



Photograph by Bob Cannell

ANNUAL REPORT

2011/2012

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INTRODUCTION



MAYOR & CHIEF EXECUTIVE'S REPORT

The Council is very proud to have developed a 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. The Vision and the values associated with our Vision have been fully integrated into the Long Term Plan 2012 - 2022. The next Annual Report will show how we are tracking against our new Vision.

Council's Cycle Trail Project now officially called the West Coast Wilderness Trail is set to become a reality. 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. The Theatre Royal Hotel will officially open on the 24 November 2012.

Central government has set new water standards that must be implemented by 2015. This means some water schemes are unaffordable. We have been working closely with communities to ensure that our levels of service are appropriate. Last year Hannah's Clearing water scheme was divested and Ross Water Treatment plant was brought on line. Both communities were consulted and supported through the process. We will continue to work with communities through the implementation of the new water standards.

We consulted the community about issues that were important to them and about waste management. Our Draft Waste Management and Minimisation Plan will soon be released for discussion. Last year we closed and capped Hokitika Landfill and opened Butler's Landfill site. This site is fully lined and meets environmental standards.

During the last financial year our long standing CEO Robin Reeves announced that he would retire in September 2012. Council undertook a robust and thorough recruitment process to attract the best possible candidates for this key role. We were very pleased to appoint Tanya Winter as our new



Chief Executive. Tanya joins us from a senior role at Hastings District Council.

2011/12 has been another tough year for the world and the economy. We have seen evidence of this on the West Coast with the Spring Creek Mine closure in Grey and the downsizing of Government Departments. We must remain positive and innovative and use the results we have achieved and your feedback to improve our performance.

We must realise that the nature of our geography and the amount of people living in Westland means that we have to be smarter and do things better.

Kind regards

Maureen Pugh
Mayor
22 November 2012

Tanya Winter
Chief Executive
22 November 2012

ROLE OF THE ANNUAL REPORT OF COUNCIL

Purpose of this Annual Report

The purpose of this annual report for the year ended 30 June 2012 is to compare the actual performance of Council for the year against what was forecast in the 2011/2012 Annual Plan.

The LTCCP was prepared and adopted under section 93 of the Local Government Act 2002, which requires that the Annual Report for 2011/2012 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 2011/2012 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 as follows.

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 2012.

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
Promoting and Supporting the Community		
Library	94%	95%
Safer Community Council	24%	66%
Cemeteries	60%	67%
Elderly Housing	0%	0%
Swimming Pools	80%	70%
Community Assistance/Funding	100%	60%
*Community Halls and Buildings	90%	9%
*Parks and Reserves	90%	93%
Land and Buildings	0%	0%
Westland Business Unit	25%	15%
Planning for our Community		
Animal Control	6%	6%
Resource Management	70%	45%
Inspectorate & Regulatory	60%	37%
Providing Essentials for the Community		
Civil Defence	98%	322%
Rural Fire	100%	85%
*Transportation	35%	26%
Water Supplies	30%	88%
Wastewater	82%	77%
Stormwater	100%	97%
Waste Management	100%	62%
Public Toilets	100%	111%
Community Township Development	100%	135%
Providing Leadership for the Community		
Governance	100%	92%

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 SOE's and corporate entities within prescribed issuer and portfolio limits.	As at 30 June 2012 Council's investments were with Westpac Bank in the amount of \$1,853,000 and \$26,000 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 20% of total annual rates income, net of remissions.	Interest expense is currently 13.8% 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 0.88. This is a breach of policy
Net cash inflows from operating activities exceed gross annual interest by two times.	Net cash flows from operating activities exceed annual interest by 3.80 times.
Liquidity ratio of 1:1.	Current liquidity ratio is 2.27:1.
Not more than 75% of existing and forecast borrowings are subject to refinancing in any financial year.	1.5% 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 2011/12 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.

MONITORING OF PROGRESS TOWARDS THE ACHIEVEMENT OF COMMUNITY OUTCOMES

During the 2011/12 financial year the following monitoring of progress towards the community outcomes was completed.

Outcome	Monitoring	At time of LTCCP	2012 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	Testing was performed with 100% compliance with Drinking Water Standards in Hokitika where most customers receiving treated water supply reside. Hokitika = 100% compliance Kumara = 92% Compliance Arahura = 100% Compliance Ross = 67% Compliance Harihari = 100% Compliance Whataroa 100% Compliance Franz Josef = 92% Compliance Fox Glacier = 100% Compliance Haast = 100% Compliance Hannahs Clearing = 15% Compliance
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.	There were 63 youth offences recorded in the 2011/12 year.
	Motor vehicle crash rates	There were four fatal crashes on Westland Roads during the year ended 30/06/12.	Traffic crashes 146 (137 in 2010/11)
A thriving, resilient and innovative economy creating opportunities for growth and employment.	Building consents issued	Total number 477 - 69% (327 completed within 20 days)	Of the 274 building consent applications, 98% were determined within the statutory time frames (100% 2010-11).
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.	Hokitika i-Site responded to 51,951 enquiries. Down on 52,693 last year
Level of visitor waste minimisation activity	Reducing tonnage to the District's landfill.	300 tonnes of recyclable material per year at time of LTCCP	Not achieved. 722 tonnes recycled (1,010 tonnes 10/11) or a 28% decrease. Where practical and within budget we will concentrate on providing information to the public and education by increasing our school programmes.

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%)	140,604 ha	
No. of Rateable Assessments	6,581	
Rateable Capital Value as at 30 June 2012	\$2,270,493,000	
Rateable Land Value as at 30 June 2012	\$1,353,107,700	
Date of Last Valuation	1 September 2011	
Date of Next Valuation	1 September 2014	
System of Rating	General	Land Value
	Waste Management	Capital Value
Public Debt Outstanding at 30 June 2012	\$15,479,141	

COUNCIL FINANCIAL STATISTICS

	Actual 2011/12	Estimate 2011/12	Actual 2010/11
Proportion of general rates to total income	27%	23%	29%
Average general rates per rateable property	701	693	694
Public Debt (as a percentage of property, plant and equipment)	4.15%	2.85%	3.57%
Public Debt (per rateable property)	\$2,352	\$1,817	\$2,088

COUNCIL FIVE-YEAR FINANCIAL PERFORMANCE SUMMARY

	2011/12 \$'000	2010/11 \$'000	2009/10 \$'000	2008/09 \$'000	2007/08 \$'000
Rates – General	4,787	4,662	4,395	4,405	4,094
Net surplus (deficit)	(2,457)	(606)	409	(970)	1,098
Working Capital	4,452	*(4,639)	1,256	3,875	536
Public Debt	15,479	13,528	7,881	6,313	5,856
Total Assets	393,348	399,947	397,052	395,182	354,742

* 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 2012/13 year.

STATEMENT OF COMPLIANCE

The Council and management of Westland District Council hereby confirms that it has complied with all statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with. Council did not meet the statutory deadline for adoption of 31 October.




Maureen Pugh
Mayor
Date: 22 November 2012



Tanya Winter
Chief Executive
Date: 22 November 2012

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DISTRICT REPRESENTATIVES & STAFF

MAYOR AND COUNCILLORS CONTACT DETAIL

AS AT 30 JUNE 2012

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

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OTHER APPOINTMENTS

Hearings and Licensing Commissioners

- Councillor Allen Hurley

Westland Holdings Limited Directors

- Mayor Maureen Pugh
- Anthony Williams
- Graeme King - Chairperson

Hokitika Airport Limited Directors

- Les Singer
- Bruce Smith - Chairperson
- Linda Robertson
- Marcel Fekkes

Westroads Limited Directors

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

Westland District Property Limited

- Durham Havill - Chairperson
- Suzanne Merriman
- Hugh Little

Pensioner Flat Allocation Committee

- Mayor Maureen Pugh
- Councillor Kyle Scott

Westland Nature Trust

- Mayor Maureen Pugh
- Chris Auchinvole MP
- Councillor Allen Hurley
- Francois Tumahai, Te Runanga O Ngati Waewae- Chairperson
- 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

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The Management Team

CHIEF EXECUTIVE

Tanya Winter

As Chief Executive Officer, Tanya 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, Tanya has the responsibility of ensuring that she has the right people to do the job.

Telephone: 03 756 9010

Email: tanya.winter@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

CHIEF FINANCIAL OFFICER

Tracy O'Malley

As Chief Financial Officer, Tracy is responsible for all financial management, and financial preparation of the Long Term Plan (10 Year Plan), the Annual Plan and the Annual Report. Tracy is also the responsible for managing Corporate Services.

Telephone: 03 7756 9081

Email: tracy.omalley@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 2012

COUNCIL					GROUP	
NOTE	2012 ACTUAL \$000	2012 BUDGET \$000	2011 ACTUAL \$000	2012 ACTUAL \$000	2011 ACTUAL \$000	
Income						
General rates	3	4,787	4,643	4,662	4,787	4,506
Targeted rates	3	3,628	3,717	3,115	3,628	3,115
Income from activities	4	9,520	10,459	7,696	15,575	14,546
Vested assets income		0	200	402	0	402
Other gains/(losses)	5	(265)	0	194	9	(12)
Total income		17,670	19,019	16,069	23,999	22,557
Less Expenditure						
Employee benefit expenses	6	3,232	3,246	3,799	7,620	8,067
Depreciation and amortisation	15 16	5,032	4,532	4,666	6,312	5,869
Other expenses	7	10,769	7,676	7,955	10,031	8,962
Finance costs	8	1,090	265	435	1,170	573
Total Expenditure		20,123	15,718	16,855	25,133	23,471
Net Surplus/(Deficit) before tax		(2,453)	3,301	(786)	(1,134)	(914)
Income tax expense	9	4	0	(179)	188	(118)
Net Surplus/(Deficit) after tax		(2,457)	3,301	(606)	(1,322)	(796)
AddOtherComprehensiveIncome						
Gain/(Loss) on property revaluations	23	(7,089)	8,731	(1,931)	(7,089)	(1,931)
Impairment of property, plant, and equipment	15 23	(34)	0	(249)	(87)	(249)
Financial assets at fair value through other comprehensive income	23	12	0	(4)	12	(4)
Total Comprehensive Income		(9,568)	12,032	(2,790)	(8,486)	(2,980)

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2012

	NOTE	COUNCIL			GROUP	
		2012 ACTUAL \$000	2011 BUDGET \$000	2011 ACTUAL \$000	2012 ACTUAL \$000	2011 ACTUAL \$000
Equity at start of year		382,803	385,593	385,593	383,647	386,627
Add Total Comprehensive Income for Year		(9,568)	12,032	(2,790)	(8,486)	(2,980)
Equity at end of year	23	373,235	397,625	382,803	375,161	383,647

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2012

COUNCIL				GROUP		
NOTE	2012 ACTUAL \$000	2012 BUDGET \$000	2011 ACTUAL \$000	2012 ACTUAL \$000	2011 ACTUAL \$000	
Assets						
Current assets						
Cash and cash equivalents	10	1,812	724	4,243	2,056	4,738
Trade and other receivables	11	4,244	2,347	2,942	4,977	3,995
Inventories	12	19	0	26	440	485
Other financial assets	13	1,879	2,231	1,810	1,879	1,810
Total current assets		7,954	5,302	9,021	9,352	11,028
Non-current assets						
Property, plant and equipment	15	373,777	396,746	378,888	385,001	389,710
Intangible assets	16	64	0	31	88	79
Work in progress	17	2,483	1,547	3,078	2,578	3,167
Investment property	15	0	500	0	0	0
Term Inventory	12	0	0	0	989	751
Other financial assets	13	8,886	8,247	8,929	2	2
Total non-current assets		385,210	407,040	390,927	388,658	393,709
Total assets		393,164	412,342	399,947	398,010	404,737
Liabilities						
Current liabilities						
Trade and other payables	18	2,624	2,292	2,139	2,854	2,370
Deferred income	19	148	134	149	172	150
Provisions	20	67	156	83	67	83
Employee benefit liabilities	21	396	235	459	894	964
Borrowings	22	238	505	10,725	703	11,938
Tax payable		0	0	0	95	0
Derivative financial instruments	14	28	0	105	28	105
Total current liabilities		3,502	3,322	13,660	4,814	15,610
Non-current liabilities						
Provisions	20	457	359	371	457	371
Employee benefit liabilities	21	113	236	207	242	326
Derivative financial instruments	14	507	0	0	507	0
Borrowings	22	15,241	10,800	2,803	16,479	4,359
Deferred tax liability	9	108	0	104	349	424
Total non-current liabilities		16,426	11,395	3,485	18,034	5,480
Total liabilities		19,927	14,717	17,145	22,849	21,090
Net Assets		373,235	397,625	382,803	375,161	383,647
Equity						
Retained earnings	23	153,225	157,562	155,396	155,203	156,240
Restricted reserves	23	3,125	3,057	3,019	3,125	3,019
Revaluation reserve	23	216,886	237,006	224,389	216,833	224,389
Total equity		373,235	397,625	382,803	375,161	383,647

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2012

COUNCIL				GROUP		
NOTE	2012 ACTUAL \$000	2012 BUDGET \$000	2011 ACTUAL \$000	2012 ACTUAL \$000	2011 ACTUAL \$000	
Cash Flows from Operating Activities						
Cash provided from						
Rates	8,231	8,361	7,534	8,231	7,534	
Interest received	189	420	200	203	221	
Dividends received	100	240	300	0	0	
Grants & other sources	7,808	10,978	6,716	13,951	13,630	
Agency bookings received		0	750		750	
Cash paid to						
Cost of services	(13,951)	(11,161)	(11,484)	(17,483)	(16,860)	
Agency bookings paid		0	(750)		(750)	
Interest paid	(587)	(593)	(442)	(768)	(580)	
Income tax paid	4	0	0	(101)	(341)	
NetCashFlowsfromOperatingActivities	24	2,514	8,245	2,824	4,033	3,604
Cash Flows from Investing Activities						
Cash provided from						
Sale of fixed assets	426	0	2,434	640	2,541	
Sale of investments	212	0	1,972	231	2,307	
Cash paid to						
Purchase of fixed assets	(7,673)	(8,740)	(5,828)	(8,562)	(10,693)	
Purchase of investments	(100)	0	(2,876)	(103)	0	
NetCashFlowsfromInvestingActivities		(7,135)	(8,740)	(4,298)	(7,794)	(5,845)
Cash Flows from Financing Activities						
Cash provided from						
Loans raised	15,477	707	7,725	15,571	8,846	
Cash paid to						
Loan repayments	(13,525)	(119)	(500)	(14,682)	(635)	
Netcashflowsfromfinancingactivities		1,952	588	7,225	889	8,211
Net Increase/(Decrease) in Cash,						
cash equivalents and bank overdraft	(2,669)	93	5,751	(2,872)	5,970	
Opening Cash and Cash Equivalents		4,243	631	(1,508)	4,625	(1,345)
Closing Cash and Cash Equivalents	10	1,574	724	4,243	1,753	4,625

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 2012

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	
Open Drains	Infinite Life
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 2012. Sewerage, Water Supply and Stormwater infrastructural assets have been valued by Westland District Council and at depreciated replacement cost peer reviewed by Buller District Council as at 30 June 2012.

• 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 2012.

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

* 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.

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 2012 \$000	Budget 2012 \$000	Actual 2011 \$000
Income			
Governance	4	17	55
Planning and Regulatory	776	767	710
Roading	4,128	7,013	3,563
Water Supplies	693	14	546
Stormwater and Wastewater	58	66	77
Solid Waste Management	203	372	63
Other Operational Activities	467	12	324
*Community Services	2,234	1,547	2,120
Total Activity Income	8,563	9,807	7,458
Westland Holdings Limited	34	0	37
Petrol Tax	126	115	121
Interest	183	420	200
Dividends	100	240	300
General Rates	4,619	4,240	4,499
Rates Penalties	267	160	256
Targeted Rates	2,571	2,576	2,203
Metered Water	1,057	1,142	912
Gains/(losses) on Investment Property	0	0	
Westland District Properties Limited	45	0	0
Subvention payment	105	320	84
Total income	17,670	19,019	16,069
Expenditure			
Interest paid and bank charges	660	327	388
Loss on fair value of derivative financial instrument	430	0	47
Rates written off	215	76	222
Governance	753	697	796
Planning and Regulatory	1,481	1,323	1,405
Roading	5,295	5,185	4,855
Water Supplies	1,987	1,907	1,812
Stormwater and Wastewater	1,206	1,108	1,096
Solid Waste Management	2,335	1,535	1,323
Other Operational Activities	976	133	788
Community Services	4,704	3,428	4,086
Westland Holdings Limited	47	0	
Westland District Property Limited	34	0	37
Total expenditure	20,123	15,718	16,855
Net Surplus/(Deficit) before tax	(2,453)	3,301	(786)

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 \$74,000 is rates written off for General Rates only.

3. Rates

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
General rates	4,619	4,499	4,619	4,342
Rates penalties	267	256	267	256
Targeted rates attributable to activities				
Kokatahi Rural Fire	8	8	8	8
Glacier Country Promotions	66	71	66	71
Enterprise Hokitika	38	38	38	38
Ross Swimming Pool	9	11	9	11
Solid Waste Management	1,172	975	1,172	975
Sewerage	584	520	584	520
Water Supplies	693	580	693	580
Metered Water	1,057	912	1,057	912
Total Targeted Rates	3,628	3,115	3,628	3,115
Total revenue from rates	8,515	7,869	8,515	7,712

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Total rates revenue	8,515	7,869	8,515	7,712
Rates remissions				
Community and sports organisations full remission	8	9	8	9
Community and sports organisations half remission	12	11	12	11
Unoccupied Maori land	15	18	15	18
Other remissions	46	33	46	33
Discounts	18	20	18	20
Total remissions	99	91	99	91
Rates revenue net of remissions	8,415	7,778	8,415	7,621

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
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
General rates	4,619	4,499	4,619	4,499
Rates penalties	267	256	267	256
Rates remissions	(99)	(91)	(99)	(91)
Total	4,787	4,664	4,787	4,664

4. Other Revenue

	Council		Group	
	Actual	Actual	Actual	Actual
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
User charges	954	686	954	686
NZ Transport Agency government grants	2,812	3,114	2,812	3,114
Regulatory revenue	776	710	776	710
Infringements and fines	8	9	8	9
Rendering of services	2,234	2,119	2,234	2,119
Petrol tax	126	121	126	121
Interest	183	200	197	259
Dividends	100	300	0	0
Subvention receipt	105	84	0	0
Other	2,224	352	8,469	7,527
Total other revenue	9,520	7,696	15,575	14,546

5. Other Gains/Losses

	Council		Group	
	Actual	Actual	Actual	Actual
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
(Loss)/ gain on disposal of property, plant and equipment	(265)	194	9	(12)
Total gains/(losses)	(265)	194	9	(12)

6. Employee Benefit Expenses

	Council		Group	
	Actual	Actual	Actual	Actual
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
Salaries and wages	3,261	3,476	7,220	8,080
Employer contributions to multi-employer defined benefit plans	127	123	246	243
Increase/(decrease) in employee benefit liabilities	(157)	200	154	(256)
Total employee benefit expenses	3,232	3,799	7,620	8,067

7. Other Expenses

	Council		Group	
	Actual	Actual	Actual	Actual
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
<i>Fees to principal auditor:</i>				
Audit fees for current financial statement audit	99	82	168	145
Audit fees for LTCCP	96	10	96	10
Audit fees for 10/11 financial statement audit	17	7	17	7
Donations and grants	91	133	91	133
Lease payments	50	37	138	100
Rates Penalties Written off	141	124	141	124
Doubtful debts provision movement between years	1	29	2	32
Doubtful debts written off	6	34	9	41
Provision for loans	0	0	0	0
Other operating expenses	10,268	7,499	9,369	8,370
Total other expenses	10,769	7,955	10,031	8,962

8. Finance Costs

	Council		Group	
	Actual	Actual	Actual	Actual
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
Interest expense				
Interest on bank borrowings	661	389	741	526
Fair value (gains)/losses on derivatives				
(Gain)/loss on changes in fair value of interest rate swaps (note 14)	430	46	430	46
Total finance costs	1,090	435	1,170	573

9. Tax

Component of tax expense	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Current tax expense	0	(0)	263	87
Adjustments to current tax rate	0	0	0	0
Deferred tax expense/(credit)	4	(179)	(80)	(205)
Deferred tax adjustment – prior year	0	0	5	0
Income tax expense	4	(179)	188	(118)

Relationship between tax expense and accounting profit	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Surplus/(deficit) before tax	(2,453)	(786)	(1,134)	(914)
Tax @ 28%	(687)	(236)	(318)	(274)
Plus/(less) tax effect of:				
Permanent difference	687	(212)	581	350
Tax loss not Previously recognised	0	0	(35)	0
Tax loss not recognised	0	256	(45)	11
Change in deferred tax on buildings	0	0	0	(202)
Prior year adjustment	0	0	0	0
Deferred tax adjustment	4	13	5	(3)
Income Tax Expense	4	(179)	188	(118)

Deferred tax assets/(liabilities)	Property, Plant & Equipment	Employee Entitlements	Tax Losses	Other Provisions	Total
Westland District Council					
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 - tax rate	0	0	0	0	0
Balance at 1 July 2011	(104)	0	0	0	(104)
Charged to Profit & Loss	(4)	0	0	0	(4)
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - prior year	0	0	0	0	0
Balance at 30 June 2012	(108)	0	0	0	(108)
Group					
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 - tax rate	0	0	0	0	0
Balance at 1 July 2011	(615)	33	14	144	(424)
Charged to Profit & Loss	62	1	(4)	16	75
Charged to Equity	0	0	0	0	0
Deferred tax adjustment - prior year	0	0	0	0	0
Balance at 30 June 2012	(553)	34	10	160	(349)

10. Cash And Cash Equivalents

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Cash at bank and in hand	519	1,812	763	2,307
Short term deposits maturing three months or less from date of acquisition	1,292	2,431	1,292	2,431
Total cash and cash equivalents	1,812	4,243	2,056	4,738

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:

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Cash at bank and in hand	519	1,812	763	2,307
Short term bank deposits maturing within three months	1,292	2,431	1,292	2,431
Bank overdrafts (note 22)	(238)	0	(303)	(111)
	1,574	4,243	1,753	4,625

Please note that the total 2011 Group figure has been amended due to the bank overdraft being omitted in prior years.

11. Trade and Other Receivables

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Rates receivables	1,049	1,005	1,049	1,005
Other receivables	2,105	703	3,011	1,876
NZ Transport Agency	997	1,199	997	1,199
Amounts due from subsidiaries	68	29	0	0
Subvention receivable	105	84	0	0
	4,324	3,021	5,057	4,081
Less provision for impairment of receivables	(77)	(78)	(79)	(85)
	4,244	2,942	4,977	3,995

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
0 to 3 months	3,362	2,134	3,774	2,854
3 to 6 months	279	218	498	457
6 to 9 months	125	121	170	195
9 to 12 months	81	79	116	99
> 12 months	477	468	499	476
Carrying amount	4,324	3,021	5,057	4,081

As of 30 June 2011 and 2012, 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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Metal stocks	0	0	177	281
Other supplies	19	26	263	204
	19	26	440	485
Less provision for obsolescence	0	0	0	0
Total inventories	19	26	440	485

Development land inventory

Transferred from Investment Property	0	0	751	500
Additional costs	0	0	238	251
Total term inventory	0	0	989	751

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

13. Other Financial Assets

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000

Current portion

Assets available for sale

Civic Assurance	26	40	26	40
Westpac Bonds	1,853	1,770	1,853	1,770

Loans and receivables

Total current portion	1,879	1,810	1,879	1,810
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Non-current portion

Loans and receivables

Loan Hokitika Airport Limited	189	233	0	(0)
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Assets available for sale

Forestry	2	2	2	2
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Cost

Westland Holdings Limited - Westland District Property Limited	2,627	2,627	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	8,886	8,929	2	2
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There were no impairment provisions for other financial assets.

Investment in subsidiary are recorded in cost as shares are not traded there are no simple and low cost means to fair value them

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 \$2,007,865 in Westpac bank range from 2012 to 2017 for the Council and Group (2011: \$1,770,290), with a weighted average effective interest rate of 6.61% (2011: 8.45%).

14. Derivative Financial Instruments

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Interest rate swaps asset/ (liability)	(28)	(105)	(28)	(105)
Total current portion	(28)	(105)	(28)	(105)
Non Current Portion	(507)	0	(507)	0
Total non current portion	(507)	0	(507)	0

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2012 were \$3,000,000, \$2,800,000 and \$5,000,000 (2011 \$3,000,000 and \$2,800,000).

At 30 June 2012, the fixed interest rate of the interest rate swaps are 4.80% 4.99% and 4.35% 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: 1 October 2012 for the \$2,800,000 swap, 1 October 2017 for the \$5,000,000 swap and 17 June 2015 for the \$3,000,000 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

2012 Group	Cost/ revalue 1-Jul-11	Acc depn 1-Jul-11	Carrying amount 1-Jul-11	Current year additions
	\$000	\$000	\$000	\$000
Council operational assets				
Land (leased)	5,406	0	5,406	
Land (leased airport)	4,278	0	4,278	
Land (operational)	6,410	0	6,410	
Buildings	4,634	(9)	4,625	161
Furniture and fittings	1,460	(334)	1,126	18
Library collections	935	(715)	220	74
Museum Artefacts	158	0	158	
WBU Assets	42	(18)	24	44
Computer equipment	809	(735)	74	5
Office equipment	457	(360)	97	25
Motor vehicles	349	(230)	119	40
Jackson's Bay Wharf	670	(126)	544	
	25,608	(2,527)	23,081	367
Council infrastructural assets				
Land	2,148	0	2,148	4
Buildings	398	0	398	250
Roading network	168,662	(4,001)	164,661	2,337
Land under roads	55,470	0	55,470	
Bridges	67,918	(1,394)	66,524	
Water Supply	27,459	(1,270)	26,189	1,222
Drainage/Stormwater	14,378	(610)	13,768	259
Refuse Sites			0	2,450
Sewerage/Wastewater	13,022	(687)	12,335	703
Total infrastructural assets	349,455	(7,962)	341,493	7,225
Restricted assets				
Land	1,254	0	1,254	
Public buildings	1,929	0	1,929	19
Cemetery buildings	52	(2)	50	
Cemetery land	1,038	0	1,038	
Reserve/recreation land	6,655	0	6,655	
Reserve/recreation buildings	2,052	0	2,052	10
Reserve/improvements	307	(18)	289	41
Swimming pools	1,087	(40)	1,047	11
Total restricted assets	14,374	(60)	14,314	81
Total Council assets	389,437	(10,549)	378,888	7,673
Subsidiaries property, plant and equipment				
Buildings	2,925	(212)	2,713	221
Plant and machinery	10,991	(5,479)	5,512	1,527
Office equipment	258	(221)	37	46
Hokitika Airport	3,041	(481)	2,560	334
Total subsidiaries	17,215	(6,393)	10,822	2,128
Total Group assets	406,652	(16,942)	389,710	9,801

Current year disposals	Current year impairment	Current yeardepn	Currentyear disposals depn	Reclassify	Revaln depn w/ back	Revaln Surplus / (loss)	Cost/ revalue 30-Jun- 12	Acc depn 30-Jun-12	Carrying amount 30-Jun-12
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
(595)							4,811	0	4,811
							4,278	0	4,278
							6,410	0	6,410
	(34)	(95)					4,761	(104)	4,657
		(91)					1,478	(425)	1,053
		(46)					1,009	(761)	248
							158	0	158
		(35)					86	(53)	33
		(38)					814	(773)	41
		(21)					482	(381)	101
(51)		(54)	41				338	(243)	95
		(14)					670	(140)	530
(646)	(34)	(394)	41	0	0	0	25,295	(2,880)	22,415
				(39)			2,113	0	2,113
		(11)					648	(11)	637
	0	(2,441)		39	6,442	15,685	186,788	0	186,788
(96)							55,374	0	55,374
		(699)			2,093	(21,706)	46,212	0	46,212
		(660)			1,930	(4,914)	23,767	0	23,767
		(320)			930	(4,887)	9,750	0	9,750
		(38)					2,450	(38)	2,412
		(361)			1,048	(3,710)	10,015	0	10,015
(96)	0	(4,530)	0	0	12,443	(19,532)	337,117	(49)	337,068
							1,254	0	1,254
		(39)					1,948	(39)	1,909
		(1)					52	(3)	49
							1,038	0	1,038
							6,655	0	6,655
		(20)					2,062	(20)	2,042
		(15)					348	(33)	315
		(26)					1,098	(66)	1,032
0	0	(101)	0	0	0	0	14,455	(161)	14,294
(742)	(34)	(5,025)	41	0	12,443	(19,532)	376,867	(3,090)	373,777
(4)		(59)		9			3,151	(271)	2,880
(1,185)	(40)	(1,140)	842				11,293	(5,777)	5,516
		(21)					304	(242)	62
(63)	(13)	(36)	63	(79)			3,220	(454)	2,766
(1,252)	(53)	(1,256)	905	(70)	0	0	17,968	(6,744)	11,224
(1,994)	(87)	(6,281)	946	(70)	12,443	(19,532)	394,835	(9,834)	385,001

All valuations are carried out on a cyclical basis. A detailed valuation was performed by Kerry Stewart of Darroch at 30 June 2011 for land and buildings. Infrastructural assets were valued in house by the Plannign Engineer and peer reviewed by Buller District Council. .

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	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
		(394)	5,406	0	5,406
		(478)	4,278	0	4,278
		(103)	6,410	0	6,410
331		(981)	4,634	(9)	4,625
			1,460	(334)	1,126
			935	(715)	220
			158	0	158
			42	(18)	24
			809	(735)	74
			457	(360)	97
			349	(230)	119
			670	(126)	544
331		(1,956)	25,608	(2,527)	23,081
		166	2,148	0	2,148
35		(217)	398	0	398
			168,662	(4,001)	164,661
			55,470	0	55,470
			67,918	(1,394)	66,524
			27,459	(1,270)	26,189
			14,378	(610)	13,768
			13,022	(687)	12,335
35		(51)	349,455	(7,962)	341,493
		(81)	1,254	0	1,254
112		(139)	1,929	0	1,929
4		(5)	52	(2)	50
		5	1,038	0	1,038
		(166)	6,655	0	6,655
81		(81)	2,052	0	2,052
			307	(18)	289
61		(81)	1,087	(40)	1,047
258		(548)	14,374	(60)	14,314
624		(2,555)	389,437	(10,549)	378,888
			2,925	(212)	2,713
			10,991	(5,479)	5,512
			258	(221)	37
			3,041	(481)	2,560
0	0		17,215	(6,393)	10,822
624	(2,555)		406,652	(16,942)	389,710

15 a. Investment Property

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000

Cost or deemed cost

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

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, was transferred to Westland District Property Limited on 27 June 2011.

16. Intangible Assets

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000

Cost or deemed cost

Balance at 1 July	38	23	288	273
Additions	40	15	40	15
Disposals	0	0	0	0
Balance at 30 June	78	38	328	288

Depreciation and amortisation losses

Balance at 1 July	7	3	209	182
Amortisation for the year	7	4	31	27
Impairment loss	0	0	0	0
Disposals	0	0	0	0
Balance at 30 June	14	7	240	209

Carrying amounts

At 1 July	31	20	79	91
At 30 June	64	31	88	79

There were no internally generated intangible assets generated in the 2011/12 year.

17. Work In Progress

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Capital projects	2,483	3,078	2,578	3,167
Balance at 30 June	2,483	3,078	2,578	3,167

18. Trade And Other Payables

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Other payables	1,224	1,186	2,417	1,947
Waiho relocation grants	303	303	303	303
Accrued expenses	135	120	135	120
Amounts due to subsidiaries	963	530	0	0
Total trade and other payables	2,624	2,139	2,854	2,370

19. Deferred Income

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Rates and other revenue received in advance	148	149	172	150
Total deferred income	148	149	172	150

20. Provisions

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000

Current provisions are represented by:

Landfill closure and monitoring	0	41	0	41
Leaky homes provision	67	42	67	42
Total current provisions	67	83	67	83

Non-current provisions are represented by:

Landfill closure and monitoring	457	371	457	371
Total non-current provisions	457	371	457	371

	Council & Group	
	Actual 2012 \$000	Actual 2011 \$000
Movement in provisions		
Provision at 1 July	453	429
Movements in provision	452	111
Amount used in year	(381)	(87)
Provision at 30 June	524	453

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Accrued severance	0	156	0	156
Annual and Sick leave	298	287	732	723
Long service leave	14	17	76	80
Retirement gratuities	196	207	327	332
Total employee benefit liabilities	509	666	1,136	1,290

Comprising:

Current	396	459	894	964
Non-current	113	207	242	326
Total employee benefit liabilities	509	666	1,136	1,290

22. Borrowings

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Current				
Bank overdraft	238	0	303	111
Secured loans	0	0	0	0
Term debt	0	10,725	400	11,827
Total current borrowings	238	10,725	703	11,938

Non-current

Secured loans	0	0	0	0
Term debt	15,241	2,803	16,479	4,359
Total non-current borrowings	15,241	2,803	16,479	4,359
Total borrowings	15,480	13,528	17,183	16,297

Fixed-rate debt

The Council's secured debt of \$ 15,479,140 (2011 \$13,524,792) is issued at variable rates of interest. At 30 June 2012 there was an interest rate swap agreement for a face value of \$3,000,000 at 4.35%, maturing on the 17 June 2015. A interest rate swap with a face value of \$2,800,000 from at 4.81% for 3 years maturing 1 October 2012, see note 14. In addition a interest rate swap with a face value of \$5,000,000 at 4.99% maturing on 1 October 2017.

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 2011	New loans raised	Principal Repaid	Balance at 30 June 2012
Waste Management Projects	16/08/2011	3.67%	2,400,000		2,400,000	0
Waste Management Projects	2/07/2012	3.78%	0	2,125,353	0	2,125,353
Waste Management Projects	2/07/2012	3.63%	0	944,347	0	944,347
Water Supply Projects	16/08/2011	3.67%	2,180,000	0	2,180,000	0
Water Supply Projects	2/07/2012	3.78%	0	2,718,000	0	2,718,000
Water Supply Projects	2/07/2012	3.63%	0	505,653	0	505,653
Loan to Hokitika Airport Ltd.	16/08/2011	3.67%	250,000	0	250,000	0
Loan to Hokitika Airport Ltd.	2/07/2012	3.63%	0	250,000		250,000
Ross Pensioner Housing	15/11/2017	3.50%	3,456		1,087	2,369
Westland Holding Limited	4/07/2011	3.66%	2,126,792		2,126,792	0
Westland Holding Limited	2/07/2012	3.78%	0	2,627,000	0	2,627,000
Westland Holding Limited	16/08/2011	3.68%	500,000		500,000	0
Westland Holding Limited	16/08/2011	3.66%	268,000		268,000	0
Westland Holding Limited	1/10/2012	4.81%	2,800,000		2,800,000	0
Westland Holding Limited	2/07/2012	3.78%	0	2,718,000	0	2,718,000
Westland Holding Limited	17/03/2012	4.08%	3,000,000		3,000,000	0
Westland Holding Limited	1/07/2012	3.66%	0	3,350,000	0	3,350,000
Westland Business Unit (Overdraft)	30/06/12	7.95%	0	238,419		238,419
Total Council			13,528,248	15,476,772	13,525,879	15,479,141
Westroads Flexible Finance Loan	30/06/12	5.45%	750,000		750,000	0
Westroads Limited overdraft	2014	9.77%	111,000		46,000	65,000
Westroads Limited	2014	5.96%	153,000		24,000	129,000
Westroads Limited	2011	6.43%	111,000		111,000	0
Westroads Limited	2015	7.40%	795,000		109,000	686,000
Westroads Limited	2013	9.48%	198,000		21,000	177,000
Westroads Limited	2014	6.18%	150,000		15,000	135,000
Westroads Limited	2016	6.05%	221,000		39,000	182,000
Westroads Limited	2016	5.97%	279,000		50,000	229,000
Westroads Limited	2013	6.40%	0	64,000		64,000
Westroads Limited	2014	6.72%	0	25,000		25,000
Westroads Limited	2013	6.09%	0	10,000		10,000
Total Subsidiaries			2,768,000	99,000	1,165,000	1,702,000
Total Group			16,295,161	15,575,772	14,689,792	17,181,141

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
2012	\$000	\$000
Less than one year	238	15,942
Later than one year but not more than five years	15,241	1,240
Later than five years		0
	15,479	17,182
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

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Fair values of non-current borrowings

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

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Term debt	2	2,803	1,240	4,359
Total	2	2,803	1,240	4,359

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Retained earnings				
Transfers to:	155,396	154,434	156,240	155,468
Restricted reserves				
Transfers from:	(767)	(4,312)	(767)	(4,312)
Restricted reserves				
Revaluation reserve - disposals	661	4,177	661	4,177
WBU Prior Year Adjustment	392	1,702	392	1,702
Surplus/(deficit) for the year	(2,457)	(606)	(1,322)	(796)
As at 30 June	153,225	155,396	155,203	156,240
Restricted reserves				
As at 1 July	3,019	2,884	3,019	2,884
Transfers to Retained Earnings:				
Special funds	(180)	(0)	(180)	(0)
Separate funds	(299)	(4,083)	(299)	(4,083)
Trusts and bequests	(182)	(94)	(182)	(94)
Transfers from Retained Earnings:				
Special funds	238	157	238	157
Separate funds	343	4,063	343	4,063
Trusts and bequests	187	92	187	92
As at 30 June	3,125	3,019	3,125	3,019
Restricted reserves consist of:				
Special funds	2,470	2,412	2,470	2,412
Separate funds	(272)	(315)	(272)	(315)
Trusts and bequests	927	922	927	922
As at 30 June	3,125	3,019	3,125	3,019
Asset revaluation reserves				
As at 1 July	224,389	228,275	224,389	228,275
Revaluation of property, plant and equipment	(7,089)	(1,931)	(7,089)	(1,931)
Impairment of property, plant and equipment	(34)	(249)	(87)	(249)
Revaluation of financial assets held for resale	12	(4)	12	(4)
Transfer of revaluation reserve to retained earnings on disposal of property, plant and equipment	(392)	(1,702)	(392)	(1,702)
Deferred tax	0	0	0	0
As at 30 June	216,886	224,389	216,833	224,389
Total Equity	373,235	382,803	375,161	383,647

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

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Surplus/(deficit) after tax	(2,457)	(606)	(1,322)	(796)
Add/(less) non-cash items:				
Vested assets	0	(402)	0	(402)
Depreciation and amortisation	5,032	4,666	6,312	5,869
Increase/(decrease) in Employee entitlements (LT)	(94)	(25)	(70)	(23)
Increase/(decrease) deferred tax	4	(179)	(75)	(205)
Gain on fair value of investment property	0	0	0	0
Movement in fair value of interest rate swap	430	46	430	46
Add/(less) items classified as investing or financing activities:				
(Gains)/losses on sale of assets	265	(194)	(9)	12
Capital Creditors	134	0	(727)	54
Add/(less) movements in working capital items:				
Trade and other receivables	(1,486)	(652)	(1,166)	(603)
Inventories	7	(26)	45	(237)
Trade and other payables	669	(67)	669	(265)
Deferred income	(1)	13	21	13
Current and non-current provisions	70	24	70	24
Employee entitlements (ST)	(63)	225	(70)	279
Taxation provision	4	0	(75)	(165)
Net cash inflow/(outflow) from operating activities	2,514	2,826	4,033	3,604

25. Capital Commitments And Operating Leases

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Capital commitments				
Capital commitments approved and contracted	1,224	425	1,851	733
Total capital commitments	1,224	425	1,851	733

Operating leases as lessee

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

	Council		Group	
	Actual 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Not later than one year	54	50	119	101
Later than one year and not later than two years	50	43	87	68
Later than two years and not later than five years	107	103	240	153
Later than five years	0	0	0	0
	210	196	445	322

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Non-cancellable contracts				
Not later than one year	2,700	2,243	2,705	2,243
Later than one year and not later than two years	1,148	2,035	1,148	2,035
Later than two years and not later than five years	3,300	1,943	3,313	1,953
Later than five years	2,200	1,393	2,202	1,408
Total non-cancellable contracts	9,347	7,615	9,367	7,640

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Performance bonds	0	0	333	332
Mining bonds	0	0	35	25
Total quantified contingent liabilities (refer note below)	0	0	368	357

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 2012, the Scheme had a past surplus of \$43.6 million (2011: \$43.6 million) and 18.2% (2011: 18.2%) 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 2012 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 2012 (2011 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 2012 \$000	Actual 2011 \$000
Westroads Limited		
Revenue earned	24	46
Expenditure charged	6,647	4,432
Accounts payable at 30 June	963	530
Accounts receivable at 30 June	0	5
Group tax Loss offset	270	196
Subvention payable	105	84
Hokitika Airport Limited		
Revenue earned	59	115
Expenditure charged	13	13
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	20	20
Loan advanced	0	250
Loan payable at 30 June	189	232
Westland District Properties Limited		
Revenue earned	64	0
Expenditure charged	48	0
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	48	0
Vehicle Purchase	17	
Property purchase	4	2,427

Westland Holdings Limited

Revenue earned	0	37
Expenditure charged	0	37
Accounts payable at 30 June	0	0
Accounts receivable at 30 June	0	4
Dividends received	100	300

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 this interest..

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 \$5,928.89 (2011 \$9,683.63) and were supplied on normal commercial terms. There is a balance of \$0 (2011 \$0) outstanding for unpaid invoices at year end.

Key management personnel compensation

	Council	
	2012 \$000	2011 \$000
Salaries and other short term employee benefits	853	914
Post employment benefits (including fringe benefit tax)	37	35
Telephone rental	1	1
Expense allowances	16	14
Professional allowances/fees	5	2
Other long term benefits	0	55
Termination benefits	0	96

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 \$196,433 including backpay (2011 \$200,369). The CEO is entitled to a retiring gratuity of \$83,706 on retirement, this has been progressively expensed over the term of this employment.

For the year ended 30 June 2012, 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 \$196,433 (2011 \$200,369).

Name of elected representative	Position	2012		2011	
		Remuneration	Total	Remuneration	Total
*M Pugh	Mayor	65,500	65,500	63,153	63,153
B Thomson	Deputy Mayor	21,678	21,678	21,000	21,000
A Payn	Councillor	0	0	2,948	2,948
I Hustwick	Councillor	0	0	2,948	2,948
K J Egging	Councillor	15,066	15,066	13,604	13,604
K R Scott	Councillor	14,971	14,971	14,604	14,604
J G Birchfield	Councillor	14,939	14,939	13,604	13,604
A M Hurley	Councillor	15,037	15,037	14,604	14,604
A N Bradley	Councillor	13,971	13,971	13,604	13,604
R F Gugich	Councillor	0	0	2,948	2,948
J H Butzbach	Councillor	13,971	13,971	13,604	13,604
F I Stapleton	Councillor	13,971	13,971	10,656	10,656
M D Montagu	Councillor	14,971	14,971	10,656	10,656
K C van Beek	Councillor	13,971	13,971	10,656	10,656
		218,045	218,045	208,589	208,589

*Remuneration includes directors fees for Westland Holdings Limited of \$3,000 (2011: \$6,000) (2011: Zone 5 Chair Honorarium \$2,000).

29. Severance payments

The Council had no severance payments for the year ended 30 June 2012 of (2011: \$2,100 and \$5,700).

The Council had no other payments for final pay or retirement gratuity (2011: 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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000
Westpac Bonds	1,853	1,770	1,853	1,770
Cash at bank and term deposit	1,574	4,243	1,818	4,738
Trade and other receivables	4,428	2,942	5,161	3,995
LGIC	26	40	26	40
Total credit risk	7,881	8,995	8,858	10,543

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 \$250,000 (2011 \$150,000). There are no restrictions on the use of this facility. In 2012/13 council elected to bring back in house the Westland Business Unit.

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 2012 \$000	Actual 2011 \$000	Actual 2012 \$000	Actual 2011 \$000

COUNTERPARTS WITH CREDIT RATINGS

Cash at bank and term deposits

AA-	1,574	4,243	1,818	4,738
Total cash at bank and term deposits	1,574	4,243	1,818	4,738

Westpac Bonds and investments

AA	560	208	560	208
AA-	405	687	405	687
A	274	367	274	367
A+	102	104	102	104
A-	309	198	309	198
BBB	203	205	203	205
Total Westpac Bonds	1,853	1,770	1,853	1,770

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 2012					
Trade and other payables	2,808	2,808	2,808	0	0
Term debt	15,241	15,241	15,239	2	0
Bank overdraft	238	238	238	0	0
Total	18,287	18,287	18,285	2	0
Group 2012					
Trade and other payables	3,038	3,038	3,038	0	0
Term debt	16,879	0	0	0	0
Bank overdraft	0	0	0	0	0
Total	19,917	3,038	3,038	0	0
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

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 2012					
Cash and cash equivalents	1,812	1,812	1,812	0	0
Trade and other receivables	4,428	4,428	4,428	0	0
ASB Bonds	1,853	2,502	424	1,134	944
Civic Assurance	26	26	26	0	0
ASB investments	0	0	0	0	0
Total	8,119	8,768	6,690	1,134	944
Group 2012					
Cash and cash equivalents	763	763	763	0	0
Trade and other receivables	5,161	5,161	5,161	0	0
ASB Bonds	1,853	2,502	424	1,134	944
Civic Assurance	26	26	26	0	0
ASB investments	0	0	0	0	0
Total	7,804	8,453	6,374	1,134	944
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	9,498	7,548	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

Sensitivity analysis

Interest Rate Risk – Council

As at 30 June 2012 it is estimated that a two percentage point increase/decrease in market interest rates would decrease/increase the Council's equity by approximately \$162,380 (30 June 2011 \$127,634)

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 2012 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 \$156,080 (30 June 2011 \$141,634).

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 2011/2012 Annual Plan are as follows:

REVENUE: APPROXIMATELY \$1,490,000 LESS THAN BUDGET.

This result was the net effect of:

Activity	Explanation	Amount
TARGETED RATES	Metered water fees were lower than anticipated	(89,000)
COMMUNITY ASSISTANCE/ FUNDING	There was a grant received by council on for the purpose of the construction of the Franz Health Centre	100,000
LAND & BUILDINGS	MDI Funding was received by council for the Regent Theatre (\$313,332), Westland Boy's Brigade (\$80,709) and Donovan's Store (\$16,009). The MDI funding received last year totalled (Regent Theatre) \$160,897. MDI funding for these projects was not anticipated in the 2011/12 budget	410,050
PARKS & RESERVES	General Reserves Contributions from subdivisions not budgeted for	90,000
LAND & BUILDINGS	There was a Capital Gain on Disposal of Land (land sold for more than carrying value) \$103,740 which was offset by a loss on disposal of land (land sold for less than carrying value) (\$368,913). This resulted in an overall loss on disposal.	(265,000)
TRANSPORTATION	It was anticipated that all the remaining funding for the cycleway would be realised in the 2011/2012 year.	(2,050,000)
VESTED ASSETS	There were no assets vested with council this year , which reduced income	(200,000)
WATER SUPPLY	Subsidy Received for two water schemes	590,484
WATER SUPPLY	Actual Metered Water Collected was more than anticipated	23,466
DIVIDEND	The dividends from subsidiaries was less than anticipated.	(100,000)

EXPENDITURE: APPROXIMATELY \$4,405,599 GREATER THAN BUDGET.

This result was the net effect of:

Activity	Explanation	Amount
EMPLOYEE BENEFIT EXPENSE	A review of the organisations restructure in the 2011/12 financial year meant redundancies and a subsequent reduction in this expense	(14,437)
DEPRECIATION & AMORTISATION	Depreciation was higher than anticipated due to large capital works being completed and being brought into service the most significant of which include Ross Water treatment and Butlers Landfill as well as Transportation renewals	501,000
FINANCE COSTS	The interest rate swaps valuation (hedging of interest rates) was substantially lower at the end of 2011/12 than anticipated. Actual interest paid was also substantially higher than budgeted in 2011/12.	824,420
COMMUNITY ASSISTANCE/ FUNDING	A contribution to the Franz Health Centre was not anticipated in the 2011/12 budget, however this is offset in the income as a grant for the same amount was received	100,000
COMMUNITY HALLS & BUILDINGS	MDI Funding was distributed to the Regent Theatre (\$313,332), Westland Boy's Brigade (\$80,709) and Donovan's Store (\$20,601). MDI funding for these projects was not anticipated in the 2011/12 budget	414,642
COMMUNITY HALLS & BUILDINGS	The Pensioner association building, required repairs & maintenance as also did the Ross Memorial Hall. These were unanticipated Repairs & Maintenance and therefore were not budgeted in 2011/12.	16,000
COMMUNITY HALLS & BUILDINGS	Heritage Park suffered a fire in the 2011/12 this resulted in costs associated with the clean up and rebuild. There was no provision in the budget for costs associated with fire.	10,000
WESTLAND BUSINESS UNIT	Depreciation costs and bank fees were costs that were not sufficiently budgeted for in the 2011/12	20,000
WESTLAND BUSINESS UNIT	An adjustment was required from the previous year for additional expenses associated with the business unit. (This relates to an internal loan which in turn showed a misstatement in the level of equity last year).	200,000
MUSEUM	Electricity costs, salaries and wages, insurance, retail purchases, photocopying and exhibition costs all contributed to the actual expenditure exceeding 2011/12 budget.	80,000
LAND & BUILDINGS	Ross Property incurred expenses directly related to the sale of property, which included the costs of commission, surveying, consultants fees and legal fees	70,828
LAND & BUILDINGS	In 2011/12 land was sold at a loss (less than carrying value)	368,913
LAND & BUILDINGS	Council paid some expenses on behalf of Westland District Property Company, Hokitika Airport and Westland Holdings, however these were later reimbursed by all companies	100,874
LAND & BUILDINGS	Overhead allocations, and unanticipated costs for Rural Properties resulted in actual expenditure for this activity to be higher than budget	42,184
CEMETERIES	Contractor costs were higher than budget for the Hokitika Cemetery and Rural Cemeteries	34,214
RESOURCE MANAGEMENT	Due to a review of staff's level of experience and ability salaries and wages were increased to properly reflect this. The increase was however not budgeted for.	50,548

INTRODUCTION	RESOURCE MANAGEMENT	Recoverable expenditure (which is carried by the activity in the completion of the Resource Consent) and an increase in overhead allocation increased actual expenditure against budget for this activity	40,442
	INSPECTIONS & COMPLIANCE	Insurance Premiums, salaries and wages and legal fees expenses were all higher than anticipated in the budget	66,872
	WATER SUPPLY	Residents of Hannah Clearing opting to take up council's offer of a loan for water tanks is the reason for the increased expenditure against budget.	79,536
DISTRICT REPRESENTATIVES & STAFF	WASTE WATER	Contractor costs associated with Franz wastewater due to ongoing issues with blockages, was the main contributor to the increased actual expenditure to budget. Also contributing to the increased actual costs were electricity and insurance for Hokitika wastewater.	83,620
	WASTE MANAGEMENT	Waste incurred legal fees due to the renegotiation of the current waste management contract	116,268
	WASTE MANAGEMENT	Due to a review of overhead allocations Waste Management's actual overhead's increased compared to budget	70,974
FINANCIAL STATEMENTS	WASTE MANAGEMENT	Provision cost required for the capping of the Franz Josef landfill and associated costs for capping Hokitika landfill as well as recognising aftercare costs associated will all landfills owned by council increased actual expenditure compared to budget.	457,217
	WASTE MANAGEMENT	Contractors Costs for Waste Management were also higher than anticipated	156,000
	GOVERNANCE	This is due additional costs associated with consultants regarding the appointment of a new CEO and costs associated with producing the 2012/22 LTP, as well as increased insurance costs, the decision not to continue with upgrading council's IT all contributed to increased costs associated with council.	373,484
STATEMENTS OF SERVICE PERFORMANCE	RATES PENALTIES	Rates penalties written off which were not previously included in other expenditure are now included	142,000
DISTRICT ASSETS			
REPORT OF THE AUDIT OFFICE			

SIGNIFICANT CAPITAL EXPENDITURE VARIANCES

Activity	Explanation	Amount
TRANSPORTATION	National Cycletrail which was due to be completed in the 2011/12 year still has stage one yet to be completed	(1,058,820)
TRANSPORTATION	District Renewals identified in the 11/12 year of the 2009/19 LTCCP amounted to \$1,620,920 (Roothing Sealed Surface \$783,227 and Roothing Unsealed structure \$837,693). The variance of \$278,290 is due to the reduction in funding from NZTA which is a result of the Christchurch Earthquake.	(1,058,820)
TRANSPORTATION	Due to funding being revoked from NZTA on some projects Hau Hau Road Widening will no longer be done in the foreseeable future	(529,410)
COMMUNITY HALLS & BUILDINGS	It was identified that the Ross Playgroup's building was no longer in a suitable condition to be used, so Council resolved to use money from the sale of land at Ross to fund the building of another building. This project was not identified in the 2009/19 LTCCP.	93,223
WATER SUPPLY	Hokitika Lakeline Pipe Replacement project identified in the 2011/12 year of the 2009/19 LTP was not completed as at 30 June 2012.	(739,018)
WATER SUPPLY	Water Supply Renewals (Hokitika \$66,183, Harihari \$10,583, Whataroa \$3,540, Fox \$20,954, intended renewals per budget was \$58,000	43,260
WATER SUPPLY	Ross Water Treatment Plant identified in the 2009/19 LTCCP (Budget \$600,000) was completed in the 2011/12 financial year. The reasons for the variance of \$145,083 is due to timing of recognising the need for and then subsequent changes in development and requirements of the plant.	745,083
WATER SUPPLY	Franz Josef New Intake project was due for completion in 2012/13 per the 2009/19 LTCCP however it became obvious this project needed to be completed in 2011/12	310,391
WASTEWATER	Franz Josef new Mains and Pump Station identified in the 2009/19 LTP were completed in 2011/12 under budget. \$325,000 (budget)	320,000
WASTEWATER	The desludging of the Hokitika ponds identified in the 2010/11 year of the 2009/19 LTCCP (Budget \$204,600) was also completed in 2011/12	299,419
STORMWATER	Jollie Street mains extension identified in the 2011/12 year of the 2009/19 LTCCP has been deferred until 2012/13	(158,361)
STORMWATER	Rolleston Street Pump Station identified in the 2010/11 year of the 2009/19 LTCCP was completed in 2011/12	178,209
WASTE MANAGEMENT	Completion of Butlers Refuse Site (This project was scheduled for completion in the 2010/11 year of the 2009/19 LTCCP with a total budget of \$1,017,000). The reasons for the variance to budget was mainly due to timing and the increases in costs, changes in legislation as to how landfills are to be managed since the need for additional landfill needs were identified in the LTP.	1,848,495
WASTE MANAGEMENT	Hokitika Transfer Station was identified for completion in the 2009/10 year of the 2009/19 LTCCP (budget \$400,00) however was completed in 2011/12. The reasons for the variance to budget was mainly due to timing and the increases in costs in the three years from budget to completion.	781,196
GOVERNANCE	A proposed shared IT service project was scrapped in 2011/12	(300,000)

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STATEMENTS OF SERVICE PERFORMANCE

INTRODUCTION

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

West Coast 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 to two meaning it is suitable for riders of all ages and abilities. 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

New water standards are required to be implemented by Councils around New Zealand by 2015. These central government mandated standards mean that untreated water supplies must be treated. Ross water supply treatment was completed 2011/12. Council will continue to seek subsidies where possible to minimise the impact of expensive infrastructure projects on local communities.

The cost of infrastructure and maintaining our community facilities in the future is of concern to Council.

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.

Council remains committed to ensuring the continued use of 1080 does not contaminate our water supplies and catchments.

Waste Management

Westland District Council undertook a number of consultations around waste management in 2011/12 and will release a Draft Waste Minimisation Plan in November 2012 for further consultation and adoption.

Butlers Landfill is now fully operational and Hokitika Landfill has been capped.'

Council keeps encouraging residents to do more to recycle and reuse what they can.

District Plan Review & Levels of Service

Changes in levels of service were reviewed last year in our Long Term Plan Process. This incorporated the results of the other engagement processes which Council has undertaken. For example, 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 us at 03 756 9010 or email at council@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 2011/12	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 which is the same hours as 2010/11.	44 to 52 hours	60 hours
		Increased use of library facilities	Library members and issues numbers	3,636 members (3,528 10/11 year) 88,785 issues (88,001 10/11 year)	3,200 70,000	4,000 72,000
Quality	Library is safe, clean and comfortable	Customer satisfaction	*Customer surveys	62% Very Satisfied 27% Quite Satisfied 7% Just Satisfied	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	54% Very Satisfied 32% Quite Satisfied 11% Just Satisfied	90%	90%
	Special programmes provided i.e. Book Week activities and holiday programmes.	5 programmes provided per annum	Feedback and numbers of participants	11 Programmes were provided in 2011/12 5 programmes were offered in the 2010/11 year	6	7
	School and community group visits hosted when requested by the schools or groups	13 groups hosted	Feedback and groups revisiting independently	30 Groups were hosted compared to 20 in the 2010/11 year. This includes groups hosted at their request and revisiting independently.	13	14

* We believe that while the residents satisfaction survey was conducted in August 2011 and completed in October 2011 the results are relevant for the full year because there were no major changes to levels of service during the financial year as the standards and policies were not changed in terms of purchasing additional material for the Library, ensuring there remains a wide range of material. As the building is new which subsequently means the maintenance is kept to a high standard. There was one change in staffing but this had no effect on the levels of service.

Financial Performance - Library

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	429,453	429,453	368,356
Vested Assets	0	0	0
Other Income	24,286	24,540	43,567
Total Operating Revenue	453,739	453,993	411,923
Operating Expenses			
Expenditure	363,699	377,993	330,603
Interest	0	0	0
Depreciation	88,587	76,000	82,638
Total Operating Expenditure	452,285	453,993	413,241
Operating Surplus/(Deficit)	1,454	0	(1,318)
Operating Surplus Transferred to (Operating Deficit funded from)			
Reserve	1,454	0	(1,318)
Depreciation not Funded (Retained Earnings)	0		0
Funding for Capital Projects	0	0	0
	1,454	0	(1,318)
Capital Expenditure			
New Assets	29,167	0	10,008
Renewals Assets	53,250	21,176	52,956
Debt Repayment	0	0	0
Capital & Debt Repayment	82,418	21,176	62,964
Vested Assets	0	0	0
Operating (Surplus) /Deficit	(1,454)	0	1,318
Transfer to Reserves	0	0	0
Total Funding Required	80,964	21,176	64,282
Funded By:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	53,250	21,176	52,956
Loans Raised	0	0	0
Reserves	27,713		11,326
Total Funding Applied	80,964	21,176	64,282

Variance Explanations - Library

2012 Actual versus 2011 Actual	
Total Operating Expenditure Variance - Increase	39,044
Made up of:	
Increased in library programmes and increased staff costs	22,444
Increase in overheads due to an overall increase in councils running costs	5,500
Increase leased cost of photocopier	5,100
Depreciation higher due to increased renewals	6,000
Total	39,044
2012 Actual versus 2012 Budget	
Total Capital Expenditure Variance	61,242
Made up of:	
Increase in renewals of Library fixtures & fittings	2,200
Increased purchases of Adult Non Fiction books	29,000
Increased purchases of rental books	12,000
Increased Purchases in the remaining book categories	18,042
Total	61,242

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.

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	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	99% in the 2011/12 year* compared to 100% in the 2010/11 year	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 76 (74 in 2010/11) Burglary reported offences 33 (44 in 2010/11) Traffic crashes 146 (137 in 2010/11)	Family violence notified cases 30. Burglary reported 40. Traffic offences 4,000.	Family violence notified cases 30. Burglary reported 40.

* The Community Services Officer successfully runs the Big Brother Big Sister programme in Westland and participating mentors have indicated in a survey that 99% feel supported in their mentoring relationship with a young person.

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.

Financial Performance - Safer Community Council

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0		0
General Rates	29,653	29,653	33,208
Vested Assets	0	0	0
Other Income	21,700	22,000	31,540
Total Operating Revenue	51,353	51,653	64,748
Operating Expenses			
Expenditure	45,109	50,393	58,151
Interest	0	0	0
Depreciation	66	1,260	66
Total Operating Expenditure	45,175	51,653	58,217
Operating Surplus/(Deficit)	6,178	0	6,531
Operating Surplus Transferred to (Operating Deficit funded from)			
Reserve	6,178	0	6,531
	6,178	0	6,531
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	6,178	0	6,531
Total Funding Required	6,178	0	6,531
Funded By:			
Operating Surplus	6,178	0	6,531
Funding from Accumulated Depreciation	0	0	0
Loans Raised	0	0	0
Reserves	0	0	0
Total Funding Applied	6,178	0	6,531

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 2011/12	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	42% Very Satisfied 34% Quite Satisfied 15% Just Satisfied	70% satisfaction	80% satisfaction
		Headstone structural repair program instigated.	Reports to Council on structural repairs required and carried out	To date no repairs have commenced. In 2010/11, 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	42% Very Satisfied 34% Quite Satisfied 15% Just Satisfied	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	42% Very Satisfied 34% Quite Satisfied 15% Just Satisfied	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 as per Burial and Cremation Act 1964.	Cemetery records	100%	100%	100%

* We believe that while the residents satisfaction survey was conducted in August 2011 and completed in October 2011 the results are relevant for the full year because there were no major changes to levels of service during the financial year. Standards policies and processes remained the same, so users will continue to feel safe within the cemetery grounds. There were no staff turnovers or changes in maintenance contractors. This ensured that the grounds are maintained to the same level, at the time of the survey. The same staff continue to monitor the cemetery grounds and respond to queries pertaining to cemetery records.

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

Financial Performance - Cemeteries

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	79,665	79,665	52,927
Vested Assets	0	0	0
Other Income	31,446	26,261	39,998
Total Operating Revenue	111,111	105,926	92,925
Operating Expenditure			
Expenditure	116,458	84,666	92,370
Interest	0	0	0
Depreciation	3,095	1,260	1,599
Total Operating Expenditure	119,552	85,926	93,969
Operating Surplus/(Deficit)	(8,441)	20,000	(1,044)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(8,441)	0	(1,044)
Funding for Capital Projects	0	20,000	0
	(8,441)	20,000	(1,044)
Capital Expenditure			
New assets	35,374	20,000	29,202
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	35,374	20,000	29,202
Vested assets	0	0	0
Operating Deficit	8,441	0	1,044
Transfers to Reserves	0	0	0
Total Funding Required	43,815	20,000	30,246
Funded by:			
Operating Surplus	0	20,000	0
Funding from Accumulated Depreciation	35,374	0	21,267
Loans raised	0	0	0
Reserves	8,441	0	1,044
Total Funding Applied	43,815	20,000	30,246

Variance Explanations - Cemeteries

2012 Actual versus 2011 Actual	
Total Operating Expenditure Variance - Increase	25,583
Made up of:	
New contractor required for Rural resulting in increased costs	13,521
Increased day to day maintenance for Hokitika Cemetery increased contractor costs	12,062
Total	25,583
2012 Actual versus 2012 Budget	
Total Operating Expenditure Variance Increase	33,626
Made up of:	
Increased maintenance of Hokitika Cemetery increased contractor costs	17,391
Actual Contractor Expenses relating to tidying up various rural cemeteries which was not budgeted for	16,235
Total	33,626

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 2011/12	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 2011/12 Pensioner Flats Survey asked tenants how satisfied they were with the standard of accommodation provided, this question encompasses issues of safety.

In 2011/12 100% of Hokitika flats tenants and 100% of Ross flats tenants were satisfied with living conditions compared to 2010-11 100% of Hokitika pensioners and 100% of Ross tenants were satisfied with living conditions.

100% of tenants feel safe in their unit in 2011/12 compared to 100% in the 2010/11 year. A tenants satisfaction survey is completed to gauge this.

Financial Performance - Elderly Housing

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	156,420	144,870	135,055
Total Operating Revenue	156,420	144,870	135,055
Operating Expenditure			
Expenditure	118,934	107,747	119,948
Interest	106	300	137
Depreciation	42,448	36,823	42,506
Total Operating Expenditure	161,488	144,870	162,591
Operating Surplus/(Deficit)	(5,068)	0	(27,536)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(5,068)	0	(27,536)
	(5,068)	0	(27,536)
Capital Expenditure			
New assets	0	0	0
Renewals assets	27,123	34,622	46,051
Debt Repayment	0	0	0
Capital and Debt Repayment	27,123	34,622	46,051
Vested assets	0	0	0
Operating Deficit	5,068	0	27,536
Transfers to Reserves	0	0	0
Total Funding Required	32,190	34,622	73,586
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	27,123	34,622	46,051
Loans raised	0	0	0
Reserves	5,068	0	27,536
Total Funding Applied	32,190	34,622	73,586

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 2011/12	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 8th August 2011 until 3rd June 2012 which is 43 weeks in total compared to 43 weeks in 2010/11.	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. (2010/11 between 27°C and 28.5°C)	28°C	28°C
		Maximise use of Hokitika pool	Increase pool usage by 1% pa	Annual report	13,809 paying visitors (16,695 2010–11). This shows a decrease of 17.2%. The reason for this is was a \$0.50 price increase and the continued affect of having the Grey Aquatic Centre a modern facility only 30 mins away.	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	6 courses	6 courses
		Ensure safe swimming water	Tests compliant with NZS5826:2010	Monthly report for Ross and Hokitika	* 99% Compliant in Hokitika (2010/11 99% compliant in Hokitika)	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 2013	Maintain accreditation	Maintain Accreditation

* The test result is displayed in the swimming pool building.

Financial Performance - Swimming Pools

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	10,461	9,535	10,461
General Rates	250,819	250,819	244,534
Vested Assets	0	0	0
Other Income	64,074	78,000	72,322
Total Operating Revenue	325,354	338,354	327,317
Operating Expenditure			
Expenditure	331,667	313,062	315,808
Interest	0	0	0
Depreciation	26,412	25,292	25,967
Total Operating Expenditure	358,080	338,354	341,775
Operating Surplus/(Deficit)	(32,725)	0	(14,458)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserve	(32,725)	0	(14,458)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	0
	(32,725)	0	(14,458)
Capital Expenditure			
New assets	0	0	11,179
Renewals assets	10,885	10,619	0
Debt Repayment	0	0	0
Capital and Debt Repayment	10,885	10,619	11,179
Vested assets	0	0	0
Operating Deficit	32,725	0	14,458
Transfers to Reserves	0	0	0
Total Funding Required	43,610	10,619	25,637
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	10,885	10,619	11,179
Loans raised	0	0	0
Reserves	32,725	0	14,458
Total Funding Applied	43,610	10,619	25,637

The Swimming Pool expenditure was higher than anticipated due to unanticipated costs for repairs & maintenance, contractors and salaries and wages resulting in an actual expenditure to budget variance of \$14,555. Actual income for the swimming pool was also under budget due to a decreasing number of people going to the pool, instead choosing to use the Aquatic Centre in Greymouth.

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 2011/12	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 council's newsletter to ratepayers 4 times a year and advertised on Councils website.	4 times a year	4 times a year
		Number of Groups / Individuals applying	Applications received	There were 11 applications received by Council for discretionary funding. (26 2010-11).	30	30

* We no longer advertise in the local newspaper as the cost of advertising increased and the set up of West Coast Community grants which offers the same sort of funding to community groups.

* The reason for the reduced applications is due to the set up of West Coast Community Trust who have substantially more funding than council's discretionary fund and council staff have been requested to encourage community groups to apply to alternative organisations.

Financial Performance - Community Assistance/Funding

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	104,333	104,333	108,436
General Rates	304,001	304,001	318,568
Vested Assets	0	0	0
Other Income	127,289	15,500	30,951
Total Operating Revenue	535,623	423,834	457,955
Operating Expenditure			
Expenditure	504,926	422,724	485,611
Interest	0	0	0
Depreciation	1,357	1,110	1,110
Total Operating Expenditure	506,283	423,834	486,721
Operating Surplus/(Deficit)	29,340	0	(28,766)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	29,340	0	(28,766)
	29,340	0	(28,766)
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 (Surplus) /Deficit	(29,340)	0	28,766
Transfers to Reserves	0	0	0
Total Funding Required	(29,340)	0	28,766
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	(29,340)	0	28,766
Total Funding Applied	(29,340)	0	28,766

Variance Explanations - Community Assistance/Funding

2012 Actual versus 2012 Budget	
Total Operating Revenue Variance -Increase	111,789
Made up of:	
Grant Received for Franz Health Centre	100,000
Grants Received from Creative NZ	11,789
Total	111,789
Total Operating Expenditure Variance -Increase	82,449
Made up of:	
Costs associated with Franz Health Centre	100,000
Decrease in Salaries for Community Services as disbursement changed.	(17,551)
Total	82,449

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 2011/12	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	19% very Satisfied 32% Quite Satisfied 26% Just Satisfied	80%	80%
		Complaints are responded to within 3 working days	Service Request support system	There were 7 complaints received with all being responded to within 3 days	100%	100%

* We believe that while the residents satisfaction survey was conducted in August 2011 and completed in October 2011 the results are relevant for the full year because there were no major changes to levels of service during the financial year. The standards, policies and procedures relating to the community hall and buildings maintenance and community use did not change during the year. There was no staff turnover in the department dealing with these Halls and Buildings. Council is currently reviewing its policies regarding community halls and how or if these will be funded by council in the future.

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 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	49,239	49,239	56,357
Vested Assets	0	0	0
Other Income	410,051	12,420	160,897
Total Operating Revenue	459,290	61,659	217,254
Operating Expenditure			
Expenditure	503,251	61,659	247,909
Interest	0	0	0
Depreciation	24,623	25,964	27,350
Total Operating Expenditure	527,874	87,623	275,259
Operating Surplus/(Deficit)	(68,584)	(25,964)	(58,005)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(43,961)	0	(30,655)
Depreciation Not Funded (Retained earnings)	(24,623)	(25,964)	(27,350)
	(68,584)	(25,964)	(58,005)
Capital Expenditure			
New assets	105,674	50,000	6,112
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	105,674	50,000	6,112
Vested assets	0	0	0
Operating Deficit	68,584	25,964	58,005
Transfers to Reserves	0	0	0
Total Funding Required	174,258	75,964	64,117
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	174,258	75,964	64,117
Total Funding Applied	174,258	75,964	64,117

Variance Explanations - Community Halls and Buildings

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance - Increase	242,036
Made up of:	
MDI Funding was received for the Regent Theatre (\$313,332), Westland Boy's Brigade (\$80,709) and Donovan's Store (\$16,009). The MDI funding received last year totalled (Regent Theatre) \$160,897	242,036
Total	242,036
Total Operating Expenditure Variance - Increase	252,615
Made up of:	
MDI Funding was distributed to the Regent Theatre (\$313,332), Westland Boy's Brigade (\$80,709) and Donovan's Store (\$16,009). The MDI funding received last year totalled (Regent Theatre) \$160,897	249,153
Costs have been met for Donovan's Store Restoration, however the MDI funding application has not yet been completed and these costs were not anticipated for the 2011/2012 year	3,460
Total	252,615
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance - Increase	397,631
Made up of:	
MDI Funding was received by council for the Regent Theatre (\$313,332), Westland Boy's Brigade (\$80,709) and Donovan's Store (\$16,009). The MDI funding received last year totalled (Regent Theatre) \$160,897. MDI funding for these projects was not anticipated in the 2011/12 budget	410,050
There was no rental received on the Carnegie building as the Museum came back under Council control	(12,420)
Total	397,631
Total Operating Expenditure Variance - Increase	440,251
Made up of:	
MDI Funding was distributed to the Regent Theatre (\$313,332), Westland Boy's Brigade (\$80,709) and Donovan's Store (\$20,601). The MDI funding received last year totalled (Regent Theatre) \$160,897. MDI funding for these projects was not anticipated in the 2011/12 budget	414,642
Pensioner Associated Building required repairs, which was unanticipated in the 2011/12 budget	10,170
Ross Memorial Hall required repairs, which was unanticipated in the 2011/12 budget	5,437
Heritage Park suffered a fire in the 2011/12 year resulting in unanticipated increases in costs associated with the park	10,000
Total	440,251
Total Capital Expenditure Variance - Increase	55,674
Made up of:	
The Ross Playgroup building was replaced as it was considered unsafe. This was an unanticipated capital expenditure	98,000
Heritage Park - storage shed did not proceed due to a fire	(50,000)
Haast Hall required necessary renewals	7,674
Total	55,674

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 2011/12	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	1 complaint was received compared to 10 last year. It was minor and dealt within 11 days	Nil	Nil
		Customer satisfaction	**Surveys	31% Very satisfied 37% Quite Satisfied 21% Just Satisfied	80% satisfaction	80% satisfaction
	Sports grounds available for play	Sports ground closures per season	Number of closures	* Number 1 Ground at Cass Square Closed for all July and August . 2 Day closure in 2010/11	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

** We believe that while the residents satisfaction survey was conducted in August 2011 and completed in October 2011 the results are relevant for the full year because there were no major changes to levels of service during the financial year. Policies, standards and process remain the same in terms of maintenance and quality assurance for the parks and reserves. There were no changes to maintenance contractors and no staff turnovers, ensuring the levels of service provided remained the same.

* There was work being done on the Number 1 Ground at Cass Square to repair it.. There was 1 complaint received from a local soccer club regarding this closure.

Financial Performance - Parks & Reserves

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	334,384	334,384	294,928
Vested Assets	0	0	0
Other Income	97,933	6,960	121,559
Total Operating Revenue	432,317	341,344	416,487
Operating Expenditure			
Expenditure	326,054	331,494	315,621
Interest	0	0	0
Depreciation	31,580	23,362	27,427
Total Operating Expenditure	357,634	354,856	343,048
Operating Surplus/(Deficit)	74,683	(13,512)	73,440
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	0
Depreciation Not Funded (Retained earnings)	(31,580)	(23,362)	(27,427)
Funding for Capital Projects	106,262	9,850	100,867
	74,683	(13,512)	73,440
Capital Expenditure			
New assets	5,737	27,478	26,074
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	5,737	27,478	26,074
Vested assets	0	0	0
Operating Deficit - Depreciation Not Funded	31,580	13,512	27,427
Transfers to Reserves - Capital Projects Not Completed	100,526	0	74,792
Total Funding Required	137,842	40,990	128,294
Funded by:			
Operating Surplus	74,683	0	73,440
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	63,160	40,990	54,854
Total Funding Applied	137,842	40,990	128,294

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Variance Explanations - Parks & Reserves

2012 Actual versus 2012 Budget	
Total Operating Revenue Variance - Increased	90,973
Made up of:	
General Reserves Contributions from subdivisions not budgeted for	88,696
A small amount of additional rental income was generated from Forestry, Three Mile Domain, Cass Square	2,277
Total	90,973
Total Capital Expenditure Variance (Reduced)	(21,741)
Made up of:	
Whataroa Playground Project was not completed	(12,000)
Statutes Renovation project was not completed	(9,741)
Total	(21,741)

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 2011/12	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 2 were responded to within 3 days and one required a contractor to correct. .	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 2011-12 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 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 procedure during the next review of the Annual Plan as flagged to the community by our 2012 Long Term Plan process and consultation.

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 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	499,366	239,449	725,581
Total Operating Revenue	499,366	239,449	725,581
Operating Expenditure			
Expenditure	731,832	170,296	543,622
Interest	0	0	0
Depreciation	42,415	69,153	71,972
Total Operating Expenditure	774,248	239,449	615,594
Operating Surplus/(Deficit)	(274,881)	0	109,987
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(274,881)	0	109,987
Depreciation not Funded (Retained Earnings)	0	0	0
	(274,881)	0	109,987
Capital Expenditure			
New assets	0	0	0
Renewals assets	174,863	0	54,865
Debt Repayment	0	0	0
Capital and Debt Repayment	174,863	0	54,865
Vested assets	0	0	0
Operating (Surplus)/Deficit	0	0	0
Transfers to Reserves	(274,881)	0	109,987
Total Funding Required	(100,019)	0	164,852
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	174,863	0	54,865
Loans raised	0	0	0
Reserves From / (To)	(274,881)	0	109,987
Total Funding Applied	(100,019)	0	164,852

Variance Explanations - Land and Buildings

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance - (Reduction)	(226,215)
Made up of:	
One off Sale of Property and Land in 2010/11 to Westland District Property Company Limited.	(329,955)
Capital Gain on Disposal of Land being road reserve	103,740
Total	(226,215)
Total Operating Expenditure Variance - Increase	158,651
Made up of:	
Loss on Sale of Land 2011/12 \$368,913 compared to (2010/11 \$192,633)	176,280
Property expenditure was down on the following properties in Harihari, Fox, Franz, Rural Batches and Urban Property. This was due to the Westland District Property Company taking over management of these.	(17,629)
Total	158,651
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance - Increase	259,917
Made up of:	
Income received from outstanding royalties on land at Ross	130,435
Capital Gain on Disposal of Land being road reserve	103,740
Whataroa, Harihari, Fox, Franz, Haast, Urban and Rural Property had small increases in rental/lease income	25,742
Total	259,917
Total Operating Expenditure Variance - Increase	534,799
Made up of:	
Ross Property had costs associated with Commissions paid for outstanding royalties	42,330
Loss on Sale of Land 2011/12 \$368,913	368,913
Survey Costs, Consultant fees and Legal fees associated with the sale of land	28,498
Westland District Properties recoverable expenditure is included in here	45,000
Airport Expenses were paid on their behalf and have been recovered	15,874
Rural Properties incurred expenses higher than expected	13,000
Actual overhead allocation was also higher than anticipated due to increased costs for council. This occurred across the majority of cost centres in this activity	10,184
Costs associated with the running of the council offices were higher than anticipated. The majority of this comprises of electricity	11,000
Total	534,799
Total Capital Expenditure Variance	174,863
Made up of:	
Hans Bay Subdivision (Councils share)	131,704
Council Headquarters	21,291
Fox Glacier	2,688
Custom House	2,271
Carnegie Building	11,358
Ross Memorial Hall	3,271
Community Services	2,279
Total	174,863

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.

Our primary target is the visitor market. Tourism is a significant contributor to the national and local economy. At regional level we are a key stakeholder in West Coast tourism; we have the Glaciers within our District. At district level, we will lead and coordinate marketing programmes that attract visitors to our District and its attractions.

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

Community Outcome	How the Activity Contributes to the Outcome
Identity	Fosters a strong district identity and promotes it both nationally and internationally through visitor attraction
Economy	Contributes revenue to the economy by the promotion of visitor attractions and activities. By marketing the district, to attract people to visit, and potentially work and live in 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 2011/12	Target 2009–2011	Target 2012–2019
Visitors Visitor Services	Market visitor services	Increase visitor numbers by 5% per year	Visitor numbers	Hokitika i-SITE responded to 51,951 enquiries. Down on 52,693 last year	To Respond to 53,470 enquiries	To respond to 56,140 enquiries
Events	Run Events	Events run successfully and profitably	Community satisfaction Financial outcome	The Wildfoods Festival makes a significant contribution to the tourism industry and local economy. According to research and analysis undertaken by BERL, the economic impact of the 2012 Wildfoods Festival upon the Westland District economy was \$6.5 million. In 2012 11,847 tickets were issued comprising 10,839 revenue tickets and 552 complimentary tickets. This compares with the 12,552 tickets issued in 2011 which comprised 10,436 revenue tickets and 2,116 complimentary tickets.. In 2012 a net operating surplus of \$48,738 was realised. Of this surplus a rental fee of \$19,426 was not charged for the use of Cass Square. This compared with a net operating surplus of \$42,901 for the 2011 event.	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. WBU was back under council in 2011/12. Promotions coordinated; namely Deals on Wheels for Rugby World Cup 2011, Canterbury A&P Show, Kumara Races.	75%	75%
	Profitability	Gross Margin	Financial Statement of Performance	Not achieved. A net operating deficit of \$136,390 was realised.* 2010/11 operating deficit of \$268,608.	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 Westland Business Unit is no longer under consideration as a Council Controlled Organisation and has been brought back under council control in 2011/12.

Financial Performance - Westland Business Unit

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	133,337	133,337	268,738
Vested Assets	0	0	0
Other Income	751,843	855,202	758,589
Total Operating Revenue	885,180	988,539	1,027,327
Operating Expenditure			
Expenditure	1,022,547	978,217	1,251,849
Interest	4,018	1,089	958
Depreciation	35,205	7,713	43,127
Total Operating Expenditure	1,061,770	987,019	1,295,934
Operating Surplus/(Deficit)	(176,590)	1,520	(268,608)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve (Future events)	(176,590)	1,520	(268,608)
Funding for Capital Projects (MDI Project)	0	0	296,953
	(176,590)	1,520	(268,608)
Capital Expenditure			
New assets	43,840	0	26,420
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	43,840	0	26,420
Vested assets	0	0	0
Operating Deficit	176,590	0	268,608
Transfers to Reserves	0	1,520	0
Total Funding Required	220,430	1,520	295,027
Funded by:			
Operating Surplus	0	1,520	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	220,430	0	295,027
Total Funding Applied	220,430	1,520	295,027

Variance Explanations - Westland Business Unit

2012 Actual versus 2011 Actual	
Total Operating Income Variance - Reduced	(142,146)
Made up of:	
The Museum expenditure was included in the 2010/11 financial year. This activity was taken back into council in the 2011/12	(142,146)
Total	(142,146)
Total Operating Expenditure Variance - Reduced	(234,164)
Made up of:	
The Museum expenditure was included in the 2010/11 financial year. This activity was taken back into council in the 2011/12	(190,802)
There was a review in the level of staffing for the isite and events activities, which resulted in a subsequent reduction in expenditure in 2011/12.	(43,362)
Total	(234,164)
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance	(103,359)
Made up of:	
The Westland Business Unit anticipated the events activity would receive additional grants/sponsorship however these applications were declined due to a higher demand in Christchurch after the earthquakes.	(103,359)
Total	(103,359)
Total Operating Expenditure Variance	74,751
Made up of:	
Actual depreciation was higher than anticipated	18,000
Bank fees and interest relating to the overdraft were higher than anticipated	7,751
A prior year adjustment was required to correct expenditure on the previous year	200,000
Costs associated with the Museum originally budgeted had not been included as this activity was moved back to council	(151,000)
Total	74,751
Total Capital Expenditure Variance	43,840
Made up of:	
Purchase and fit out of a caravan for advertising purposes for the Isite	22,000
Additional signage for the Wildfoods Festival	15,840
Laptops for staff	6,000
Total	43,840

Financial Performance - Museum

Cost of Services Statement	Actual 2012	Budget 2012
Operating Revenue		
Targeted Rates	0	0
General Rates	138,780	138,780
Vested Assets	0	0
Other Income	49,356	121,485
Total Operating Revenue	188,136	260,265
Operating Expenditure		
Expenditure	329,429	253,265
Interest	0	0
Depreciation	10,388	7,000
Total Operating Expenditure	339,817	260,265
Operating Surplus/(Deficit)	(151,682)	0
Operating Surplus Transferred to/(Operating Deficit funded from)		
Restricted reserve (Future events)	0	0
Funding for Capital Projects (MDI Project)	0	0
	0	0
Capital Expenditure		
New assets	15,355	0
Renewals assets	0	0
Debt Repayment	0	0
Capital and Debt Repayment	15,355	0
Vested assets	0	0
Operating Deficit	151,682	0
Transfers to Reserves	0	0
Total Funding Required	167,036	0
Funded by:		
Operating Surplus	0	0
Funding from Accumulated Depreciation	0	0
Loans raised	0	0
Reserves	167,036	0
Total Funding Applied	167,036	0

Variance Explanations - Museum

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance -Increased	138,780
Made up of:	
The Museum was previously managed by the Westland Business Unit	138,780
Total	138,780
Total Operating Expenditure Variance- Increased	339,817
Made up of:	
The Museum was previously managed by the Westland Business Unit	339,817
Total	339,817
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance	(72,129)
Made up of:	
Admission fees were lower than anticipated as a initiative was set to allow free entry to local residents	(21,500)
It was also anticipated that the museum would receive various grants. Subsequently the climate has changed and grant money is in limited supply	(50,629)
Total	(72,129)
Total Operating Expenditure Variance	79,552
Made up of:	
Electricity was higher than anticipated due to a new dehumidifier being installed in the museum	10,536
A review of salaries and wages resulted in an unanticipated increase	33,929
Insurance, retail purchases, photocopying exhibition costs were also higher than anticipated	35,087
Total	79,552

FINANCIAL SUMMARY OF PROMOTING AND SUPPORTING OUR COMMUNITY

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	114,794	113,868	118,897
General Rates	1,749,331	1,749,331	1,637,616
Vested Assets	0	0	0
Other Income	2,233,764	1,546,687	2,120,060
Total Operating Revenue	4,097,889	3,409,886	3,876,573
Operating Expenditure			
Expenditure	4,393,907	3,151,516	3,761,492
Interest	4,125	1,389	1,095
Depreciation	306,175	274,937	323,763
Total Operating Expenditure	4,704,207	3,427,842	4,086,349
Operating Surplus/(Deficit)	(606,317)	(17,956)	(209,776)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(504,695)	1,520	(255,866)
Ratepayers Equity (Non-Funded Depreciation)	(56,203)	(49,326)	(54,777)
Funding for Capital Projects	106,262	29,850	100,867
	(454,636)	(17,956)	(187,659)
Capital Expenditure			
New assets	235,146	97,478	101,059
Renewals assets	266,121	66,417	153,872
Debt Repayment	0	0	0
Capital and Debt Repayment	501,267	163,895	254,931
Vested assets	0	0	0
Operating Deficit	443,876	39,476	369,629
Transfers to Reserves	(168,178)	1,520	191,311
Total Funding Required	776,965	204,891	1,555,997
Funded by:			
*Operating Surplus	80,860	21,520	79,971
Funding from Accumulated Depreciation	301,495	66,417	186,318
Loans raised	0	0	0
Reserves	394,610	116,954	549,582
Total Funding Applied	776,965	204,891	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 2011/12	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	**56 Complaints were received. 3 complaints were responded to within more than 1 day 95%.. (91% last year)	100%	100%
		That the public are satisfied with the service	*External survey	16% Very Satisfied 22% Quite Satisfied 18% Just Satisfied 16% Not Very Satisfied	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 and completed in October 2011. We believe that the results are relevant for the full year as there were no major changes to levels of service during the financial year. The same standards, procedures and policies remained in place throughout the financial year. The contractor used for dog and stock control remains the same and their contract was renewed in May 2012.

** The 3 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 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	5,785	5,785	5,267
Vested Assets	0	0	0
Other Income	87,711	88,000	92,391
Total Operating Revenue	93,496	93,785	97,658
Operating Expenditure			
Expenditure	93,581	92,810	89,351
Interest	0	0	0
Depreciation	974	975	974
Total Operating Expenditure	94,556	93,785	90,325
Operating Surplus/(Deficit)	(1,059)	0	7,333
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve	(1,059)	0	7,333
	(1,059)	0	7,333
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 (Surplus)/Deficit	(1,059)	0	0
Transfers to Reserves	0	0	7,333
Total Funding Required	(1,059)	0	7,333
Funded by:			
Operating Surplus	(1,059)	0	7,333
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	0	0	0
Total Funding Applied	(1,059)	0	7,333

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 2011/12	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 97% of non-notified Resource Consent applications without a hearing had been determined within the statutory timeframes. (100% 2010/11)	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% 2010/11)	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% 2010/11)	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 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	195,355	195,355	156,557
Vested Assets	0	0	0
Other Income	151,773	148,176	116,436
Total Operating Revenue	347,128	343,531	272,993
Operating Expenditure			
Expenditure	433,316	342,831	331,310
Interest	0	0	0
Depreciation	1,205	700	1,186
Total Operating Expenditure	434,522	343,531	332,496
Operating Surplus/(Deficit)	(87,394)	0	(59,503)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(87,394)	0	(59,503)
	(87,394)	0	(59,503)
Capital Expenditure			
New assets	135	0	1,728
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	135	0	1,728
Vested assets	0	0	0
Operating Deficit	87,394	0	59,503
Transfers to Reserves	0	0	0
Total Funding Required	87,529	0	61,230
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	87,529	0	61,230
Total Funding Applied	87,529	0	61,230

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Variance Explanations - Resource Management

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance- Increase	74,135
Made up of:	
Increase on rates attributed to this activity as revenue policy was changed in the 2011/12 year	74,135
Total	74,135
Total Operating Expenditure Variance - Increase	102,026
Made up of:	
Salaries & Wages increased due to a review of staffs level of experience and ability	63,100
Increase in overhead allocation for this activity	21,926
Recoverable Expenditure has increased as Resource Consents are still in process and awaiting final decision	17,000
Total	102,026
2012 Actual versus 2012 Budget	
Total Operating Expenditure Variance - Increase	90,991
Made up of:	
Salaries & Wages increased due to a review of staffs level of experience and ability	50,548
Recoverable Expenditure is not budgeted for but can remain at year end when Resource Consents are still in process and awaiting final decision	20,000
Increase in actual overhead allocation for this activity	20,441
Total	90,991

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 2011/12	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 274 building consent applications, 98% were determined within the statutory time frames (100% 2010-11).	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	20% Very Satisfied 28% Quite Satisfied 27% Just Satisfied	100%	100%

* The satisfaction survey was conducted in August 2011 and completed in October 2011. We believe that the results are relevant for the full year as there were no major changes to levels of service during the financial year. The same standards, procedures and policies remained in place throughout the financial year.

Customer Group Core Value	Levels of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	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 124 licensed and registered premises, 122 have been inspected since 1 July 2011 (98%). (115 of 117 in 2010–11 98%)	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 licenced premises. (2010–11 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 meeting was held in May	100%	100%

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Financial Performance - Inspections & Compliance

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	354,881	354,881	175,312
Vested Assets	0	0	0
Other Income	536,361	530,424	501,474
Total Operating Revenue	891,242	885,305	676,786
Operating Expenditure			
Expenditure	948,545	882,260	977,912
Interest	0	0	0
Depreciation	3,632	3,045	3,992
Total Operating Expenditure	952,177	885,305	981,905
Operating Surplus/(Deficit)	(60,935)	0	(305,118)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(60,935)	0	(305,118)
	(60,935)	0	(305,118)
Capital Expenditure			
New assets	0	0	0
Renewals assets	477	5,294	3,662
Debt Repayment	0	0	0
Capital and Debt Repayment	477	5,294	3,662
Vested assets	0	0	0
Operating Deficit	60,935	0	305,118
Transfers to Reserves	0	0	0
Total Funding Required	61,412	5,294	308,780
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	477	5,294	3,662
Loans raised	0	0	0
Reserves	60,935	0	305,118
Total Funding Applied	61,412	5,294	308,780

Variance Explanations - Inspections & Compliance

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2012 Actual versus 2011 Actual

Total Operating Revenue Variance - Increase	214,456
Made up of:	
Increase in overhead allocation from the previous year due to a review on the time spent on this activity	34,887
Increase on rates attributed to this activity as revenue policy was changed in the 2011/12 year	179,569
Total	214,456
Total Operating Expenditure Variance - (Reduction)	(29,728)
Made up of:	
Reduction in staffing levels in 2011/12 resulted in reduced wages costs	(29,742)
Total	(29,728)

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2012 Actual versus 2012 Budget

Total Operating Expenditure Variance - Increase	66,872
Made up of:	
Insurance Premiums were higher than anticipated	20,493
Salaries & Wages were higher than budgeted due to a review of staff experience and ability	39,726
Legal Fees were higher than anticipated as some building consents required legal intervention	6,653
Total	66,872

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Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	556,021	556,021	337,136
Vested Assets	0	0	0
Other Income	775,845	766,600	710,302
Total Operating Revenue	1,331,866	1,322,621	1,047,438
Operating Expenditure			
Expenditure	1,475,442	1,317,901	1,398,573
Interest	0	0	0
Depreciation	5,812	4,720	6,153
Total Operating Expenditure	1,481,254	1,322,621	1,404,726
Operating Surplus/(Deficit)	(149,388)	0	(357,288)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Depreciation Not Funded	0	0	0
Reserves	(149,388)	0	(357,288)
Funding for Capital Projects	0	0	0
	(149,388)	0	(357,288)
Capital Expenditure			
New assets	135	0	1,728
Renewals assets	477	5,294	3,662
Debt Repayment	0	0	0
Capital and Debt Repayment	612	5,294	5,390
Vested assets	0	0	0
Operating Deficit	148,329	0	364,621
Transfers to Reserves	(1,059)	0	7,333
Total Funding Required	147,882	5,294	377,344
Funded by:			
Operating Surplus	(1,059)	0	7,333
Funding from Accumulated Depreciation	477	5,294	3,662
Loans raised	0	0	0
Reserves	148,464	0	366,349
Total Funding Applied	147,882	5,294	377,344

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

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

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	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.	Not achieved only 1 National exercise Pacific Wave was undertaken on 10th November 2011.	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	8 classes from Westland High School visited Council EOC, 4 visits to South Westland Schools. Two separate visits to Scouts and Girl Guides. Exhibits at Children's Day Festival. Offer made to other schools when distributing civil defence information was not taken up.	12	12
		Standard Operating Procedures, (SOP's), documents are reviewed annually and signed off	Latest signed documents held on file	Not achieved the latest review was signed on 9 May 2011. November 2012 is the next review.	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%

* While the survey was carried out in August 2011 - with final results in October 2011 we believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. There were no changes in the 2011/12 financial year of staff and policies and procedures.

Financial Performance - Civil Defence

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	104,301	104,301	43,367
Vested Assets	0	0	0
Other Income	0	1,500	0
Total Operating Revenue	104,301	105,801	43,367
Operating Expenditure			
Expenditure	30,883	35,526	30,217
Interest	0	0	0
Depreciation	1,534	3,275	1,075
Total Operating Expenditure	32,417	38,801	31,292
Operating Surplus/(Deficit)	71,884	67,000	12,075
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	71,884	67,000	12,075
	71,884	67,000	12,075
Capital Expenditure			
New assets	21,614	22,000	0
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	21,614	22,000	0
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	50,270	45,000	12,075
Total Funding Required	71,884	67,000	12,075
Funded by:			
Operating Surplus	71,884	67,000	12,075
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	0	0	0
Total Funding Applied	71,884	0	12,075

Variance Explanations - Civil Defence

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance - Increase	60,934
Made up of:	
A contingency rate for civil defence was introduced in 2011/12 to build up a reserve for costs associated with a civil defence emergency	45,000
Council believed this activity was underfunded in previous years and as a result have increased rates from 2010/11 year.	15,934
Total	60,934

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 2011/12	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.	0	>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	192 fire permits were issued in the reporting period (179 2010-11 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 training sessions per year	PRFO holds training records. 9 training sessions for Kokatahi and Haast and nill for Kaniere	10	10

*Reports of audit carried out by NRFA in 2011 resulted in full compliance for the Kaniere Fire Part and non-compliance for the Kokatahi and Haast Fire Parties which are being addressed.

Financial Performance - Rural Fire

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	8,034	8,066	8,034
General Rates	48,633	48,633	60,097
Vested Assets	0	0	0
Other Income	0	0	51,694
Total Operating Revenue	56,667	56,699	119,825
Operating Expenditure			
Expenditure	41,669	33,862	58,103
Interest	0	0	0
Depreciation	15,740	14,771	15,210
Total Operating Expenditure	57,409	48,633	73,313
Operating Surplus/(Deficit)	(742)	8,066	46,512
Operating Surplus Transferred to/(Operating Deficit funded from)			
Restricted reserve	(742)	8,066	46,512
	(742)	8,066	46,512
Capital Expenditure			
New assets	0	0	0
Renewals assets	0	0	83,715
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	83,715
Vested assets	0	0	0
Operating Deficit	742	0	
Transfers to Reserves	0	8,066	0
Total Funding Required	742	8,066	83,715
Funded by:			
Operating Surplus	0	8,066	46,512
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	742	0	37,203
Total Funding Applied	742	8,066	83,715

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 2011/12	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.	Rooding 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 of 96%. National average 87.6%	≥ National average National average is 87.6%	≥ National average
				5% of Westland's network > 150 NAASRA (National Association of Australian State Rooding) counts in 2010/11. The national average is 9.5%	≤ national average	≤ national average
				The Pavement Integrity Index for Westland roads in 2010/11 was 94.5%. The national average was 94.2%	≥ national average	≥ national average
				The Surface Condition Index for Westland was 98.5% in 2010/11 compared to the national average of 97.7%.	≥ national average	≥ national average
Health Safety Economy Identity/ Environment	To provide good quality streetlights	Audits of the rooding network undertaken by NZ Transport Agency confirm that the rooding network is of satisfactory condition	NZ Transport Agency Technical Audit Reports - as per calendar year.	A Road Infrastructure Safety Assessment (RISA) of Westland District Council roads was undertaken in October 2011. This is a regular assessment throughout New Zealand by NZTA. This assessment concluded that "Westland District rural road infrastructure is of a good standard from a safety perspective. This is conducted on a calendar year basis.	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 28.7 kms of road was resealed in 2011/12.	30 kms per annum	30 kms per annum
		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 commenced May 2012 in conjunction with staff from Electronet. Report is to be completed by October 2012.	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.	4.8%	≤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 footpaths in Westland District exceed the medium/high work priority. Next condition rating programmed for 2012/13. (Commenced as part of the RAMM, conditions rating survey. Currently processing results).	6%	3%

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Customer Group	Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	Target 2009-2011	Target 2012-2019
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 NZTA - Funding criteria.	1 km	1 km
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. Currently all are capable of carrying Class 1 loads.	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. Next report due May 2013.	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.	Westland to date = 7 (note 6 fatalities were on state highways not local roads). There was 1 fatality on the Kaniere Kowhitirangi road on 22 June and road factors were not the cause.	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 on budget. No complaints received.	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 Roding 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 2011/2012 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.

⁸ The survey is completed biennially by NZTA.

⁹ We believe that while the survey is two years old the results are relevant for the full year because there were no major changes to levels of service during the financial year as the standards and policies were not changed in terms of contractors and programmed repairs & maintenance. There were no changes to the level of staff or any staff turnover in 2011/12.

Financial Performance - Transportation

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	1,399,152	1,399,152	1,371,262
Vested Assets	0	200,000	401,659
Other Income	4,128,335	6,813,129	3,161,813
Total Operating Revenue	5,527,487	8,412,281	4,934,734
Operating Expenditure			
Expenditure	2,168,387	2,369,317	2,007,158
Interest	0	0	0
Depreciation	3,127,082	2,815,200	2,847,949
Total Operating Expenditure	5,295,469	5,184,517	4,855,108
Operating Surplus/(Deficit)	232,017	3,227,764	79,626
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	0	0	0
Depreciation Not Funded (Retained earnings)	(972,236)	(972,236)	(637,379)
Funding for Capital Projects	1,204,253	4,200,000	717,005
	232,017	3,227,764	79,626
Capital Expenditure			
New assets	0	4,000,000	74,066
Renewals assets	2,107,477	1,842,964	2,698,055
Debt Repayment	0	0	0
Capital and Debt Repayment	2,107,477	5,842,964	2,772,121
Vested assets	0	200,000	401,659
Operating Deficit	972,236	0	637,379
Transfers to Reserves	0	0	0
Total Funding Required	3,079,713	6,042,964	3,811,159
Funded by:			
Operating Surplus	1,204,253	3,227,764	717,005
Funding from Accumulated Depreciation	2,107,477	1,842,964	2,698,055
Loans raised	0	0	0
Reserves	(232,017)	972,236	396,099
Total Funding Applied	3,079,713	6,042,964	3,811,159

Significant Capital Expenditure for 2011/2012

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.

\$2,107,447

Variance Explanations - Transportation

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance - Increase	592,753
Made up of:	
A subsidy was received for the cycle trail construction of	1,273,529
There was no vested income in the 2011/12 year compared to \$401,359 in the 2010/11 year	(401,359)
An increase of general rates funding in the 2011/12 year from 210/11	27,000
A reduction in the NZTA subsidy received in the 2011/12 from 2010/11 due to the Christchurch Earthquake	(306,418)
Total	592,752
Total Operating Expenditure Variance - Increase	440,361
Made up of:	
An increase in the cost of running Jacksons Bay Wharf	47,000
Additional increases in administration costs associated with this activity. In particular staff time and IT services	114,238
Depreciation increased in the 2011/12 to \$3,127,082 from 2010/11 \$2,847,959 (This was due to additional assets being recognised)	279,123
Total	440,359
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance - (Reduced)	(2,884,794)
Made up of:	
Vested assets were budgeted in the 2011/12 year however there were none recognised	(200,000)
It was anticipated that all the remaining funding for the cycleway would be realised in the 2011/2012 year.	(2,684,794)
Total	(2,884,794)
Total Operating Expenditure Variance - Increase	110,952
Made up of:	
Depreciation was higher than anticipated as additional assets were recognised	311,882
A decrease in expenditure on some Local roads, compared to budget	(80,000)
Actual expenditure on flood damage was down due to the reduced rainfall in the 2011/12 year.	(120,930)
Total	110,952
Total Capital Expenditure Variance	(3,935,487)
Made up of:	
It was anticipated that the cycle trail would be almost complete this year however at present only stage one has been	(4,000,000)
We anticipated vested assets capital of \$200,000 however there was none in the 2011/12 year	(200,000)
The budget for renewals was \$1,842,964, however the actual spend on roading renewals was \$2,107,477.	264,513
These renewals were across the whole district, and are part of the asset management plan for transportation. The increase was largely due to increased contractor expenses	
Total	(3,935,487)

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	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	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. 17 disruptions occurred to 30 June 2012. 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	5 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	17 Burst or leaks reported to date (1.0 bursts per 10 kilometres of pipeline per annum).	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	Modelling of the Hokitika network has been completed by Opus International Consultants and council has received the final report. Some fire hydrants in Kumara and Kaniere did not meet the NZFS COP for water pressure. This has been noted and will be corrected in the longer term..	96%	98%
		No water restrictions are imposed	Number of water restrictions imposed	Two water restrictions were imposed in January 2012 due to high demand and low supply in dry weather.	None	None

INTRODUCTION	Customer Group		Performance Measure	Information we will use to measure success	Current Performance 2011/12	Target 2009–2011	Target 2012–2019
	Core Value	Level of Service					
DISTRICT REPRESENTATIVES & STAFF			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	24 hours minimum	24 hours minimum
				Community		Actual Hours Storage	
				Hokitika		33	
				Kumara		53.9	
				Arahura		75.8	
				Ross		44.4	
				Harihari		38	
				Whataroa		33	
				Franz		97.5	
				Fox		75	
				Haast		247.6	
FINANCIAL STATEMENTS	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	Work in progress		
					Deviation from 1 project - hannahs Clearing Water Supply was closed on 28 January 2012. Ross - New treatment plant has been completed and boiled water notice lifted on 27th April 2012.		
STATEMENTS OF SERVICE PERFORMANCE					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
DISTRICT ASSETS			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 in Hokitika where most customers receiving treated water supply reside.	100%	100%
					Hokitika = 100% compliance Kumara = 92% Compliance Arahura = 100% Compliance Ross = 67% Harihari = 100% Whataroa 100% Franz Josef = 92% Fox Glacier = 100% compliance Haast = 100% compliance Hannahs Clearing = 15%		
REPORT OF THE AUDIT OFFICE	Health Safety Environment	Provide prompt response to customer service requests	Requests for service responded to within 5 working days	Response time to customer requests	50 requests were resonded to within the necessary timeframe.	100%	100%
			New connections installed within 15 working days of request	Time taken to install new connections	.All connections were installed within the time frame. 5 Connections within 15 working days.	Within timeframe	Within timeframe

Wastewater

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	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 of disruptions rectified within time frame	100% of disruptions were cleared within 12 hours of notification (100% 2011/12)	90%	90%
		Less than three sewer main blockages occur per year	Number of blockages occurring per year	28 blockages were reported for the year. (17 blockages 2010/11). Council is endeavouring to reeducate individuals on the limitations of the wastewater lines and policing the grease trap regulation for commercial premises	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 2010/11)	100%	100%
		Overflows of wastewater do not occur due to stormwater infiltration or pump failure	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 17 recorded instances of wastewater overflow. None were due to stormwater infiltration or pump failure. (No instances 2010/11)	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	5 pump failures for the reporting period, neither caused overflows and were repaired within the specified timeframe. (2 failures 2010/11)	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	Hokitika was the only compliant wastewater treatment system. Fox and Haast and Franz Josef were not 100% Compliant. Capital works is scheduled for 2012/13	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. 6 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.	Two new connections within 15 working days.	100%	100%
		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	The level of subsidy is governed by the ministry and the staff has no control on the legislation..	90%	90%

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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 no rainfall events causing flooding to properties in 2011/12.	100%	100%
			Less than five street closures due to flooding per year	Number of streets closed per year	There were 2 street closures due to the weather bomb that happened July 13 and 14	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	There were no private residences flooded	Nil	Nil
			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	Achieved. Work completed in December 2011 for Rolleston. Work on Jollie Street commenced and is a work in progress..	100%	100%
FUTURE PROJECTS:							
				Gibson Quay/ Sewell St Pumps - Mains Upgrade	Programmed for 2012/13.	N/A	100%
				Completion of Weld Street mains extension as per LTP 2012-22	Programmed for 2012/13.	N/A	100%
				Completion of Dent Rd Kaniere - Mains Upgrade as per LTP 2012-22	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 2011/12 year. There were no pump failures in the 2010/11 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 no reports of blockages.	100%	100%
			Surface flooding responded to within 2 hours of report.	By responding to reports of surface flooding	All surface flooding responded to within 2 hours of reporting. 2 flooding events. Both responded to within 2 hours.	100%	100%
			Complaints replied to within 5 working days with advice on solution to flooding and programme.	By responding to general complaints about flooding	There were 10 complaints received and all relevant complaints were responded to within the necessary timeframe.	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.	2 new connections within 15 working days.	100%

Financial Performance - Water Supply

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	1,750,662	1,825,734	1,492,501
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	692,926	13,800	546,108
Total Operating Revenue	2,443,588	1,839,534	2,038,609
Operating Expenditure			
Expenditure	1,313,717	1,063,881	1,162,695
Interest	13,652	150,550	3,069
Depreciation	659,316	692,718	646,663
Total Operating Expenditure	1,986,686	1,907,149	1,812,426
Operating Surplus/(Deficit)	456,903	(67,615)	226,183
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	524,518	0	247,763
Depreciation Not Funded (Retained earnings)	(67,615)	(67,615)	(67,615)
Funding for Capital Projects	0	0	46,035
	456,903	(67,615)	226,183
Capital Expenditure			
New assets	469,382	40,000	491,754
Renewals assets	755,918	764,018	114,660
Debt Repayment	0	58,641	0
Capital and Debt Repayment	1,225,300	862,659	606,414
Vested assets	0	0	0
Operating Deficit	67,615	67,615	67,615
Transfers to Reserves	524,518	0	247,763
Total Funding Required	1,817,432	930,274	921,791
Funded by:			
Operating Surplus/(Deficit)	0	0	46,035
Funding from Accumulated Depreciation	755,918	862,659	114,660
Loans raised	0	0	392,133
Reserves	1,061,514	67,615	368,963
Total Funding Applied	1,817,432	930,274	921,791

Variance Explanations - Water Supply

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance (Increase)	404,979
Made up of:	
A subsidy for Franz Josef water supply was received from Ministry of Health in the 2011/2012 year.	368,301
Metered Water income was slightly higher than 2011	36,678
Total	404,979
Total Operating Expenditure Variance (Increase)	174,260
Made up of:	
Franz Josef water supply expenditure for contractors was higher than anticipated due to demand exceeding the capacity of the plant.	41,227
Depreciation was \$659,316 compared to \$646,662 in 2010/11	12,653
Hannah's Clearing Water supply was higher than last year due to residents taking up council's offer of water tanks purchased via loans in 2011/12	88,553
Hokitika Water expenditure was higher than last year due to electricity \$17,826 increase, and insurance increase of \$14,000	31,826
Total	174,259
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance (Increase)	604,054
Made up of:	
Subsidy Received for the Ross Water Scheme	218,052
Subsidy Received for the Franz Josef Water Scheme	368,302
Actual Metered Water Collected was more than anticipated	17,700
Total	604,054
Total Operating Expenditure Variance (Increase)	79,537
Made up of:	
Hannah's Clearing Water supply expenditure was higher than anticipated as residents took up council's offer of water tanks purchased via loans.	79,537
Total	79,537
Total Capital Expenditure Variance	421,282
Made up of:	
Hokitika Lakeline Pipe Replacement projects was not completed as at 30 June 2012	(739,018)
* Metering Hokitika water supply intake (Budget was \$40,000 actual was \$24,719)	16,000
Completion of Watermains replacement in Hokitika	25,491
Water Supply Renewals (Hokitika \$66,183, Harihari \$10,583, Whataroa \$3,540, Fox \$20,954, intended renewals per budget was \$58,000	43,260
* The Fire pump booster investigation completed	45,075
* Completion of Ross Water Treatment Plant	745,083
* Franz Josef New Intake	310,391
Improvements to water networks still progressing	(25,000)
Total	421,282

Significant Capital Expenditure for 2011/2012

Ross Water Treatment Plant (Identified in 2009/19 LTCCP)	745,083
Fire Pump Booster Investigation Completed (Identified in 2009/19 LTCCP)	45,075
Franz Josef New Intake (Identified in 2009/19 LTCCP)	310,391

Financial Performance - Wastewater

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	583,943	607,092	519,555
General Rates	0	0	0
Vested Assets	0	0	0
Other Income	58,349	66,000	69,138
Total Operating Revenue	642,293	673,092	588,693
Operating Expenditure		0	
Expenditure	387,027	310,397	304,267
Interest	3,649	0	0
Depreciation	366,038	362,696	353,309
Total Operating Expenditure	756,713	673,093	657,576
Operating Surplus/(Deficit)	(114,420)	(1)	(68,883)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(114,420)	0	0
Depreciation not Funded (Retained Earnings)	0	0	(68,883)
Funding for Capital Projects	0	0	
	(114,420)	0	(68,883)
Capital Expenditure			
New assets	0	325,000	0
Renewals assets	703,006	50,000	98,146
Debt Repayment	0	0	0
Capital and Debt Repayment	703,006	375,000	98,146
Vested assets	0	0	0
Operating Deficit	114,420	0	68,883
Transfers to Reserves	0	0	
Total Funding Required	817,427	375,000	167,029
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	703,006	375,000	98,146
Loans raised	0	0	0
Reserves	114,420	0	68,883
Total Funding Applied	817,427	375,000	167,029

Variance Explanations - Wastewater

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance Increase	53,600
Made up of:	
Decrease in other income from previous year	(10,788)
An increase in targeted rates in 2011 resulted in increased income	64,388
Total	53,600
Total Operating Expenditure Variance Increase	99,137
Made up of:	
Insurance premiums increased in 2012 from 2011	38,000
Increased costs associated with Franz wastewater as ongoing issues with blockages	61,138
Total	99,138
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance (Reduction)	(30,800)
Made up of:	
Actual income received for targeted rates on wastewater was lower than anticipated	(30,800)
Total	(30,800)
Total Operating Expenditure Variance Increase	83,620
Made up of:	
Increased actual contractor costs associated with Franz wastewater due to issues with blockages which were not included in the budget	40,000
Hokitika wastewater actual costs were higher than anticipated with Electricity \$17,721 and Insurance \$25,900 respectively	43,621
Total	83,621
Total Capital Expenditure Variance	328,006
Made up of:	
** Franz Josef new Mains and Pump Station was completed Budget \$325,000 actual spent was \$320,154	(4,846)
*The desludging of the Hokitika ponds was also completed (this was carried forward from previous years)	299,419
Additional Renewals not included in budget	33,433
Total	328,006

* The Hokitika Oxidation Ponds projects was identified in the the 2009/19 LTCCP for the 2010/11 year.

**The Franz Josef Treatment plant was identified in the 2011/12 Annual Plan and was completed within this timeframe.

Financial Performance - Stormwater

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	435,282	435,282	436,894
Vested Assets	0	0	0
Other Income	0	0	7,840
Total Operating Revenue	435,282	435,282	444,734
Operating Expenditure			
Expenditure	126,395	128,752	129,555
Interest	2,434	0	0
Depreciation	320,262	306,530	309,230
Total Operating Expenditure	449,092	435,282	438,785
Operating Surplus/(Deficit)	(13,810)	0	5,949
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(13,810)	0	5,949
	(13,810)	0	5,949
Capital Expenditure			
New assets	178,209	248,361	216,643
Renewals assets	81,151	165,000	0
Debt Repayment	0	0	0
Capital and Debt Repayment	259,360	413,361	216,643
Vested assets	0	0	0
Operating Deficit	(13,810)	0	0
Transfers to Reserves	0	0	5,949
Total Funding Required	245,550	413,361	222,592
Funded by:			
Operating Surplus	(13,810)	0	5,949
Funding from Accumulated Depreciation	259,360	413,361	0
Loans raised	0	0	141,598
Reserves - Foreshore Erosion Contingency Fund	0	0	75,045
Total Funding Applied	245,550	413,361	222,592

Variance Explanations - Stormwater

2012 Actual versus 2012 Budget	
Total Capital Expenditure Variance	(154,001)
Made up of:	
Hokitika Mains Replacement completed budget \$65,000 Actual was \$44,421	(20,579)
Jollie Street mains extension has been deferred until 2012/13	(158,361)
Urban Mains upgrade was not completed 30 June 2012, however work will be completed in 2012/13	(100,000)
Rolleston Street Pump Station was completed	178,209
Development of Catchment Plan has been deferred to 2012/13	(25,000)
Renewals for Hokitika were \$36,730 and budget was \$65,000	(28,270)
Total	(154,001)

Significant Capital Expenditure for 2011/2012

Completion of Rolleston Street Pump station	178,209
Jollie Street Mains extension has been deferred until 2012/13 due to limited resources within Operations, a local consultant is now developing a plan.	(158,361)
Urban Mains Upgrade was identified in the 2011/12 Annual Plan however the projects turned out to be significantly larger than anticipated and required additional expertise, but is on schedule for completion on June 2013.	100,000

INTRODUCTION

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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 2011/12	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	No Complaints received	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	No abatement notices received. All sites met resource consent requirements.	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	Not achieved. 722 tonnes recycled (1,010 tonnes 10/11) or a 28% decrease.	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	* No school visits or community group visits this 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	Achieved 2,383 tonnes (3,013 tonnes 2010/11) or a 30% decrease. 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

* The reason no school visits or community group visits were conducted in the 2011/12 financial year was due to the fact that the waste minimisation officer was absent for over half the year, and some restructuring occurred.

Financial Performance - Waste Management

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates (collection)	270,000	270,000	280,006
Targeted Rates	901,917	892,346	695,168
Vested Assets	0	0	0
Other Income	202,525	372,251	62,988
Total Operating Revenue	1,374,441	1,534,597	1,038,162
Operating Expenditure			
Expenditure	2,253,902	1,385,040	1,279,933
Interest	17,041	113,244	3,378
Depreciation	64,113	36,313	39,942
Total Operating Expenditure	2,335,056	1,534,597	1,323,254
Operating Surplus/(Deficit)	(960,614)	0	(285,092)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(960,614)	0	(285,092)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	0
	(960,614)	0	(285,092)
Capital Expenditure			
New assets	2,720,064	710,000	0
Renewals assets	0	0	0
Debt Repayment	0	60,507	0
Capital and Debt Repayment	2,720,064	770,507	0
Vested assets	0	0	0
Operating Deficit	960,614	0	285,092
Transfers to Reserves	0	0	0
Total Funding Required	3,680,678	770,507	285,092
Funded by:			
Operating Surplus	0	0	0
Funding from Accumulated Depreciation	0	60,507	0
Loans raised	2,720,064	407,500	0
Reserves	960,614	302,500	285,092
Total Funding Applied	3,680,678	770,507	285,092

Variance Explanations - Waste Management

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance - Increase	336,279
Made up of:	
A Reduction in the collection rates received	(10,006)
An increase in the targeted rates associated with Waste Management and levies associated with Waste to become more inline with the user pays policy of council	9,571
An increase in overall income as a result of the contractual negotiations with Mastagard.	336,714
Total	336,279
Total Operating Expenditure Variance - Increase	1,011,802
Made up of:	
As the contract with Mastagard has been renegotiated costs associated with waste have increased (this includes some legal expenses)	554,584
Increased in provision required for Waste management, the most significant being the capping of Franz Josef and the cost of capping Hokitika landfill	457,218
Total	1,011,802
2012 Actual versus 2012 Budget	
Total Operating Revenue Variance - (Reduction)	(160,156)
Made up of:	
Actual income received on levies attributed to dumping at Butlers landfill were lower than anticipated due to the delay getting the landfill opened	(160,157)
Total	(160,157)
Total Operating Expenditure Variance - Increase	800,459
Made up of:	
Waste incurred legal fees due to the renegotiation of the Mastagard contract	116,268
Due to a review of overhead allocations Waste Management's actual overhead's increased compared to budget	43,974
Actual Depreciation was higher than budget as more assets pertaining to Waste Management were recognised	27,000
Provision cost required for the capping of the Franz Josef landfill and associated costs for capping Hokitika landfill as well as recognising aftercare costs associated with all landfills owned by council.	457,217
Contractors Costs for Waste Management were also higher than anticipated	156,000
Total	800,459
Total Capital Expenditure Variance	1,949,557
Made up of:	
Capping of Hokitika Landfill was recognised as landfill provision budget \$550,000	(550,000)
* Refuse Site Replacement/Redevelopment (Budget \$60,000)	(60,000)
* Butlers Improvement Programme Budget \$100,000, actual cost was \$90,373	(9,627)
* Completion of Butlers Refuse Site	1,848,495
* Hokitika Transfer Station	781,196
Debt Repayment was not made in the 2011/12 year	(60,507)
Total	1,949,557

Significant Capital Expenditure for 2011/2012

Butlers Refuse Site was recognised as a project in the 2009/19 LTCCP and has now been completed in the 2011/12 financial year.	1,848,495
Hokitika Transfer Station project was also recognised in the 2009/19 LTCCP and was also completed in the 2011/12 financial year..	781,196
The improvements to Butlers Landfill were identified in the 2011/12 Annual Plan and were completed within this timeframe	90,373

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 2011/12	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	Achieved. 3 complaints were received relating to the public toilets of which all were responded to within the necessary timeframe.	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	22% Very Satisfied 41% Quite Satisfied 23% Just Satisfied 9% Not Very Satisfied	80%	85%

*The satisfaction survey was conducted in August 2011 and completed in October 2011. We believe that the results are relevant for the full year because there were no major changes to the levels of service during the financial year. The number of toilets have remained the same and were maintained to the same standards.

Financial Performance - Public Toilets

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	196,874	196,874	193,386
Vested Assets	0	0	0
Other Income	0	0	7,058
Total Operating Revenue	196,874	196,874	200,444
Operating Expenditure			
Expenditure	165,853	186,852	186,258
Interest	0	0	0
Depreciation	11,788	10,022	12,765
Total Operating Expenditure	177,641	196,874	199,023
Operating Surplus/(Deficit)	19,233	0	1,421
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	19,233	0	(22,926)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	0	24,347
	19,233	0	1,421
Capital Expenditure			
New assets	0	0	24,347
Renewals assets	0	0	0
Debt Repayment	0	0	0
Capital and Debt Repayment	0	0	24,347
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	0	0	0
Total Funding Required	0	0	24,347
Funded by:			
Operating Surplus	19,233	0	1,421
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	(19,233)	0	22,926
Total Funding Applied	0	0	24,347

Variance Explanations - Public Toilets

2012 Actual versus 2011 Actual	
Total Operating Expenditure Variance - (Decrease)	(21,382)
Made up of:	
Overall 2011/12 costs were less than 2010/11 due to a changes in cleaning/caretaking costs	(21,383)
Total	(21,382)

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 2011/12	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	12% Very Satisfied 27% Quite Satisfied 28% Just Satisfied 19% Not Very Satisfied	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 and with completed results in October 2011. We believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The major changes we identified were staff turnover or procedural changes, neither of which occurred in the 2011/12 year.

Financial Performance - Community Township Development

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	0	0	0
General Rates	315,144	315,144	252,800
Vested Assets	0	0	0
Other Income	2,464	10,000	280
Total Operating Revenue	317,608	325,144	253,080
Operating Expenditure			
Expenditure	207,136	245,126	201,218
Interest	0	0	0
Depreciation	26,808	6,489	4,189
Total Operating Expenditure	233,944	251,615	205,407
Operating Surplus/(Deficit)	83,664	73,529	47,673
Operating Surplus Transferred to/(Operating Deficit funded from)			
Funding for Capital Projects	83,664	73,529	47,673
	83,664	73,529	47,673
Capital Expenditure			
New assets	40,000	103,529	43,340
Renewals assets	58,008	0	11,798
Debt Repayment	0	0	0
Capital and Debt Repayment	98,008	103,529	55,138
Vested assets	0	0	0
Operating Deficit	0	0	0
Transfers to Reserves	0	0	0
Total Funding Required	98,008	103,529	55,138
Funded by:			
Operating Surplus	83,664	73,529	47,673
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	0	0
Reserves	14,344	30,000	7,465
Total Funding Applied	98,008	103,529	55,138

Variance Explanation - Community Township Development

2012 Actual versus 2011 Actual	
Total Operating Revenue Variance - Increase	64,528
Made up of:	
An increase in rate requirement from the previous on Fox and Franz for township development which is received by each township alternately	64,528
Total	64,528
Total Operating Expenditure Variance - Increased	28,537
Made up of:	
Expenditure was higher than last year due to some additional contractor work being required in Hokitika	5,917
Depreciation costs were higher than last year as renewals and additional capital were depreciated	22,620
Total	28,537

FINANCIAL SUMMARY OF PROVIDING ESSENTIALS FOR THE COMMUNITY

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates	3,514,557	3,603,238	2,995,265
General Rates	2,499,386	2,499,386	2,357,806
Vested Assets	0	200,000	401,659
Other Income	5,076,565	7,276,680	3,847,190
Total Operating Revenue	11,090,507	13,579,304	9,601,920
Operating Expenditure			
Expenditure	6,694,969	5,758,752	5,359,405
Interest	36,777	263,794	6,447
Depreciation	4,592,681	4,248,013	4,230,332
Total Operating Expenditure	11,324,426	10,270,559	9,596,184
Operating Surplus/(Deficit)	(233,919)	3,308,745	5,736
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(481,985)	8,066	(124,330)
Depreciation Not Funded	(1,039,851)	(1,039,851)	(704,994)
Funding for Capital Projects	1,287,918	4,340,529	835,060
	(233,919)	3,308,744	5,736
Capital Expenditure			
New assets	3,429,269	5,448,890	850,150
Renewals assets	3,705,561	2,821,982	3,006,373
Debt Repayment	0	119,147	0
Capital and Debt Repayment	7,134,830	8,390,019	3,856,523
Vested assets	0	200,000	401,659
Operating Deficit	2,109,852	67,615	1,058,969
Transfers to Reserves	574,787	53,066	265,787
Total Funding Required	9,819,469	8,710,700	5,582,938
Funded by:			
Operating Surplus	1,365,225	3,376,359	816,943
Funding from Accumulated Depreciation	3,825,762	3,554,490	2,910,860
Loans raised	2,720,064	407,500	533,731
Reserves	1,908,419	1,372,351	1,321,404
Total Funding Applied	9,819,469	8,710,700	5,582,938

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 CE
- Provide advocacy to central government for other services and making 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 goals.

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:

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.

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

Service Levels and Performance Measures

Customer Group Core Value	Level of Service	Performance Measure	Information we will use to measure success	Current Performance 2011/12	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.	2012-2022 Long Term Plan was adopted on 28 June 2012 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	*68% of residents didn't know anything about councils decision making, 17% did not approve	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.	2010/11 Annual Report was adopted 31 October (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	There were 24 official information requests received in the 2011/2012 year. 2 of these requests were not answered within 20 working days.	100%	100%

* The satisfaction survey was conducted in August 2011 and completed in October 2011. We believe that the results are relevant for the full year because there were no major changes to levels of service during the financial year. The major changes we identified were staff turnover or procedural changes, neither of which occurred in the 2011/12 year.

* 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 all satisfied and 29% only just satisfied leaves room for improvement in this area.

Financial Performance - Governance

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Targeted Rates (collection)	0	0	0
Targeted Rates	690,220	690,220	650,787
Vested Assets	0	.	0
Other Income	4,129	17,167	54,960
Total Operating Revenue	694,349	707,387	705,747
Operating Expenditure			
Expenditure	735,872	693,541	789,219
Interest	0	0	0
Depreciation	17,000	3,846	7,038
Total Operating Expenditure	752,871	697,387	796,257
Operating Surplus/(Deficit)	(58,522)	10,000	(90,510)
Operating Surplus Transferred to/(Operating Deficit funded from)			
Reserves	(58,522)	0	(90,510)
Depreciation not Funded (Retained Earnings)	0	0	0
Funding for Capital Projects	0	10,000	0
	(58,522)	10,000	(90,510)
Capital Expenditure			
New assets	1,390	0	0
Renewals assets	0	300,000	0
Debt Repayment	0	0	0
Capital and Debt Repayment	1,390	300,000	0
Vested assets	0	0	0
Operating Deficit	58,522	0	90,510
Transfers to Reserves	0	10,000	0
Total Funding Required	59,913	310,000	90,510
Funded by:			
Operating Surplus	0	10,000	0
Funding from Accumulated Depreciation	0	0	0
Loans raised	0	300,000	0
Reserves	59,913	0	90,510
Total Funding Applied	59,913	310,000	90,510

Variance Explanations - Governance

2012 Actual versus 2011 Actual	
Total Operating Expenditure Variance - Decrease	(43,386)
Made up of:	
Reallocation of overheads due to a review of council's requirements in the 2010/11 year increased expenditure	(43,386)
Total	(43,386)
2012 Actual versus 2012 Budget	
Total Operating Expenditure Variance - Increase	55,484
Made up of:	
This is due additional costs associated with consultants regarding the appointment of a new CEO and costs associated with producing the 2012/22 LTP	55,484
Total	55,484
Total Capital Expenditure Variance	(298,610)
Made up of:	
A proposed shared IT service project was scrapped in 2011/12	(300,000)
Various minor capital purchases	1,390
Total	(298,610)

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 out a target of returning a dividend within the Westland District Council's budget. Council's budget was \$240,000, the dividend returned was \$100,000.**
- Prepare an Annual Report in accordance with the requirements of the Local Government Act 2002.
- **RESULT: The financial statements for 30 June 2012 were compliant and approved by the board of directors on 1 October 2012.**
- 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 2012 and finalised versions were adopted by 30 June 2012.**

Westroads Limited

- Tax paid return on shareholder funds of 9%.
- **RESULT: 18.7% Tax paid return on shareholder funds.**
- Net after tax profit is to be in 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 \$361,000 compared to \$302,000 in 2010/11.**
- Revenue from the rental of land and buildings is to remain at or above current levels.
- **RESULT: Revenue from Lease receipts was \$181,000 compared to \$141,000 in 2010/11.**

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% (-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% (-1.5% for 2010/11).**
-
- **RESULT: The return to Council was nil for 2011/12, with Council having a \$65,000 dividend in the 2011/12 budget.**
- Compliance with statutory and regulatory requirements.
- **RESULT: No breaches.**

Financial Performance

Cost of Services Statement	Actual 2012	Budget 2012	Actual 2011
Operating Revenue			
Westroads Limited	12,374	12,020	11,441
Hokitika Airport Limited	546	527	481
Westland District Property Limited	522	800	92
Westland Holdings Limited	279	310	323
Westland Nature Trust	0	0	0
Total Operating Revenue	13,721	13,657	12,337
Operating Expenditure			
Westroads Limited	11,108	11,270	10,973
Hokitika Airport Limited	497	437	426
Westland District Property Limited	482	153	112
Westland Holdings Limited	0	0	39
Westland Nature Trust	0	0	0
Total Operating Expenditure	12,087	11,860	11,550
Net Surplus Before Taxation	1,634	1,797	787
Tax Expense	633	152	164
Net Surplus After Taxation	1,001	1,645	623

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.



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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

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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 2012

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 other information required by schedule 10 of the Local Government Act 2002 (other information) 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 53, that comprise the statement of financial position as at 30 June 2012, 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, explanatory information and other information required by schedule 10 of the Local Government Act 2002; and
- the non-financial performance information of the District Council and group on pages 57 to 140 that includes the other information required by schedule 10 of the Local Government Act 2002.

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

In our opinion:

- The financial statements of the District Council and group on pages 21 to 53:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council's and group's financial position as at 30 June 2012; and
 - the results of District Council's and group's operations and cash flows for the year ended on that date.
- The non-financial performance information of the District Council and group on pages 57 to 140:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the District Council's and group's levels of service for the year ended 30 June 2012, including:

- 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 other information of the District Council and group contained in the financial statements and the non-financial performance information, complies with the requirements of Schedule 10 of the Local Government Act 2002 applicable to the annual report and fairly reflects the required information.

Our audit was completed on 22 November 2012. 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 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 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 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 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 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 and group;
- the adequacy of all disclosures in the financial statements, non-financial performance information and other 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 information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, non-financial performance information and other 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's and group's financial position, financial performance and cash flows;
 - fairly reflect its service performance, including achievements compared to forecast; and
- other information in accordance with Schedule 10 of the Local Government Act 2002 that fairly reflects the required information.

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 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 other 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 and carrying out the audit of the long term plan, we have no relationship with or interests in the District Council.



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

