

Ashburton District Council

Annual Report Summary

2016/17

From the Mayor & Chief Executive

Welcome to the 2016/17 Annual Report, where we review our business over the past 12 months and consider how our actions will shape the district's future over the coming years. As a Council, much of our daily work does not change greatly. We continue to provide core infrastructure including roads, footpaths, drinking water and solid waste services, as well as community facilities and services like the Ashburton Library, EA Networks Centre and Ashburton Museum. We are constantly balancing levels of service, with affordability and prudent financial management. Our annual resident survey showed that nearly three quarters of residents are satisfied with Council's overall performance, giving us confidence that we are close to getting this balance right.

Ashburton is a great district to live, work and play in. Whether you are raising your family, enjoying your retirement, beginning your new life in New Zealand, launching your career or simply getting on with life's daily challenges, we hope that you are enjoying the breadth of opportunities we have here in the district.

Local Body Elections

From a governance perspective, 2016/17 was a significant year for Council as 6 of our 12 Councillors retired. The local body elections on 8 October 2016 resulted in the election of a new Mayor, 7 new Councillors and 1 new Methven Community Board member. A comprehensive induction programme followed shortly after the elections which led to a new governance structure and approach to elected member delegations. Staff have been supporting the new Council through numerous workshops to enhance the collective understanding of Council's various roles and responsibilities.

Core Infrastructure

Council is committed to providing quality core infrastructure and services that add to the district as an attractive place to live and do business. To ensure that we are doing this well, we are continually looking at new ways of doing business that enhance levels of service while maximising value for money. The tender process undertaken by Council for the new kerbside collection service resulted in EnviroWaste being awarded the contract with a service commencement date of 1 September 2017. This represents a significant step for Council in improving levels of service in this area, with the kerbside collection services being extended to areas of the district that have not had these in the past, including Fairton, Lake Hood and Winslow.

Roading continues to be Council's largest spending activity. Ensuring roads and footpaths are in good condition benefits everyone, including businesses, residents and visitors. We included an extra \$650,000 budget for capital expenditure on roading in 2016/17 due to NZTA funding shortfalls. This work was over and above our day-to-day rehabilitation and maintenance work that was undertaken in accordance with confirmed NZTA funding. In 2016/17, over 60,000m³ of road metal was applied to 340 kilometres of unsealed roads, and 190 kilometres of sealed roads were resurfaced.

Other large-scale projects completed in 2016/17 include upgrades to the Methven water supply gallery, design for the Ashburton River crossing and wastewater pump station project,

completion of the Mill Creek bank stabilisation project and the extension of the rural satellite recycling drop-off stations to include Fairton and Lauriston.

Community Facilities

As a Council we are proud of the quality facilities we provide for our residents. Our parks and open spaces and library services continue to receive exceptionally high resident satisfaction scores in the annual resident survey, reflecting their high value in the community. Improvements to the Argyle Park walkway this year by the parks team simply add to the quality of services we provide. The generosity of the Ng and King families with the gifting of the Chinese Settlement to Council has meant we have begun the process of developing the area with stage one being the engagement of a heritage consultant.

Our new facilities at the EA Networks Centre and the Ashburton Museum continue to be popular and well utilised by the community. External funding for the Art Gallery and Heritage Centre building from the Hank Murney Family Trust has resulted in Council entering into a twenty year sponsorship agreement to convert the unused café area into an exhibition space. At the EA Networks Centre a number of key improvement projects have been completed in 2016/17 including a stadium scoreboard, improved aquacise sound system and installation of an outdoor gym.

Planning for the future

One of Council's key roles is to plan effectively for the future development of the district. The District Plan (2014) is Council's key document to do this. Plan Change 1 to the District Plan became operative as of 20 April 2017.

Council spent much of the year planning for the transfer of all rural fire activities to the new FENZ entity, which took control from the 1 July 2017. This represented a significant change to service levels for Council who have always been involved in rural fire services.

We moved forward in determining a site for the new Ashburton Administration and Library Facility with the direction being given to officers to negotiate for the purchase of land adjacent to the Baring Square East site. Officers will be reporting back to Council by the end of September 2017.

The business of being Council

Council has worked hard across a range of areas to support organisational improvements. Good progress has continued throughout the year reviewing our 100 plus policies and bylaws, with redundant policies being removed from the policy register as required.

As part of Council's commitment to ensure value for money, Council reviewed 15 Council activities for cost effectiveness and efficiency in 2016/17, in line with new legislation under Section 17a of the Local Government Act 2002. The key purpose of the reviews are to ensure our services are being delivered in the most efficient, effective and appropriate way for our communities.

We worked hard collectively to reduce the projected 2017/18 average total rate increase from 11% down to 6.5% in our

2017/18 Annual Plan. With this in mind we have begun planning for the development of the 2018-28 Long Term Plan which will come into effect 1 July 2018.

Financial Performance

Council's operating result for the year resulted in a surplus of \$10.1 million before taxation and other comprehensive income. Total revenue was \$7.4 million above budget with forestry, land and investment property sales all bringing significantly more income than was budgeted. Our cost of funds continues to be well below a very large majority of our peers. This highlights the benefits of the funding and interest rate risk management activities that Council has carried out over the year. Council's financial position remains strong, with total Council-only net assets of \$728.2 million.

Our financial performance in 2016/17 has seen us meet the goals of our financial strategy which focuses on prudence, stability, service and planning for the future. Council has met all 10 of the

government's mandatory financial affordability performance benchmarks. Our external borrowing and level of rates continue to be well within the limits set by the strategy.

Overall, Council achieved its project and financial goals for the last financial year; however a number of capital projects were not completed and have been deferred to the 2017/18 year. These total \$5.5m, and with the \$25.6m budgeted for next year present a challenge to complete within the timeframe and will be an area of focus going forward.

Finally, Council is well aware that our success as an organisation is a result of the efforts and skills of many including elected members, staff, and volunteers. We thank them for rising to the many challenges set in the local government environment. Their concerted efforts help to deliver a wonderful range of services and activities to the community that continue to make us the district of choice for lifestyle and opportunity.



Donna Favel
Mayor

Donna Favel



Andrew Dalziel
Chief Executive

A Dalziel

Ashburton District 2016/17

General

Population	34,100
District Area (square kms)	6,175
Rateable Properties	15,142












Infrastructure

Total Roads	2,621km
Sealed roads	1,505km
Unsealed roads	1,116km
Bridges	156
Footpaths	233km
Council water supplies	12
Water Pipes	487km
Wastewater Pipes	181km
Stormwater Pipes	42km
Stockwater Races	2150km

Open Space

Council owned open spaces	442ha
Sports Fields	110ha
Neighbourhood playgrounds	27

Service performance

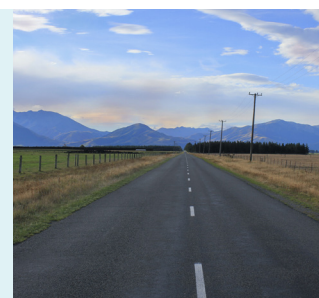
Service	No. of performance measures	Achieved	Not achieved
 Transportation	9	6	3
 Drinking Water	9	5	4
 Wastewater	8	6	2
 Stormwater	8	8	0
 Rubbish & Recycling	5	2	3
 Recreation & Leisure	10	7	3
 Community Facilities & Support	8	7	1
 Economic Development	3	3	0
 Parks & Open Spaces	6	6	0
 Democracy & Governance	5	3	2
 Regulatory Services	20	17	3
TOTAL	91	70 (77%)	21 (23%)

Core infrastructure

Roading

With one of the largest roading networks in the country, maintaining our roads is our most expensive job. Work in 2016-17 included:

- ▶ Council resurfaces 138 lane kilometres of sealed roads
- ▶ 60,595m3 of road metal was applied to 340 kilometres of unsealed roads



Drinking Water

Council provides 12 community drinking water supplies to over 10,000 homes and businesses in the district.

- ▶ Methven water supply gallery renewal was completed
- ▶ Watermain extensions were completed on Buckleys Terrace, Taits Road, Glassworks Road and Northpark Road



Wastewater

Council provides 3 community wastewater schemes in Ashburton, Methven and Rakaia.

- ▶ A new sewermain was constructed in Wilkins Road and preliminary work on the Ashburton River Crossing and Pump Station project was completed



Refuse and Recycling

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

- ▶ Council successfully tendered the new kerbside collection service to Envirowaste with a commencement date of 1 September 2017
- ▶ Two further community recycling drop-off sites (in Fairton and Lauriston) were added to the existing network



Recreation & leisure

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

- ▶ Usage of the EA Networks Centre has remained strong (>480,000 users in 2016/17) with a 75% satisfaction rating
- ▶ The Ashburton Library is well utilised by the community and over 90% of residents are satisfied with the services the library provides
- ▶ Council secured external funding for the Ashburton Museum from the Hank Murney Family Trust to convert the unused café area into an exhibition space for larger curated and incoming touring exhibitions



Community

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

- ▶ Community Agency (including Safer Ashburton) Funding - \$246,940
- ▶ Community Project Grant - \$31,652
- ▶ Biodiversity Grant - \$18,512
- ▶ Community Infrastructure Grant - \$43,173
- ▶ Heritage Grant - \$36,048
- ▶ School Holiday Programme Grant - \$5,000



Democracy

2016/17 was a significant year for Council with local body elections resulting in:

- ▶ A new mayor, 7 new Councillors and 1 new Methven Community Board member
- ▶ Staff have been supporting the new Council through numerous workshops to enhance the collective understanding of Council's various roles and responsibilities



Service Improvements

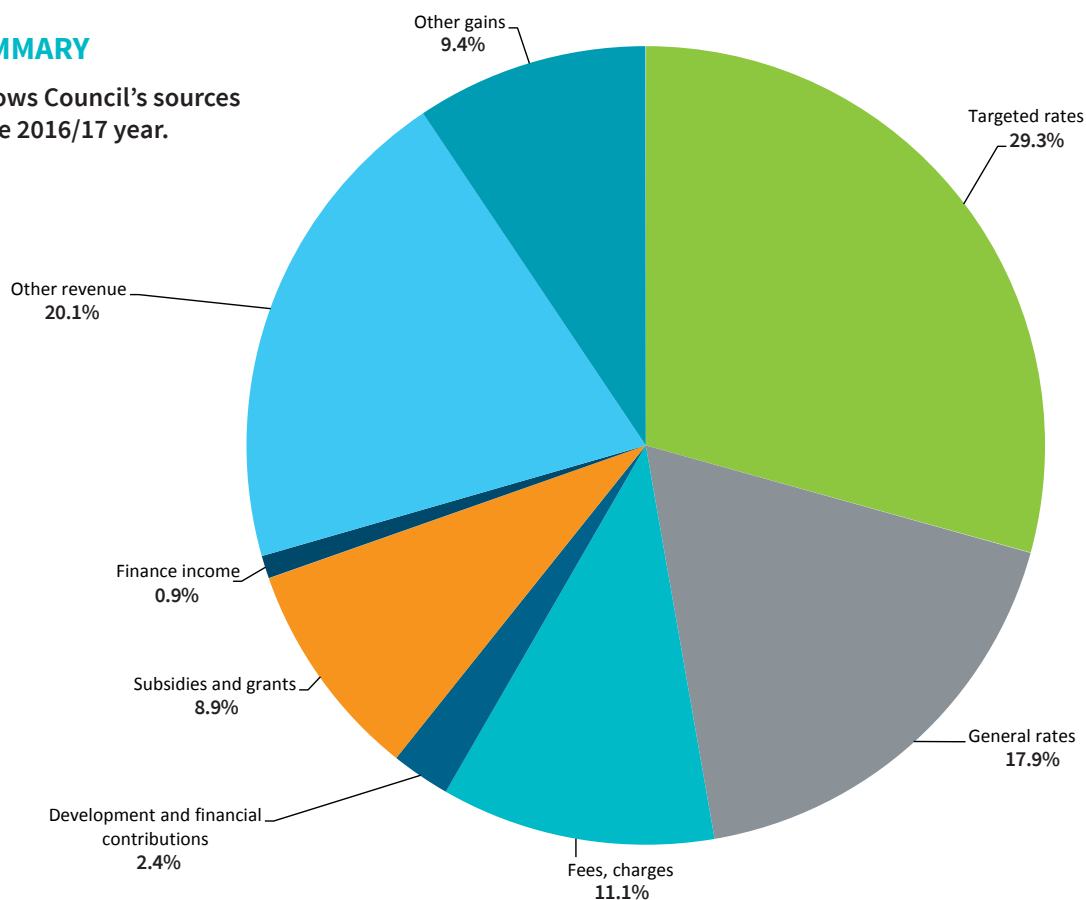
- ▶ Continued progress made on reviewing our 100+ policies and bylaws, with redundant policies being removed from the policy register
- ▶ 15 Section 17a Service Delivery Reviews completed
- ▶ Reduced the projected 2017/18 average rate total increase from 11% down to 6.5% in the Annual Plan 2017/18



2016/17 Financial performance

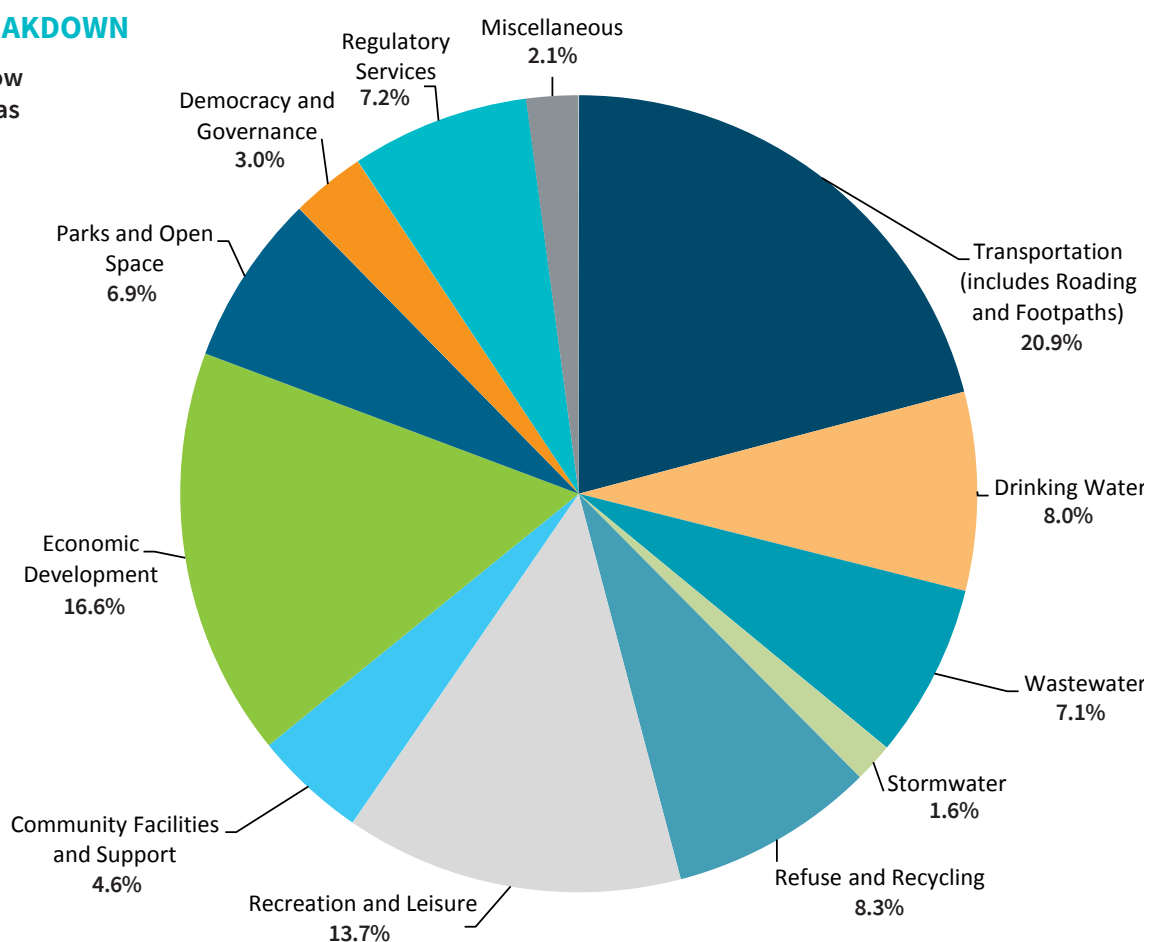
REVENUE SUMMARY

The chart left shows Council's sources of revenue for the 2016/17 year.



EXPENDITURE BREAKDOWN

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



Financial statements 2016/17

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 2017. The 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 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 26 October 2017. 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 2016/17. A full copy of this report is available at 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 2017 Actual \$000	Council 2017 Budget \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Revenue					
Rates	31,861	31,594	30,470	31,861	30,470
Fees, charges	7,474	7,672	7,572	7,474	7,572
Development and financial contributions	1,605	1,225	1,616	1,605	1,616
Subsidies and grants	5,994	5,701	4,855	5,994	4,803
Finance income	624	866	484	641	532
Other revenue	13,529	12,053	17,591	33,820	38,190
Other gains	6,338	896	3,746	6,362	3,780
Total revenue	67,426	60,007	66,334	87,758	86,963
Expenditure					
Personnel costs	13,307	13,084	12,559	21,636	22,074
Depreciation and amortisation	14,048	14,435	14,297	15,236	15,591
Finance costs	1,837	2,490	2,375	2,025	2,668
Other expenses	24,160	22,068	23,611	34,242	32,895
Other losses	3,952	-	3,389	3,994	3,394
Total expenses	57,304	52,077	56,231	77,133	76,622
Share of associate's surplus/(deficit)	-	-	-	78	956
Surplus/(deficit) before taxation	10,122	7,930	10,103	10,702	11,297
Income tax expense	249	239	136	567	436
Surplus/(deficit) after taxation	9,873	7,691	9,967	10,136	10,861
Share of joint venture surplus/(deficit)	-	-	-	14	105
Surplus after tax and joint venture	9,873	7,691	9,967	10,150	10,966
Other comprehensive revenue					
<i>Items that will be reclassified to surplus/(deficit)</i>					
Financial assets at fair value	72	-	199	72	199
<i>Items that will not be reclassified to surplus/(deficit)</i>					
Gain/(loss) on infrastructure revaluation	31,669	12,952	8,747	31,669	8,747
Gain on land and buildings revaluation	-	-	-	78	20
Deferred tax on revaluation of buildings	-	-	-	(4)	(14)
Total other comprehensive revenue	31,741	12,952	8,946	31,815	8,952
Total comprehensive revenue and expense	41,614	20,643	18,913	41,965	19,918

SUMMARY OF REVENUE VARIANCES

Total revenue is \$7,418,000 above budget

The detailed reason for the variance is outlined in the individual activity statements, but are summarised as follows:

Income from other revenue is \$1,476,000 above budget

Income from forestry sales was \$1,341,000 above the budget and was a result of the sale of three parcels of land used for forestry, which had standing tree values of \$1,106,000. A further \$211,000 was due to the completion of the harvesting of Council's joint venture, this project had been delayed in 2015-2016.

Income from other gains is \$5,442,000 above budget

Unbudgeted gain on sale from disposal of investment

properties was \$2,824,000 and was for freeholding on Glasgow Lease land and also the sale of land that in the past had been used for forestry. Council does not budget for gains from these types of land as it is difficult to forecast when such sales may occur.

Gain on the annual revaluation of investment property was \$1,102,000 higher than the budget of \$803,000.

Gain on the annual revaluation of forestry was \$808,000 higher than the budget of \$93,000.

Gain on the changes in fair value of interest rate swaps was \$597,000 which was not budgeted for.

SUMMARY OF EXPENDITURE VARIANCES

Total expenses is \$5,067,000 above budget

The detailed reason for the variance is outlined in the individual activity statements, but are summarised as follows:

Expenditure on finance costs is \$653,000 below budget

The budget used an average interest rate cost of 5.00%, the actual average rate of interest for 2016-2017 was approximately 4.50%. This resulted in a reduction to finance costs of \$400,000.

A number of projects were delayed from 2015-2016 and resulted in less loan funding being required from what was budgeted in 2015-2016 and this year. This resulted in a saving of \$200,000 of finance costs.

Expenditure on other expenses is \$1,931,000 above budget

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

- Rooding expenditure is \$894,000 higher than budget due to increased maintenance costs.
- Drinking water supplies expenditure are \$488,000 higher than budget due to increased maintenance and electricity costs.

- Solid waste collection expenditure is \$194,000 higher than budget due to increased maintenance costs.
- Repairs and maintenance on Council property is \$145,000 than budgeted and includes the demolition of Ashburton community pool building.
- Expenditure on the feasibility study for the new civic building and library was \$290,000. This was originally budgeted as a capital item.

Expenditure on other losses is \$3,952,000 above budget

Unbudgeted asset write downs were included in the following activities:

Transportation	\$951,000
Drinking Water	\$236,000
Wastewater	\$224,000
Stockwater	\$652,000
Refuse and Recycling	\$130,000
Stormwater	\$147,000
Forestry	\$1,491,000
Commercial Property	\$119,000



Financial statements 2016/17

STATEMENT OF FINANCIAL POSITION

	Council 2017 Actual \$000	Council 2017 Budget \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Current assets					
Cash and cash equivalents	11,078	4,876	7,207	11,512	7,644
Receivables	4,378	4,691	5,153	7,336	7,962
Other financial assets	10,000	10,000	6,000	10,000	6,000
Local Authority stocks and bonds	5,642	4,323	6,272	5,642	6,272
Inventories	98	37	120	1,080	1,219
Income tax receivable	-	-	31	-	55
Property inventory	244	284	435	244	435
Property intended for sale	-	-	93	-	93
Total current assets	31,439	24,211	25,311	35,813	29,680
Non current assets					
Receivables	4	19	18	4	18
Other financial assets	935	775	775	936	776
Investment in council controlled organisations	4,595	4,595	4,595	0	-
Investment in associate	1,795	1,530	1,795	3,026	2,948
Property inventory	3,388	2,978	3,341	3,388	3,341
Investment properties	35,485	34,249	33,959	35,485	33,959
Forestry assets	4,751	3,964	5,342	4,751	5,342
Intangible assets	695	1,990	606	1,226	1,168
Property, plant and equipment	700,377	705,113	667,690	710,870	678,597
Work in progress	2,519	-	1,742	2,519	1,742
Share of joint venture	-	-	-	6,073	6,059
Total non current assets	754,545	755,213	719,863	768,279	733,950
Total assets	785,984	779,424	745,174	804,092	763,630



	Council 2017 Actual \$000	Council 2017 Budget \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Current liabilities					
Payables and deferred revenue	6,902	7,687	7,508	8,426	9,071
Employee benefit liabilities	1,593	1,099	1,436	2,424	2,305
Landfill aftercare liability	15	15	15	15	15
Borrowings	15,136	1,708	19,810	16,527	21,262
Tax payable	106	-	-	220	-
Derivative financial instruments	-	-	-	-	-
Total current liabilities	23,753	10,509	28,769	27,613	32,653
Non current liabilities					
Payables and deferred revenue	508	-	546	508	546
Employee benefit liabilities	441	419	458	481	485
Landfill aftercare liability	149	89	149	149	149
Deferred taxation liability	-	-	-	574	483
Derivative financial instruments	536	195	1,132	536	1,132
Borrowings	32,406	52,220	27,542	33,115	29,030
Total non current liabilities	34,040	52,923	29,827	35,363	31,825
Total liabilities	57,792	63,432	58,596	62,975	64,478
Equity					
Ratepayers equity	449,996	465,646	446,236	461,762	457,726
Other reserves	278,197	250,346	240,342	279,356	241,426
	-	-	-	-	-
Total equity	728,192	715,992	686,578	741,117	699,152
Total liabilities and equity	785,984	779,424	745,174	804,092	763,630

Financial statements 2016/17

STATEMENT OF CASH FLOWS

	Council 2017 Actual \$000	Council 2017 Budget \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Cash flows from operating activities					
Receipts from customers	60,787	55,635	54,842	80,867	77,946
Interest received	547	866	472	565	520
Dividends received	954	600	1,092	690	444
Payments to suppliers and employees	(38,599)	(34,839)	(38,344)	(56,690)	(57,994)
Donations	-	-	-	-	-
Interest paid	(2,078)	(2,490)	(2,574)	(2,271)	(2,871)
Net GST (paid)/received	78	-	(140)	89	249
Income tax	(111)	(239)	(23)	(213)	(209)
Net cash flow from operating activities	21,579	19,533	15,325	23,037	18,085
Cash flows from investing activities					
Sale of property, plant and equipment	93	296	768	337	920
Sale/maturing of shares and investments	3,613	-	-	3,613	-
Advances repayments	14	-	381	14	381
Purchase of property, plant and equipment	(17,374)	(25,293)	(12,726)	(18,204)	(13,638)
Purchase of intangible assets	(218)	(1,482)	(143)	(233)	(161)
Purchase of shares and investments	(4,160)	-	(3,106)	(4,160)	(3,106)
Related party loan	-	-	-	-	-
Advances	-	-	-	(20)	(150)
Net cash flow from investing activities	(18,032)	(26,479)	(14,826)	(18,653)	(15,754)
Cash flows from financing activities					
Loans raised	23,000	6,512	-	23,000	290
Loan repayments	(22,675)	(626)	-	(23,516)	(787)
Net cash flow from financing activities	325	5,886	0	(516)	(497)
Net increase/(decrease) in cash held	3,871	(1,060)	499	3,868	1,834
Add opening cash resources	7,207	5,936	6,708	7,644	5,810
Total closing cash resources	11,078	4,876	7,207	11,512	7,644

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

	Council 2017 Actual \$000	Council 2017 Budget \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Balance at 1 July	686,578	695,349	667,666	699,152	679,235
Total comprehensive income	41,614	20,643	18,912	41,965	19,917
Balance at 30 June	728,192	715,992	686,578	741,117	699,152



CAPITAL COMMITMENTS

	Council 2017 Actual \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Capital				
Roading	2,826	5,724	2,826	5,724
Footpaths	205	-	205	-
Wastewater/stormwater/water maintenance	262	-	262	-
Stockwater	-	-	-	-
Other operations	-	-	-	-
Commercial property	-	-	-	-
Total capital commitments	3,293	5,724	3,293	5,724

CONTINGENT ASSETS AND LIABILITIES

	Council 2017 Actual \$000	Council 2016 Actual \$000	Group 2017 Actual \$000	Group 2016 Actual \$000
Contingent Assets				
Contingent Assets	-	-	-	-
	-	-	-	-
Contingent Liabilities				
Performance Bonds	-	-	624	294
Guarantees	-	-	1,504	1,741
	-	-	2,128	2,035

Council (as plaintiff) is bringing legal action to recover post construction contract remediation works on completed capital works. The outcome of legal proceedings is not currently known. Due to the inherent uncertainty of this action no monetary disclosure is being made.

Ashburton Contracting Limited has severally guaranteed 37.59% (2016 40%) of the advances to the Lake Hood Extension Project joint venture. At balance date funds drawn totalled \$4,000,000 (2016 \$4,352,606).

Ashburton Contracting Limited's total contingent liability for the Lake Hood Extension project is \$1,503,600 (2016 \$1,741,000).

Independent Auditor's Report

To the readers of Ashburton District Council's summary of the annual report for the year ended 30 June 2017

The summary of the annual report was derived from the annual report of the Ashburton District Council (the District Council) and its subsidiaries and controlled entities (the Group) for the year ended 30 June 2017.

The summary of the annual report comprises the following summary statements on pages 4 to 13:

- the summary statement of financial position as at 30 June 2017;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended 30 June 2017;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary service performance of the District Council and Group.

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 2017 in our auditor's report dated 26 October 2017.

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 and controlled entities.



Andy Burns,
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
30 November 2017