



Happy 30th birthday to us!

Westland District Council
was constituted on
1 November 1989

Draft Summary Annual Report 2019/2020

Westland District Council



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

TABLE OF CONTENTS

INTRODUCTION	2
KEY FACTS	2
MAYOR AND CE MESSAGE	3
YEAR IN REVIEW: 2019/20	5
YEAR IN REVIEW 2019/2020	6
YEAR IN REVIEW 2019/2020	7
PERFORMANCE AT A GLANCE	8
AN OVERVIEW OF COUNCIL PERFORMANCE	9
Summary of Group Activities Performance	11
FINANCIAL PERFORMANCE	12
Variations from the Long Term Plan	12
Statement of Comprehensive Revenue and Expense	16
Statement of Changes in Equity	17
Statement of Financial Position	18
Statement of Cash Flows	19
Whole of Council Funding Impact Statement	21
INDEPENDENT AUDITOR'S REPORT	22

INTRODUCTION

This report summarises Westland District Council's financial and service delivery performance for the year ended 30 June 2020. It provides an overview of how we delivered against planned activities and budgets.

It has been prepared in accordance with PBE FRS43 – Summary Financial Statements and was authorised for issue by the Mayor and Chief Executive on 25 November 2020.

Westland District Council's Annual Report has been prepared in observance of the Local Government (Financial Reporting and Prudence) Regulations 2014 along with the Local Government Act 2002, which brings additional disclosure requirements. The 'whole story' is contained in the full Annual Report 2019/20, which was adopted and authorised for issue by Council on 2 November 2020.

The Annual Report is available from:

Westland District Council's website: <https://www.westlanddc.govt.nz/annual-plans-and-reports>

Westland District Council's Customer Service Centre, 36 Weld Street Hokitika

KEY FACTS

Population – Census Night (2018)	11,301
Resident in District	8,640
Total Area	1,186,272 ha
Rateable Area	139,175 ha
No. of Rateable Assessments	6552
No. of Non-rateable Assessments	797
Proportion of general rates to total income	27%
Average general rates per rateable property	1,169
Public debt (as a percentage of property, plant & equipment)	5%
Public debt (per rateable property)	2,994

Cover photo –Westland District Council Communications

Vision statement photo –Kotuku, credit Anonymous

MAYOR AND CE MESSAGE

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

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

The 2019/2020 financial year is Year Two of the 2018-28 Long Term Plan (LTP). This Annual Report is an opportunity to reflect on the year and report to you, the community, on the progress Council has made towards achieving the work programme agreed in the LTP.

The biggest impact on the Westland District over the last twelve months was due to Covid-19. In general, this has not had a major impact on Council services. This was mainly due to the excellent work undertaken by our IT team, who enabled the majority of council services to be conducted remotely.

Elections were held in October 2019, with Westland District recording one of the highest voter turnouts in the country. Westland elected five new Councillors and four returning Councillors for the 2019 – 2022 triennium. The new Council has chosen a Committee structure and is approaching their business in a congenial way. Relationships with stakeholders are being developed and strengthened.

Council is committed to making sure we have the infrastructure the district needs. Much of this work is not visible to residents but is essential for the district to continue to thrive. Some of the main infrastructure projects progressed this year include:

- Resurfacing of 22.9 km of sealed roads.
- Ongoing upgrading and renewal of stormwater and sewer mains.
- The completion of the new water treatment plants in Kumara and Whataroa.
- Completion of the new WWTP at Franz Josef.
- New public toilets in Ross, Kumara, Haast and Whataroa.
- Further enhancements of the West Coast Wilderness Trail particularly the Mahinapua section and Old Christchurch Road, Off-Road cycle trail construction
- Project scoping and development for Arahura and Fox Glacier Water Treatment Plants
- Recovery works following the March and December 2019 storm events are still underway

Alongside all of these projects, a number of applications have been made through the Covid-19 “Shovel Ready” Projects fund, targeted at stimulating the economy. Council hopes to see works get underway in the first quarter of the 2020/21 Annual Plan.

Throughout the challenging time of the Covid-19 lockdown, Council staff ensured that essential services were maintained and provided support to the community. Rubbish and recycling collections continued as normal, although some transfer station hours had to be reduced. District Library staff took innovative approaches to make sure that library users were able to continue to borrow books, including promoting digital services and running a ‘call / click & collect’ service during Alert Level 3. Many staff were involved in assisting Civil Defence to provide welfare services to the local community, under the direction of the National Emergency Management Agency.

Finally

The 2019-20 year has been another challenging one for Council and the Westland District. The December storm impacted on tourism, businesses and the environment. This has been closely followed by the impact of a global pandemic which has almost decimated the tourist industry. As tourism activities in Westland contribute highly to GDP on the West Coast the overall economy of the region suffers.

The most import focus for Council is to encourage growth in all sectors of the community and will continue to work to support new ventures that contribute to the economic, social, environmental and cultural well-being of the district. Council provides a conduit to channel government spending through strategic infrastructure projects and support other agencies in keeping people employed and supported.

Providing a high level of Customer service also remains a top priority. There are continued improvements in consent processing and greater interaction with customers to work together to resolve issues.

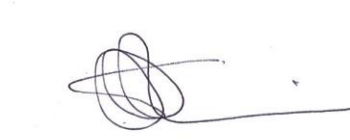
The district offers so much to all those who live, work and play in Westland and it is important to support each other through the hard times as well as the good.

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

A handwritten signature in blue ink, appearing to read 'B Smith', on a light blue background.

Bruce Smith

Mayor 2019/2020

A handwritten signature in blue ink, appearing to read 'Simon Bastion', on a light blue background.

Simon Bastion

Chief Executive

YEAR IN REVIEW: 2019/20

30 Years of Westland District Council

1 November 2019 was the 30th anniversary of the amalgamation of the Hokitika Borough Council and the Westland County Council. Westland District Council was formed following the 1989 local government reforms that amalgamated 850 local government entities into 86 local authorities.



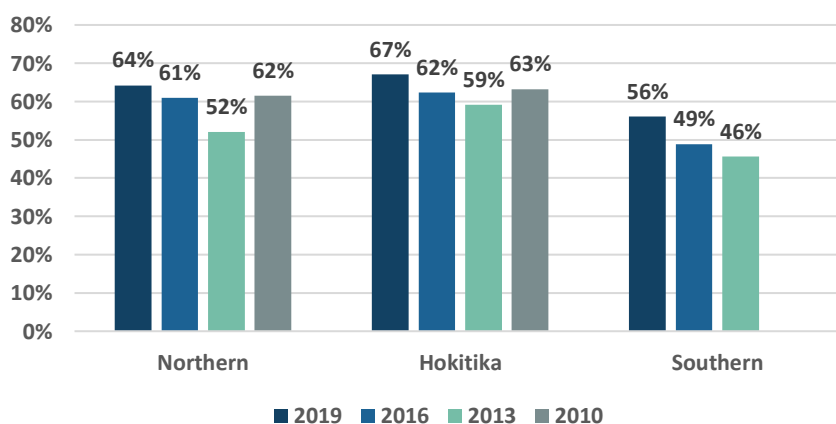
Voter turnout

Voters in Westland District are highly engaged in the voting process, and the 2019 Local Council Election was no exception. Returns for the district increased by 4.9% from 2016 to 64% and voter turnout increased in all wards.

*Southern Ward seats were uncontested in 2010.



Returns by Ward



Tohu Whenua

In February 2020, Hokitika Port and Commercial Area at Gibson Quay joined the Tohu Whenua, Landmarks that tell our stories, programme. Chosen for being “a place our ancestors determinedly entered in search of pounamu and gold”. Hokitika, Brunner Mine, Reefton, and Denniston Mine represent the West Coast as Tohu Whenua.

A wooden Tohu Whenua Pou was erected at the Gibson Quay viewing platform. The launch celebration was attended by representatives of local iwi Ngāti Waewae and Ngāti Mahaki ki Makaawhio, the Chair of the Tohu Whenua Governance Group, Mayor Bruce Smith, Department of Conservation, and representatives of Hokitika’s heritage community. Attendees enjoyed performances by children from Hokitika Primary School.

YEAR IN REVIEW 2019/2020



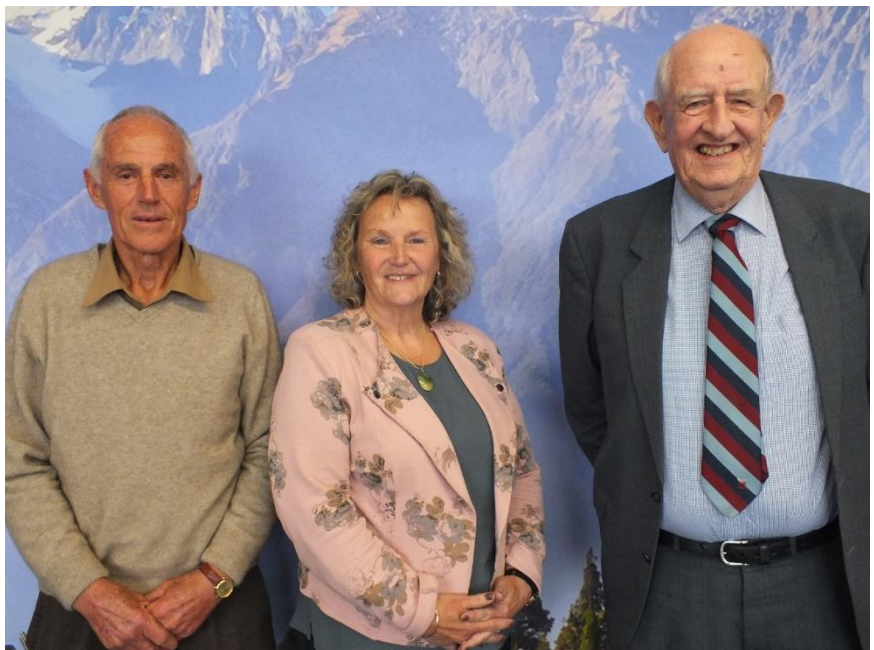
Franz Josef Wastewater Treatment Plant

The Franz Josef Wastewater Treatment Plant became fully operational in March 2020 providing improved capacity and odour reduction.

Retiring Councillors

Three Councillors retired at the end of the 2016 – 2019 Triennium. The new Council hosted a presentation to thank them for their work and dedication to serving the community during their time as Councillors.

Left to Right: Des Routhan (Hokitika Ward), Helen Lash (Southern Ward) and Durham Havill (Northern Ward).



Implementation of IBIS

Following the 2018 Long Term Plan process, Council's finance team began to work with the IBIS Breeze Financial Management system. This is a financial modelling and management tool that assists with quick and easy production of financial information. The Annual Plan 2020/2021 was produced using IBIS Breeze, which created efficiencies as the Plan went through several variations to reflect the Covid-19 situation.

YEAR IN REVIEW 2019/2020

Citizenship ceremonies

Westland has people from over 60 nationalities living in the district with many of them becoming New Zealand citizens. Council held citizenship ceremonies in September and December 2019 and January 2020. Further planned ceremonies were disrupted by Covid-19. New citizens came from England, South Africa, Nepal, Australia, Philippines, and Sri Lanka.



LGOIMA's on Council's website

To provide more information of public interest to the community, Council began publishing responses to Local Government Official Information and Meetings Act on the website. Responses and statistics about the requests are regularly updated to promote transparency.



Museum Storage Project

With the closure of the Carnegie Building late 2019, a number of large and heavy objects needed to be relocated to the Collection Store. The lifting expertise of the Hokitika Volunteer Fire Brigade was called upon on a number of occasions to relocate these larger items including the Dalziel Pounamu boulder. The boulder, which weighs approximately 300kgs, was transferred onto a pallet for relocation. Originally this boulder was lifted from the Dalziel Claim at the Arahura headwaters by helicopter and delivered to museum on the Rentons Forklift.

PERFORMANCE AT A GLANCE



DEMOCRACY

5 new standing committees; **105** LGOIMA requests processed; **2,417** follow Council's FB page; **7%** of residents understand how Council makes decisions



CORPORATE SERVICES

439 dog control complaints
1,971 dogs registered



ANIMAL CONTROL

West Coast Wilderness Trail use increased **10.5%**

23 events received Creative Communities Funding

102 Food premises inspected

353 Museum enquiries

1,298 attended swimming lessons

3,761 Museum records updated

6,654 e-books and audio books borrowed

7,965 Hokitika Wildfoods Festival attendees

63,733 library books borrowed

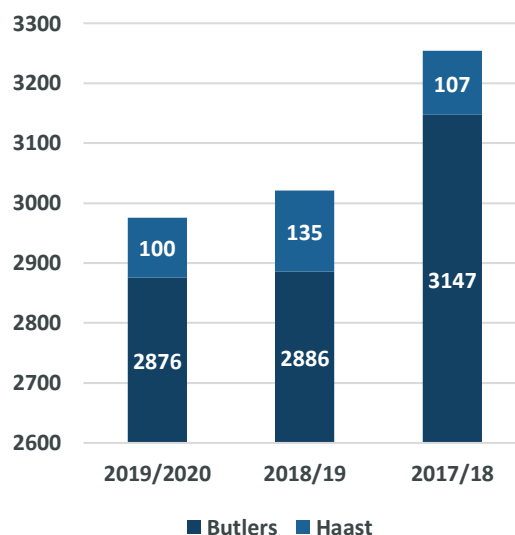
Playground Audits: Cass Square, Whataroa, Ross

90% residents satisfied with Parks and Reserves

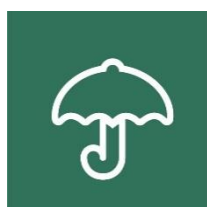


PARKS AND RESERVES

Tonnes of waste sent to landfill



100% discharge compliance for stormwater systems



STORMWATER

76% residents satisfied with standard and safety of unsealed roads

AN OVERVIEW OF COUNCIL PERFORMANCE

This is a summary of Council's performance in delivering services, measured against selected non-financial targets. For complete details of Council performance, including the specific measures and explanations of the results, see the full Annual Report 2019/20, available from www.westlanddc.govt.nz or our service centre.

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

- Some Council departments and Council Controlled Organisations conducted their own tailored customer surveys.
- Responsiveness measures were assessed with reference to incidents reported on Council's service request system. These are captured when customers contact the Council helpdesk to request assistance, and retrospectively when staff or contractors have responded to emergencies and later report the details to customer service.
- Certain other targets are industry specific mandatory benchmarks.

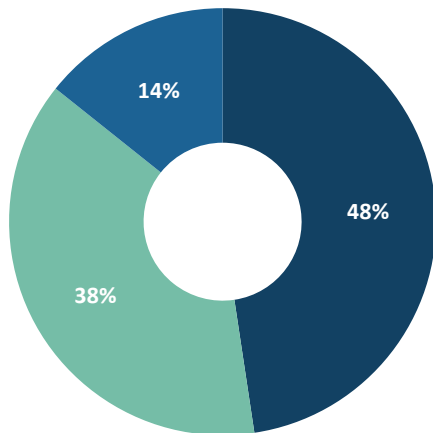
The data gathered is combined with the statistics and measurements captured in Council's systems to give a balanced scorecard of where we are meeting our objectives, and the areas where improvement is required.

Council has 9 Groups of Activities as follows:

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

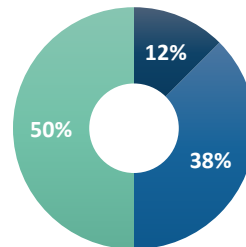
Performance is measured against a number of different indicators. Some of these are mandatory measures set by central government and others are measures that Council set itself. There are 66 measures in total.

- We achieved 48% of the measures (40 out of 84). This includes 30% of the mandatory measures (7 out of 23)
- We did not achieve 38% of the measures (32 out of 84).
- During the 2019/2020 year council conducted a formal bi-annual Resident Satisfaction Survey for non-mandatory measures. Some activities do their own survey, or are reviewing how they measure satisfaction indicators. 22% of the satisfaction indicators were not measured (4 out of 18).

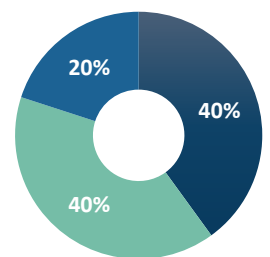


■ Achieved ■ Not Achieved ■ Not Measured

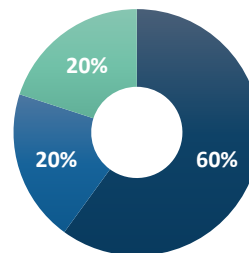
Water Supply



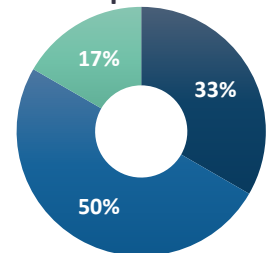
Wastewater



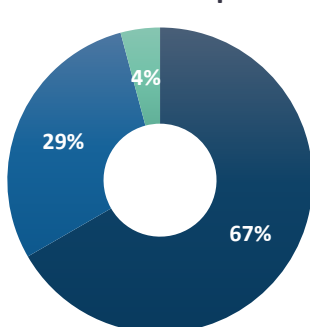
Stormwater



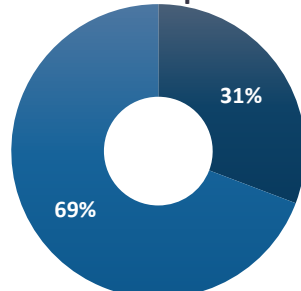
Transportation



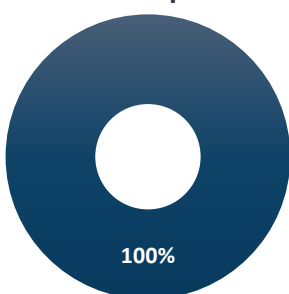
Leadership



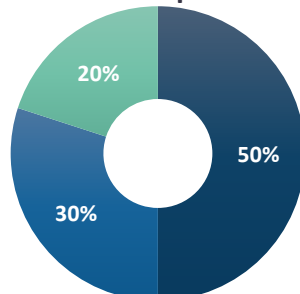
Planning & Regulatory Group



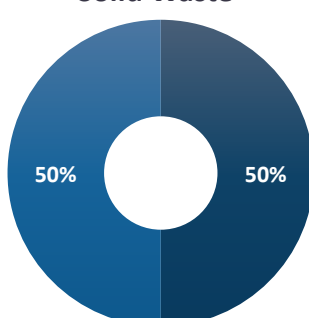
Community Services Group



Leisure & Facilities Group



Solid Waste



	Mandatory Measure	Progress	Achievement
Water Supply	Safety of drinking water	6/9 supplies fully compliance with bacterial compliance criteria 0/9 supplies compliant with protozoal compliance criteria	Not achieved
	Fault response times	No data for urgent call-outs	Not measured
		76% urgent callouts resolved within 12 hours	Not achieved
		No data for attendance to non-urgent call-outs	Not measured
	Maintenance of reticulation network	50% non-urgent callouts resolved within 72 hours	Not achieved
		Measured in context with the Benchloss NZ Manual	Not measured
		Analysed on a three-yearly basis	Not measured
Wastewater	Customer Satisfaction	Total complaints = 45 Complaints per 1000 connections = 16	Achieved
	System and adequacy	Complaints per 1000 connections = 1.8 - 1 for dry weather and 3 unknown rainfall sewerage overflows	Achieved
	Discharge compliance	Franz Josef WWTP enforcement order carried forward from 2017/18	Not achieved
	Fault response times	Data for response times is unreliable. Council is reviewing the service request system for fitness of purpose and new procedure will be reported in 2020/2021.	Not measured
		17% (1/7) notifications resolved within 4 hours.	Not achieved
	Customer satisfaction	Total complaints = 26 Complaints per 1000 connections = 11.8	Achieved
Stormwater	System adequacy	0 flooding events affecting habitable floors occurred	Achieved
	Response times	Habitable floors effected = 0 0 per 1000 connections	Achieved
		There were no reported events to attend.	Not measured
	Customer satisfaction	Total complaints = 58 Complaints per 1000 connections = 117.2	Not achieved
	Discharge compliance	Fully compliant with resource consents	Achieved
Transport	Road safety	1 recorded fatal crash and 1 recorded serious injury crashes on WDC network	Not achieved
	Road condition	94% smooth travel exposure	Achieved
	Road Maintenance	6.2%, 22.9km of sealed road resurfaced	Not achieved
	Footpaths	Data metric being developed to measure performance	Not measured
	Customer service requests	54% responded to within 2 working days. 66% resolved within the informal target timeframe.	Not achieved

Summary of Group Activities Performance

Activity	No. of Measures	Achieved	Not Achieved	Not Measured	% Achieved
Leadership	24				67%
Democracy	2	1	1	0	50%
Corporate Services	3	1	2	0	33%
Council Controlled Organisations	19	14	4	1	74%
Planning and Regulatory	13				31%
Resource Management	2	1	1	0	50%
Inspections and Compliance	6	1	5	0	17%
Animal Control	3	2	1	0	67%
Emergency Management	2	0	2	0	0%
Community Services Group	1				
Community Halls	1	1	0	0	100%
Leisure Services and Facilities	20				50%
Elderly Housing	4	2	1	1	50%
Hokitika Museum	2	0	1	1	0%
Hoiktika Wildfoods Festival	2	1	0	1	50%
i-SITE	2	1	1	0	50%
Parks and Reserves	1	1	0	0	100%
Cemeteries	2	2	0	0	100%
Public Toilets	2	0	2	0	0%
Swimming Pools	2	1	0	1	50%
West Coast Wilderness Trail	1	1	0	0	100%
Westland District Library	2	1	1	0	50%
Transportation	6	2	3	1	33%
Water Supply	8	1	3	4	12.5%
Wastewater	5	2	2	1	40%
Stormwater	5	3	1	1	60%
Waste Management	2	1	1	0	50%
Total for the Council	84	40	32	12	48%

FINANCIAL PERFORMANCE

This is an overview of the financial results for the year ended 30 June 2020. The information is extracted directly from the financial statements contained in the full audited Annual Report 2019/2020. The audited financial statements comply with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The summary Financial Statements do not include all the disclosures that are provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. For a complete understanding of Council's financial performance, financial position and cash flows; readers are encouraged to refer to the full Annual Report 2019/2020.

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

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

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

Summary	2019/20 \$000
Rates (General)	7,658
Net surplus/(deficit)	3,428
Working Capital	2,037
Public Debt	19,618
Total Assets	427,085

Variations from the Long Term Plan

This is year 2 of the Long Term Plan 2018-28, therefore Council is reporting against the Annual Plan 2019/2020.

Council has a \$3.428 million surplus after tax, which is \$2.36 million favourable to budget. The main variances are set out below.

	Annual Report 2019/2020 \$000	Annual Plan 2019/2020 \$000	Variance
Revenue			
Rates	16,396	16,472	\$0.076 million lower than budget mainly due an unbudgeted rates remission granted during the year because of a change in ownership structure of a large rate-payer.
Grants & Subsidies	7,396	4,337	\$3.1 million above budget due to unbudgeted grants received for the following projects:: \$1.1 for public toilets in Haast, Ross, Whataroa and Kumara

			\$0.5 Million for Carnegie Building earthquake strengthening project.
			\$0.409 million for the West Coast Wilderness Trail Milltown March flood repairs and cycleway maintenance.
			\$1.1 million Tourism Infrastructure Fund (TIF) funding for Franz Josef wastewater treatment plant project.
			\$0.243 million for the Kumara Water Supply project.
			\$0.357 million TIF funding for the Sunset Point project.
			<i>This is partially offset by lower than budgeted income received from NZTA (\$0.3 million) due to lower spending on roading projects. Some of these grants offset the capital expenditure incurred during the year.</i>
Fees & charges	1,663	2,171	\$0.4 million lower than budget mainly due to lower refuse fees collected because of low tourism as a result of Covid-19, and fewer flood and weather events, which produce less refuse. Trade waste charges were also lower for the same reasons.
Other	3,318	1,022	\$2.3 million greater than budget due to:
			A \$1.5 million increase in vested income because of assets transferred by Westland Racing Club to Council.
			Sundry income was \$0.250 million higher due to funding received from Westland Racing Club as part of their asset transfer to Council.
			Recoveries income was \$0.138 million higher than the budget. This is almost offset by the increase in recoverable expenditure under other expenditure.
			There was an \$0.130 million unbudgeted gain on swaps due to market factors. This is offset by the unbudgeted loss on swaps included under other expenses.
			Unbudgeted funds of \$0.050 million were received from National Emergency Management Agency following the December 2019 flood event for Mayoral Relief Fund.
			Dog registration income was higher than budget by \$0.025 million due to an increase in dog registrations.
Operating Expenditure			
Finance costs	702	740	Finance costs were \$0.038 million lower than budget due to lower than forecasted interest rates and efficient liquidity management.
Depreciation	7,131	6,316	\$0.816 million higher than the budget because current year actual depreciation was calculated using last year's revalued assets, values which were not available when depreciation budgets were set up for the 2019/2020 Annual Plan.
Other	13,518	11,871	\$1.647 higher than budgeted mainly due to:
			Emergency repair and maintenance expenditure was higher than planned by \$0.592 million due to roading repair work after the December flood event. Some of this expenditure is offset by grants received from NZTA.
			\$0.582 million unbudgeted loss on swaps due to market factors, which is partially offset by an unbudgeted gain on swaps, which is included in other income.
			An unbudgeted \$0.150 million grant payment from the Three Mile Reserves was made to Hokitika Lions to upgrade Lazar Park.
			Recoverable expenditure was higher than budgeted by \$0.133 million. This was fully offset by the increase in recoveries income as stated in Other income.

			Contractor costs were also \$0.348 million higher than planned due to unbudgeted work on Asset Management Plans and Civil Defence work due to the December 2019 flood event.
Current Assets			
Cash & cash equivalents	5,123	2,570	Cash and cash equivalents are higher than the budget by \$2.6 million mainly due to lower capital spending because of rescoping of capital projects and better asset knowledge.
Debtors & other receivables	4,211	1,919	\$2.3 million above budget. This variance is primarily due to timing differences with claiming for subsidised expenditure.
Non-Current Assets			
Assets under construction	2,955	1,309	Partial offset of \$2 million to property, plant and equipment.
Property, plant & equipment	405,665	463,166	Non-current assets are \$55 million lower than the budget. This is mainly due to opening balances were much lower than budgeted due to lower than planned revaluation gain in the last financial year and Significant capital projects were either delayed or incomplete due to many factors such as rescoping of capital projects and better asset knowledge and delays in finding external funds. This is partially offset by the increase (\$2 million) in assets under construction.
Current Liabilities			
Creditors & other payables	3,407	2,453	\$1 million above budget. This variance is primarily due to timing differences.
Borrowings	3,000	-	Borrowing is higher than the budget by \$3 million as the debt is current and has been transferred from non-current liabilities.
Non-Current Liabilities			
Derivative financial instruments	1,097	800	Value of derivative financial instruments are higher than the budget by \$0.3 million due to movement in market forces which is difficult to forecast.
Borrowings	16,618	24,339	Both non-current and current borrowings are lower than the budget by \$4.7 million mainly due to lower than planned debt. This is due to loan-funded capital expenditure either being deferred or re-scoped through the Annual Plan process to the following financial year.

Contingencies

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

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

At balance date Council, along with the 28 other territorial authorities, is subject to a lawsuit brought by Carter Holt Harvey (CHH) for contribution to the class action lawsuit against CHH in respect of allegedly defective products installed in homes throughout New Zealand. This claim has not been quantified or estimates of relevant remedial work provided.

The uncertainty existed at the end of the current and preceding period and the notice of discontinuance signed on 3 September 2020 has now removed the uncertainty and the Council is no longer subject to this legal proceeding and is not involved or aware of any settlement at this stage. (2019: Nil).

Post Balance Date Disclosure

Council received approval after the balance sheet date of grant money for the following items:

Approved in Principle Before balance date:	\$000
Jackson Bay Wharf	500
Approved in Principle After balance date:	\$000
Jackson Bay Wharf	500
Hokitika Swimming pool	3,000
Upgrades of Franz Josef's Cron St and Hokitika's Old Christchurch Rd	4,700
Butlers Landfill	3,300
Carnegie Building Earthquake Strengthening project	794
	12,794

Impact of Covid-19

On 31 December 2019 China alerted the World Health Organisation to the outbreak of a virus, now commonly referred to as Covid-19, with the outbreak declared a pandemic on 11 March 2020. The New Zealand Government declared a State of National Emergency on 25 March 2020. The next day the country was put into Alert Level 4 and effectively lockdown. On 28 April 2020, the Alert Level was reduced to Level 3, and then further reduced to Level 2 on 14 May 2020. The country moved to Level 1 on 9 June 2020.

Overall, the Council assessed that COVID-19 has had minimal impact on the financial and operational results for the year ended 30 June 2020.

Lock down slowed down the Capital project delivery programme for a short period of time. Performance in some individual activity areas was impacted:

- The Hokitika Swimming Pool was closed from 23 March 2020 until 30 June 2020, which included the annual maintenance period.
- Westland District Library was closed under Alert Levels 4 and 3, and re-opened with strict hygiene measures and contract tracing at Alert Level 2. However staff continued to provide and promote digital services. Programmes of activities progressively resumed under Alert Level 1.
- Parks and playgrounds were closed during Alert Levels 4 and 3, in accordance with the Government's Alert levels. These facilities reopened under Alert level 2.
- Environmental health were unable to complete a small number of annual visits to licenced premises and food outlets within the period.
- The i-SITE was closed during Alert Levels 4 and 3. Due to the reduced demand for services the i-SITE reopened with shorter operating hours.

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

Council supported community through activation of the Emergency Operations Centre (EOC) in conjunction with the Emergency Coordination Centre in Greymouth. The EOC provided welfare support to the district, including a 24/7 household goods and services helpline. Communications was focussed on providing accurate and factual information to the community through the Westland Matters email newsletter, Council Facebook page and website.

For full details of impact on activity performance and the work Council refer to the statement of service provision on pages 81 – 142 of the Annual Report 2019/2020.

While the lockdown and potential future impacts of Covid-19 may negatively impact residents' ability to pay rates in the future, as at 30 June 2020 this was not the case; probably due to the government support available in terms of wage subsidy and short term loan facilities for the small businesses. This was evidenced by the Council's rates receivable balance as at 30 June 2020 which is almost similar to that of previous financial year.

While the impact on Council itself is minimal, Destination Westland Limited's tourism based activities have been significantly impacted and this will likely to continue to next financial year. As a result, the company has reviewed all its activities to ensure its future operations and the board considers that the company will be able to continue to operate for at least one year after 30 June 2020. During Alert Level 4, the operations were limited to essential services and all the business activities were resumed when the country moved to Alert Level 2. However, due to the slow-down in tourism activities around the region, the company's operational revenue and expenditure are low in comparison with the previous financial year.

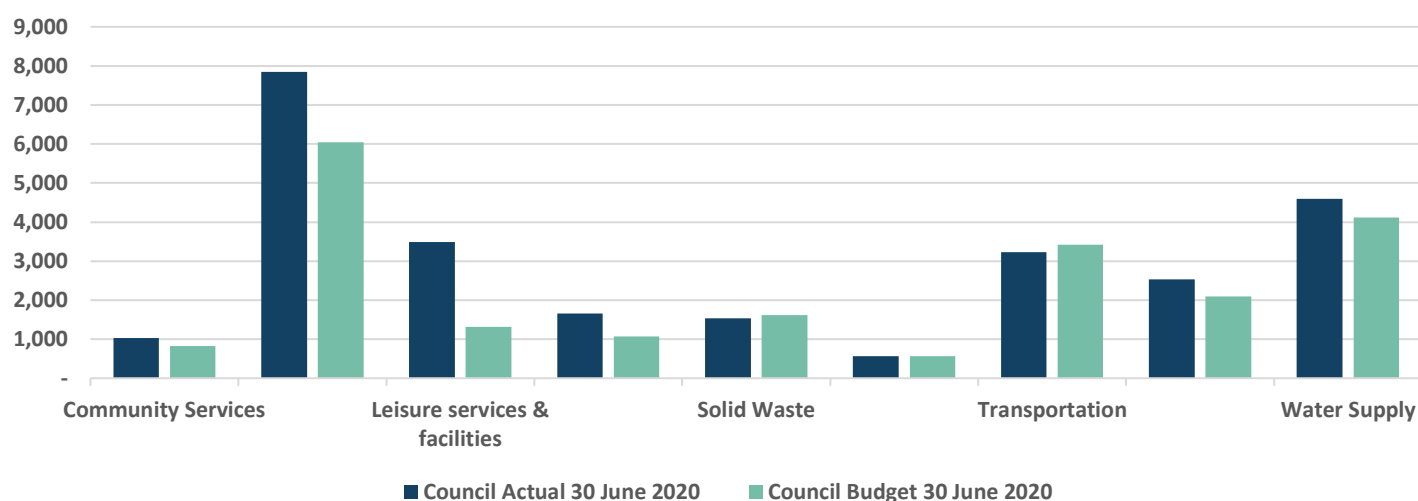
Westroads Limited's operations were restricted only to essential services during Alert Level 4 and all business activities resumed during Alert Level 3 with the required health and safety protocols in place. Although this limited the impact of Covid-19 to a shorter period of time, it resulted in a reduction in operation and therefore operations revenue in 2019/2020 financial year.

Statement of Comprehensive Revenue and Expense

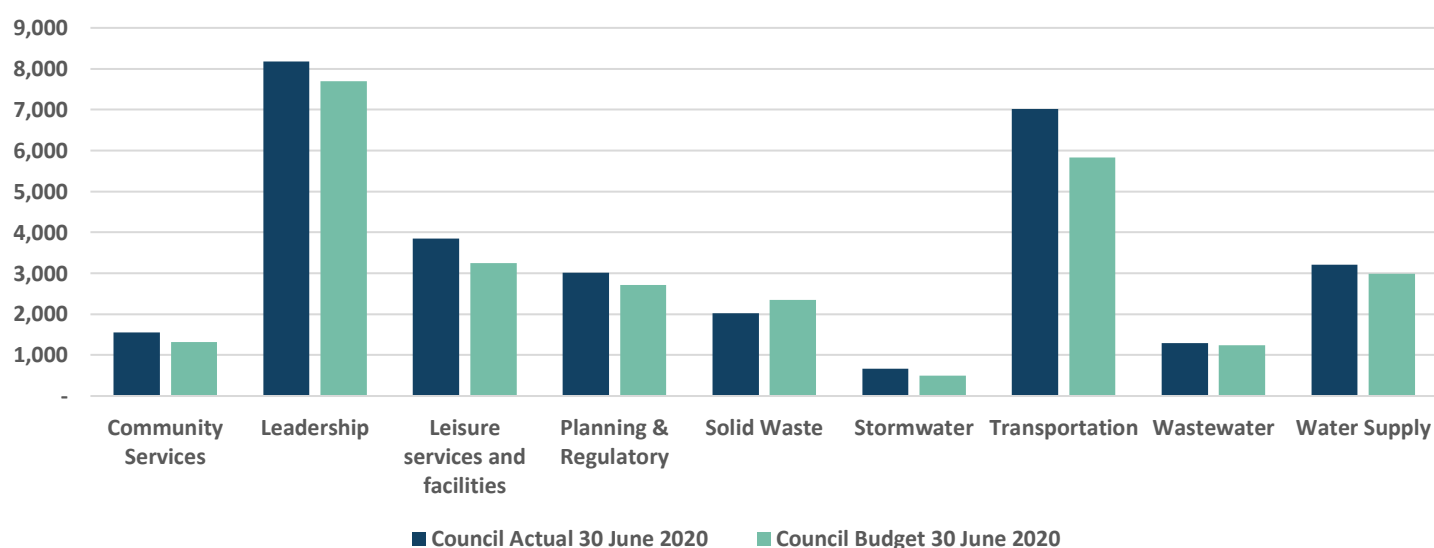
For the year ended 30 June 2020

Statement of Comprehensive Revenue and Expense						
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000	Notes
Revenue						
Rates	16,396	16,472	15,517	16,396	15,517	3
Grants and subsidies	7,396	4,337	7,825	8,744	7,825	3
Interest revenue	42	82	87	42	87	3
Fees and charges	1,663	2,171	1,892	1,663	1,892	3
Other revenue	3,318	1,022	1,708	30,928	23,730	3
Total operating revenue	28,815	24,084	27,028	57,773	49,050	
Expenditure						
Employee benefit expenses	4,036	4,090	3,687	17,538	15,952	4
Finance costs	702	740	766	1,130	1,250	5
Depreciation and amortisation	7,131	6,316	6,313	9,619	8,631	13 & 14
Other expenses	13,518	11,871	15,179	24,412	21,482	6
Total operating expenditure	25,387	23,017	25,945	52,699	47,315	
Income tax expenses/(benefit)						
Income tax expenses/(benefit)	-	-	-	478	388	7
Income tax expenses/(benefit)		-	-	478	388	
Operating Surplus/(Deficit)	3,428	1,067	1,084	4,597	1,348	
Other comprehensive revenue and expense						
Gain/(loss) on revaluation of assets	-	-	(28,761)	-	(28,761)	13
Movement in Landfill Provision	-	-	-	-	-	16
Other Comprehensive Revenue and Expenses Subtotal	-	-	(28,761)	-	(28,761)	
Total comprehensive revenue and expense/(deficit) for the year attributable to Council	3,428	1,067	(27,677)	4,597	(27,413)	

Revenue by Activity \$000



Expenses by Activity \$000



Statement of Changes in Equity

For the year ended 30 June 2020

Statement of Changes in Equity					
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000
Balance at 1 July	396,484	446,412	424,162	401,139	428,552
Total comprehensive income	3,428	1,067	(27,677)	4,597	(27,413)
Balance at 30 June	399,912	447,479	396,484	405,736	401,139

Statement of Financial Position

For the year ended 30 June 2020

Statement of Financial Position						
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000	Notes
Assets						
Current assets						
Cash & cash equivalents	5,123	2,570	2,589	5,983	3,032	8
Debtors & other receivables	4,211	1,919	4,675	8,462	7,633	9
Inventory	-	-	-	666	1,103	10
Work in progress	-	-	-	222	577	13
Other financial assets	48	-	-	48	-	12
Total Current Assets	9,382	4,489	7,265	15,381	12,345	
Non-current assets						
Council Controlled Organisation	8,695	8,695	8,695	-	-	12
Intangible assets	74	80	117	74	117	14
Assets Under Construction	2,955	1,309	4,458	3,021	4,517	13
Derivative financial instruments	-	-	-	-	-	11
Other Financial Assets	314	69	368	314	368	12
Investment property	-	-	-	1,010	1,035	13A
Property, Plant and Equipment	405,665	463,166	401,260	423,819	418,717	13
Term Inventory	-	-	-	299	353	10
Total Non-current assets	417,703	473,319	414,898	428,537	425,108	
Total Assets	427,085	477,808	422,163	443,919	437,453	
Liabilities						
Current liabilities						
Creditors & other payables	3,407	2,453	2,845	5,863	5,126	15
Employee benefit liabilities	476	205	368	1,898	1,290	17
Tax payable	3	3	3	565	233	7
Borrowings	3,000	-	-	3,891	1,066	18
Derivative financial instruments	34	-	20	34	20	11
Other	425	377	395	450	415	18
Total Current Liabilities	7,345	3,038	3,631	12,701	8,150	
Non-current liabilities						
Deferred Tax	32	28	32	202	286	7
Employee benefit liabilities	42	35	36	148	128	17
Provisions	2,040	2,089	2,480	2,040	2,480	16
Borrowings	16,618	24,339	18,618	21,995	24,389	18
Derivative financial instruments	1,097	800	882	1,097	882	11
Total Non-Current Liabilities	19,829	27,291	22,048	25,482	28,165	
Total Liabilities	27,174	30,329	25,679	38,183	36,315	

Net Assets	399,912	447,479	396,484	405,736	401,138	
Equity						
Retained earnings	151,089	144,742	147,535	156,913	152,189	19
Restricted Reserves	9,038	10,582	9,164	9,038	9,164	19
Revaluation reserves	239,721	292,091	239,721	239,721	239,721	19
Other comprehensive revenue and expense reserve	64	64	64	64	64	19
	399,912	447,479	396,484	405,736	401,138	

Statement of Cash Flows

For the year ended 30 June 2020

CASH FLOW STATEMENT						
	Council Actual 30 June 2020 \$000	Council Budget 30 June 2020 \$000	Council Actual 30 June 2019 \$000	Group Actual 30 June 2020 \$000	Group Actual 30 June 2019 \$000	Notes
Net Cashflow Operating Activities						
Cash was provided from:						
Rates Revenue	16,589	16,472	15,616	16,375	15,506	
Fees, charges, and other receipts (including donations)	1,409	2,171	2,137	1,409	2,137	
Interest Received	32	602	87	32	87	
Dividends received	200	-	324	-	24	
Grants and Subsidies	7,941	4,337	8,047	9,288	8,047	
Other Revenue	1,200	502	1,612	27,803	23,635	
Cash was provided from:	27,371	24,084	27,822	54,907	49,436	
Cash was applied to:						
Payment Staff & Suppliers	16,279	15,778	16,889	38,897	34,858	
Interest Paid	733	740	677	1,161	1,161	
Income tax paid	-	-	-	230	586	
Cash was applied to:	17,012	16,518	17,566	40,288	36,605	
Net Cashflow Operating Activities	10,359	7,566	10,256	14,619	12,831	
Net Cashflow Investment Activities						
Cash was provided from:						
Proceeds from Investments realised	-	-	-	-	-	
Proceeds sale of property, plant and equipment	-	-	200	690	574	
Movement in Westpac bonds	-	-	310	-	310	

Cash was provided from:	-	-	510	690	884
Cash was applied to:					
Purchase of property, plant and equipment	8,739	11,157	10,645	12,575	13,389
Purchase of investment property	-	-	-	1	-
Purchase of intangibles	74	-	87	74	87
Purchase of Investments	16	-	69	16	69
Cash was applied to:	8,829	11,157	10,801	12,666	13,545
Net Cashflow Investment Activities	(8,829)	(11,157)	(10,291)	(11,976)	(12,661)
Net Cashflow Finance Activities					
Cash was provided from:					
Proceeds from borrowings	1,000	5,511	2,171	1,826	3,715
Capital works loan repayments	3	-	3	3	3
Cash was provided from:	1,003	5,511	2,174	1,829	3,718
Cash was applied to:					
Repayment of borrowings	-	1,618	1,571	1,505	2,804
Cash was applied to:	-	1,618	1,571	1,505	2,804
Net Cashflow Finance Activities	1,003	3,893	603	324	914
Cash Balance					
Cash Balance					
Net increase/(decrease) in cash held	2,534	302	568	2,967	1,084
Total cash resources at start of the year	2,589	2,268	2,021	3,012	1,928
Cash Balance	5,123	2,570	2,589	5,979	3,012
Cash & cash equivalents	5,123	2,570	2,589	5,983	3,032
Bank overdraft	-	-	-	(4)	(20)
Cash Balance	5,123	2,570	2,589	5,979	3,012

Whole of Council Funding Impact Statement

For the year ended 30 June 2020

Funding Impact Statement for Whole of Council				
	Long Term Plan 2019 \$000	Annual Report 2019 \$000	Annual Plan 2020 \$000	Actual 2020 \$000
(SURPLUS) / DEFICIT OF OPERATING FUNDING				
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	6,926	6,700	9,803	7,487
Targeted Rates	8,780	8,817	6,669	8,909
Subsidies and grants for operating purposes	1,943	3,289	2,078	3,193
Fees and charges	1,840	1,892	2,171	1,663
Interest and dividends from investments	699	411	602	242
Local authorities fuel tax, fines, infringement fees, and other receipts	510	1,234	502	3,118
Total Operating Funding (A)	20,698	22,343	21,825	24,612
Applications of Operating Funding				
Payments to staff and suppliers	15,083	18,272	15,961	17,392
Finance Costs	757	766	740	702
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	15,840	19,038	16,701	18,094
Surplus/(Deficit) of Operating Funding (A - B)	4,857	3,305	5,124	6,518
(SURPLUS) / DEFICIT OF CAPITAL FUNDING				
Sources of Capital Funding				
Subsidies and grants for capital expenditure	3,754	4,535	2,259	4,202
Development and financial contributions	93	-	-	-
Increase (decrease) in debt	1,044	600	3,893	1,000
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	4,891	5,135	6,152	5,202
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	39	508	41	29
- to improve the level of service	4,829	4,403	6,414	8,430
- to replace existing assets	4,174	4,924	4,702	4,812
Increase (decrease) in reserves	707	(1,394)	119	(1,551)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	9,749	8,440	11,276	11,720
Surplus/(Deficit) of Capital Funding (C - D)	(4,857)	(3,305)	(5,124)	(6,518)
Funding Balance ((A - B) + (C - D))				

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the readers of Westland District Council's summary of the annual report for the year ended 30 June 2020

The summary of the annual report was derived from the annual report of the Westland District Council and Group (the District Council) for the year ended 30 June 2020.

The summary of the annual report comprises the following summary statements on pages 9 to 21:

- the summary statement of financial position as at 30 June 2020;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2020;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary of group of activities performance.

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2020 in our auditor's report dated 2 November 2020. That report also includes an emphasis of matter paragraph drawing attention to the disclosures about the impact of Covid-19 on the Council as set out in full Annual

Report in note 27 to the financial statements. An extract of this information is included in the summary of the annual report on pages 15 and 16.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

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



Scott Tobin,
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
25 November 2020