

# Ashburton District Council

## Annual Report Summary

### 2017/18

# From the Mayor & Chief Executive

Welcome to the 2017-18 Annual Report summary, where we review our performance over the past 12 months. It has been primarily a business as usual year for Council, with our focus being to deliver quality infrastructure, public services and regulatory services in the most cost-effective manner. Underpinning this is our collective motivation to continue to make the district a great place to live, work and play.

Notable highlights for the year include the roll-out of the much-anticipated kerbside rubbish and recycling collection service, purchase of land adjacent to the site of the new Civic Administration and Library building, lodgement of the Ashburton network-wide stormwater resource consent with Environment Canterbury and the installation of the air-conditioning system for the pool complex at the EA Networks Centre.

The large rainfall events in July 2017 noticeably impacted our roads and stormwater network in the district. While the stormwater network performed well and drained back quickly once the rain eased, the effect on our roading was considerable. The sealed road network required additional maintenance and repairs. This came at the cost of the unsealed metal maintenance programme which was reduced to assist with the funding for the repairs of the damaged pavement. An increased subsidised funding grant from NZTA of \$830,000 was provided to help with repairing the damage.

The shift of the Rural Fire Services to Fire and Emergency New Zealand (FENZ) this year also marked a considerable shift for Council and included the gifting of over \$1.5million in assets in terms of plant, equipment and facilities to FENZ.

Other notable achievements for the year include the adoption of the 2018-28 Long-Term Plan with an unqualified Audit opinion,

development and adoption of the Ashburton District Welcoming Communities Plan and Economic Development Strategies respectively, the Local Alcohol Policy coming into effect and the extension of the free-parking on East Street while Council finalises its parking strategy and plans for the CBD.

Council's operating result for the year resulted in a surplus of \$5.249 million before taxation and other comprehensive income. Total revenue was \$4.024 million above a budget of \$62.154 million and was largely due to the vesting of 26 bridges from Rangitata Diversion Race Management Limited (\$5.070 million). This was offset by a reduction in the finance income received (lower investment interest rates) and less property sales being settled in the financial year than budgeted.

Our financial performance in 2017-18 has seen us meet the goals of our financial strategy which focuses on prudence, stability, service and planning for the future. Council has met 9/10 of the government's mandatory financial affordability performance benchmarks. Council did not meet the 'Balanced Budget Benchmark' due to revenue being less than operating expenditure by 2%, mainly because of lower than forecast property sales, increased operating expenditure on roads due to the significant rainfall events and the loss on disposal of assets to FENZ. Our external borrowing and level of rates continue to be within the limits set by the strategy.

Finally Council would like to acknowledge the efforts of former Chief Executive Andrew Dalziel for leaving Council in a strong and stable financial position. We would also like to thank the hard-work, skills and efforts of many including elected members, staff and volunteers that has been paramount to our success in 2017-18. We look forward to working together in 2018-19 and beyond to continue to make Ashburton the District of choice for lifestyle and opportunity.



Donna Favel  
Mayor



Hamish Riach  
Chief Executive
















# Ashburton District 2017/18

General	
Population	34,700
District Area (square kms)	6,175
Open Space	
Council owned open spaces	442ha
Sports fields	110ha
Neighbourhood playgrounds	27

Infrastructure	
Total roads	2,612km
Sealed roads	1,502km
Unsealed roads	1,109km
Bridges	187
Footpaths	237km
Council water supplies	12
Water pipes	492km
Wastewater pipes	180 km
Stormwater pipes	42km
Stockwater races	2,105km

Rating Information	
Rating system	Capital value
Rateable properties	15,242
Total rateable value	\$16,710,476,250
Average rateable value	\$1,096,344
Date of district valuation	July 2015
Rates revenue	\$33,473,000
Total revenue	\$61,107,000

## Service performance

Service	No. of performance measures	Achieved	Not achieved
 Transportation	9	8	1
 Drinking Water	9	4	5
 Wastewater	8	6	2
 Stormwater	8 (1 performance measure was not applicable) <sup>1</sup>	5	2
 Rubbish & Recycling	5	2	3
 Recreation & Leisure	10	5	5
 Community Facilities & Support	8 (2 performance measures were not applicable) <sup>2</sup>	6	0
 Economic Development	3	1	2
 Parks & Open Spaces	6	4	2
 Democracy & Governance	5	2	3
 Regulatory Services	20	15	5
<b>TOTAL</b>	<b>91</b>	<b>58 (64%)</b>	<b>30 (33%)</b>

<sup>1</sup> Performance measure was not measured as flooding events were not a result of blockages or events within the Stormwater network.

<sup>2</sup> Performance measures were not measured as Council no longer provides Rural Fire Services.

# Core infrastructure

## Transportation

With one of the largest roading networks in the country, maintaining our roads is our most expensive job.

- ▶ Council resurfaced 137 lane kilometres of sealed roads
- ▶ 39,035m<sup>3</sup> of road metal was applied to 237 kilometres of unsealed roads
- ▶ The impact of large storm events adversely impacted our roading network, requiring additional maintenance and repairs. As a result, our response times to customer service requests were below our performance targets (actual 31%, target 75%)



## Drinking Water

Council provides 12 community drinking water supplies to approximately 10,300 homes and businesses in the district.

- ▶ 11/12 drinking water supplies comply with bacteria compliance criteria (target 12)
- ▶ All target response times to faults or unplanned work were met by contractors.
- ▶ Watermain extensions were completed in Tarbottons Road, Tait's Road, Glassworks Road and Northpark Road.
- ▶ Montalto pipeline renewals were completed.



## Wastewater

Council provides 3 community wastewater schemes in Ashburton, Methven and Rakaia, servicing approximately 9,534 homes and businesses.

- ▶ All target response times to faults and unplanned work were met by contractors.
- ▶ 11 dry weather overflows caused by blocked sewer mains (target <10)
- ▶ Sewer main renewals were completed on Beach Road, Queen Drive, Eton Street and Albert Street.
- ▶ Site investigations and detailed design were completed for the Ashburton River Crossing pipeline and pumping station.



## Refuse and Recycling

Council's rubbish and recycling service includes kerbside collections, resources recovery parks and community recycling facilities.

- ▶ 2.2% more recyclable, recoverable or reusable material was diverted from the waste stream than in 2016-17 (target 1% increase from prior year)
- ▶ Council's new kerbside recycling and rubbish collection service began in September 2017, representing a significant improvement in levels of service for the community.
- ▶ Two further recycling rural drop-offs were added to the existing network, located at Carew/Peel Forest and Lauriston.



## Recreation & leisure

Council provides, or supports a number of recreation and leisure opportunities in our community, including the Library, EA Networks Centre and Museum.

- ▶ Ashburton Museum visitor numbers were 21,714 (target 8,000)
- ▶ The Ashburton Museum opened the Kate and Hank Murney room for special exhibitions.
- ▶ EA Networks Centre visitor numbers were 482,908 (target 491,830)
- ▶ An air-conditioning system was installed in the pools area of the EA Networks Centre to address health and safety concerns on hot days.
- ▶ Ashburton Library visitor numbers were 117,958 (no performance measure target)
- ▶ The library completed the labelling of the collection for RFID, in preparation for the customer self-issue and return equipment being installed in 2018-19.



## Community Facilities and Services

Council provides a range of facilities and services for the community

- ▶ Elderly person's housing units retained 98% occupancy (target 95%)
- ▶ Resident satisfaction exceeded performance targets for public conveniences, involvement with community events, support of social services and civil defence services.

Council provides support for community groups and events through community grant and funding schemes, including:

- ▶ Community Development (including Safer Ashburton) funding \$267,622
- ▶ Biodiversity grant \$8,500
- ▶ Community Infrastructure grant \$28,551
- ▶ Heritage grant \$12,337
- ▶ Discretionary grant \$1,742



## Forward planning

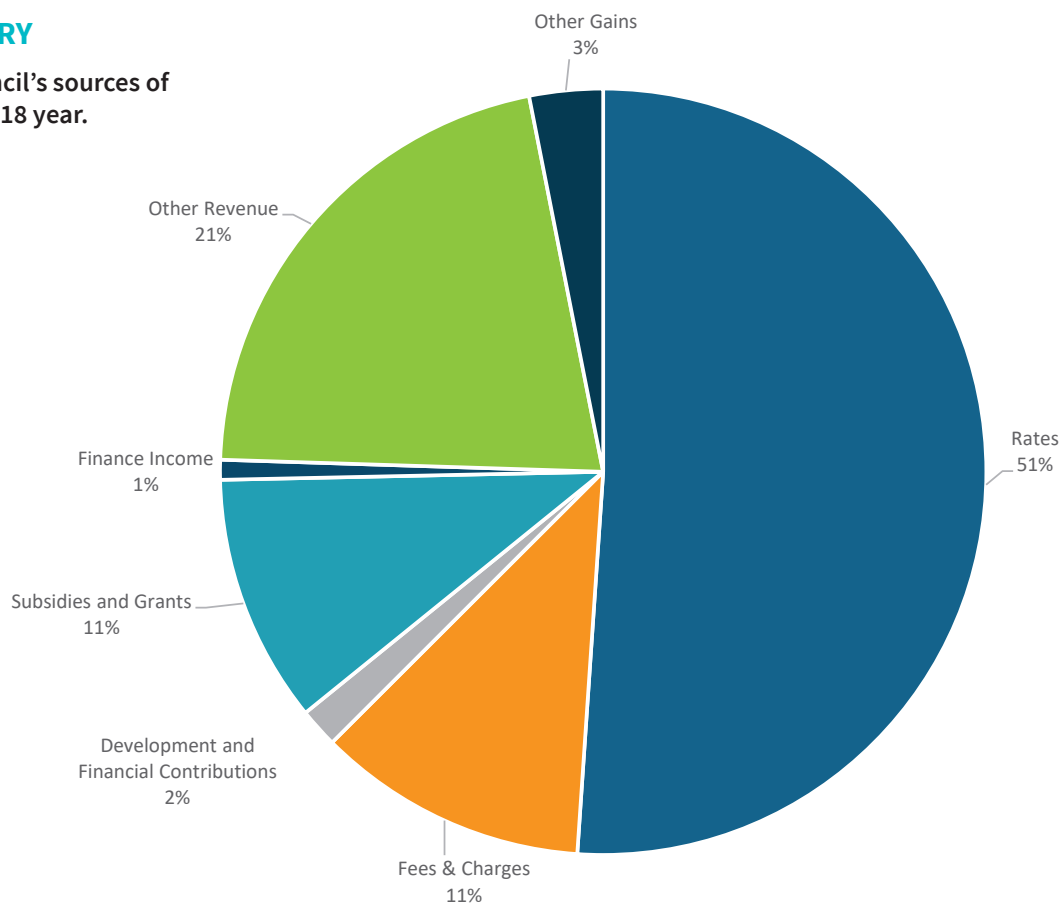
- ▶ Council developed the 2018-28 Long Term Plan in this period. This included the national award-winning 'Our Place' engagement campaign which helped capture the community's priorities that helped Council prioritise key issues and projects in the Long-Term Plan.
- ▶ 26 policies and 4 bylaws reviewed and adopted by Council
- ▶ Council continued the implementation of the electronic digital record management system (EDRMS), which also won a national award for its approach.



# 2017/18 Financial performance

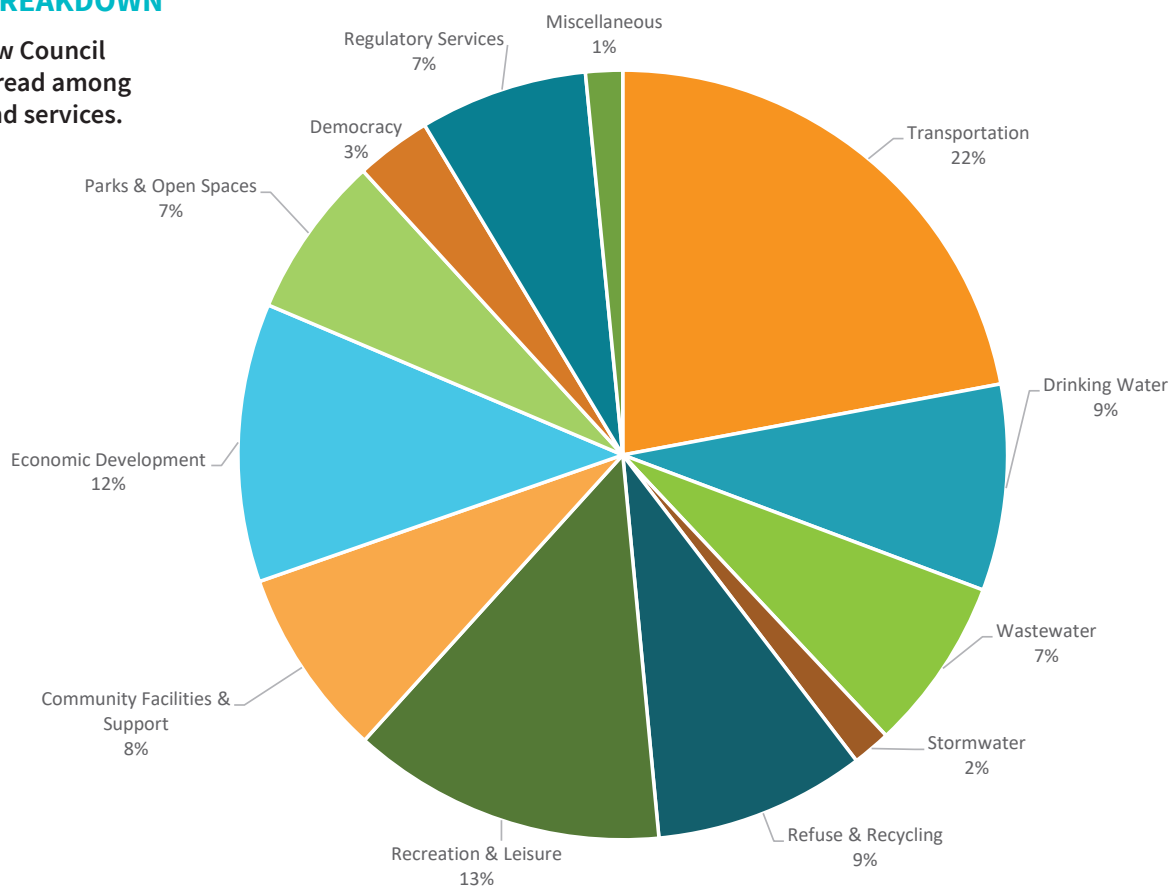
## REVENUE SUMMARY

The chart shows Council's sources of revenue for the 2017-18 year.



## EXPENDITURE BREAKDOWN

The chart shows how Council expenditure was spread among Council activities and services.



# Financial statements 2017/18

## STATEMENT OF ACCOUNTING POLICIES

The Ashburton District Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The group consists of the Ashburton District Council and its wholly owned subsidiaries, Ashburton Contracting Limited (Council controlled trading organisation), and Experience Mid Canterbury (Council controlled organisation) and its in-substance subsidiaries the Ashburton Community Water Trust and the Ashburton Stadium Complex Trust. Its 20% equity share of its associate Rangitata Diversion Race Management Limited and its 33% equity share of its associate Eastfield Investments Limited are equity accounted. All subsidiaries and associates are incorporated and domiciled in New Zealand. The primary objective of the Council and group is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly the Council has designated itself and the group as public benefit entities (PBEs) for financial reporting purposes.

The financial statements of the Council and group are for the year ended 30 June 2018. The full financial statements have been prepared in accordance with the requirements of the Local Government Act (2002), which includes the requirement to comply with generally accepted accounting practice in New Zealand (GAAP) and in accordance with Tier 1 PBE accounting standards. The summary financial statements comply with Financial Reporting Standard 43 Summary Financial Statements. The functional currency of the Ashburton District Council is New Zealand dollars and accordingly the financial statements are presented in New Zealand dollars and all values rounded to the nearest thousand dollars (\$000). The financial statements were authorised for issue by Council on 30 October 2018. The summary financial statements do not include all disclosures provided in the full financial statements and cannot be expected to provide a complete understanding as provided by the full financial statements in the Annual Report 2017-18. A full copy of this report is available at [ashburtondc.govt.nz](http://ashburtondc.govt.nz) or from Council offices. The financial statements presented in this summary financial report have been audited by Audit New Zealand.

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	Council 2018 Actual \$000	Council 2018 Budget \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
<b>Revenue</b>					
Rates	33,803	33,803	31,861	33,803	31,861
Fees, charges	7,566	7,609	7,474	7,566	7,474
Development and financial contributions	1,097	1,359	1,605	1,097	1,605
Subsidies and grants	6,946	5,633	5,994	6,946	5,994
Finance income	554	905	624	596	641
Other revenue	14,160	11,900	13,529	35,994	33,820
Other gains	2,052	945	6,338	2,098	6,362
<b>Total revenue</b>	<b>66,178</b>	<b>62,154</b>	<b>67,426</b>	<b>88,100</b>	<b>87,758</b>
<b>Expenditure</b>					
Personnel costs	13,878	13,844	13,307	22,927	21,636
Depreciation and amortisation	14,769	13,895	14,048	15,950	15,236
Finance costs	1,624	1,969	1,837	1,786	2,025
Other expenses	26,239	24,018	24,160	36,132	34,242
Other losses	4,419	-	3,952	4,422	3,994
<b>Total expenses</b>	<b>60,929</b>	<b>53,726</b>	<b>57,304</b>	<b>81,217</b>	<b>77,133</b>
Share of associate's surplus/(deficit)	-	-	-	(14)	78
<b>Surplus/(deficit) before taxation</b>	<b>5,249</b>	<b>8,428</b>	<b>10,122</b>	<b>6,869</b>	<b>10,702</b>
Income tax expense/(revenue)	(31)	-	249	569	567
<b>Surplus/(deficit) after taxation</b>	<b>5,280</b>	<b>8,428</b>	<b>9,873</b>	<b>6,300</b>	<b>10,136</b>
Share of joint venture surplus/(deficit)	-	-	-	(74)	14
<b>Surplus after tax and joint venture</b>	<b>5,280</b>	<b>8,428</b>	<b>9,873</b>	<b>6,226</b>	<b>10,150</b>
<b>Other comprehensive revenue</b>					
<i>Items that will be reclassified to surplus/(deficit)</i>					
Financial assets at fair value	70	-	72	70	72
<i>Items that will not be reclassified to surplus/(deficit)</i>					
Gain/(loss) on infrastructure revaluation	26,208	13,241	31,669	26,208	31,669
Gain on land and buildings revaluation	-	-	-	88	78
Deferred tax on revaluation of buildings	-	-	-	(7)	(4)
<b>Total other comprehensive revenue</b>	<b>26,278</b>	<b>13,241</b>	<b>31,741</b>	<b>26,359</b>	<b>31,815</b>
<b>Total comprehensive revenue and expense</b>	<b>31,558</b>	<b>21,669</b>	<b>41,614</b>	<b>32,585</b>	<b>41,965</b>



## SUMMARY OF REVENUE VARIANCES

### Total revenue is \$4,024,000 above budget

Detailed reasons for the variance are outlined in the individual activity statements, but are summarised as follows:

#### **Income from subsidies and grants is \$1,313,000 above budget**

During the 2017-2018 financial year there were two significant rainfall events, which Council was successful in receiving additional funding from NZTA to help pay the additional maintenance contract costs incurred in repairing the district's roading network.

#### **Income from finance income is \$351,000 below budget**

The budget used an average interest rate of 3.80% and also budgeted on having approximately \$25 million invested, the actual interest rate received by Council was closer to 3.20% and \$15 million invested.

#### **Income from other revenue is \$2,260,000 above budget**

There are a number of activities that have contributed to this variance. The significant variances are:

- Vested assets within the infrastructural assets activities were budgeted to be \$1,690,000 and included subdivisions in Ashburton, Lake Hood, Methven and Rakaia. Actual vested assets was for one subdivision in Ashburton of \$571,000 and 26 bridges from Rangitata Diversion Race of \$5,070,000.
- Land sales from Council's subdivisions were budgeted at \$2,883,000 for Ashburton Business Estate, \$703,620 for Geoff Geering Drive and \$84,000 for Lake Hood. A number of sales occurred during the year but with deferred settlement dates. Only \$530,500 was actually settled for Ashburton Business Estate.
- Income from NZE carbon credits was budgeted at \$18,600 for the year. Actual sales made amounted to \$1,417,000 as Council took the opportunity of high unit rates.

#### **Income from other gains is \$1,107,000 above budget**

An unbudgeted gain on sale from disposal of investment properties was \$103,000 and was for the sale of surplus freehold land. Council does not budget for gains from these types of land sales as it is difficult to forecast when such sales may occur.

Gain on the annual revaluation of forestry was \$787,000 higher than the budget of \$119,000.

Gain on the annual revaluation of investment property was \$149,000 higher than the budget of \$826,000.

## SUMMARY OF EXPENDITURE VARIANCES

### Total expenses are \$7,203,000 above budget

Detailed reasons for the variance are outlined in the individual activity statements, but are summarised as follows:

#### **Expenditure on depreciation and amortisation is \$874,000 above budget**

The budget for Infrastructural assets depreciation is based on the 30 June 2016 revaluations whereas actual depreciation is based on the 30 June 2017 revaluations. Significant variances occurred in the following activities:

- Roothing \$278,000 higher than budget
- Drinking water \$155,000 higher than budget
- Wastewater \$164,000 higher than budget
- Stormwater \$61,000 higher than budget
- Plant operations \$85,000 higher than budget

#### **Expenditure on finance costs is \$345,000 below budget**

The budget used an average interest rate cost of 4.50%, the actual average rate of interest for 2017-2018 was approximately 4.00%. This resulted in a reduction to finance costs of \$200,000.

A number of projects were delayed from 2016-2017 and resulted in less loan funding being required from what was budgeted in 2016-2017 and this year. This resulted in a saving of \$180,000

#### **Expenditure on other expenses is \$2,221,000 above budget**

There are a number of activities that have contributed to this variance. The significant variances are:

- Roothing expenditure is \$1,212,000 higher than budget due to increased maintenance costs and unbudgeted repair costs relating to a number of large rainfall events.
- Drinking water supplies expenditure is \$410,000 higher than budget due to increased maintenance costs.
- Solid waste management expenditure is \$185,000 higher than budget due to increased waste disposal maintenance costs.
- Expenditure on digitalisation of Council records was \$162,000. The budget for this expenditure was included as a capital item but due to the nature of the project it has been treated as operating expenditure.
- Repairs and maintenance on Council property was \$177,000 higher than budgeted and includes the demolition of buildings at Allens Road (Chinese Village) and Havelock Street (Council villa) and brought forward maintenance due to vacancies within Elderly Housing units.

#### **Expenditure on other losses is \$4,419,000 above budget**

Unbudgeted asset write downs were included in the following activities:

Transportation	\$924,000
Drinking water	\$556,000
Wastewater	\$337,000
Stockwater	\$143,000
Forestry	\$414,000
Emergency management	\$1,728,000
Non allocated	\$277,000





## STATEMENT OF FINANCIAL POSITION

	Council 2018 Actual \$000	Council 2018 Budget \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
<b>Current assets</b>					
Cash and cash equivalents	12,514	9,409	11,078	13,005	11,512
Receivables	4,653	5,153	4,378	7,962	7,336
Other financial assets	-	10,000	10,000	-	10,000
Local Authority stocks and bonds	3,112	6,272	5,642	3,112	5,642
Inventories	91	120	98	1,172	1,080
Income tax receivable	3	-	-	3	-
Property inventory	441	288	244	441	244
Property intended for sale	379	-	-	379	-
<b>Total current assets</b>	<b>21,193</b>	<b>31,242</b>	<b>31,440</b>	<b>26,074</b>	<b>35,813</b>
<b>Non current assets</b>					
Receivables	-	18	4	20	4
Deferred taxation asset	31	-	-	31	-
Other financial assets	935	775	935	938	936
Investment in council controlled organisations	4,595	4,595	4,595	0	0
Investment in associate	1,795	1,795	1,795	3,012	3,026
Property inventory	3,172	2,164	3,388	3,172	3,388
Investment properties	35,851	35,244	35,485	35,851	35,485
Forestry assets	5,243	5,063	4,751	5,243	4,751
Intangible assets	1,075	1,062	695	1,566	1,226
Property, plant and equipment	731,135	720,108	700,377	741,598	710,870
Work in progress	2,909	-	2,519	2,909	2,519
Share of joint venture	-	-	-	5,999	6,073
<b>Total non current assets</b>	<b>786,741</b>	<b>770,824</b>	<b>754,544</b>	<b>800,339</b>	<b>768,279</b>
<b>Total assets</b>	<b>807,933</b>	<b>802,066</b>	<b>785,984</b>	<b>826,412</b>	<b>804,092</b>



	Council 2018 Actual \$000	Council 2018 Budget \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
<b>Current liabilities</b>					
Payables and deferred revenue	7,216	7,508	6,902	7,786	8,426
Employee benefit liabilities	1,628	1,436	1,593	2,496	2,424
Landfill aftercare liability	15	15	15	15	15
Borrowings	12,135	10,000	15,136	13,492	16,527
Tax payable	-	-	106	252	220
Derivative financial instruments	-	-	-	-	-
<b>Total current liabilities</b>	<b>20,994</b>	<b>18,959</b>	<b>23,752</b>	<b>24,041</b>	<b>27,613</b>
<b>Non current liabilities</b>					
Payables and deferred revenue	486	-	508	486	508
Employee benefit liabilities	462	546	441	502	481
Landfill aftercare liability	156	149	149	156	149
Deferred taxation liability	-	-	-	781	574
Derivative financial instruments	813	-	536	813	536
Borrowings	25,271	47,403	32,406	25,930	33,115
<b>Total non current liabilities</b>	<b>27,188</b>	<b>48,098</b>	<b>34,040</b>	<b>28,668</b>	<b>35,363</b>
<b>Total liabilities</b>	<b>48,182</b>	<b>67,057</b>	<b>57,792</b>	<b>52,709</b>	<b>62,975</b>
<b>Equity</b>					
Ratepayers equity	457,349	465,807	449,996	470,061	461,762
Other reserves	302,401	269,202	278,196	303,641	279,355
<b>Total equity</b>	<b>759,750</b>	<b>735,009</b>	<b>728,192</b>	<b>773,702</b>	<b>741,117</b>
<b>Total liabilities and equity</b>	<b>807,933</b>	<b>802,066</b>	<b>785,984</b>	<b>826,412</b>	<b>804,092</b>



## STATEMENT OF CASH FLOWS

	Council 2018 Actual \$000	Council 2018 Budget \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
<b>Cash flows from operating activities</b>					
Receipts from customers	61,905	53,149	60,787	84,488	80,867
Interest received	572	905	547	616	565
Dividends received	958	905	954	552	690
Sale of Council subdivisions	531	4,560	-	531	-
Payments to suppliers and employees	(39,464)	(36,973)	(38,599)	(59,027)	(56,690)
Interest paid	(1,760)	(1,969)	(2,078)	(1,922)	(2,271)
Net GST (paid)/received	(128)	-	78	(417)	89
Income tax	-	-	(111)	(261)	(213)
Net cash flow from operating activities	22,615	20,577	21,578	24,560	23,037
<b>Cash flows from investing activities</b>					
Sale of property, plant and equipment	31	296	93	144	337
Sale/maturing of shares and investments	12,172	-	3,613	12,170	3,613
Advances repayments	4	-	14	4	14
Purchase of property, plant and equipment	(22,592)	(24,759)	(17,374)	(23,683)	(18,204)
Purchase of intangible assets	(779)	(936)	(218)	(791)	(233)
Purchase of shares and investments	(0)	-	(4,160)	-	(4,160)
Advances	(14)	-	-	(826)	(20)
Net cash flow from investing activities	(11,178)	(25,399)	(18,032)	(12,982)	(18,653)
<b>Cash flows from financing activities</b>					
Loans raised	5,000	8,078	23,000	5,000	23,000
Loan repayments	(15,001)	(659)	(22,675)	(15,085)	(23,516)
Net cash flow from financing activities	(10,001)	7,419	325	(10,085)	(516)
<b>Net increase/(decrease) in cash held</b>	<b>1,436</b>	<b>2,597</b>	<b>3,871</b>	<b>1,494</b>	<b>3,868</b>
Add opening cash resources	11,078	6,812	7,207	11,511	7,644
<b>Total closing cash resources</b>	<b>12,514</b>	<b>9,409</b>	<b>11,078</b>	<b>13,005</b>	<b>11,512</b>

## STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	Council 2018 Actual \$000	Council 2018 Budget \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
Balance at 1 July	728,192	713,340	686,578	741,117	699,152
Total comprehensive income	31,558	21,669	41,614	32,585	41,965
Balance at 30 June	759,750	735,009	728,192	773,702	741,117



## OPERATING AND CAPITAL COMMITMENTS

	Council 2018 Actual \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
<b>Operating</b>				
Roading	5,493	9,529	5,493	9,529
Footpaths	121	210	121	210
Wastewater/stormwater/water maintenance	1	20	1	20
Solid waste management	24,935	28,089	24,935	28,089
Public Conveniences	447	29	447	29
Parking	1	1	1	1
EA Centre - Gymnasium	57	125	57	125
Property	113	504	113	504
Total operating commitments	31,168	38,508	31,168	38,508
Less than one year	6,151	7,210	6,151	7,210
Between one and two years	5,887	6,742	5,887	6,742
Between two and five years	8,394	11,532	8,394	11,532
Greater than five years	10,736	13,024	10,736	13,024
	31,168	38,508	31,168	38,508
<b>Capital</b>				
Roading	3,648	2,826	3,648	2,826
Footpaths	51	205	51	205
Wastewater/stormwater/water	34	262	34	262
Total capital commitments	3,733	3,293	3,733	3,293

## CONTINGENT ASSETS AND LIABILITIES

	Council 2018 Actual \$000	Council 2017 Actual \$000	Group 2018 Actual \$000	Group 2017 Actual \$000
Contingent Liability	-	-	-	-
Performance Bonds	-	-	237	624
Guarantees	-	-	1504	1,504
Total contingent liabilities	-	-	1,741	2,128

## Independent Auditor's Report

### To the readers of Ashburton District Council and group's summary of the annual report for the year ended 30 June 2018

The summary of the annual report was derived from the annual report of the Ashburton District Council and group (the District Council) for the year ended 30 June 2018.

The summary of the annual report comprises the following summary statements on pages 3 to 12:

- the summary statement of financial position as at 30 June 2018;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary description used for the summary statement of service performance.

### Opinion

In our opinion:

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

### Summary of the annual report

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

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

### The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2018 in our auditor's report dated 30 October 2018.

## **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.

In addition to our audit of the summary annual report and full annual report, we have audited the District Council's 2018-28 long term plan, and performed a limited assurance engagement related to the District Council's debenture trust deed. Other than these engagements, we have no relationship with, or interests in the District Council and group.



Dereck Ollsson  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
26 November 2018

---

Copies of the full Annual Report can be found online at [ashburtondc.govt.nz](http://ashburtondc.govt.nz) or from the Council administration office, 5 Baring Square West Ashburton. You can also phone 03 307 7700 or email [info@adc.govt.nz](mailto:info@adc.govt.nz).