

YOUR COMMUNITY - YOUR COUNCIL

**ANNUAL REPORT SUMMARY
2020/21**



FOREWORD

Once again it is our privilege to bring to you our Council's Annual Report and we thank you for your consideration on what has been an exceptionally diverse and challenging year. It has been a year dominated by Three Waters, unprecedented core infrastructure spend, and an economy that bounced out of the first COVID lockdown with amazing strength and resilience.

As an organisation we have seen extraordinary budgetary demands in recent years as we address the needs of both Wellington and our local ratepayers. Symptomatic of these times, it seems that no matter what increase in financial resources we allocate to meet environmental and consenting issues, the exponential curve of expectations charges on ahead of us unrelentingly.

Without a doubt as the year progressed the Three Waters reform process demanded increased resourcing and deliberation. These are significant reforms, and I am proud of the organisation-wide preparedness for whatever may lie ahead. The reforms are an opportunity for a much needed discussion around how we can contain rate increases relating to environmental expectations, especially in urban towns.

In tandem to this was the continuation of addressing compliance issues, and consequently the past 12 months have been defined by sewerage and water actions. The actual mass of work that we now undertake is worthy of note. Immediate action was imperative in responding to consenting requirements which has inadvertently produced unbudgeted expenditure. This is our reality as we uphold our stated commitment to bring our plants up to exemplary performance.

We are a relatively small council with twelve distinct communities that must pay for the same water standards as Auckland or Christchurch. Efforts to date have highlighted limitations to many of our plants, that may demand considerable upgrades and expenditure. In addition to this imminent changes to Three Waters regulations means additional communities may require infrastructure and resourcing.

COVID has also played a major part in our organisation's operations, not only through disruption but also the cumulative burden of stress and challenges it places on us all to prevail. Consequently, it has been a testament to the entire Council's performance that we have addressed the concerns around last year's delivery of capital works programs with the year-end results showing an over doubling of expenditure of capital works compared with 2019/20. Admittedly we were coming off a low base, however a figure of 83% completion of financial spend on projects now aligns with benchmark expectations and augers well for the future.

We spent every penny we could on our roading network while staying within the confines of NZTA's budgetary restraints with an unprecedented \$25.5 million spend. Combined with \$19.8 million on Three Waters collectively and our total spend of \$74.2 million has seen our district meet our core function requirements like never before. Council has also allocated \$282 million over the next 10 years on capital works - the demand is unrelenting.

Our Council's historically strong balance sheet not only enables options to address

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these issues, but also gives council a degree of latitude many other councils do not have. This year saw our external debt increase from \$9m to \$18m, while our investment portfolio returns enabled us to continue to support the varied needs of our communities and still allocate a portion of returns to subsidising rates for the next three years.

The deliberate tactic of borrowing while still maintaining an investment portfolio is a prudent, and to-date, extremely successful ploy. As an organisation we are acutely aware that we cannot always depend on this revenue stream, but the returns this year on investment fundamentally enabled us to deliver in all facets of our organisation.

We appreciate that the demands being placed on the ratepayer are not without sacrifice. And while our critical governance tool of a 4% rates cap overall has been maintained, the variations especially in urban communities is a challenge that must be contained. The determination to break our district's generation of limited growth is at a pivotal point, and Council remains steadfastly

committed to the district wide 'Our Place' community plan process. By identifying each community's needs and creating a plan, we can collectively create a more vibrant district for us all to live and attract others to our district and the wealth of employment prospects we have.

In conclusion this year has seen a maturing of Councils involvement - we have had to deal with ongoing challenges, while addressing new issues, and all the time there has been the constant, unnerving uncertainty that both COVID and Three Waters reform has produced. We are in uncertain times, but as an organisation we are not only laying the foundation stones to prevail, we also continue to advance our plan to flourish. Thank you once again for giving this report your consideration, and as always, onwards and upwards.



Bryan Cadogan
Mayor



Steve Hill
Chief Executive

IMPACT OF COVID-19

On 11 March 2020, the World Health Organisation declared a global pandemic as a result of the outbreak of and spread of COVID-19.

Following this, the New Zealand Government's response resulted in periods of lockdown and/or restrictions which caused disruption to businesses, public services, and economic activity. During the current financial period the Council's operations were not affected by lockdowns.

Council considered the impact of COVID-19 as part of its impairment testing of assets in

its statement of financial position at 30 June 2021 in the following areas:

- Managed investments with Nikko AM.
- Roading and 3 waters infrastructure assets fair value assessment.
- Rates receivables allowance for doubtful debts not considered necessary due to powers under the Local Government (Rating) Act 2002 to recover any outstanding debts.
- Other receivables collectability.

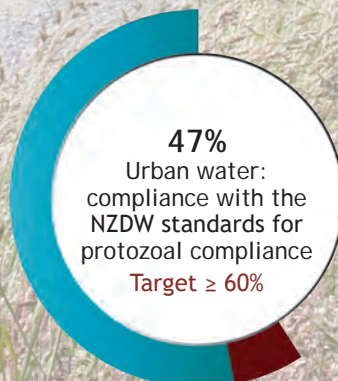
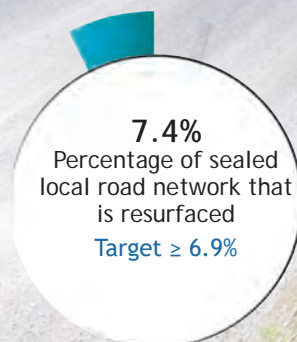
While the pandemic continues, Council will keep an eye out for the impact of financial hardship on our ratepayers as well as the effect of labour and material shortages on our construction projects.

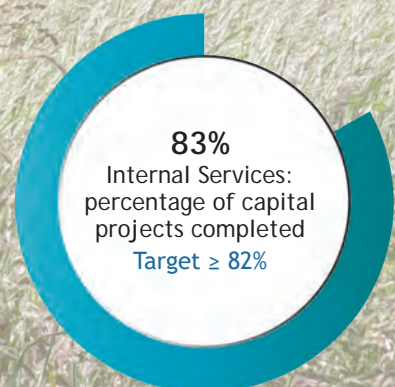
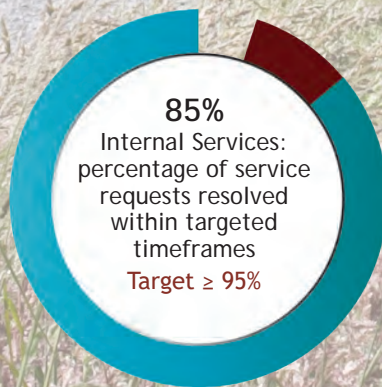
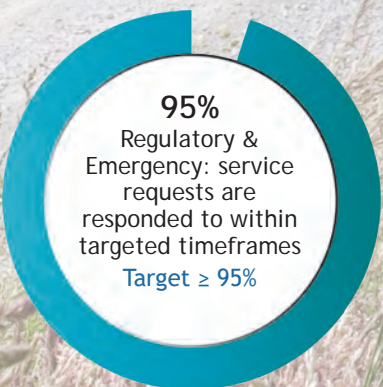
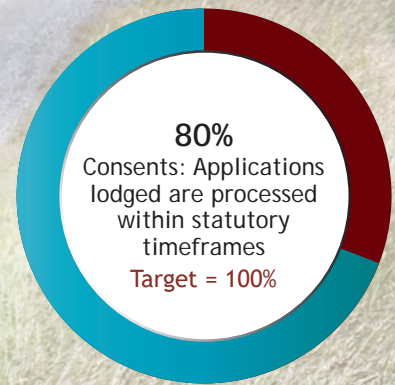
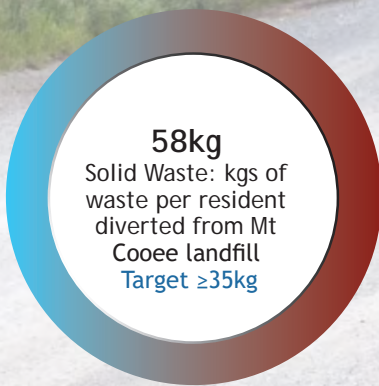
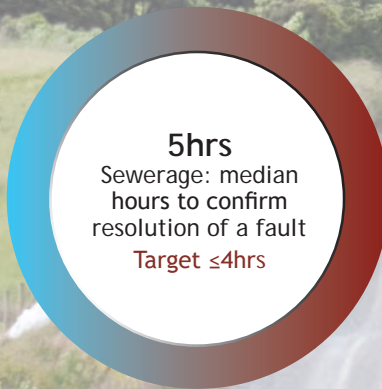
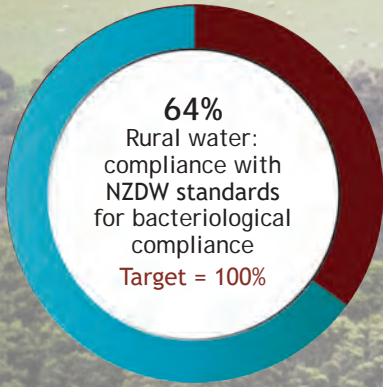
HOW DID WE DO?

During 2020/21 we collected information to show how we were progressing against the goals we set for the year in the Long Term Plan 2018/28. These results show some of the goals we measured and are compared to our targets for 2020/21.

SUMMARY OF STATEMENT OF SERVICE PERFORMANCE FOR YEAR ENDING 30 JUNE 2021

SUMMARY OF KPI TARGETS BY ACTIVITY	MET	NOT MET	TOTAL
Community leadership	1	1	2
Roading	4	2	6
Water: urban	10	4	14
Water: rural	5	7	12
Sewerage	7	4	11
Stormwater	8	0	8
Community services	2	0	2
Solid waste	1	1	2
Economic development	0	1	1
Regulatory and emergency services	1	1	2
Internal services	1	1	2
TOTAL	40	22	62
Total percentage	65%	35%	100%





LIVING & WORKING IN CLUTHA



During the year we refreshed the Living and Working in Clutha Strategy to promote the well-being of the Clutha District's communities. The strategy focuses on:

- Facilitating More Quality Housing by playing an active leadership role enabling housing solutions.
- Filling Our Jobs by helping businesses to be sustainable.
- Improving Health, Safety & Well-Being by helping to increase connectivity and access to health services.
- Supporting Culture & Heritage to better share and celebrate who we are.
- Reducing Our Environmental Footprint to build a sustainable future.
- Addressing Climate Change by using information to make the best longer term decisions.
- Investing in Infrastructure to meet compulsory requirements for sewage discharges and drinking water.

The following is a report on a few of our larger programmes of work to support the Living and Working in Clutha Strategy.

PLANTATION HEIGHTS

To address the housing accommodation shortfall in Balclutha the Plantation Heights subdivision helps supply sections for further developing. To increase the yield of the remaining unsold larger sections, the 7 lots were subdivided into 14 lots. All 14 lots were sold via auction before the subdivision was completed.

KAITANGATA HOUSE AND LAND PACKAGE INITIATIVE

In partnership with Kaitangata Promotions, the housing shortage is being supported by "House and Land

Packages" either involving the use of Council land or purchased sections. This year Council completed a development in Wyre Street and constructed and sold two Houses under the package. Council has contracted to purchase 10 sections which are being developed in conjunction with the Kaitangata Housing Trust.

INDUSTRIAL DEVELOPMENT

To address the shortage of industrial land in Balclutha and encourage economic development, Council purchased the old Rosebank sawmill site at the start of 2016/17 and developed it into 12 serviced lots. There have been delays in issuing title due to agreeing on resource consent conditions for the discharge of stormwater and leachate from an old landfill. This year 3 Lots have settled and there are sales and purchase agreements in place for another 5.

Council approved a Plan Change in Milton that became effective just before the start of this period which created a large tract of Industrial Zoned Land between Milton and Milburn.

DISTRICT PLAN UPDATE

Council had intended to complete a review of the District Plan, but the review was stopped when the Resource Management reforms were announced.

ECONOMIC DEVELOPMENT AND DESTINATION MARKETING

Clutha District's economic development agency, Clutha Development Inc, has a focus on economic development and destination marketing. During the year Council



approved the Destination Marketing Strategy and funded an implementation plan. The agency is working collaboratively with Council to develop relevant levels of service and performance expectations.

OUR PLACE COMMUNITY PLANS

The “Our Place” community plan process is designed to help determine the projects and priorities for communities, and to help put the Living and Working and Economic Development Strategies into action. There is a focus on key facilities and how Council can work with communities to make things happen. The Our Place Lawrence-Tuapeka Community Plan was adopted in March 2021. Work continued with the Our Place Kaitangata plan but progress on both plans was impacted by Covid-19 restrictions.

Positive above budget returns from our investment portfolio provided a significant amount of discretionary funds. A proportion of this gain was used to subsidise rates over the next three years leaving approximately \$1.2M to support Community Planning projects. Most communities received grants toward Parks and Reserves equipment which will improve amenities. Major projects included the Balclutha War Memorial Hall, Naish Park/Centennial Park destination playground, and a combined Milton community library and swimming pool.

BALCLUTHA COMMUNITY HUB

The design and costing around a new build for the Balclutha Community Hub has progressed well including the appointment of a main contractor and a project manager. The Council and the Clutha Community Hub Charitable Trust worked together to secure the Trust

\$7.4M government funding to supplement Council’s \$7.5M contribution. A fixed build contract has been agreed to hedge against pricing volatility in the construction sector. The civil and fit-out costings are yet to be finalised.

NAISH PARK/CENTENNIAL PARK

Naish / Centennial Park is being developed into a Garden of Significance including a destination playground, bike park and playing area for children of all ages. The plan included shelter and covered picnic and BBQ areas, public toilets, seating, and car parking. A Trust was formed (Clutha Parks Trust) and funds were authorised from the investment surplus to progress the project which so far includes the completion of the bike and dog parks.

COMBINED MILTON COMMUNITY LIBRARY AND SWIMMING POOL

Falling out of the Our Place Milton consultation is the combined library and pool facility. Presently early artists impressions have been drawn up by Calder Stewart and being led the Milton Community Facilities Trust Group. Early estimated costs were around \$5.8M partly funded by Council. During the year discussions around the size of the pool facility may require more consultation with the Milton community.



MAJOR INFRASTRUCTURE PROJECTS

UPDATING YOU ON OUR MAIN INFRASTRUCTURE PROJECTS FOR 2020/21

SEWERAGE UPGRADES

- Major renewals to the sewer pump station in Balclutha, and work commenced on upgrading projects on the oxidation ponds and biofitro units.
- There was a sewer realignment in Campbellton Street Lawrence and extensions to the network in Gabriels Gully Lawrence and in unserviced parts of Waihola.

ROADING

- Reseals were completed at a cost of \$3.25M covering 54.1 km of roads.
- The Hinahina Bridge was completed at a cost of \$3.4M.
- Bridge renewals on Tuapeka Mouth Road, Doherty Road, Mitchells Flat Road and Campbellton Street Lawrence were completed.
- Urban seal extensions were completed on Spurn and Dunstan Streets in Tokoiti, and George and Kilgour Street Waihola
- Traction seals were completed on Rewcastle and Purakanui Falls Road. Part of Glasgow Street was reconstructed.
- Emergency repairs were undertaken on 2 of 3 slips on the Nuggets Road.
- Footpaths were completed in Lawrence, Waihola, Stirling and Kaitangata and Kerb and Channel in Tapanui.

URBAN WATER IMPROVEMENTS

- Renewal of the water main between the Clinton Reservoir and the township.
- Pipeline renewals in George, Kilgour, Chatham, and Sandown Streets in Waihola and Hill Street in Lawrence.

RURAL WATER IMPROVEMENTS

- Replaced main water main supplying the northern part of the North Richardson Scheme between the Whitelea Road Treatment Plant and Clifton Road.
- Significant pipe renewals on the Moa Flat and Richardson South schemes.
- Renewed pump stations in the Balmoral 2 and Moa Flat Schemes.
- New reservoirs installed on Balmoral 2 and Moa Flat Schemes.

STORMWATER IMPROVEMENTS

- Projects completed in Coronation Court, Helensbrook, Milton and Hill Street in Lawrence.

TECHNOLOGY IMPROVEMENTS

- Property file digitisation expenditure of \$787k.

SOILID WASTE







- Work commenced on the realignment of the stormwater drains that lie under the Mt Cooe landfill to reduce the volume of stormwater that is contaminated.

COMMUNITY FACILITIES

- Work commenced on the upgrade to the Balclutha Council Building.
- Significant upgrades occurred at the Waiwera Hall and work commenced on the Kaka Point, Owaka, Waitahuna and Hillend Halls.

COUNCIL SPENDING AT A GLANCE



	Operating Spend 2020-21	Capital Spend 2020-21	Total Spend	Rates value per \$100
 Rooding	\$9.3m	\$16.2m	\$25.5m	\$34
 Water	\$7.4m	\$7.6m	\$15.0m	\$20
 Community Services	\$6.7m	\$1.5m	\$8.2m	\$11
 Regulatory & Emergency Services	\$2.7m	\$0.0m	\$2.7m	\$4
 Sewerage	\$2.7m	\$1.3m	\$4.0m	\$5
 Solid Waste	\$2.3m	\$0.4m	\$2.7m	\$4
 Economic & Community Development	\$1.6m	\$0.0m	\$1.6m	\$2
 Community Leadership	\$1.3m	\$0.0m	\$1.3m	\$2
 Stormwater	\$0.6m	\$0.2m	\$0.8m	\$1
 Internal Services	\$10.0m	\$2.4m	\$12.4m	\$17
Total	\$44.6m	\$29.6m	\$74.2m	\$100

FINANCIAL OVERVIEW

2020/21

MAJOR VARIANCES TO BUDGET EXPLAINED

Council operates a diverse and complex business which is reflected in the items recorded against operating revenue and expenditure. After forecasting a \$2.5M surplus in 2020/21, Council recorded a \$4.7M surplus.

REVENUE

Revenue was better than budget by \$11.6M. The major matters supporting this result are:

- Grants and subsidies were better than budget by \$7.8M mainly due to increased roading investment being \$4.1M and new external grant funding for:
- Mayor's Task Force \$500k.
- Stimulus funding \$2.0M.
- NZ Libraries funding of \$233k

Our investments have performed better than planned. While cash from interest revenue is \$448k below budget there is a net gain of \$3.6M at fair valuation giving an overall \$3.1M better performance on the Nikko portfolio.

Refer to the Statement of Comprehensive Revenue and Expenditure and notes to the financial statements for further information.

	ACTUAL 30 JUNE 2021 (\$,000)	BUDGET 30 JUNE 2021 (\$,000)	ACTUAL 30 JUNE 2020 (\$,000)
SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE			
INCOME			
Rates Revenue	27,071	27,374	26,696
Other Operating Revenue	28,311	16,381	20,718
Total Operating Revenue	55,382	43,755	47,414
EXPENDITURE			
Employee Benefits Expense	6,718	7,648	6,559
Depreciation and Amortisation	13,534	13,213	13,062
Other Expenditure	30,875	20,438	25,633
Total Operating Expenditure	51,127	41,299	45,254
Operating Surplus	4,255	2,456	2,160
Available for Sales Financial Assets Valuation Gain/(Loss)	429	-	(55)
Gain on Property, Plant and Equipment Revaluation	-	-	93,661
Total Comprehensive Revenue and Expenditure for the year	4,684	2,456	95,766
SUMMARY STATEMENT OF CHANGES IN EQUITY			
Equity at the beginning of the year	1,119,091	1,104,749	1,023,325
Total Comprehensive Revenue and Expenditure for the year	4,684	2,456	95,766
Equity at the end of the year	1,123,775	1,107,205	1,119,091
EQUITY REPRESENTED BY:			
Accumulated Funds	225,973	231,675	222,997
Reserves	897,802	875,530	896,094
SUMMARY STATEMENT OF FINANCIAL POSITION			
Current Assets	45,256	31,378	39,911
Non Current Assets	1,109,546	1,111,042	1,095,329
Total Assets	1,154,802	1,142,420	1,135,240
Current Liabilities	16,530	7,518	10,292
Non Current Liabilities	14,497	27,697	5,857
Total Liabilities	31,027	35,215	16,149
Net Assets/Equity	1,123,775	1,107,205	1,119,091
SUMMARY STATEMENT OF CASHFLOWS			
Net Cashflows from Operating activities	19,786	16,095	7,390
Net Cashflows from Investing activities	(26,971)	(34,172)	(13,714)
Net Cashflows from Financing activities	9,030	18,448	3,995
Net Cashflows for the Year	1,845	371	(2,329)



EXPENDITURE

Expenditure was more than budget by \$9.8M. The major matters supporting this result are:

- Other operating expenditure is above budget by \$7.5M mainly because of more waters investment than planned:
 - Water operational expenditure \$1.6M.
 - Operation and maintenance jobs \$1.0M.
 - Sundry expenditure \$1.2M, all related to the three waters minor purchases.
 - Non routine expenditure \$1.6M.
 - Consultancy \$0.9M.
- Roading repairs are \$2.0M above budget due to emergency reinstatement costs of \$860k after flooding events and \$789k unsealed pavement renewals.
- Personnel costs are \$930k below budget mainly due to vacancies and the capitalisation of wages as part of project costs.
- Depreciation is above budget by \$1.2M mainly due to \$834k amortisation of software as a service due to a change in accounting treatment.

Refer to the Statement of Comprehensive Revenue and Expenditure and notes to the financial statements for further information.

MAJOR VARIANCES TO COUNCIL'S FINANCIAL POSITION COMPARED TO 2020 ACTUALS

- The Nikko Investments have grown by \$2.7million due to higher than budgeted returns (see revenue above).
- Receivables and prepayments are \$1.0M more than last year due to a \$1.1M higher NZTA claim at year end and \$319k less trade and other receivables, payables and accruals are \$5.6M more than last year due to increased project activity of \$4.2M and revenue in advance of \$1.2M for unspent PGF funding and cash and cash equivalents have increased by \$1.8M due to timing of creditor payments. These reflect a high level of capital investment happening in the period prior to balance date.
- Sales of development properties have decreased the value of properties held for sale by \$649k mainly due to sales made in Plantation Heights of \$941k and an increase due to \$273k spent on Kaitangata house and land packages.
- Property, plant, and equipment increases due to greater capital investment by \$14.7M more due to additions of \$28.2M, less depreciation of \$13.4M.
- Borrowings have increased by \$9M to partially fund water infrastructure projects.

Refer to the Statement of Financial Position and notes to the financial statements for further information.



FINANCIAL STRATEGY

In the 2018-28 Long Term Plan the Financial Strategy was determined to guide financial decisions. The following tables show our performance against these measures for the 2020/21 financial year.

RETURN ON INVESTMENTS

At the close of the 2020/21-year Council's investments rose to \$31.7 M, well above the \$26.2 M forecast in the 2018-28 Long Term Plan. The growth from 2020 was due to above budget returns on the portfolio of \$0.9 M.

CHANGES IN INVESTMENTS 2020/21

(\$M)	LONG TERM PLAN 2020/21	ACTUAL 2020/21
OPENING	25.7	29.0
CLOSING	26.2	31.7
CHANGE	0.5	2.7
RETURN (%)	5.0	13.3

Note: the change in the closing balance is net of the rates subsidy.

LIMITS ON EXTERNAL DEBT

Council's limits on debt are set in the financial strategy at 150% of annual revenue. Council is well below the limit and planned debt levels mainly due to less infrastructure projects completed against projections.

	LONG TERM PLAN 2020/21	ACTUAL 2020/21
EXTERNAL DEBT (\$M)	21.8	18.0
DEBT LIMIT(\$M)	65.2	83.1

LIMITS ON RATES AND RATE INCREASES

Rates are an important source of funding for Council services. The \$27.0 M collected in 2020/21 meant an increase on 2019/20 of 1.10%. This was below the 3.31% projected in the Annual Plan and below the \$27.8 M rates cap forecast in the 2018-28 Long Term Plan.

Refer to the Statement of Comprehensive Revenue and Expenditure and notes to the financial statements for more information.

	LONG TERM PLAN 2020/21	ACTUAL 2020/21
FORECAST RATES (\$M)	27.5	27.0
FORECAST RATES CHANGES (%)	3.31	1.10
RATES LIMIT AT 4% (\$M)	27.7	27.8

DISCLOSURES

Section 98(4)(b) of the Local Government Act 2002 requires Council to make publicly available a summary of the information contained in its Annual Report.

This summary booklet of the Annual Report 2020/21 provides:

- An outline of Council's end of year financial position.
- An overview of Council services during 2020/21.
- A statement from Council's auditors - Deloitte.

The specific disclosures included in the summary have been extracted from the full Annual Report 2020/21 adopted by Council on 28 October 2021. This summary document cannot be expected to provide as complete an understanding as provided by the full financial report itself.

A full copy of the Annual Report 2020/21 is available from Council main office at Rosebank Terrace, Balclutha or by contacting 0800 801 350. It is also available on the Council website at www.cluthadc.govt.nz.

The Annual Report 2020/21 has been audited and gained an unmodified opinion, which means the report has met the requirements of the Local Government Act 2002.

This summary financial report has been examined by the auditor for consistency with the full financial report. The auditor's report on the summary annual report is included with this summary.

Council's full financial report has been prepared in accordance with Tier 1 PBE Standards and has been complied with NZ GAAP and stated explicitly that they comply with NZ equivalents to IPSAS (International Public Sector Accounting Standards) as applicable for public entities. The summary financial report complies with FRS PBE 43 - summary financial statements.

The presentation currency of the annual report is in New Zealand dollars. The summary annual report is rounded to the nearest thousand dollars.

SUBSEQUENT EVENT

On 27 October 2021, the Local Government Minister announced that central government will proceed with the three waters service delivery reforms using a legislated "all in" approach. The three waters reform involves the creation of four statutory water services entities to be responsible for the service delivery and infrastructure from local authorities from 1 July 2024. There is still a number of uncertainties associated with the new three waters delivery model including the mechanism for how assets will be transferred to the newly established entities and the control and governance of these entities. Notwithstanding the current uncertainty the new reforms will mean Council is no longer responsible for the delivery of three water services from 1 July 2024.

INFRASTRUCTURE VALUATIONS

Following the announcement by the Local Government Minister on 27 October 2021 regarding central government proceeding with the three waters service delivery reforms using a legislated "all in" approach, Council continues to recognise its three waters assets at 30 June 2021 in accordance the accounting policies set out on pages 74 to 76 of the Annual Report 2020/21. There has been no adjustment in these financial statements to reflect the expected future transfer of assets to the new water entity. It is expected central government will develop details around the mechanism for the transfer of the water assets and this will be completed prior to 1 July 2024. As further details are established this may require adjustments to Council's three water assets either in respect of disclosure or measurement.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF CLUTHA DISTRICT COUNCIL'S SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

The summary of the annual report was derived from the annual report of the Clutha District Council (the District Council) for the year ended 30 June 2021.

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 2021;
- the summaries of the statement of comprehensive revenue and expenditure, statement of changes in equity and statement of cashflows for the year ended 30 June 2021;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- 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 2021 in our auditor's report dated 28 October 2021. That report also includes:

- An emphasis of matter paragraph that draws attention to page 113 in the audited financial statements, which describes the impact of the three waters reform on the Council's audited financial statements.

This matter is disclosed in the 'Subsequent events' note in the summary financial statements.

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 and our report on the disclosure requirements, we have carried out assurance engagements in the areas of the Long Term Plan 2021-2031, Debenture Trust Deed Reporting and Registry Audit, which are compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in the District Council.



Heidi Rautjoki, Partner

for Deloitte Limited

On behalf of the Auditor-General
Dunedin, New Zealand