



# ANNUAL REPORT SUMMARY 2019/20

Welcome to the Gore District Council's Annual Report summary for the 2019/20 financial year.

It is important to read the full Annual Report to get a complete picture of our performance.

You can download the report from our website [www.goredc.govt.nz](http://www.goredc.govt.nz) or pick up a copy from our main office, in Gore.

**RURAL  
CITY  
LIVING**



## HIGHLIGHTS

We are pleased to be able to provide a brief commentary on some of the more notable achievements and progress on the key projects that occurred during the 2019/20 financial year.

Full commentary and disclosure of the Council's financial and non-financial performance in the year under review can be found in the following pages of this Annual Report.

---

### A year of extraordinary events

The 2020 calendar year will resonate in history due to the outbreak of the COVID-19 pandemic. The outbreak of this invisible enemy has seen countries shut their borders, economies brought to their knees and at the time of writing, just over one million people lose their lives.

For the Gore District Council, it meant public facilities such as the Gore Aquatic Centre, MLT Event Centre and libraries were closed to the public during a lockdown period that occurred from late March through to May.

The Council was able to provide essential services remotely, but the lack of revenue from the Gore Multisports Complex and regulatory services has made its presence felt.

In response to this unprecedented economic and health crisis, the Council quickly moved into gear by offering a rates deferral scheme and establishing a business and community support hub named Te Kāpehu. It is somewhat of a relief and pleasing to be able to report that to date both initiatives have been lightly patronised by members of the community.

A bigger event for the Gore District locally, in terms of damaging cost, was the Southland floods that occurred in early February. This event, which involved the evacuation of residents of both Gore and Mataura, was the largest of its type since the 1978 flood. Both Gore and Mataura communities were lucky to escape the full velocity and volume of the water passing down the Mataura River, although some residents in both communities did incur flood damage to their properties and have had their lives severely disrupted.

The flood event not only involved a huge amount of human response via the Council's emergency management operation, but also wreaked havoc with the District's infrastructure. Approximately \$1.8 million of damage was sustained to community infrastructure. Whilst there has been funding assistance received from the Government, there has been a shortfall of around \$800,000 that has had to be absorbed.

---

### Financial Performance

Our financial statements record a modest surplus of \$20,000. This is considerably less than the forecast surplus of \$2.694 million. This result reflects the unpredictable nature of the year under review. Both flood costs and a loss in value of the interest rate swaps held by the Council, together with higher depreciation based on a revaluation of assets, have all had an impact.

Total borrowings at year end were \$22.5 million, which is \$8,352,000 less than what was forecast. This difference is due to delays in executing some of the major capital works, all of which were to a degree affected by the COVID-19 lockdown.

## Statement of service performance – Wastewater and Stormwater

It has been disappointing to record that the Council has received a qualification to its annual report in regard to some performance measures in the wastewater and stormwater areas which centre on timeliness in responding to customer complaints. The details of the performance measures which are subject to the qualification can be found on pages 36 and 40 of the full 2019/20 Annual Report.

The qualification pertains to the unreliability of the data that the Council has to be able to report achievement or otherwise against the performance measures stated. It is disappointing that our auditors were unable to take cognisance of the extraordinary pressure that the

Council found itself in during and post the February flood event, where the emphasis was on responding to very high number of service requests and endeavouring to meet demands with limited resources. This coupled with key staff leaving the organisation at this point in time placed considerable pressure on processes and systems. The qualification also needs to be placed against the backdrop of high levels of public satisfaction about how the Council responded to the flood event.

With new staff on board processes to accurately record when customer service requests have been received and completed, have now been put in place.



Photo credit: Otago Daily Times

## Environment

In last year’s Annual Report we were able to disclose that a contract had been entered into with Australian-based company Inalco Processing Limited for the removal of 10,000 tonnes of ouvea premix, left abandoned at the former Mataura Paper Mill when Taha Fertiliser Industries Limited went into liquidation. The removal contract has proceeded in line with contract expectations



and despite a five-week interruption during Level 4 COVID-19 lockdown, at the end of the financial year under review, good progress had been achieved. As at 30 June 2020, a total of 1,210 tonnes had been removed. It is expected that by the end of the 2020 calendar year close to 3,000 tonnes would have been removed from Mataura.

The flood event in February brought home the perils of having this toxic substance stored in a building right next to the Mataura River. The Council is acutely aware of community concern and has been actively engaged in discussions since the flood event to expedite the removal process. At the time of writing, the Council was a participant in Environment Court mediation to ascertain whether agreement can be reached for an accelerated removal process to eliminate the unacceptable level of risk to the residents of Mataura.

## New Pyramid Bridge

A significant highlight of the past year has been the completion of the new Pyramid Bridge. The new bridge was built under budget and on time and was officially opened in June 2020. The new structure replaces the old bridge that was washed away in a flood event in February 2018.

We acknowledge the patience and frustrations of both Gore District and Southland District residents in having to operate without a bridge at Pyramid for nearly two and a half years.





## Water treatment

Last year we reported the Council had made a key decision to centralise its water treatment plants in Gore on the East Gore Treatment Plant. Desirability of centralising treatment on one plant stems from the need to upgrade the treatment process significantly to achieve compliance with the New Zealand Drinking Water Standards. Towards the end of the year under review, the Council's Capital Works Committee recommended acceptance of a tender for the supply and installation of a new membrane plant at the East Gore treatment plant.

Following close behind in this project is the provision of a new bridge structure to carry water pipes to and from the East Gore plant over the Mataura River. At the same time the Council has taken advantage of a change in the Government Policy Statement on Land Transport that provides for funding for increased walking and cycling opportunities. Therefore the Council is proposing to proceed with an architecturally designed bridge that will both serve the purpose of conveying water pipes while also providing cycling and walking opportunities, and improving safety and connectivity between east and west Gore. At the time of writing the Council was in the midst of a resource consent application process. It is hoped to be able to complete construction of the bridge in 2021.

## Civic administration building

Another significant milestone in the previous year was the decision by the Council in November 2019 to accept a tender for the comprehensive renovation and expansion of the Council's civic administration building. This \$6 million project has been on the Council's books for 10 years. Whilst the 1968 building is still structurally sound, it is badly outdated, too small and does not work well in a functional sense. Completion is expected by the end of 2020.



## Shovel-ready funding

The Council had some success in accessing the Government's shovel-ready funding scheme, which was created to stimulate the economy in response to the COVID-19 pandemic. Two of the projects put forward by the Council were successful in securing funding. One of these projects was deferred maintenance at the Gore Multisports Complex which involves roof replacement at the event centre and upgrading ventilation in the aquatic centre plant room. The Council received 100% funding of \$1 million for this project.

The Council also received approval for a grant of \$3 million to upgrade the James Cumming Wing for incorporation of both a new library and community rooms. With financial contributions from Mataura Valley Milk Limited of nearly \$1 million, which has already been targeted for use within an upgraded library, the Council has a strong financial platform to launch this exciting project. Community engagement on a proposed design for the upgraded building is currently being undertaken.

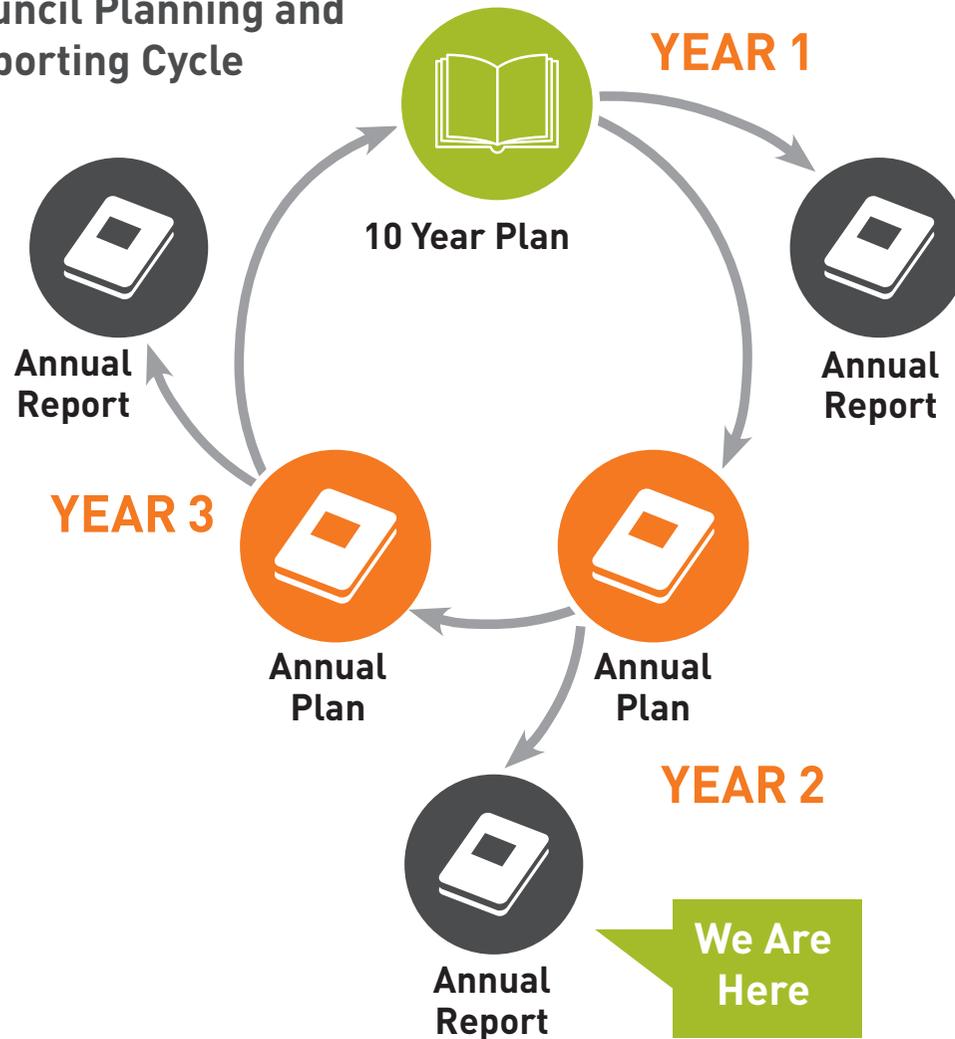


**Tracy Hicks (JP)**  
Mayor

**Stephen Parry**  
Chief Executive

# ABOUT THE ANNUAL REPORT

## Council Planning and Reporting Cycle



## What is an Annual Report?

As the name suggests, we produce an Annual Report every year. It is the document that lets you know if we are doing what we said we would in the 10-Year-Plan (or Long Term Plan as it's also known) and Annual Plan.

We let you know the key decisions we made, our financial performance and if we met our levels of service measures.

This year's Annual Report covers the second year of our 2018-28 10-Year-Plan, which is from 1 July 2019 to 30 June 2020.

## What are 10 Year Plans and Annual Plans?

Every three years we develop a 10-Year-Plan (10YP) in consultation with the community. It is our lead documents and sets our direction, budgets and work plans. In the two years between adopting a 10YP we develop Annual Plans, also in consultation with the community. These are essentially an update to what was agreed to through the 10YP highlighting any changes to budgets and projects.

## HOW THE COUNCIL PERFORMED

Each year we carry out a Residents' Survey to find out what people think about the services we offer, how you like to keep in touch with us, and what you think about the Council's performance

This year 556 people took part in the survey with 201 people opting to do the survey online and 355 responses to the telephone survey. The survey was carried out in March, but due to the unique situation of COVID-19 and the resulting level 4 lockdown, it was decided to conclude surveying early to reduce undue stress on residents.

This year we also took the opportunity to get feedback on our response during the February floods, which saw Gore and Mataura evacuated. Of those surveyed 77% mentioned something the Council did well.

In the survey you told us we continue to meet your expectations in delivering outstanding recreational facilities, and parks and reserves with and Gore District.



 **99%**

satisfied with sports grounds and the MLT Event Centre



 **97%**

satisfied with the Gore Aquatic Centre



 **98%**

satisfied with parks and reserves



 **95%**

satisfied with our kerbside recycling service (NB: the survey was undertaken prior to changes to the service)

In the survey you told us customer service at our Libraries, Gore Visitor Centre, Hokonui Moonshine Museum and Eastern Southland Gallery is outstanding with:



 **96%**

satisfied with the Library service



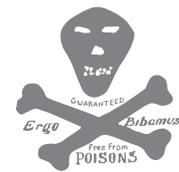
 **98%**

satisfied with the Gore Visitor Centre



 **99%**

satisfied with the Eastern Southland Gallery



 **99%**

satisfied with the Hokonui Moonshine Museum



**Your top priorities over the next 12 months are:**

1. Roothing
2. Water issues
3. Wastewater / stormwater
4. Footpaths
5. Matura paper mill/ouvea premix removal

### 3 Waters

There was a noticeable improvement in satisfaction levels with water quality and reliability in Gore. Overall 87% (up from 76%) of survey respondents said they were satisfied with the reliability of town water supplies, while 82% (up from 78%) were satisfied with the quality of town water supplies.

In Matura people were significantly more dissatisfied with the quality of their water (39% dissatisfied), which is consistent with previous years.

The main issue over the summer was too much water, as opposed to water restrictions, with February's floods have a major impact on our activities. There was a significant increase in the level of support for water restrictions, although it's worth noting there were no water restrictions.



### Quality of life

Most residents have positive perceptions of the Gore District. However, residents in Matura are generally less likely to feel as positive. Only 79% of people perceived the District as being a safe place, which is the lowest since our annual survey began in 2012. The majority of residents believed we were doing a good job of promoting the District (81%). However, 49% felt we should be doing more the assist with economic development.



### Roothing

There were some significant challenges due to February's floods. Rural roads suffered badly with many sections of sealed road uplifted and deep scouring in the gravel roads. Many of the bridge and drainage assets were tested, but damage was limited to a number of culverts and one bridge. Howe Road bridge, on the Waikaka Stream, broke under the weight of flood debris. However, we were able to quickly replace it.

We completed some major projects during the year, including opening the new Pyramid Bridge, seal extension work on Falconer Road and rehabilitation of Avon Street.



### Customer Service / Communication

Face-to-face visits and phone contact remain the most preferred ways to get in touch with the Council. However, use of the online sites – Facebook and our website – significantly increased this year from 24% (2019) to 31%. There was also growth in the number of people using our app Antenno (up from 12% to 14%).

The newspaper continues to be people's main avenue for information about what we do. However, more people are using our own channels with 44% of those who took part in our residents' survey using our Facebook page and 38% using our website. Satisfaction levels for both digital channels in slightly up on last year.



# SIGNIFICANCE PERFORMANCE MEASURES

Overall we achieved 62% (33 out of 53) of our performance measures, with three further measures not applicable until the 2021/22 financial year.

The February floods and COVID-19 had a significant impact on our ability to achieve our performance measures this year.



## Wastewater

We achieved 60% (six out of 10) of our performance measures in wastewater.

This year we will be applying to Environment Southland have our discharge resource consents renewed for the Gore and Mataura wastewater treatment plants.

## Roading

We achieved three of the seven performance measures in roading.

Resurfaced **39km** and renewed **2,100m<sup>2</sup>** of footpaths.



**7,500m<sup>3</sup>** of gravel applied to our unsealed roads and over **1,391km** graded.



We built **TWO**  
**NEW DOG PARKS**  
in Gore and Matakura



We gave **\$381,849**  
to **36** different organisations,  
groups and events in our District.  
A lot of events were cancelled  
this year due to COVID-19, but  
our support remained when  
and where needed.

## Regulatory and planning

We achieved zero of the three performance measures. There were three resource consent applications that were not processed within the required time. However, in each case the applicant agreed to a time extension in advance. The Council was awarded an extension for their IANZ accreditation.

## Democracy and Administration

We achieved a 78% satisfaction rating (69% in 2019) in regards to the Council's decisions and actions. This is just short of our targeted 80%.



## OUR ANNUAL INCOME

What was our planned income?

We budgeted for an income of **\$27.1 million**

### Why is there a difference?

The main difference was due to a loss in revenue for some council activities during the COVID-19 nationwide lockdown. In particular, reduced income from the aquatic centre, MLT events centre, parking and transfer station.

What was our actual income?

Our actual income was **\$26.9 million**

---

## OUR ANNUAL SPEND

What did we plan to spend?

We planned to spend **\$24.4 million**

### Why is there a difference?

The difference was due to a number of factors, including:

- Repairs to Howe Bridge and remediation work on an historical landfill site as a result of the flooding event in February 2020.
- The increase in depreciation due to the upwards revaluation of the Council's assets in 2019.
- Costs associated with the end of the recycling contract.
- Unbudgeted expenses associated with the District plan.

What did we actually spend?

Our actual spend was **\$26.9 million**

More details can be found in the full Annual Report.

## OUR ASSETS

What was our planned spend?

We planned to spend **\$19.4** million

### Why is there a difference?

The difference was due to delay in commencement of the water treatment plant project.

What was our actual spend?

Our actual spend was **\$11.1** million

### How do we pay for our assets?

We borrow money to pay for large projects that provide services to the community for a long time. By borrowing the money over the long period, it means people who will benefit in the future also contribute to the cost.

---

## OUR BORROWING

What was our planned borrowing?

We planned to borrow **\$30.9** million

### Why is there a difference?

We didn't borrow as much as we planned because of project delays. The project delays were attributed to a combination of the flooding event, COVID-19 and a number of projects not commencing when initially forecasted.

What was our actual borrowing?

Our actual borrowing was **\$22.5** million

# SUMMARY FINANCIAL STATEMENTS

**Operating revenue:** This is day to day income received from things such as rates, fees and charges

**Operating expenses:** These are our day to day expenses such as the cost of collecting rubbish, mowing reserves and maintaining roads

**Total comprehensive income:** This is the difference between operating revenue and operating expenses for the current year i.e. more revenue = surplus  
more expenses = (deficit)

**Assets:** The property we own

**Liabilities:** The amount we owe

**Operating activities:** The difference between operating revenue and operating expenses

**Investing activities:** The difference between buying and selling assets

**Financing activities:** The difference between borrowing and the repayment of loans

**Cash held:** Money in the bank

Summary statement of comprehensive revenue and expense for the year ended 30 June 2020	2020 \$000	AP 2020 \$000	2019 \$000
Operating revenue	26,939	27,062	24,003
Finance costs	(806)	(902)	(711)
Other operating expenses	(26,113)	(23,466)	(23,262)
Total operating expenses	(26,919)	(24,368)	(23,973)
Net surplus/(deficit)	20	2,694	31
Other comprehensive revenue and expense	(636)	-	47,822
Total comprehensive revenue and expense	(616)	2,694	47,853
Summary statement of changes in net assets/equity for the year ended 30 June 2020	2020 \$000	AP 2020 \$000	2019 \$000
Balance at 1 July	430,446	414,772	382,593
Total comprehensive revenue and expense	(616)	2,694	47,853
Balance at 30 June	429,830	417,466	430,446
Equity represented by:			
Retained earnings	135,475	138,901	133,398
Reserves	294,355	278,564	297,048
Summary statement of financial position as at 30 June 2020	2020 \$000	AP 2020 \$000	2019 \$000
Current assets	8,746	7,114	8,894
Non-current assets	451,199	445,485	445,643
Total Assets	459,945	452,598	454,536
Current Liabilities	15,963	9,427	12,005
Non-current Liabilities	14,152	25,706	12,086
Total Liabilities	30,115	35,133	24,091
Net assets/equity	429,830	417,465	430,446
Summary cash flow statement for the year ended 30 June 2020	2020 \$000	AP 2020 \$000	2019 \$000
Net from operating activities	5,052	8,181	6,331
Net from investing activities	(9,188)	(19,417)	(10,557)
Net from financing activities	3,556	10,988	2,032
Net increase/decrease in cash held	(580)	(249)	(2,194)
Opening cash balance	2,885	3,175	5,079
<b>Closing cash balance</b>	<b>2,305</b>	<b>2,926</b>	<b>2,885</b>

## Notes

- Section 98 (4) (b) of the local Government Act 2002 requires the Council to make publicly available a summary of the information contained in its Annual Report.
- The specific disclosures included in the summary report have been extracted from the full financial report completed on 10 November 2020.
- The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. The full financial report dated 10 November 2020 has received a qualified audit report. A full copy of the financial report may be obtained from the Council's offices or on its website ([www.goredc.govt.nz](http://www.goredc.govt.nz)).
- This summary financial report has been examined by the auditor for consistency with the full financial report.
- The Council's full financial report has complied with NZ GAAP and Tier 1 Public Benefit Entity (PBE) standards.
- The Summary Financial Report Complies With PBE FRS 43 Summary Financial Statements.
- The presentation currency of the Summary Financial Statements is New Zealand dollars.
- The Summary Financial Statements were authorised by the Council on 10 November 2020.
- In May 2019 the Otama Rural Water Supply Bill received royal assent.

The bill provides a process whereby the Otama Rural Water Supply scheme can be transferred to the users of the scheme, despite section 130 of the Local Government Act 2002, and provides for certain related matters if the scheme is transferred. At 30 June 2020 the water scheme assets have a carrying value of \$3,531,000 (2019: \$3,643,000) and the Council holds reserves of \$404,000 (2019: \$366,000) which are transferrable to the Otama Rural Water Scheme when certain criteria set out in the Bill are met.

- The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AA.
- The Council has been charged by WorkSafe and entered a not guilty plea. The matter is still before the Court and a trial date has not been allocated. If the Court were to find the Council guilty or a guilty plea is entered prior to the trial then a fine could be in the range of \$350,000 to \$450,000.
- There has been a minor impact on Council as a result of COVID-19 pandemic. The COVID-19 pandemic developed rapidly in the first half of 2020, with a significant number of cases. Measures taken by the New Zealand Government to contain the virus has affected economic activity. The Council has taken a number of measures to monitor and mitigate the effects of COVID-19, such as health and safety measures for our employees (such as social distancing and working from home).

At this stage, the impact on the Council has not been significant, and based on our experience to date we expect this to remain the case. The Council

activities impacted the most by the various alert levels are the aquatic centre, MLT events centre, parking, and solid waste/transfer station. As the Council was unaware how long restrictions would last or the community's reaction after restrictions were lifted, a decision was made in the aquatic and MLT events centre area to make a number of staff redundant with a view to re-employing them when conditions allowed. A summary of the key area's impacted compared to budget has been presented below:

Activity	2020 Actual Net Operating Total \$'000	2020 Budget Net Operating Total \$'000	Variance \$'000
Gore Multisport Aquatic Centre	(13)	25	(38)
MLT Event Centre	(96)	(12)	(84)
Parking	(51)	6	(57)
Solid Waste (Transfer Station)	(237)	(20)	(217)
Total surplus/(deficit)	(397)	(1)	(396)

The council will continue to follow the various government policies and advice, and in parallel, do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people and community.

The impact COVID-19 has had on Council levels of service has been recorded in the Statement of Service Performance section.

## Explanation of major variances against budget

Explanation of major variations from Council's estimated figures in the 2019/2020 budget, as reflected in the Annual Plan, are as follows:

### Statement of Comprehensive Revenue and Expense

- Other revenue is higher than budget by \$493,000. This is mainly due to tradewaste fees charged to Mataura Valley Milk being higher than budgeted, along with Project ARK reimbursements received from the Southland Regional Heritage Committee.
- Other gains/(losses) is lower than budget by \$550,000. Interest rate swaps were revalued and with interest rates being lower, the Council has realised a loss on the swaps held.
- Depreciation and amortisation expense is higher than budget by \$632,000. The budget was set prior to the revaluation at the end of the 2019 financial year, and increase in depreciation expense is a continuation of that process.

- Finance costs are lower than budget by \$96,000 due to capital project delays. This links to lower than forecasted debt levels, and lower than forecasted interest rates.
- Other expenses are higher than budget by \$1,894,000. The main contributors are the additional expenses as a result of the February 2020 floods which included repairs to Howe Bridge, remediation work on an historical landfill site, and the cost of pumping to remove stormwater. Other contributing expenses to the variance are the unbudgeted expenses associated with the District Plan (\$150k) and the end of the recycling contract charges.

### Statement of Financial Position

- Current assets are higher than budget by \$1,632,000. This is primarily due to accounts receivable being higher than last year with provisions for the end of year NZTA invoice and the flooding claim with NEMA.
- Property, plant and equipment are higher than budget by \$5,636,000. The timing of the three-yearly asset revaluation has impacted on the financial year with higher values than expected for some property, plant and equipment.

- Accounts payable is higher than budget by \$1,251,000 as a result of increased activity post COVID-19 lockdown, to catch up on delayed projects.
- Total borrowings is lower than budget by \$8,352,000 due to delays to projects as a result of the country-wide lockdown due to COVID-19.

### Statement of Cash Flows

- Cash flow from operating activities is lower than budget by \$3,129,000. This is mainly due to lower than expected income received from the aquatic centre, MLT events centre, parking and solid waste. The lower income was attributable to facilities and activities being closed or having reduced levels of service through the various COVID-19 alert levels.
- Cash flow from investing activities is lower than budget by \$10,229,000. The major contributor is the reduced spending on the purchase of property, plant and equipment due to delays in capital projects, in particular the water treatment plant.
- Cash flow from financing activities is lower than budget by \$7,432,000 due to lower than budgeted borrowings because of the delay in capital projects, which was partially due to the government's decision to put the country in lockdown in an attempt to manage the spread of the COVID-19 virus.

# INDEPENDENT AUDITOR'S REPORT

**Deloitte.**

---

## TO THE READERS OF GORE 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 Gore District Council (the District Council) for the year ended 30 June 2020.

The summary of the annual report comprises the following summary statements on pages 5 to 13:

- 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 net assets/equity and cash flow statement 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 statement of service performance referred to as Significant Performance Measures of the District Council.

### 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.

# INDEPENDENT AUDITOR'S REPORT

**Deloitte.**

## The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the audited information other than the statement of service performance in the full annual report for the year ended 30 June 2020 in our auditor's report dated 10 November 2020. That report also includes:

An emphasis of matter paragraph that draws attention to Note 24 in the audited financial statements, which describes the impact of COVID-19 on the Council's audited financial statements.

These matters are disclosed in the 'COVID-19 Disclosure' note in the summary financial statements.

We expressed a modified opinion on three measures in the statement of service performance relating to the timeliness of responses and resolution of customer requests as detailed in the full annual report & audit report. Except for these matters, we expressed an unmodified opinion on the remainder of the statement of service performance.

## 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.



**Mike Hoshek,**  
Deloitte Limited  
On behalf of the Auditor-General  
Christchurch, New Zealand