental Health
- Liquor Licensing
- Noise Control
- On-site effluent disposal for new properties (as delegated by the West Coast Regional Council)

Why we do it

The Council has a statutory requirement to undertake these activities.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Public health standards are maintained and improved.
Safety	Development and environmental standards are met.
Environment	Environmental standards are protected.

Service Levels and Performance Measures

Customer Group Core Value	Levels of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Consent applicants Responsiveness	Process all applications lodged under the Building Act in Inspections & Compliance within the timeframes specified within the Act	% of Building consents processed within 20 working days	Monthly reports	Of the 301 building consent applications, 100% were determined within the statutory time frames (100% 2009-10).	100%	100%
	Process all applications lodged under the Building Act in Inspections & Compliance within the timeframes specified within the Act	% of PIMs processed within 20 working days	Monthly reports	100% of PIM applications had been determined within the statutory time frames.	100%	100%
	Process all applications lodged under the Local Government Official information and Meetings Act within the timeframes specified within the Building Act in Inspections & Compliance	% of LIMs processed within 10 working days or, for urgent applications, 3 days	Monthly reports	For the reporting period 100% of LIM's had been issued within 10 working days. For the reporting period 100% of "fast track" LIM's had been issued within 3 working days	100%	100%
Residents, Consent Holders Quality	Provide day to day advice and assistance regarding proposals and applications	% of walk in customers satisfied with advice	*Survey	The results of the external satisfaction survey show that 50% of respondents are very/fairly satisfied with the service while 56% of users of the service are very/fairly satisfied.	100%	100%

Customer Group Core Value	Levels of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Food premises and liquor licence holders Health and Safety	Encourage compliance by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	All licensed premises are inspected at least annually.	Monthly reports	Of the 117 licensed and registered premises, 115 have been inspected since 1 July 2010. (124 of 125 in 2009–10)	100%	100%
		Investigate complaints about poor food handling and unsanitary conditions in any licensed premises within 3 working days	Monthly reports	There were no complaints received for the year relating to poor food handling and unsanitary conditions in a licensed premises. (2009–10 no complaints)	100%	100%
		Work with Police and Community Public Health to reduce the negative impacts of alcohol abuse. Quarterly meetings are held	Quarterly reports	A liaison meeting involving Council staff, the Police and Community and Public Health was held in Westport on 15 June 2011. This is the second meeting of the year. A report on the meeting has been provided to the Safer Community Council.	100%	100%

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Financial Performance - Inspections & Compliance

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	175,312	175,312	333,488
Vested Assets	0	0	0
Other Income	501,474	720,960	442,223
Total Operating Revenue	676,786	896,272	775,711
Operating Expenditure			
Expenditure	977,912	893,227	949,402
Interest	0	0	0
Depreciation	3,992	3,045	3,892
Total Operating Expenditure	981,905	896,272	953,294
Operating Surplus/(Deficit)	(305,118)	0	(177,583)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(305,118)	0	(177,583)
	(305,118)	0	(177,583)
Capital Expenditure			
New assets	0	0	0
Renewals assets	3,662	0	5,328
Debt Repayment	0	0	0
Capital and Debt Repayment	3,662	0	5,328
Vested assets	0	0	0
Operating Deficit	305,118	0	177,583
Transfers to Reserves	0	0	0
Total Funding Required	308,780	0	182,911
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	3,662	0	5,328
Loans raised	0	0	0
Reserves	305,118	0	177,583
Total Funding Applied	308,780	0	182,911

Variance Explanations - Inspections & Compliance

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	59,251
Made up of:	
Increased fees associated with inspection and compliance resulted in increased revenue compared to 2010.	59,251
Total	59,251
Total Operating Expenditure Variance	28,610
Made up of:	
Salaries and Wages increased due to internal restructures.	28,610
Total	28,610
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(219,486)
Made up of:	
A change in the Revenue and Finance Policy in the 2010/2011 Annual Plan resulted in Inspections & Compliance becoming more reliant on fees and charges income. Consequently during the 2010/2011 financial year there was a downturn in the economy and fewer residents were inclined to embark on extensive renovations or building so fees and charges income was lower than anticipated.	(219,486)
Total	(219,486)
Total Operating Expenditure Variance	85,633
Made up of:	
Legal Fees were higher than expected.	10,819
Salaries and Wages were higher than budget due to restructure in this department.	74,814
Total	85,633

FINANCIAL SUMMARY OF PLANNING FOR OUR COMMUNITY

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	337,136	337,136	552,213
Vested Assets	0	0	0
Other Income	710,302	967,710	645,828
Total Operating Revenue	1,047,438	1,304,846	1,198,041
Operating Expenditure			
Expenditure	1,398,573	1,301,155	1,419,694
Interest	0	0	0
Depreciation	6,153	3,691	5,609
Total Operating Expenditure	1,404,726	1,304,846	1,425,303
Operating Surplus/(Deficit)	(357,288)	0	(227,262)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Depreciation Not Funded	(357,288)	0	(227,262)
Reserves	0	0	0
Funding for Capital Projects	0	0	0
	(357,288)	0	(227,262)
Capital Expenditure			
New assets	1,728	0	1,572
Renewals assets	3,662	0	5,328
Debt Repayment	0	0	0
Capital and Debt Repayment	5,390	0	6,900
Vested assets	0	0	0
Operating Deficit	364,621	0	227,262
Transfers to Reserves	7,333	0	0
Total Funding Required	377,344	0	234,161
Funded by:			
Operating Surplus	7,333	0	0
Funding from Accumulated Depreciation	3,662	0	5,328
Loans raised	0	0	0
Reserves	366,349	0	228,833
Total Funding Applied	377,344	0	234,161

**PROVIDING
ESSENTIALS FOR
THE COMMUNITY**



CIVIL DEFENCE

What we do

The Council's goal is the development and maintenance of a Civil Defence Emergency Management Plan which provides for the following:

- Readiness, ensuring the public is aware of the risk and prepared for any civil defence emergency and training volunteers to be able to respond to emergency events.
- Reduction, mitigation of potential problems.
- Response, coordinating response to emergency events
- Recovery, managing the community recovery after a civil defence emergency

Why we do it

It is a statutory function for regions to establish Civil Defence Emergency Management Groups (CDEM) and to adopt a Civil Defence Emergency Management Plan. The Council operates as part of the regional CDEM group and CDEM plan.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009– 2011	Target 2012– 2019
Residents Health & Safety	Response systems tested	Number of exercises held per year	Monitoring of these measures will be achieved through the management reports at Council's monthly meetings.	National exercise Tangaroa was undertaken on 20th October, based on tsunami from Chile. The Civil Defence Officer attended part of this exercise at WCRC offices. Civil Defence exercises are held jointly with CDEM group. Only 1 exercise was planned due to other events like CHCH earthquakes etc. Eight (8) staff assisted in Christchurch after the Canterbury Earthquake.	2	2
		Number of volunteers	Persons named in Standard Operating Procedures	50	50	50
		Number of school visits / community group visits	Management reports at Council monthly meetings	All 13 schools were visited.	12	12
		Standard Operating Procedures, (SOP's), documents are reviewed annually and signed off	Latest signed documents held on file	Reviewed and signed off as of 9 May 2011	100%	100%
Residents Quality	Civil Defence plans are in place	Plans updated annually and on Council website	Reports to Regional Civil Defence Emergency Management group	Plan is available on Council's website	Plan on Website	Plan on Website
		% residents that believe they are prepared for a civil defence emergency	*Survey	65% of residents reported that they were prepared for a civil defence emergency	50%	70%

*The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	The Civil Defence (CD), activity aims at protecting community health and well being at times of CD emergencies.
Economy	The activity aims to make the economy of Westland more resilient to CD emergencies
Environment	This activity includes protection and recovery of the built and natural environment during and after an emergency
Safety	The safety of people in CD emergencies is paramount to this activity,
Education	Public education is a key component of this activity, through schools, community groups and workplaces

Financial Performance - Civil Defence

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	43,367	43,367	43,328
Vested Assets	0	0	0
Other Income	0	1,500	1,663
Total Operating Revenue	43,367	44,867	44,991
Operating Expenditure			
Expenditure	30,217	44,267	39,634
Interest	0	0	0
Depreciation	1,075	600	856
Total Operating Expenditure	31,292	44,867	40,491
Operating Surplus/(Deficit)	12,075	0	4,500
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	12,075	0	4,500
	12,075	0	4,500
Capital Expenditure			
New assets	0	0	2,481
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	2,481
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	12,075	0	2,019
Total Funding Required	12,075	0	4,500
Funded by:			
Operating Surplus	12,075	0	4,500
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	0	0	0
Total Funding Applied	12,075	0	4,500

RURAL FIRE

What we do

The Council reduces the likelihood and consequences of rural fire in the District by

- Preventing fires through education, management of hazards and risks, enforcement and administration.
- Maintaining a level of preparedness which complies with the legislation and meets recognised national standards.
- Responding to out of control fires in the Council Rural Fire Zone with the objectives of minimising loss of human life, and minimising fire damage to property, land, vegetation and cultural and environmental values.
- Assisting with the recovery of fire fighters, property owners and the environment, (where practicable), from the adverse impacts of fire and fire suppression activities.

Why we do it

There is a statutory obligation to carry out this activity (Forest and Rural Fires Act) and to undertake the duties of Rural Fire Officer.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Safety	By preventing wild fires in the rural area. By suppressing wild fires in the rural area
Environment	By educating the public about rural fire danger and the need for fire permits, by preventing and suppressing fires
Identity	West Coast Rural Fire Authority- all districts working together to achieve rural fire objectives for the West Coast region

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
All residents rural landowners Health & Safety	Rural fires are responded to	Number of callouts	Number of fires per annum.	2	2	1
		Number of hectares affected	Number of hectares burnt per annum	0	6	3
	The public is aware of the need to get a fire permit	Number of permits issued	Number per year	179 fire permits were issued in the reporting period (192 2009–10 year)	200	200
Reliability	Plant and equipment is kept up to date so fire can be effectively fought	Equipment complies with NRFA audits	Compliance	Not compliant - see below	100%	100%
	Provide training for volunteers and rural fire officers.	Number of training sessions is at least 2 per year	Number of NZQA credits achieved per year	PRFO holds training records. A live fire training exercise organised by WCRFA was carried out in Reefton during February 2011. The exercise was attended by the Rural Fire Team from Westroads	10	10

*A full audit was carried out in November 2010. The audit identified a number of areas for improvement and showed a decline in standard of equipment. The matters were addressed by the WCRFA before a re-audit was carried out in February 2011. WCRFA failed the audit. Corrective actions are being taken to rectify the shortcomings. It is worth noting that Westroads, who are contracted for rural fire for WDC, passed the audit.

Financial Performance - Rural Fire

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	8,034	8,066	8,034
General Rates	60,097	61,187	60,097
Vested Assets	0	0	0
Other Income	51,694	0	425
Total Operating Revenue	119,825	69,253	68,556
Operating Expenditure			
Expenditure	58,103	49,187	43,307
Interest	0	0	0
Depreciation	15,210	12,000	15,071
Total Operating Expenditure	73,313	61,187	58,378
Operating Surplus/(Deficit)	46,512	8,066	10,178
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve	46,512	8,066	10,178
	46,512	8,066	10,178
Capital Expenditure			
New assets	0	0	0
Renewals assets	83,715	31,020	0
Debt Repayment	0	0	0
Capital and Debt Repayment	83,715	31,020	0
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	0	8,066	10,178
Total Funding Required	83,715	39,086	10,178
Funded by:			
Operating Surplus	46,512	8,066	10,178
Funding from Accumulated Depreciation	0	31,020	0
Loans raised	0	0	0
Reserves	37,203	0	0
Total Funding Applied	83,715	39,086	10,178

Variance Explanations - Rural Fire

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	50,000
Made up of:	
Subsidies from West Coast Rural Fire and Kokatahi's share of the construction of a new fire station was the reason for the increased income in 2011.	50,000
Total	50,000
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	50,000
Made up of:	
Subsidies from West Coast Rural Fire and Kokatahi's share of the construction of a new fire station was the reason for the increased income in 2011.	50,000
Total	50,000
Total Capital Expenditure Variance	52,695
Made up of:	
The new fire depot had a budgeted cost of \$31,020, the actual cost was \$83,714. This was funded by the grant described above and funds held in reserve.	52,695
Total	52,695

TRANSPORTATION

What we do

The major part of Council's transportation activity is to ensure the safe, efficient and sustainable maintenance, operation, renewal and upgrading of the roads and bridges. This activity covers the following:

- Funding and administration of performance based contract for maintenance of the roading asset
- Programme of roading renewals funded and contracted out.
- Programme of seal extensions, safety improvements and road reconstruction works funded and contracted out.
- Strategy and programme of works to improve walking and cycling network, as part of regional strategy.
- Ongoing programme of maintaining, improving and constructing new footpaths.
- Funding and support for road safety education programmes in Westland, on all roads.
- Funding and support for passenger transport services
- Administrative support for Total Mobility scheme
- Maintenance of the Jackson Bay Wharf

Why we do it

Council is defined as a road controlling authority under the Local Government Act 2002 and must comply with key transport management legislation.

Council has the core function of providing a transport network that is accessible for all people within the district in conjunction with the other transportation agencies.

The Westland District roading network encompasses and requires:

- Ownership or agreed use of land under roads.
- Road pavements and surfacings to provide a carriageway for the safe movement of people and goods.
- Culverts, water tables and a stormwater system to provide drainage.
- Signs, barriers and pavement markings to provide road user information and safe transport.
- Bridges to carry traffic over waterways.
- Footpaths, walkways and cycle-lanes to transport pedestrians and cyclists.
- Street lighting to provide safe and comfortable movement of vehicular and pedestrian traffic at night.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	By providing reliable transportation facilities and services, which meet accepted quality standards.
Safety	By providing safe transportation facilities and services which minimise road deaths and injuries as far as possible
Economy	By supporting economic growth and development through adequate provision of transportation networks. By completing approved capital expenditure within budget. By ensuring that any disruption to transportation services are remedied as quickly as possible to minimise disruption to the Westland economy, particularly impacts on tourism and farming.
Environment	By ensuring that maintenance and upgrading of the transportation network is carried out with minimal adverse affects on the environment. By having resource consents in place which are required to meet accepted environmental standards under the Resource Management Act and associated plans.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009-2011	Target 2012-2019
Health Safety Economy Identity/ Environment	Maintain the district's roads to a standard appropriate to their use, traffic volume and community expectations.	Roothing Survey data for Westland roads compares favourably with the national average.	RAMM ¹ condition rating and roughness survey data.	Last rating showed Smooth Travel Exposure ² of 96%. The national average was 86.7% in 2010/11. The latest condition rating and roughness surveys were completed during March - April 2011.	≥ national average	≥ national average
				5.0% of Westland's network > 150 NAASRA ³ (National Association of Australian State Roading Authorities) counts in 2010/11. The national average is 9.2%	≤ national average	≤ national average
				The Pavement Integrity Index ⁴ for Westland roads in 2010/11 was 94.5%. The national average was 94.2%.	≥ national average	≥ national average
				The Surface Condition Index ⁵ for Westland was 98.5% in 2010/11 compared to the national average of 97.7%	≥ national average	≥ national average
		Audits of the roading network undertaken by NZ Transport Agency confirm that the roading network is of satisfactory condition	NZ Transport Agency Technical Audit Reports.	The Technical Audit ⁶ , which uses a Road Infrastructure Safety Assessment (RISA) of Westland District Council roads, is programmed for 3-4 October 2011. These are regular assessments throughout NZ by NZTA.	Satisfactory condition	Satisfactory condition
		30 kilometres of sealed roads have waterproof sealing applied per year	The resealing contract documents, contract claims and RAMM records	Work is complete. 28.98 km were sealed in 2010/11 ⁷ . This is 1.02 km less than target as a result of tender prices received in relation to budget.	30 kms per annum	30 kms per annum
Health Safety Economy Identity/ Environment	To provide good quality streetlights	Reduce the percentage of sub-standard streetlights by 2% per year	Streetlight condition rating survey to be undertaken every 2 years. (First survey programmed for 2009/10)	Streetlight rating will be done 2011/12.	2%	2%
Health Safety Economy Identity/ Environment	To provide good quality kerb and channel in urban areas.	Reduce the percentage of the kerb and channel asset with defects to: 3.0% 2009-2011 2.0% 2012-2019	RAMM condition rating surveys which are undertaken every 2 years.	The kerb and channel asset has 4.8% defects as at the 2010/11 condition rating.	≤3%	≤2%
Health Safety Economy Identity/ Environment	To provide good quality footpaths in all urban areas.	Reduce the percentage of footpaths defined in the Footpath Asset Management as having a work priority in excess of medium/high to less than 3%. 6% 2009-2011 3% 2012-2019	Condition rating undertaken every 2 years as part of the Asset Management Plan review	Currently 10.4% of the footpaths in Westland District exceed the medium/high work priority. Next condition rating programmed for 2011/12. (Commenced as part of the RAMM Condition Rating Survey, currently processing results).	6%	3%
Health Safety Economy Identity/ Environment	Increase the amount of sealed roads within the total roading network (currently 406 km)	Seal an additional 1 kilometre of sealed roads each financial year.	Council's annual report, contract documentation and contract as-built plans.	Not commenced. This work was dependent on NZTA -R -Funding. The criteria for th R-Funding has changed and the projects identified are no longer eligible.	1 km	1 km

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009-2011	Target 2012-2019
Health Safety	Ensure that all bridge assets are safe and well maintained.	All bridges are capable of carrying Class 1 loads	Council's Bridge Inspection Report which is undertaken every 2 years. (The last inspection report was completed in May 2011.)	The Council has 269 Bridges in the District; presently all without weight restrictions limiting their capacity to below Class 1.	100%	100%
		Records are monitored to ensure all bridge structures are regularly inspected for future works maintenance under the road maintenance contracts	Council's Bridge Inspection Report which is undertaken every 2 years. (The last inspection report was completed in May 2011.)	The last inspection report was completed in late May 2011. The report found that "the bridge stock is generally in a sound condition and is being maintained in a manner consistent with accepted Local Authority rural bridge standards".	100%	100%
	Support the West Coast Road Safety Co-ordinating Committee to promote a positive road safety culture.	The number of road crash fatalities to be less than 4 per year. < 4 2009-2011 < 2 2012-2019	NZ Transport Agency Crash Analysis System and annual statistics and reporting.	There was 1 fatal crash on Westland roads during the year ended 31 December 2010. The NZTA Crash Analysis System provides this information per calendar year.	Less than 4	Less than 2
Jackson Bay Wharf						
Health Safety Economy Identity/ Environment	Jackson Bay Wharf is available to commercial and recreational users.	Maintain Jackson Bay Wharf within the approved budget and response to complaints within 10 working days.	Financial data Complaints	Maintenance within Budget. Complaints responded to within time.	Within budget Respond to complaints within timeframe.	Within budget Respond to complaints within timeframe.

- ¹ Road Assessment and Maintenance Management database. This is a computer based system which combines information from field surveys and office records to provide statistical data, road maintenance information, road maintenance priorities and estimates of maintenance costs.
- ² Smooth Travel Exposure measures the proportion (%) of vehicle kilometres travelled in a year that occurs on "smooth" sealed roads and indicates the quality of ride experienced by motorists. The higher the value is the better the quality is.
- ³ Road roughness is measured by a system developed by the former National Association of Australian State Roading Authorities (NAASRA). Values are obtained by a special-purpose vehicle travelling down both outside lanes of the length of the road. The rougher the road, the higher the NAASRA counts per lane km. A NAASRA count over 150 typically indicates a road that is becoming a concern in terms of roughness and the number of complaints likely to be generated.
- ⁴ Pavement Integrity Index is a combined index of the pavement faults in sealed road surfaces. It is a weighted sum of the pavement defects divided by the total lane length. The higher the number is the greater the pavement integrity is.
- ⁵ Surface Condition Index is a combined index of the surface faults in a sealed surface. It combines alligator cracking, scabbing, potholes, pothole patches and flushing. The higher the number is the better the condition is.
- ⁶ The last Technical Audit by NZTA was 2006. These audits are undertaken every four years. This is dependent on how NZTA perceive how Council is performing, this is done by comparing Westland to other local authorities.
- ⁷ 30 kms is not a fixed target, it is dependent on what road surfaces require sealing at what time, in the 2010/2011 year 30 was not required. Factors which affect the amount of resealing include the condition rating of the pavement via the rating and roughness surveys completed every two years, any complaints by road users to Council, the pavements road history, the results of any on-site investigation and current contract pricing.

Financial Performance - Transportation

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	1,371,262	1,371,262	1,371,262
Vested Assets	401,659	517,000	1,132,360
Other Income	3,161,813	4,180,423	2,986,135
Total Operating Revenue	4,934,734	6,068,685	5,489,757
Operating Expenditure			
Expenditure	2,007,158	2,307,452	1,344,182
Interest	0	0	0
Depreciation	2,847,949	2,436,700	2,566,388
Total Operating Expenditure	4,855,108	4,744,152	3,910,570
Operating Surplus/(Deficit)	79,626	1,324,533	1,579,187
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	0
Depreciation Not Funded (Retained earnings)	(637,379)	(637,379)	(504,698)
Funding for Capital Projects	717,005	1,961,912	2,083,885
	79,626	1,324,533	1,579,187
Capital Expenditure			
New assets	74,066	1,685,420	1,260,800
Renewals assets	2,698,055	1,846,800	1,365,867
Debt Repayment	0	0	0
Capital and Debt Repayment	2,772,121	3,532,220	2,626,666
Vested assets	401,659	517,000	1,132,360
Operating Deficit	637,379	0	0
Transfers to Reserves	0	0	0
Total Funding Required	3,811,159	4,049,220	3,759,026
Funded by:			
Operating Surplus	717,005	1,324,533	2,083,885
Funding from Accumulated Depreciation	2,698,055	1,846,800	1,675,141
Loans raised	0	0	0
Reserves	396,099	877,887	0
Total Funding Applied	3,811,159	4,049,220	3,759,026

Significant Capital Expenditure for 2010/2011

This work was done to replace parts of the roading network which were damaged by flooding.	635,000
This work involved road metalling, re-surfacing, and replacing structure components of sealed and unsealed roads throughout the District. This was to renew the roading network and maintain the level of service provided by Council.	2,063,055

Variance Explanations - Transportation

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	(555,023)
Made up of:	
Vested Assets in 2011 were \$401,659 compared to \$1,132,360 in 2010.	(730,701)
NZTA Subsidy was increased in the 2011 year which offset the reduction in vested assets income.	175,678
Total	(555,023)
Total Operating Expenditure Variance	892,945
Made up of:	
An increase in Local Road Expenditure.	611,383
Depreciation increased on 2010 as additional assets were recognised.	281,562
Total	892,945
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(1,133,951)
Made up of:	
It was anticipated that the funding for the cycleway would be realised in the 2010/2011 year.	(1,133,951)
Total	(1,133,951)
Total Operating Expenditure Variance	59,363
Made up of:	
Expenditure was less than budget as some maintenance work was considered to lengthening the life of the asset as it was capitalised.	(351,887)
Depreciation was higher than anticipated as additional assets were recognised.	411,249
Total	59,363
Total Capital Expenditure Variance	(695,099)
Made up of:	
Hau Hau Road Widening identified in the 2010/2011 Annual Plan was not completed as it was a R-Funding Project for which funding is no longer available.	(517,000)
Walking and Cycling facilities identified in the 2010/2011 Annual Plan were not completed as it was a R-Funding Project for which funding is no longer available.	(31,020)
*National Cycleway project was deferred to 2011/12.	(1,137,400)
Renewals were higher than expected due to flood damage.	635,000
Work was completed which extended the life of the asset and was therefore included in renewals.	281,255
The upgrade of Railway Terrace 2009/10 was completed this financial year.	74,066
Total	(695,099)

* This project was identified the 2009/19 Long Term Plan for the 2010/11 year. Funding is now in place and the project has commenced.

THREE WATER SERVICES

WATER SUPPLY, WASTEWATER AND STORMWATER

What we do

Provide water supply, wastewater and stormwater services to the townships of the District.

Why we do it

- To ensure the protection of public health and the environment
- To provide for the economic wellbeing of the District

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	By providing reliable water supply, wastewater, and stormwater systems which meet accepted health standards
Safety	By providing reliable water supply, wastewater, and stormwater systems which meet accepted health standards
Economy	By supporting economic development through adequate provision of the three water service By completing approved capital expenditure within budget
Environment	By providing reliable water supply, wastewater, and stormwater systems which meet accepted environmental standards under the Resource Management Act and associated plans

Service Levels and Performance Measures

Water

The performance targets are for each year in the target date range unless stated.

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009– 2011	Target 2012– 2019
Health Safety Economy Environment	Supply water to consumers to meet their needs by providing a continuous 'on-demand' supply of potable water to serviced areas	Water supply interruptions restored within 12 hours of notification	Response time to restore water supply	Continuous "on demand" supply of potable water achieved, with exception of notified shutdowns below. 10 disruptions occurred to 30 June 2011. All were restored within 12 hours of notification.	100%	100%
		100% of pump failures responded to within 5 hours of alarm	Response time to restore pump failure	No pump failures to date. Not all pumps are alarmed, but all pumps are monitored regularly.	100%	100%
		At least 24 hours notice of planned shutdowns given to affected customers	Notification to customers	Four planned shutdowns occurred to date. All were given at least 24 hour notice.	100%	100%
		Less than three burst water mains or leaks per 10 kilometres of pipeline per annum	Number of bursts or leaks	Less than 1 burst or leak per 10 kilometres of pipeline.	Less than 3 instances	Less than 3 instances
		100% compliance with NZ Fire Service Code of Practice for all reticulation and storage upgrades	Fire sprinkler system flow and pressure	Not able to report. Modelling of the Hokitika network has been completed by Opus International Consultants and Council is currently awaiting the final report.	96%	98%
		No water restrictions are imposed	Number of water restrictions imposed	No restrictions imposed	100%	100%

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
		A minimum of 24 hours water storage available at peak demand by achievement of water storage projects in LTCCP 2009/19	Number of hours water storage available	Data has been collected on the number of hours of water storage Community Hokitika Kumara Arahura Ross Harihari Whataroa Franz Fox Haast	24 hours minimum Actual Hours Storage 153 92 85 86 78 44 720 459 341	24 hours minimum
Health Safety Economy Environment	Provide safe, potable water to residents and ratepayers by maintaining, upgrading and building Council supplied water schemes to comply with Drinking Water Standards New Zealand	Achievement of water treatment programme in LTCCP 2009/19 to ensure compliance with Drinking Water Standards NZ	Completion of water treatment programmes as per the 2009/19 LTCCP	Deviation from Hannah's Clearing Water Supply, which will be closed down. A special consultative process was conducted with residents of Hannah's Clearing. There was a referendum and the residents have opted for water collections via rainwater. The Hokitika water treatment plant failed to achieve compliance due to Free Available Chlorine dropping below acceptable levels. Harihari has a treatment plant which fully complies with DWSNZ2005. The Ross Water treatment contract has been let, building consents have been lodged and construction is set to begin in mid-October. Projects will be completed by and thereafter 100% achievement: Haast 2011/2012 Franz Josef 2012/2013 Fox Glacier 2012/2013 Kumara water treatment 2012/2013 Arahura water treatment. 2014/2015		
		Water quality tested in accordance with Drinking Water Standards and reported to Council	Water quality test results	Testing was performed with 100% compliance with Drinking Water Standards. Hokitika = 100% compliance Kumara = 100% Compliance Arahura = 100% Compliance Ross = 8% (no water treatment plant) Harihari = 83% (relates to two transgressions in and based on 12 not six samples taken in the year. Whataroa 100% Franz Josef = 83% relates to transgressions on two separate occasions Fox Glacier = 100% compliance Haast = 100% compliance Hannahs Clearing = 15%	100%	100%
Health Safety Environment	Provide prompt response to customer service requests	Requests for service responded to within 5 working days	Response time to customer requests	32 Service requests were received. 6 requests were not dealt with, within the required response time 81%.	100%	100%
		New connections installed within 15 working days of request	Time taken to install new connections	10 Service requests were received during the 2010/11 year, of which 3 were not completed within the specified timeframe due to issues with the developer and connecting other utilities.	Within timeframe	Within timeframe

Wastewater

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Health Safety Environment	Wastewater is removed from properties by providing reliable reticulated sewerage systems to serviced areas	90% of disruptions rectified within 12 hours of notification	Number or disruptions rectified within time frame	100% of disruptions were cleared within 12 hours of notification (100% 2009/10)	90%	90%
		Less than three sewer main blockages occur per year	Number of blockages occurring per year	17 blockages were reported for the year. (9 blockages 2009/10)	Less than 3 blockages	Less than 3 blockages
		Customers affected by planned interruptions are notified at least 24 hours in advance	Notification given to customers	There were no planned disruptions to waster reticulation in the reporting period. (Nil 2009/10)	100%	100%
	Overflows of wastewater do not occur due to stormwater infiltration or pump failure	Less than five instances of overflow of wastewater occur per year.	By investigating sources of stormwater infiltration and serving notice on offending property owners. Note: A new Council Bylaw may be required to achieve success.	There were no recorded instances of wastewater overflow due to stormwater infiltration or pump failure. (3 instances 2009/10)	Less than 5 instances	Less than 5 instances
		Overflows due to pump failure responded to within 5 hours of alarm or other notification	Response time to alarm notification	2 pump failures for the reporting period, neither caused overflows and both were repaired within the specified timeframe. (6 failures 2009/10)	100%	100%
Health Safety Economy Environment	Compliance with Resource Management Act by maintaining upgrading and providing waste treatment facilities	100% compliance with conditions on resource consents for discharge to environment by undertaking capital works as per the 2009–2019 LTCCP	Completion of wastewater treatment programmes as per the 2009–2019 LTCCP	Not achieved. Investigations underway to determine optimum means of desludging/upgrading oxidation ponds.	100%	100%
Health Safety Environment	Provide prompt response to customer service requests	Requests for service responded to within 5 working days	By the Council and contractors having systems in place for responding to customer service requests.	Achieved. 7 service requests were received and all were dealt with, within the necessary timeframe.	100%	100%
		New connections installed within 15 working days of request	By the Council and contractors having systems in place for responding to customer service requests.	No new connections were requested in 2010/11.	100%	100%
Health Safety Economy Environment	Provide reticulated wastewater schemes to communities that have health, social & economic needs for such a scheme	Obtain a high level of subsidy from the Ministry of Health for a wastewater scheme to be affordable to local community for the capital works programme in LTCCP 2009–2019 to be completed	Level of subsidy received from Ministry of Health subsidy for new wastewater schemes in Arahura, Kumara & Ross	There are no longer subsidies available for these wastewater schemes. The Ross wastewater scheme is no longer going ahead.	90%	90%

Stormwater

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009-2011	Target 2012-2019
Health Safety Economy Environment	Flooding of properties is avoided by providing reliable reticulated stormwater systems to serviced areas	No flooding above occupied floor level in rainfall or flood events of less than a 50 year return period	Number of properties flooded	There were 4 rainfall events which caused flooding.	100%	100%
		Less than five street closures due to flooding per year	Number of streets closed per year	There was 1 street closure due to the 4 rainfall events.	Less than 5 closures	Less than 5 closures
		No flooding of private properties in rainfall events of less than 2 year return period.	Number of properties flooded	100% achieved. There were no private residences flooded, however minor flooding was reported in two garages.	100%	100%
		Achievement of capital works programme in LTCCP 2009-2019 to avoid private properties flooding	Completion of Rolleston Street Pump Station as per LTCCP 2009-2019	Not Achieved. This capital works project was carried over to the 2011/12 year and work has subsequently begun.	100%	100%
FUTURE PROJECTS:						
			Completion of Jollie Street mains extension as per LTCCP 2009-2019	Programmed for 2011/12.	N/A	100%
			Completion of Weld Street mains extension as per LTCCP 2009-2019	Programmed for 2012/13.	N/A	100%
		Less than 3 stormwater pump failures occur per year	Number of pump failures	Achieved. There were no pump failures in the 2010/11 year. The pump failure (\$31,953) discussed in this report relates to the 2009/10 year.	Less than 3 failures	Less than 3 failures
Health Safety Economy Environment		Blockages cleared within 1 hour of reporting in Hokitika and 5 hours in other townships.	By responding to reports of pipe blockages and surface flooding	There were 4 reports relating to blockages all were dealt within the specified timeframe.	100%	100%
		Surface flooding responded to within 2 hours of report.	By responding to reports of surface flooding	Not Achieved. 3 reports of surface flooding. 2 were due to extremely heavy rained and drained quickly and 1 is an ongoing issue relating to Rolleston St (see above)	100%	100%
		Complaints replied to within 5 working days with advice on solution to flooding and programme.	By responding to general complaints about flooding	2 complaints relating to general flooding 1 fixed on time the other relates to above	100%	100%
	Provide prompt response to customer service requests	New connections installed within 15 working days of request.	By the Council and contractors having systems in place for responding to customer service requests.	There were no requests for new connections	100%	100%

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Financial Performance - Water Supply

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	1,492,501	1,589,730	1,435,016
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	546,108	9,800	111,188
Total Operating Revenue	2,038,609	1,599,530	1,546,204
Operating Expenditure			
Expenditure	1,162,695	761,018	1,121,595
Interest	3,069	171,572	0
Depreciation	646,663	688,520	623,939
Total Operating Expenditure	1,812,426	1,621,110	1,745,535
Operating Surplus/(Deficit)	226,183	(21,580)	(199,331)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	247,763	0	(133,236)
Depreciation Not Funded (Retained earnings)	(67,615)	(67,615)	(66,095)
Funding for Capital Projects	46,035	46,035	0
	226,183	(21,580)	(199,331)
Capital Expenditure			
New assets	491,754	404,085	982,563
Renewals assets	114,660	122,760	121,440
Debt Repayment	0	135,364	0
Capital and Debt Repayment	606,414	662,209	1,104,003
Vested assets	0	0	0
Operating Deficit	67,615	21,580	199,331
Transfers to Reserves	247,763	0	0
Total Funding Required	921,791	683,789	1,303,334
Funded by:			
Operating Surplus/(Deficit)	46,035	0	0
Funding from Accumulated Depreciation	114,660	258,124	121,440
Loans raised	392,133	358,050	0
Reserves	368,963	67,615	1,181,894
Total Funding Applied	921,791	683,789	1,303,334

Variance Explanations - Water Supply

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	492,405
Made up of:	
A subsidy for Harihari Water supply was received from Ministry of Health in the 2010/2011 year.	527,289
Metered Water income was slightly higher than 2010.	34,884
Hokitika Water had less income in 2011 as 2010 had insurance claims.	(69,768)
Total	492,405
Total Operating Expenditure Variance	66,891
Made up of:	
Hokitika water electricity expenses were higher than in 2010.	16,714
Hokitika water contractor payments were also higher than in 2010.	32,580
Harihari Water electricity expenses were higher than 2010.	1,960
Harihari Water Depreciation expense was higher than 2010 due to additional assets capitalised in 2010.	15,637
Total	66,891
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	439,079
Made up of:	
Subsidy Received for the Harihari Water Scheme.	527,289
Actual Metered Water collected was less than forecast.	(88,210)
Total	439,079
Total Operating Expenditure Variance	191,316
Made up of:	
Hokitika water's electricity expense was higher than forecast.	21,382
Hokitika water's contractor costs were higher than forecast.	30,758
Additional costs associated with the Pump Failure at Hokitika which occurred in the 2009/10 year.	31,953
Water Meter expenses in Hokitika were also higher than budget.	11,348
Contractor Expenses for Whataroa and Harihari were higher than expected.	36,305
Overheads for the operations were higher than expected.	59,570
Total	191,316
Total Capital Expenditure Variance	(55,795)
Made up of:	
*Hokitika Reservoir had a budget of \$358,050, but actually cost \$392,133.	34,083
*The Fire pump booster investigation is still in progress.	(46,035)
*Hokitika Mains Replacement capital expenditure came under budget.	(35,743)
Renewals came under budget.	(8,100)
Total	(55,795)
Significant Capital Expenditure for 2010/2011	
New 1500m ³ Reservoir in Hokitika to increase capacity.	392,133
Replacing Mains in Hokitika to keep infrastructure up to date.	87,017

Financial Performance - Wastewater

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	519,555	523,052	453,437
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	69,138	693,325	57,343
Total Operating Revenue	588,693	1,216,377	510,780
Operating Expenditure			
Expenditure	304,267	257,183	476,345
Interest	0	27,244	0
Depreciation	353,309	343,725	344,655
Total Operating Expenditure	657,576	628,152	820,999
Operating Surplus/(Deficit)	(68,883)	588,225	(310,219)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(68,883)	0	(310,219)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	588,225	0
	(68,883)	588,225	(310,219)
Capital Expenditure			
New assets	0	1,448,000	401,277
Renewals assets	98,146	204,600	0
Debt Repayment	0	21,495	0
Capital and Debt Repayment	98,146	1,674,095	401,277
Vested assets	0	0	0
Operating Deficit	68,883	0	310,219
Transfers to Reserves	0	0	0
Total Funding Required	167,029	1,674,095	711,496
Funded by:			
Operating Surplus	0	588,225	0
Funding from Accumulated Depreciation	98,146	226,095	401,277
Loans raised	0	859,775	0
Reserves	68,883	0	310,219
Total Funding Applied	167,029	1,674,095	711,496

Variance Explanations - Wastewater

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	77,913
Made up of:	
An increase in targeted rates in 2011 resulted in increased income.	77,913
Total	77,913
Total Operating Expenditure Variance	(163,423)
Made up of:	
A review of overhead allocations resulted in substantial reduction across all wastewater cost centres.	(163,423)
Total	(163,423)
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	(627,684)
Made up of:	
Franz Josef Sewerage had budgeted for a contribution from a developer to upgrade this scheme. However the development did not occur.	(575,000)
Trade Waste Fees were down on budget.	(36,792)
Recoveries and Interest income were down compared to budget for Kaniere, Franz Josef, Haast, and Hokitika.	(12,395)
Targeted Rates were less than expected.	(3,497)
Total	(627,684)
Total Operating Expenditure Variance	29,424
Made up of:	
Depreciation was higher than anticipated as additional assets were recognised.	9,584
Consultants Fees actual costs were higher than anticipated for Hokitika.	19,840
Total	29,424
Total Capital Expenditure Variance	(1,575,949)
Made up of:	
*Franz Josef new Mains and Pump Station was due to commence in the 2010/2011 year, however this project has been deferred.	(1,023,000)
*The desludging of the Hokitika ponds has commenced in 2011/2012.	(425,000)
*Hokitika Pump replacement was deferred to 2011/2012.	(102,000)
Actual renewals were lower than budgeted.	(4,454)
Debt Repayment was not required.	(21,495)
Total	(1,575,949)

* These projects were all identified the 2009/19 Long Term Plan for the 2010/11 year. The scope has changed on the desludging of the Hokitika Oxidation Ponds, which was reflected in the 2010/11 Annual Plan.

The Ross Sewerage Scheme was also included in the 2009/19 Long Term Plan, but consultation with the community showed that the scheme was unaffordable.

Financial Performance - Stormwater

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	436,894	436,894	410,739
Vested Assets	0	0	0
Other Income	7,840	0	403
Total Operating Revenue	444,734	436,894	411,142
Operating Expenditure			
Expenditure	129,555	135,020	177,520
Interest	0	6,483	0
Depreciation	309,230	295,391	301,149
Total Operating Expenditure	438,785	436,894	478,669
Operating Surplus/(Deficit)	5,949	0	(67,527)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	5,949	0	(67,527)
	5,949	0	(67,527)
Capital Expenditure			
New assets	216,643	204,600	345,852
Renewals assets	0	0	0
Debt Repayment		5,115	
Capital and Debt Repayment	216,643	209,715	345,852
Vested assets	0	0	0
Operating Deficit	0	0	67,527
Transfers to Reserves	5,949	0	0
Total Funding Required	222,592	209,715	413,379
Funded by:			
Operating Surplus	5,949	0	0
Funding from Accumulated Depreciation	0	5,115	345,852
Loans raised	141,598	204,600	0
Reserves - Foreshore Erosion Contingency Fund	75,045	0	67,527
Total Funding Applied	222,592	209,715	413,379

Variance Explanations - Stormwater

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	33,592
Made up of:	
General rates allocation for stormwater was increased in the 2010/2011 financial year.	26,155
Recoveries from Hokitika Drainage was higher than last year.	7,437
Total	33,592
Total Operating Expenditure Variance	(39,884)
Made up of:	
A review of overhead allocations resulted in substantial reduction across all stormwater cost centres.	(39,884)
Total	(39,884)
Significant Capital Expenditure for 2010/2011	
Completion of Rolleston Street Pump station, under budget, to address drainage issues.	88,339
Work required on the Hokitika Foreshore, funded from reserve, to address erosion.	75,045
Hokitika Stopbank Protection project was removed from the 2010/11 Annual Plan, as it was seen as unnecessary.	(204,600)

WASTE MANAGEMENT

SOLID WASTE

This activity plan encompasses the business plan for Waste and the Summary of the Waste Management Plan

What we do

The Council manages solid waste across Westland District, including waste and recycling collection in the northern part of the District and the provision of transfer stations and disposal sites, serving all townships. Some small rural settlements are provided with waste/recycling trailers.

Why we do it

The Council is responsible, under the Local Government Act 2002, for encouraging efficient and sustainable management of solid waste. The Council must have a plan in place for the management of solid waste which integrates reduction, re-use, recycling and recovery of waste, with treatment or disposal of the remaining waste.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Provision of safe well maintained facilities for refuse disposal and recycling. Collection of refuse and recyclables from households and businesses in the northern part of the District.
Environment	Part of this activity is the prevention of illegal disposal (fly tipping) of waste to the environment
Education	This activity includes education, through schools, community groups and various media, on waste minimisation.
Safety	Provision of safe facilities for refuse disposal and recycling.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Waste collection customers Reliability	Fortnightly Council bag collection	Customer satisfaction	Number of complaints	There were no complaints received	Reduce complaints by 10% pa	Reduce complaints by 10% pa
Recycling collection customers Reliability	Fortnightly collection of specified recyclables	Customer satisfaction	Number of complaints	There were no complaints received	No more than 20 complaints recorded pa	No more than 20 complaints recorded pa
Refuse and recycling centre users Accessibility, Health and Safety, Reliability	Sites open to the public at specified hours and good service provided	Customer satisfaction	Number of complaints	1 complaint recorded relating to hours of collection centre not adhered to.	No complaints	No complaints
Consent agencies – Sustainability	Adverse effects on the Environment are minimised	100% compliance with conditions of resource consents and monitoring requirements	Regional Council reports on District	Hokitika landfill received an abatement notice from the Regional Council in 2010/11. The landfills in Ross, Kumara and Whataroa received final notices from the Regional Council as well.	No notices received	No notices received
Community Sustainability	Adverse effects on the Environment are minimised	Waste to be diverted from landfill from recycling	Tonnes recycled	1,010 tonnes recycled (832 tonnes 09/10) or a 21% increase.	Increase by 5% pa	Increase by 5% pa
Education	Visit Schools & Community groups for education about waste minimisation.	Number of visits to schools and community groups	Monthly reports to Council	Achieved. 6 School visits and 3 Community Group visits. An increase on 7 in total last year.	Visits to 6 Schools and 3 Community Groups each year	Visits to 6 Schools and 4 Community Groups each year
Safety	Provide facilities that are safe for the public to use	Complaints from users about facilities being unsafe	Council complaints register	No complaints were received pertaining to the safety of facilities	Less than 4 complaints per year	Less than 2 complaints per year
Environment	Encourage the use of waste minimisation techniques within the District.	Reduce tonnage of waste disposed of to District landfills	Tonnage used to calculate levy on waste under Waste Minimisation Act 2008	3,013 tonnes (2,818 tonnes 2009/10) or a 7% increase. Estimates have been made for tonnages from Franz Josef and Haast since there is no weighbridge in that area.	Reduce tonnage by 10% per annum	Reduce tonnage by 10% per annum

Financial Performance - Waste Management

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates (collection)	280,006	280,006	245,700
Targeted Rates	695,168	670,241	627,103
Vested Assets	0	0	0
Other Income	62,988	0	55,505
Total Operating Revenue	1,038,162	950,247	928,308
Operating Expenditure			
Expenditure	1,279,933	912,966	1,081,953
Interest	3,378	13,626	0
Depreciation	39,942	23,655	25,266
Total Operating Expenditure	1,323,254	950,247	1,107,219
Operating Surplus/(Deficit)	(285,092)	0	(178,911)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(285,092)	0	(178,911)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	0
	(285,092)	0	(178,911)
Capital Expenditure			
New assets	0	430,000	300,846
Renewals assets	0	0	0
Debt Repayment	0	10,750	0
Capital and Debt Repayment	0	440,750	300,846
Vested assets	0	0	0
Operating Deficit	285,092	0	246,464
Transfers to Reserves	0	0	0
Total Funding Required	285,092	440,750	547,310
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	10,750	0
Loans raised	0	430,000	300,846
Reserves	285,092	0	246,464
Total Funding Applied	285,092	440,750	547,310

Butler's Landfill and the Hokitika Transfer Station projects have been included in Work in Progress at 30 June 2011. Both facilities have opened for operations as at 18 October 2011.

Variance Explanations - Waste Management

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	109,854
Made up of:	
An increased in the targeted rates associated with Waste Management and levies associated with Waste.	102,371
Increase in overall Recoveries Income.	7,483
Total	109,854
Total Operating Expenditure Variance	381,124
Made up of:	
Council overheads increased after a review of allocation method.	283,851
Legal Expenses associated with Butlers, which did not occur last year.	97,273
Total	381,124
2011 Actual versus 2011 Budget	
Total Operating Revenue Variance	87,915
Made up of:	
Actual Targeted Rates received was higher than anticipated.	24,927
Hokitika Refuse actual income increased due to unanticipated recoveries.	3,900
Waste Minimisation received additional levies, grants and recoveries than expected.	59,088
Total	87,915
Total Operating Expenditure Variance	373,007
Made up of:	
Butlers refuse incurred legal fees which were not expected.	97,273
Increase in Landfill Aftercare Provision.	111,539
Overhead and support costs were higher than expected.	38,309
Actual Depreciation was higher than budget as more assets pertaining to Waste Management were recognised.	16,287
Contractors Costs for Waste Management were also higher than anticipated.	109,599
Total	373,007
Total Capital Expenditure Variance	(440,750)
Made up of:	
Butlers Refuse was not completed at 30 June 2011 and is included in Work in Progress.	(440,750)
Total	(440,750)

PUBLIC TOILETS

What we do

- Provide users with tidy, functional and accessible toilet facilities
- Provision of public dump stations at Hokitika and Haast which flow into the sewerage treatment plant. There are 3 other public dump stations for campervan waste disposal
- Provision of the changing rooms in Hokitika

Why we do it

Council provides these facilities to protect the health of residents and the environment by avoiding public fouling. The Council provides public toilets that are clean and well maintained, for the community and the travelling public to use.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Provision of adequately serviced toilets
Economy	Provision of facilities to tourists, visitors and the local community

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2009/10	Target 2009–2011	Target 2012–2019
Visitors Quality	All public toileting facilities are to be clean and safe to occupy.	Complaints are investigated and responded to within one day	Database of customer queries	Not Achieved. 6 complaints were received relating to the public toilets of which two took 4 days to rectify.	Under 5 complaints per year and responded to within 1 day.	Under 5 complaints per year and responded to within 1 day.
		Satisfaction with toilet facilities	*Residents satisfaction survey	63%	80%	85%

*The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Financial Performance - Public Toilets

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	193,386	193,386	154,831
Vested Assets	0	0	0
Other Income	7,058	0	82,325
Total Operating Revenue	200,444	193,386	237,156
Operating Expenditure			
Expenditure	186,258	153,749	203,271
Interest	0	0	0
Depreciation	12,765	8,797	10,142
Total Operating Expenditure	199,023	162,546	213,413
Operating Surplus/(Deficit)	1,421	30,840	23,743
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(22,926)	0	(58,271)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	24,347	30,840	82,014
	1,421	30,840	23,743
Capital Expenditure			
New assets	24,347	30,840	122,965
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	24,347	30,840	122,965
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	0	0	0
Total Funding Required	24,347	30,840	122,965
Funded by:			
Operating Surplus	1,421	30,840	82,014
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	22,926	0	40,951
Total Funding Applied	24,347	30,840	122,965

Variance Explanations - Public Toilets

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	(36,712)
Made up of:	
An increase in General Rates allocation for Public Toilets from last financial year.	38,555
A subsidy was received last year from DOC for the Hokitika Gorge toilets.	(75,267)
Total	(36,712)
2011 Actual versus 2011 Budget	
Total Operating Expenditure Variance	36,477
Made up of:	
Hokitika Gorge Toilets incurred actual expenses with no budget allocation.	6,542
Cass Square Toilets incurred actual expenses with no budget allocation.	17,885
Materials, Repairs & Maintenance and Caretaking and Cleaning actual expenses were greater than budget.	12,050
Total	36,477

COMMUNITY TOWNSHIP DEVELOPMENT

What we do

- Plan for communities and giving direction to future infrastructure
- Upgrade amenities in communities
- Respond to community initiatives

Why we do it

To provide a mechanism for improvements to the Westland communities and assist in their future growth and development

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Health	Future needs are defined and planned for.
Safety	Development standards are controlled.
Economy	Future needs are defined and planned for.
Identity	Information is gathered, needs identified and communities clear as to future progress.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
Residents Community Involvement	Developing plans according to schedule	Consultation occurs with each plan and projects completed to schedule.	Management reports to Council	Some consultation has taken place with the Franz and Fox communities. A draft plan for further development has been completed by the community.	*Priority List	*Priority List
		Majority of Community satisfied with plans produced	**Community surveys	40%	70% Satisfaction	80% Satisfaction
	An Aviation Strategy is produced to provide for aviation activity in Westland that meets the needs of users and the surrounding community.	Consultation completed by 2011. Complete plan by 2019.	A drafted plan with minimal submissions.	Council is yet to resolve to proceed with a strategy.	75%	N/A

* A Priority List of projects for the communities will be developed after consultation with each community and timeframes identified. The District Plan Review will be subject to its own special consultative procedure.

** The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

Financial Performance - Community Township Development

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	252,800	252,800	292,178
Vested Assets	0	0	0
Other Income	280	0	1,004
Total Operating Revenue	253,080	252,800	293,182
Operating Expenditure			
Expenditure	201,218	186,863	210,052
Interest	0	0	0
Depreciation	4,189	3,897	2,438
Total Operating Expenditure	205,407	190,760	212,490
Operating Surplus/(Deficit)	47,673	62,040	80,692
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	0
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	47,673	62,040	80,692
	47,673	62,040	80,692
Capital Expenditure			
New assets	43,340	62,040	303,197
Renewals assets	11,798	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	55,138	62,040	303,197
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	0	0	0
Total Funding Required	55,138	62,040	303,197
Funded by:			
Operating Surplus	47,673	62,040	80,692
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	7,465	0	222,505
Total Funding Applied	55,138	62,040	303,197

Variance Explanation - Community Township Development

2011 Actual versus 2010 Actual	
Total Operating Revenue Variance	(39,378)
Made up of:	
A decrease in General Rates allocation for Community Township Development from last financial year.	(39,378)
Total	(39,378)

FINANCIAL SUMMARY OF PROVIDING ESSENTIALS FOR THE COMMUNITY

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	2,995,265	3,071,095	2,769,291
General Rates	2,357,806	2,358,896	2,332,435
Vested Assets	401,659	517,000	1,132,360
Other Income	3,847,190	4,885,048	3,295,990
Total Operating Revenue	9,601,920	10,832,039	9,530,076
Operating Expenditure			
Expenditure	5,359,405	4,807,705	4,697,858
Interest	6,447	218,925	0
Depreciation	4,230,332	3,813,285	3,889,905
Total Operating Expenditure	9,596,184	8,839,915	8,587,764
Operating Surplus/(Deficit)	5,736	1,992,124	942,312
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(124,330)	8,066	(733,486)
Depreciation Not Funded	(704,994)	(704,994)	(570,793)
Funding for Capital Projects	835,060	2,689,052	2,246,591
	5,736	1,992,124	942,312
Capital Expenditure			
New assets	850,150	4,264,985	3,719,982
Renewals assets	3,006,373	2,205,180	1,487,307
Debt Repayment	0	172,724	0
Capital and Debt Repayment	3,856,523	6,642,889	5,207,288
Vested assets	401,659	517,000	1,132,360
Operating Deficit	1,058,969	21,580	823,541
Transfers to Reserves	265,787	8,066	12,197
Total Funding Required	5,582,938	7,189,535	7,175,387
Funded by:			
Operating Surplus	816,943	2,013,704	2,261,270
Funding from Accumulated Depreciation	2,910,860	2,377,904	2,543,711
Loans raised	533,731	1,852,425	300,846
Reserves	1,321,404	945,502	2,069,560
Total Funding Applied	5,582,938	7,189,535	7,175,387

PROVIDING LEADERSHIP FOR THE COMMUNITY



GOVERNANCE

What we do

The Council is an elected body of representatives who assist in the running of the District.

Responsibilities of their role include:

- Providing representation of residents views
- Providing leadership in setting priorities and decision making
- Development of policy
- Employment of the CEO
- Provide advocacy to central government for other services and make submissions to central government
- Take an active role in Major Regional Initiative(MRI) and Major District Initiatives (MDI) in association with Development West Coast and advocacy for economic development
- Partnering with other organisations to achieve roles

Why we do it

There is a legal requirement for a Council's existence that enables Council to undertake democratic local decision making on behalf of the community and to promote the social, economic, environmental and cultural well being of communities in the present and for the future.

The achievement of service levels will contribute to achieving Community Outcomes:

Community Outcome	How the Activity Contributes to the Outcome
Identity	The needs of the community are addressed in a fair and equitable manner
Health	Advocate for the local community. Establish an environment of support and assistance to health providers
Education	Advocate for the local community. Support the implementation of employment and training initiatives that offer improved employment, skill and income opportunity
Safety	Provide administrative support to the Safer Community Council
Environment	Ensure that planning processes enable effective public consultation with an appropriate balance between the natural and built environment. Access central Government funds to support infrastructure development and improvement.
Economy	Ensure that any grants are taken up which would have a positive impact on the District's economy

Consultation with Maori

Westland District Council attends bimonthly meetings with Te Runanga of Makaawhio, the Department of Conservation (DOC) and the West Coast Regional Council. The purpose of these meetings is to provide informal discussion and information sharing between the Runanga, DOC and the Councils about the operations of the regulatory bodies and the effects on values of the runanga. The Council staff present are usually from the Operations or Planning Department as discussions often relate to resource consents or engineering work such as roading. Financially, Council contributes the time and travel of the staff that attend, and have provided a venue and catering on a rotational basis. The liaison meetings have fostered a working relationship with Makaawhio that can then lead to further formal consultation on specific Council matters as required.

It is important to note that Makaawhio is one of two Runanga in Westland. Council would be interested in participating in any similar discussions initiated by Te Runanga o Ngati Waewae.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2010/11	Target 2009–2011	Target 2012–2019
All Residents Community Involvement	Opportunities are provided for involvement in decision-making	Public notification of Council meetings must be at least 10 working days before each meeting.	Adverts placed in local newspapers comply	100%. All advertisements placed meet the required standard of within 10 working days before each meeting.	100%	100%
		The Annual Plan and LTCCP must be adopted using the special consultative process, within statutory requirements	Date of Council meeting to adopt annual plan within statutory deadlines.	2011/2012 Annual Plan was adopted on 23 June 2011 within the statutory deadline.	100%	100%
	Level of involvement in decision making	At least 80% of residents feel they have some influence on decision-making	*Customer Satisfaction Survey	*74% of residents were very satisfied, quite satisfied or only just satisfied with the way they are consulted and the opportunity they have to participate in decision making. 20% of residents were not very satisfied or not at all satisfied while 6% did not know.	80%	80%
All Residents Accessibility	Information is provided to residents and enquiries are responded to promptly	At least 90% of items on the agenda are conducted in open meetings	Review agendas for Council	92% of all agenda items were conducted in open meetings.	90%	90%
		The Annual Report must be adopted within statutory requirements 31st October.	Date of Council meeting to adopt annual report within statutory deadlines.	2010 Annual Report was adopted 1 November (within the statutory deadline)	100%	100%
		Local Government Official Information & Meetings Act 1987 (LGOIMA) requests are complied with within the statutory deadlines of 20 working days.	Review of requests and written replies	83%. 12 requests were received in the 2010/2011 year. 2 requests were not answered with 20 working days.	100%	100%

* The satisfaction survey was conducted in August 2011. At the time of finalising the Annual Report only topline results relating to satisfaction were available to be reported. Full survey results will be available including comments at the end of October. Satisfaction means and percentages were calculated excluding answers from residents and ratepayers who did not use the service or answered not applicable.

* The satisfaction result in consultation and decision making has slightly improved from the last survey in 2009 in the number of residents who are just satisfied. 20% of residents not very satisfied or not at all satisfied and 29% only just satisfied leaves room for improvement in this area.

Financial Performance - Governance

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Targeted Rates	0	0	0
General Rates	650,787	650,787	609,694
Vested Assets	0	.	0
Other Income	54,960	45,500	19,947
Total Operating Revenue	705,747	696,287	629,641
Operating Expenditure			
Expenditure	789,219	693,487	689,345
Interest	0	0	0
Depreciation	7,038	2,800	4,364
Total Operating Expenditure	796,257	696,287	693,709
Operating Surplus/(Deficit)	(90,510)	0	(64,068)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(90,510)	0	(64,068)
	(90,510)	0	(64,068)
Capital Expenditure			
New assets	0	0	2,200
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	2,200
Vested assets	0	0	0
Operating Deficit	90,510	0	64,068
Transfers to Reserves	0	0	0
Total Funding Required	90,510	0	66,268
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	2,200
Loans raised	0	0	0
Reserves	90,510	0	64,068
Total Funding Applied	90,510	0	66,268

Variance Explanations - Governance

2011 Actual versus 2010 Actual

Total Operating Revenue Variance	76,106
Made up of:	
An increase in the General Rates in 2011 resulted in additional income.	41,093
Income received from conducting the District Elections (Nomination Fees and Recoveries).	35,013
Total	76,106

2011 Actual versus 2011 Budget

Total Operating Revenue Variance	102,548
Made up of:	
Cost of election in October 2010 (three yearly).	60,000
Zone Five was taken over by another council and this required payment of funds brought forward.	25,900
Overheads were higher in 2011 than 2010.	16,648
Total	102,548

Total Operating Expenditure Variance	99,970
Made up of:	
Consultants Fees were higher than expected due to maintenance of Council's website and publishing software.	7,844
Accommodation and Meals were also higher than budget due to more councillors participating in workshops and conferences.	14,376
Overhead and support costs were higher than expected.	17,403
Consultants Fees were higher than forecast, due to an organisational structure external review and media management .	27,947
Audit fees were higher than expected as the Westland Nature Trust dormant accounts required auditing.	6,500
Zone Five was taken over by another council and this required payment of funds brought forward.	25,900
Total	99,970

COUNCIL CONTROLLED ORGANISATIONS

Westland District Council resolved on, 18 April 2002, to establish a Holding Company, Westland Holdings Limited, to consolidate its Council Controlled Trading Organisations being Westroads Limited and Hokitika Airport Limited under one governance and reporting entity.

On 6 May 2010, it established a company, Westland District Property Limited which became operational on 1 July 2010, and did not trade before 30 June 2010.

Council also controls Westland Nature Trust which will help to promote sustainable outdoor recreational opportunities in Westland.

Westland Holdings Limited

Westland Holdings Limited is 100% owned by Westland District Council. The Company was incorporated on 24 July 2002 when Council raised a loan of \$5,800,000 to finance the transfer of the shares and assets of Westroads Limited and Hokitika Airport Limited from Council to the Holding Company.

The principal activity of the Holding Company is to operate in a governance and reporting role over the activities of the subsidiary companies Westroads Limited and Hokitika Airport Limited. The Company is governed by three directors appointed by Westland District Council.

Westroads Limited main activity is that of a general contractor based in Hokitika and Greymouth as well as depots and staff throughout South Westland. It also operates a crushed metal plant in Greymouth. The Company is governed by four directors appointed by Westland Holdings Limited.

Hokitika Airport Limited was formed in December 2001 and commenced operation on 1 July 2002. Its principal activity is the operation of Hokitika Airport which is the principal airport on the West Coast and operates flights daily to Christchurch for passengers to link to other destinations. The Company is controlled by three Directors appointed by Westland Holdings Limited.

The Council has two Council Controlled Organisations that are exempt from Council Controlled Organisation status due to their size; they are Tourism West Coast and West Coast Rural Fire Authority.

Key Objectives

Westland Holdings Limited

To achieve the objectives of the shareholder, Westland District Council, both commercially and non-commercially as specified in the Statement of Intent in a manner that recognises sound business practice, good employer obligations and social and environmental responsibility.

Westroads Limited

To operate a successful business by meeting market requirements in terms of quality, excellence in service and pricing on a commercially competitive basis and ensure a reasonable rate of return to the ratepayers of Westland in accordance with the Statement of Intent.

Hokitika Airport Limited

To operate the Hokitika Airport in a commercially successful manner in accordance with the Statement of Intent with the aim to extend and further develop the airport activities.

Key Performance Measures

Westland Holdings

- Return a dividend to Council in accordance with the Statement of Intent (SOI)
- **RESULT: The SOI sets our a target of returning a dividend within the Westland District Council's budget. Council's budget was \$230,000, the dividend returned was \$300,000.**
- Prepare an Annual Report in accordance with the requirements of the Local Government Act 2002.
- **RESULT: The financial statements for 30 June 2011 were compliant and approved by the board of directors on 30 September 2011.**
- Subsidiary Statement of Intents will be submitted to the Shareholder (Council) by 1 March and finalised by 30 June.
- **RESULT: The Draft SOIs were submitted to Council by 1 March 2011 and finalised versions were adopted by 30 June 2011.**

Westroads Limited

- Tax paid return on shareholder funds of 9%.
- **RESULT: 7.2% Tax paid return on shareholder funds.**
- Net after tax profit is to be accordance with the Statement of Intent.
- **RESULT: Net after tax profits were \$329,000 compared to a target of \$525,000.**

Hokitika Airport Limited

- Revenue from commercial businesses is to remain at or above current levels.
- **RESULT: Revenue from Services was \$302,000 compared to \$289,000 in 2009/10.**
- Revenue from the rental of land and buildings is to remain at or above current levels.
- **RESULT: Revenue from Lease receipts was \$141,000 compared to \$120,000 in 2009/10.**

Westland District Property Limited

- The ratio of net profit before taxation and revaluations (before extraordinary items) to average shareholder funds within a range of No return (Deficit) for 2010/11.
- **RESULT: Return on Average Shareholders Funds Pre-Tax was -1.5% for 2010/11.**
- The ratio of net profit before taxation and revaluations to average total assets (including any revaluation) within the range of no return (deficit) for 2010/11.
- **RESULT: Return on Average Total Assets Pre-Tax was -1.5% for 2010/11.**
- A return on property transferred for management purposes greater than that obtained by Council for the 2009/2010 year.
- **RESULT: The return to Council was nil for 2010/11, with Council having a \$65,000 dividend in the 2010/11 budget.**
- Compliance with statutory and regulatory requirements.
- **RESULT: No breaches.**

Financial Performance

Cost of Services Statement	Actual 2011	Budget 2011	Actual 2010
Operating Revenue			
Westroads Limited	11,441	11,010	11,618
Hokitika Airport Limited	481	465	426
Westland District Property Limited	92	235	310
Westland Holdings Limited	323	310	0
Westland Nature Trust	0	0	0
Total Operating Revenue	12,337	12,020	12,354
Operating Expenditure			
Westroads Limited	10,973	10,260	10,730
Hokitika Airport Limited	426	345	356
Westland District Property Limited	112	142	26
Westland Holdings Limited	39	26	0
Westland Nature Trust	0	0	0
Total Operating Expenditure	11,550	10,773	11,112
Net Surplus Before Taxation	787	1,247	1,242
Tax Expense	164	289	599
Net Surplus After Taxation	623	958	643

This table summarises the financial performance of each CCO owned by Council. This information is represented in Council financial statements and notes after eliminating entries are performed for intragroup transactions and balances..

Each CCO is audited individually by Audit New Zealand. Please refer to the audited annual reports for the financial information and accompanying notes.



DISTRICT ASSETS

DISTRICT ASSETS

Cemeteries

Arawhata
Harihari
Hokitika
Kumara
Okarito
Ross
Stafford
Whataroa

Civic Amenities

Harihari War Memorial Rooms
Franz Josef Toilets
Fox Glacier Toilets
Haast Township Toilets
Museum - Hokitika
Ross Restrooms
Hokitika Beachfront Toilets

Dwellings

Fox Glacier
Harihari
Nurses House Fox Glacier

Halls

Bruce Bay
Haast
Kokatahi
Okuru
Ross
Three Mile
Waitaha

Land And Buildings

Bandrooms Hokitika
Heritage Historical Park
Council Headquarters, 36 Weld Street
Garages – Railway Terrace
Carnegie Building
RSA Building
46 Pensioner Flats – Hokitika (42)
– Ross (4)
Jackson Bay Wharf
Pavilion – Cass Square
Public Car Park – Revell Street

Libraries

Hokitika Public Library

Parks And Reserves

Cass Square
Harihari Domain
Harper Park
Heritage Area and Walkway
Kokatahi Reserve
Kowhitirangi Reserve
Kumara Sports Field
Lazar Park
Pierson Esplanade
Prossers Bush
Robbins Park
Ross Domain
Wadeson Island
Walker Park
Whitcombe Park
Whataroa Reserve

Playgrounds

Cass Square
Lazar Park
Kumara

Statues And Monuments

Cannon – Heritage Area
Cenotaph – Cass Square
Obelisk – Hokitika Cemetery
Obelisk – Okarito
Pioneer Statue – Hokitika
Robbie Burns Statue – Cass Square
Summer Statue - Museum
Tambo – Hokitika
Town Clock - Hokitika

Swimming Pools

Hokitika
Ross

Works Depots - Leased

Fox Glacier
Haast
Whataroa



REPORT OF THE AUDIT OFFICE

AUDIT REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of Westland District Council and group's Annual report for the year ended 30 June 2011

The Auditor-General is the auditor of Westland District Council (the District Council) and group. The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, non-financial performance information and compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report of the District Council and group on her behalf.

We have audited:

- the financial statements of the District Council and group on pages 21 to 51, that comprise the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the non-financial performance information of the District Council and group on pages 55 to 132; and
- the District Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report (other Schedule 10 information).

Opinion on the financial statements, non-financial performance information and other Schedule 10 information

In our opinion:

- The financial statements of the District Council and group on pages 21 to 51:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council and group's financial position as at 30 June 2011; and
 - the financial performance and cash flows for the year ended on that date.
- The non-financial performance information of the District Council and group on pages 55 to 132:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the District Council and group's levels of service for the year ended 30 June 2011, including:

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OFFICE

- the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
 - the reasons for any significant variances between the actual service and the expected service.
- The District Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

Our audit was completed on 31 October 2011. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, non-financial performance information and other Schedule 10 information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, non-financial performance information and other Schedule 10 information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, non-financial performance information and other Schedule 10 information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, non-financial performance information and other Schedule 10 information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the District Council and group's financial statements, non-financial performance information and other Schedule 10 information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements and non-financial performance information;
- determining the appropriateness of the reported non-financial performance information within the Council's framework for reporting performance; and
- the overall presentation of the financial statements, non-financial performance information and other Schedule 10 information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, non-financial performance information and other Schedule 10 information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and non-financial performance information that:
 - comply with generally accepted accounting practice in New Zealand;
 - fairly reflect the District Council and group's financial position, financial performance and cash flows;
 - fairly reflect its service performance, including achievements compared to its forecast; and
- other information required by Schedule 10 of the Local Government Act 2002.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, non-financial performance information and other Schedule 10 information that are free from material misstatement, whether due to fraud or error.

The Council's responsibilities arise from the Local Government Act 2002.

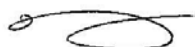
Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements, non-financial performance information and compliance with the other Schedule 10 information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the District Council or any of its subsidiaries.



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Matters relating to the electronic presentation of the audited financial statements, statements of service performance and the other requirements

This audit report relates to the financial statements, statements of service performance and the other requirements of Westland District Council (the District Council) and group for the year ended 30 June 2011 included on the District Council's website. The Council is responsible for the maintenance and integrity of the District Council's website. We have not been engaged to report on the integrity of the District Council's website. We accept no responsibility for any changes that may have occurred to the financial statements, statements of service performance and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, statements of service performance and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, statements of service performance and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, statements of service performance and the other requirements as well as the related audit report dated 31 October 2011 to confirm the information included in the audited financial statements, statements of service performance and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.