

From: [BDC Lgoima](#)
To: [REDACTED]
Subject: Official Information Request for Westport Airport - Audited Financial Statement RESPONSE Ref: OIA 072/25
Date: Wednesday, 23 July 2025 12:33:27 pm
Attachments: [Westport Airport - Audited Financial Report.pdf](#)

Dear [REDACTED]

We refer to your official information request dated 13 July 2025 where you requested *the audited financial statement of Westport Airport for the year ended 30 June 2024*.

BDC are currently waiting for the draft financials to be audited which should be in the next few months. These will then be available online on our website, as is the draft.

You'll find attached the report and Westport Airport Authority Accounts (unaudited) 2024. This can also be found on the link below, if you go to the September 2024 Council Agenda, and head to page 197 -213.

<https://bullerdc.govt.nz/your-council/meetings/>

We are therefore required to refuse your request under section 17 (d) of the Local Government Official Information and Meetings Act – “that the information requested is or will soon be publicly available”.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

If you wish to discuss this decision with us, please feel free to contact the Buller District Council by return email to lgoima@bdc.govt.nz.

Please note that it is our policy to proactively release our responses to official information requests where possible. Our response to your request may be published at <https://bullerdc.govt.nz/district-council/your-council/request-for-official-information/responses-to-lgoima-requests/> with your personal information removed.

Kind regards

Krissy Trigg | Group Manager Community Services
Email krissy.trigg@bdc.govt.nz

Buller District Council | Phone 0800 807 239 | bullerdc.govt.nz
PO Box 21 | Westport 7866

Community Driven | One Team | Future Focused | Integrity | We Care

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message are those of the individual sender, except where the sender expressly, and with authority, states them to be the views of Buller District Council.



BULLER
DISTRICT COUNCIL
Te Kaunihira O Kaitiaki

Community Grant Fund

One round for FY 2025/26

Applications open
14 July - 11 August 2025

Total funds available
\$80,000



[Click here to learn more](#)

BULLER DISTRICT COUNCIL

25 SEPTEMBER 2024

AGENDA ITEM: 11

Prepared by Bernard Murphy
Acting General Manager Corporate Services

Reviewed by Simon Pickford
Chief Executive Officer

Attachments 1. Westport Airport Authority Accounts (Unaudited) 2024

Public Excluded No

WESTPORT AIRPORT AUTHORITY – FULL YEAR REPORT TO 30 JUNE 2024

1. REPORT SUMMARY

In accordance with Section 67 of the Local Government Act 2002 Council Controlled Organisations must deliver their Annual Report to shareholders within three months of the end of the financial year.

This report presents the (unaudited) Annual Report for the year ended 30 June 2024 including the budget for the year. The report also presents a Statement of Service Performance summary.

2. DRAFT RECOMMENDATION

1. **That Council approve the Westport Airport Authority Accounts for the year end 30 June 2024 subject to any minor alteration required for completion of the audit process.**

3. ISSUES & DISCUSSION

This report is presented to Council to monitor the Westport Airport Authority financial results.

Section 68 of the Local Government Act 2002 requires that this Annual Report contains the information that is necessary to enable an informed assessment of the operations of the organisation including a comparison of the performance of the Westport Airport activity against the Statement of Intent and include explanations of any significant variances. The attached report meets that requirement.

Section 69 of the Local Government Act 2002 requires that this Annual Report include an Auditor's Report on the Financial Statements. The attached report

has not yet been audited. The Annual Report is provided for information and the draft resolution is made so that the Annual Report can be circulated for approval by Council which holds 50% of the share in the Airport Authority, with the other 50% share held by Ministry of Transport. A copy of this report has been provided to the Ministry of Transport.

3.1 Revenue

Operating Revenue for the Westport Airport Authority was \$6,816 lower than budgeted. This was mainly due to less terminal and other revenue received than budgeted. Actual Terminal and Other Revenue was \$112,449 against the budget of \$117,779.

3.2 Expenditure:

Operating Expenditure was \$20,709 higher than budgeted. Administration Costs (\$29,977), Audit Fees (\$1,612), Rates and Insurance (\$2,451), Power and Telephone (\$726) and General Expenses (\$6,669) were greater than budgeted, offset by Repairs and Maintenance (\$14,461) and non-cash Depreciation Expense (\$4,207).

3.3 Capital Expenditure:

The Capital Budget allowed for \$116,066 of capital expenditure as set out below. This budget was for aerodrome beacon lighting, land improvements and for sundry small assets. The actual capital expenditure was for \$61,125 and included land improvements including bunding to make crucial airport infrastructure safe from surface water ingress as well as the planned beacon lighting. Other Assets included VHF radio purchases, essential communication equipment for the safe operations of the airport.

Capital Expenditure:	2024 Actual	2024 Budget
Land/Bunding Improvements	26,893	26,255
Aerodrome Beacon	27,008	39,305
Other Assets	7,224	50,506
Total	\$61,125	\$116,066

3.4 Unaudited Financial Statements

The attached financial statements are subject to final tax calculations and taxation disclosures set out in Note 2. This update is not expected to be material, and as a loss making venture the entity will have nil tax due when the 2024 year tax return is filed.

The attached financial statements will be subject to a final review of the contributions by the Airport Authority partners, and this most likely will lead to a revision to final current account and equity as at balance date.

Any changes are also not expected to be material, and not have any impact upon the reported Statement of Financial Performance, Performance Measures and Cashflow or other aspects of these Financials.

4. CONSIDERATIONS

4.1. Strategic Impact

The provision of centralised airport services is important for the community providing travel for economic and social reasons.

4.2. Significance Assessment

The significance and engagement policy set out the criteria and framework for a matter or transaction to be deemed significant. The content included in this report is not considered significant by nature due to the value of transactions. However, the provision of an Airport service is significant for the District.

4.3. Risk Analysis

Risk is assessed by considering the likelihood of an event occurring and the result of that event. This report provides oversight of the financial operations of the Westport Airport Authority but does not elaborate on other risks which may be present with this operation. Risk is mitigated by engaging suitably qualified staff to oversee the airport operations. Financial risk is mitigated when the results of operations are reported on and understood by staff and governance.

4.4. Policy / Legal Considerations

Section 66 (1) of the Local Government Act 2002 governs the activities of Buller District Council and sets out the requirement to present a half yearly report to shareholders.

The legislation requires that within 2 months after the end of the first half of each financial year, the board of a council-controlled organisation must deliver to the shareholders a report on the organisation's operations during that half year.

4.5. Tangata Whenua Considerations

The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Tangata Whenua, their culture and traditions.

4.6. Views Of Those Affected

The provision of a Westport Airport service is consulted on with the community during Long Term and Annual Plan processes.

4.7. Costs

There are no extraordinary costs incurred within the reporting period.

4.8. Benefits

The benefits of reviewing the half yearly report are the financial results are monitored at a Council wide level.

4.9. Media / Publicity

There are no media or publicity opportunities with this report.

**WESTPORT AIRPORT
AUTHORITY**

FINANCIAL STATEMENTS

**For the year ended
30 June 2024**



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WESTPORT AIRPORT AUTHORITY
Entity Information
For the year ended 30 June 2024

Legal name

Westport Airport Authority (the Authority).

Type of entity and legal basis

The Authority was established by a Joint Venture Agreement entered into by the Crown and the Buller District Council pursuant to section 5 of the Airport Authorities Act 1966. The Authority is controlled by Buller District Council and is a Council Controlled Organisation (CCO) as defined by section 6(1) of the Local Government Act 2002.

The Authority's purpose or mission

The Authority's primary business activity is the operation of an airport. An airport is considered a crucial aspect of regional infrastructure servicing the Buller district.

The structure of the Authority's operations, including governance arrangements

The Authority comprises of a Chief Executive Officer who runs the day-to-day operations of the airport including compliance with Civil Aviation regulation. This is supported by staff who assist the day-to-day operations and maintenance of the airport. All staff are appointed by Buller District Council who also oversees the governance of the Authority through Council.

Main sources of the Authority's cash and resources

Landing fees and lease income are the primary sources of funding for the Authority.

WESTPORT AIRPORT AUTHORITY
Statement of Accounting Policies
For the year ended 30 June 2024

BASIS OF PREPARATION

The financial statements presented here are for the Westport Airport Authority. The Airport Authority is a public benefit entity for financial reporting purposes under PBE IPSAS.

The financial statements have been prepared in accordance with generally accepted accounting practice NZ GAAP, the Local Government Act 2002 and the Joint Venture Agreement. The financial statements comply with PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) This standard has been applied on the basis that the Authority does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Reliance is placed on the fact that the Authority will continue to receive financial, operational and administrative support from the Buller District Council sufficient to maintain its services. The attention of readers is drawn to note 9.

The financial statements have been prepared on the basis of historical cost. All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are presented in New Zealand dollars and are stated at whole dollar amounts. The functional currency of the Westport Airport Authority is New Zealand Dollars.

The financial statements are prepared on the assumption that the Authority will continue to operate in the foreseeable future.

ACCOUNTING POLICIES

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition and construction of the asset.

Depreciation

Depreciation of fixed assets, other than land, has been provided on a straight-line basis at rates calculated to allocate the cost of the assets over their estimated useful lives. The depreciation rates applied are:

Buildings	2.5% -5.0%
Runway - Basecourse	1.30%
- Seal	2.0% - 7.7%
Runway Lighting	10.0% - 20.0%
Fuel Facility	8.0%
Other Assets	1.0%-15.0%
Seawall	0.0%

Goods and Services Tax

The financial statements have been prepared exclusive of Goods and Services Tax except for accounts payable and receivable which are stated inclusive of GST. The Westport Airport Authority is not registered for GST on their own account, GST is accounted for as a division of Buller District Council.

Income Tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior tax liabilities.

Cash and Bank Accounts

Cash and bank accounts include cash on hand and deposits held at call with banks.

Trade and Other Receivables

Trade and other receivables are initially measured at the amount owed. When it is likely that the amount owed (or some portion) will not be collected, a provision for impairment is recognized and the loss is recorded as a bad debt expense.

Buller District Council Current Account

Buller District Council advances funds to the Airport Authority on a current account basis to enable the Authority's creditor obligations to be met as they fall due. This current account advance is recognised as either a current asset or a current liability. The account is measured at amortised cost using the effective interest rate method.

Creditors and Other Payables

Creditors and other payables are measured at the amount owed.

Revenue and Expenditure

Landing fees and Grazing income are billed by the Authority and are recognised when receivable. Expenses are recognised when they are incurred. Leases are recognised on a straight-line basis over the lease term.

Significant Management Estimates and Assumptions

There are no significant management assumptions or estimates for the period.

Changes in Accounting Policies

There have been no changes in accounting policies applied or adopted during the period. (2023 Nil).

WESTPORT AIRPORT AUTHORITY
Statement of Financial Position
As at 30 June 2024

	Note	2024 \$	2023 \$
Current Assets			
Accounts receivable and accruals	3	39,246	26,458
Prepayments		4,344	3,919
Total Current Assets		43,590	30,377
Non-Current Assets			
Property, plant & equipment	5	5,678,787	5,710,596
Total Assets		5,722,378	5,740,972
Current Liabilities			
Accounts payable and accruals		71,211	71,767
Buller District Council - current account	9	266,283	286,254
Total Current Liabilities		337,494	358,021
Net Assets		5,384,448	5,382,951
Equity			
Equity: Ministry of Transport	7	2,161,650	1,965,532
<u>Less: Share of accumulated losses</u>		(626,550)	(429,489)
		1,535,100	1,536,043
Equity: Buller District Council	7	4,515,117	4,315,181
<u>Less: Share of accumulated losses</u>		(665,334)	(468,273)
		3,849,783	3,846,908
Equity: Ministry of Transport & Buller District Council		6,676,767	6,280,713
<u>Less: Total accumulated losses</u>		(1,291,884)	(897,762)
Total Equity		5,384,883	5,382,951

Authorised for issue on behalf of the Westport Airport Authority on XX September 2024 by:

Simon Pickford
CHIEF EXECUTIVE

Jamie Cleine
CHAIRPERSON

*The accompanying Notes are an integral part of and are to be read
in conjunction with these statements.*

WESTPORT AIRPORT AUTHORITY
Statement of Changes in Equity
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Equity at Start of the Year		5,382,951	5,407,150
Total Comprehensive Revenue and Expense		(394,122)	(394,198)
Contributions from Buller District Council	9	199,936	273,669
Contributions from the Crown	9	196,118	96,330
Equity at End of the Year		5,384,883	5,382,951

CONTRIBUTIONS BY THE JOINT VENTURE PARTNERS

Equity Account as at 30 June 2024	Ministry of Transport \$	Buller District Council \$	Total \$
Land	-	2,159,000	2,159,000
Contributions for assets purchased to 30 June 2024	1,528,356	1,553,359	3,081,715
Contributions for accumulated losses to 30 June 2024	633,295	802,758	1,436,052
Total before share of accumulated losses or surplus	2,161,651	4,515,117	6,676,767

Equity Account as at 30 June 2023	Ministry of Transport \$	Buller District Council \$	Total \$
Land		2,159,000	2,159,000
Contributions for assets purchased to 30 June 2023	1,485,912	1,522,767	3,008,679
Contributions for accumulated losses to 30 June 2023	479,620	633,414	1,113,033
Total before share of accumulated losses or surplus	1,965,532	4,315,181	6,280,713

EQUITY APPROPRIATION ACCOUNT

	2024 \$	2023 \$
Opening Balance (Accumulated Losses)	(897,762)	(503,563)
Total Comprehensive Revenue and Expense	(394,122)	(394,198)
Closing Balance (Accumulated Losses)	(1,291,884)	(897,762)

The accompanying Notes are an integral part of and are to be read
in conjunction with these statements.

WESTPORT AIRPORT AUTHORITY
Statement of Cash Flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash Flows from Operating Activities			
<i>Cash was provided from:</i>			
Landing Fees & Airport Dues		30,883	30,490
Rental, Service Charges & Other Income		112,449	101,515
Farming Lease		42,000	42,000
Flood Recovery Income Received		-	-
		185,332	174,005
<i>Cash was applied to:</i>			
Payments to Suppliers and Employees		(488,435)	(420,539)
Interest Paid		-	-
Net GST		(1,740)	516
		(490,175)	(420,023)
Net Cash Flows from/(to) Operating Activities		(304,842)	(246,018)
Cash Flows from Investing Activities			
<i>Cash was provided from:</i>			
Sale of Assets		-	-
<i>Cash was applied to:</i>			
Purchase of fixed assets		(61,182)	(105,643)
Net Cash Flow from/(to) Investing Activities		(61,182)	(105,643)
Cash Flows from Financing Activities			
<i>Cash was provided from:</i>			
Contributions from Joint Venture Partners		396,054	370,000
Buller District Council Current Account		-	-
		396,054	370,000
<i>Cash was provided to:</i>			
Buller District Council Current Account		(30,031)	(18,340)
Net Cash Flows from/(to) Financing Activities		366,023	351,660
Net Increase in Cash and cash equivalents		-	-
Add Cash and cash equivalents at Start of Year		-	-
Cash and cash equivalents End of Year	1	-	-

The accompanying Notes are an integral part of and are to be read
in conjunction with these statements.

WESTPORT AIRPORT AUTHORITY
Notes to the Financial Statements
For the year ended 30 June 2024

1. Cash

Buller District Council provides administrative services to the Authority. The Airport does not run a bank account and all Airport income and expenses are paid through the Buller District Council general bank account.

2. Taxation

	2024	2023
	\$	\$
Net Surplus (Deficit) before Tax	(394,122)	(394,198)
Tax at 28%	(110,354)	(110,376)
Temporary Differences not recognised	(12,451)	(6,729)
Tax Losses not recognized	137,462	117,105
Tax Expense	-	-

Unrecognised tax losses of \$3,337,789 (2023: \$2,885,728) with a tax effect of \$934,581 (2023: \$808,003) are available to carry forward.

3. Accounts Receivable and Accruals

Accounts receivable and accruals are disclosed net of any provision for impairment. There was no impairment recognized in 2024 (2023: Nil).

4 Support by Buller District Council

The operation of the Authority is undertaken by the Buller District Council, which is also responsible for the financing of those operations.

Buller District Council has included in its Annual Plan provision to support the Westport Airport Authority for the next twelve months to enable the Authority to maintain its current level of operation. This support includes all financial, operational and administrative support services. Administrative support includes employment of operational staff and internal charges for administration of the Authority.

	2024	2023
	\$	\$
Employment related costs	228,860	226,632
Buller District Council - internal charges	104,124	82,272
Total Administration Expenses	332,984	308,903

5. Property, Plant and Equipment

Property, Plant and Equipment - 2024								
	Cost 1 July 2023	Accumulated Depreciation 1 July 2023	Additions	Disposals & Transfers	Depreciation 30 June 2024	Accumulated Depreciation 30 June 2024	Cost 30 June 2024	Carrying Amount 30 June 2024
Land & Improvements	4,619,353	-	26,893	-	166	166	4,646,246	4,646,079
Runway	387,977	89,787	-	-	15,505	113,421	387,977	274,555
Runway Lighting	701,637	532,722	27,068	-	20,297	553,018	728,704	175,686
Terminal Building	542,554	213,631	-	-	13,564	227,194	542,554	315,359
Toilet Block	13,995	9,214	-	-	700	9,913	15,538	7,490
Furniture & Fittings	26,375	14,028	-	-	1,514	15,542	26,375	10,833
Other Assets	405,290	169,127	7,224	-	40,407	199,491	409,082	207,701
Fuel Facility	288,195	288,195	-	-	-	288,195	288,195	-
Carpark	41,994	70	-	-	840	910	41,994	41,084
Capital WIP	-	-	-	-	-	-	-	-
	7,027,370	1,316,774	61,185	-	92,993	1,407,851	7,086,664	5,678,787

Property, Plant and Equipment - 2023								
	Cost 1 July 2022	Accumulated Depreciation 1 July 2022	Additions	Disposals & Transfers	Depreciation 30 June 2023	Accumulated Depreciation 30 June 2022	Cost 30 June 2023	Carrying Amount 30 June 2023
Land & Improvements	4,619,353	-			-	-	4,619,353	4,619,353
Runway	387,977	74,292			15,495	89,787	387,977	290,060
Runway Lighting	701,637	513,778			18,944	532,722	701,637	168,915
Terminal Building	542,554	200,067			13,564	213,631	542,554	328,923
Toilet Block	13,995	8,514			700	9,214	13,995	4,782
Furniture & Fittings	26,375	12,487			1,541	14,028	26,375	12,347
Other Assets	362,397	132,592	42,893		36,535	169,127	405,290	236,163
Fuel Facility	288,195	288,195			-	288,195	288,195	-
Carpark	-	-	41,994		70	70	41,994	41,924
Capital WIP	-	-			-	-	-	-
	6,942,483	1,229,923	84,888	0	86,849	1,316,774	7,027,370	5,710,596

6. Post Balance Date Events

There were no post balance date events subsequent to June 2024.

7. Equity

The Airport Authority capital is equity. Equity is represented by net assets.

The Statement of Intent requires the Airport Authority to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently. The Authority's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing the Airport Authority's equity is to ensure it effectively achieves its objectives and purpose, while remaining a going concern.

8. Shareholders Statement of Intent

The 2023-2024 Draft Statement of Intent was required to be delivered by the Authority to shareholders under Part 2 of Schedule 8 of the Local Government Act 2002 by 1 March 2023. The Draft Statement of Intent was delivered to shareholders on 28 February 2023.

9. Related Party Transactions

The Westport Airport Authority is a joint venture between the Crown and Buller District Council, with each holding a 50% interest. During the period the following related party transactions occurred between the Airport Authority and Buller District:

	Note	2024 \$	2023 \$
Services Provided by Buller District Council	4	332,984	308,903
Interest Charges		47,615	37,559
Rates charges		957	957
Current Account balance owed by/(owed to) Buller District Council		(266,283)	(286,254)

WestReef Services Limited is a Council Controlled Organisation of Buller District Council. During the period the following related party transactions occurred between the Airport Authority and WestReef Services Limited:

	2024 \$	2023 \$
Services Provided by WestReef Services Limited	-	5,556
Balance owed to WestReef Services Limited	-	-

There were equity contributions totaling \$196,118 in 2024 by the joint venture partners. (2023: \$370,000).

10. Commitments, Contingent Assets and Contingent Liabilities

The Authority had no contingent assets as at 30 June 2024 (2023: Nil). The Authority had no contingent liabilities in 2024. (2023: Nil).

11. Audit

Audit fees include \$20,666 for Ernst & Young to complete the 2023 annual audit. (2023: \$19,692).

	2024	2023
	\$	\$
Ernst & Young	20,666	19,692

12. 2023 Year: Delay in completion of the audited Annual Report

The Westport Airport Authority, as a Council Controlled Organisation, was required to complete its 2022/23 Annual Report within three months after the end of the financial year (i.e. by 30 September 2023).

This timeframe was not met because the tax work was not completed by the external tax advisors until after this date.

WESTPORT AIRPORT AUTHORITY
Statement of Service Performance
For the year ended 30 June 2024

The Westport Airport Authority operates an Airport at Westport. It is involved in the provision, maintenance, upgrading and enhancement of services and facilities to accommodate the landing of aircraft and the efficient and safe facilitation of passengers and cargo through the Airport, having regard to the regulatory requirements of the Civil Aviation Authority of New Zealand.

The principal objective of the Authority is to:

- Operate as close as possible to a commercial business in a cost effective and efficient manner;
- Maintain the airport's assets; and
- Enter into any commercial undertakings at the airport that will complement the Airport operation and that are considered desirable.

The Authority's performance in comparison to its performance targets agreed in the 2023- 2024 Westport Airport Authority Statement of Intent is outlined as follows:

PERFORMANCE COMMENTARY

Operating Revenue for the Westport Airport Authority was \$6,816 lower than budgeted. This was mainly due to less terminal and other revenue received than budgeted. Actual Terminal and Other Revenue was \$112,449 against the budget of \$117,779.

Operating Expenditure was \$20,709 higher than budgeted. Administration Costs (\$29,977), Audit Fees (\$1,612), Rates and Insurance (\$2,451), Power and Telephone (\$726) and General Expenses (\$6,669) were greater than budgeted, offset by Repairs and Maintenance (\$14,461) and non-cash Depreciation Expense (\$4,207).

The Capital Budget allowed for \$116,076k of capital expenditure as set out below. This budget was for aerodrome beacon lighting, land improvements and for sundry small assets. The actual capital expenditure was for \$61,125 and included land improvements including bunding to make crucial airport infrastructure safe from surface water ingress as well as the planned beacon lighting. Other Assets included VHF radio purchases, essential communication equipment for the safe operations of the airport.

	2024		2023	
	Actual Performance	Performance Targets (as per SOI)	Actual Performance	Performance Targets (as per SOI)
Operating Revenue	196,453	203,269	183,523	158,538
Operating Expenditure	542,960	522,251	540,163	574,699
Net Profit (Loss)	(346,507)	(318,982)	(356,640)	(416,161)
Capital Expenditure:				
Signs	-	-	-	-
Website	-	-	-	-
Furniture and Fittings	-	-	-	-
Other Plant	-	-	28,529	30,000
Land/Bunding Improvements	26,893	26,255	-	-
Aerodrome Beacon	27,008	39,305	-	-
Other Assets	7,224	50,506	14,365	15,300
Fencing	-	-	-	-
Carpark	-	-	41,994	80,000
Capital Revenue:	-	-	-	-
Grants and Subsidies	-	-	-	-
Ratio Performance:				
Total Equity/total Assets (excluding liabilities)	95%	99%	91%	99%

BULLER DISTRICT COUNCIL

25 SEPTEMBER 2024

AGENDA ITEM: 11

Prepared by Bernard Murphy
Acting General Manager Corporate Services

Reviewed by Simon Pickford
Chief Executive Officer

Attachments 1. Westport Airport Authority Accounts (Unaudited) 2024

Public Excluded No

WESTPORT AIRPORT AUTHORITY – FULL YEAR REPORT TO 30 JUNE 2024

1. REPORT SUMMARY

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- 1. That Council approve the Westport Airport Authority Accounts for the year end 30 June 2024 subject to any minor alteration required for completion of the audit process.**

3. ISSUES & DISCUSSION

This report is presented to Council to monitor the Westport Airport Authority financial results.

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3.1 Revenue

Operating Revenue for the Westport Airport Authority was \$6,816 lower than budgeted. This was mainly due to less terminal and other revenue received than budgeted. Actual Terminal and Other Revenue was \$112,449 against the budget of \$117,779.

3.2 Expenditure:

Operating Expenditure was \$20,709 higher than budgeted. Administration Costs (\$29,977), Audit Fees (\$1,612), Rates and Insurance (\$2,451), Power and Telephone (\$726) and General Expenses (\$6,669) were greater than budgeted, offset by Repairs and Maintenance (\$14,461) and non-cash Depreciation Expense (\$4,207).

3.3 Capital Expenditure:

The Capital Budget allowed for \$116,066 of capital expenditure as set out below. This budget was for aerodrome beacon lighting, land improvements and for sundry small assets. The actual capital expenditure was for \$61,125 and included land improvements including bunding to make crucial airport infrastructure safe from surface water ingress as well as the planned beacon lighting. Other Assets included VHF radio purchases, essential communication equipment for the safe operations of the airport.

Capital Expenditure:	2024 Actual	2024 Budget
Land/Bunding Improvements	26,893	26,255
Aerodrome Beacon	27,008	39,305
Other Assets	7,224	50,506
Total	\$61,125	\$116,066

3.4 Unaudited Financial Statements

The attached financial statements are subject to final tax calculations and taxation disclosures set out in Note 2. This update is not expected to be material, and as a loss making venture the entity will have nil tax due when the 2024 year tax return is filed.

The attached financial statements will be subject to a final review of the contributions by the Airport Authority partners, and this most likely will lead to a revision to final current account and equity as at balance date.

Any changes are also not expected to be material, and not have any impact upon the reported Statement of Financial Performance, Performance Measures and Cashflow or other aspects of these Financials.

4. CONSIDERATIONS

4.1. Strategic Impact

The provision of centralised airport services is important for the community providing travel for economic and social reasons.

4.2. Significance Assessment

The significance and engagement policy set out the criteria and framework for a matter or transaction to be deemed significant. The content included in this report is not considered significant by nature due to the value of transactions. However, the provision of an Airport service is significant for the District.

4.3. Risk Analysis

Risk is assessed by considering the likelihood of an event occurring and the result of that event. This report provides oversight of the financial operations of the Westport Airport Authority but does not elaborate on other risks which may be present with this operation. Risk is mitigated by engaging suitably qualified staff to oversee the airport operations. Financial risk is mitigated when the results of operations are reported on and understood by staff and governance.

4.4. Policy / Legal Considerations

Section 66 (1) of the Local Government Act 2002 governs the activities of Buller District Council and sets out the requirement to present a half yearly report to shareholders.

The legislation requires that within 2 months after the end of the first half of each financial year, the board of a council-controlled organisation must deliver to the shareholders a report on the organisation's operations during that half year.

4.5. Tangata Whenua Considerations

The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Tangata Whenua, their culture and traditions.

4.6. Views Of Those Affected

The provision of a Westport Airport service is consulted on with the community during Long Term and Annual Plan processes.

4.7. Costs

There are no extraordinary costs incurred within the reporting period.

4.8. Benefits

The benefits of reviewing the half yearly report are the financial results are monitored at a Council wide level.

4.9. Media / Publicity

There are no media or publicity opportunities with this report.

**WESTPORT AIRPORT
AUTHORITY**

FINANCIAL STATEMENTS

**For the year ended
30 June 2024**



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WESTPORT AIRPORT AUTHORITY
Entity Information
For the year ended 30 June 2024

Legal name

Westport Airport Authority (the Authority).

Type of entity and legal basis

The Authority was established by a Joint Venture Agreement entered into by the Crown and the Buller District Council pursuant to section 5 of the Airport Authorities Act 1966. The Authority is controlled by Buller District Council and is a Council Controlled Organisation (CCO) as defined by section 6(1) of the Local Government Act 2002.

The Authority's purpose or mission

The Authority's primary business activity is the operation of an airport. An airport is considered a crucial aspect of regional infrastructure servicing the Buller district.

The structure of the Authority's operations, including governance arrangements

The Authority comprises of a Chief Executive Officer who runs the day-to-day operations of the airport including compliance with Civil Aviation regulation. This is supported by staff who assist the day-to-day operations and maintenance of the airport. All staff are appointed by Buller District Council who also oversees the governance of the Authority through Council.

Main sources of the Authority's cash and resources

Landing fees and lease income are the primary sources of funding for the Authority.

WESTPORT AIRPORT AUTHORITY
Statement of Accounting Policies
For the year ended 30 June 2024

BASIS OF PREPARATION

The financial statements presented here are for the Westport Airport Authority. The Airport Authority is a public benefit entity for financial reporting purposes under PBE IPSAS.

The financial statements have been prepared in accordance with generally accepted accounting practice NZ GAAP, the Local Government Act 2002 and the Joint Venture Agreement. The financial statements comply with PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) This standard has been applied on the basis that the Authority does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Reliance is placed on the fact that the Authority will continue to receive financial, operational and administrative support from the Buller District Council sufficient to maintain its services. The attention of readers is drawn to note 9.

The financial statements have been prepared on the basis of historical cost. All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are presented in New Zealand dollars and are stated at whole dollar amounts. The functional currency of the Westport Airport Authority is New Zealand Dollars.

The financial statements are prepared on the assumption that the Authority will continue to operate in the foreseeable future.

ACCOUNTING POLICIES**Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition and construction of the asset.

Depreciation

Depreciation of fixed assets, other than land, has been provided on a straight-line basis at rates calculated to allocate the cost of the assets over their estimated useful lives. The depreciation rates applied are:

Buildings	2.5% -5.0%
Runway - Basecourse	1.30%
- Seal	2.0% - 7.7%
Runway Lighting	10.0% - 20.0%
Fuel Facility	8.0%
Other Assets	1.0%-15.0%
Seawall	0.0%

Goods and Services Tax

The financial statements have been prepared exclusive of Goods and Services Tax except for accounts payable and receivable which are stated inclusive of GST. The Westport Airport Authority is not registered for GST on their own account, GST is accounted for as a division of Buller District Council.

Income Tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior tax liabilities.

Cash and Bank Accounts

Cash and bank accounts include cash on hand and deposits held at call with banks.

Trade and Other Receivables

Trade and other receivables are initially measured at the amount owed. When it is likely that the amount owed (or some portion) will not be collected, a provision for impairment is recognized and the loss is recorded as a bad debt expense.

Buller District Council Current Account

Buller District Council advances funds to the Airport Authority on a current account basis to enable the Authority's creditor obligations to be met as they fall due. This current account advance is recognised as either a current asset or a current liability. The account is measured at amortised cost using the effective interest rate method.

Creditors and Other Payables

Creditors and other payables are measured at the amount owed.

Revenue and Expenditure

Landing fees and Grazing income are billed by the Authority and are recognised when receivable. Expenses are recognised when they are incurred. Leases are recognised on a straight-line basis over the lease term.

Significant Management Estimates and Assumptions

There are no significant management assumptions or estimates for the period.

Changes in Accounting Policies

There have been no changes in accounting policies applied or adopted during the period. (2023 Nil).

WESTPORT AIRPORT AUTHORITY
Statement of Financial Position
As at 30 June 2024

	Note	2024 \$	2023 \$
Current Assets			
Accounts receivable and accruals	3	39,246	26,458
Prepayments		4,344	3,919
Total Current Assets		43,590	30,377
Non-Current Assets			
Property, plant & equipment	5	5,678,787	5,710,596
Total Assets		5,722,378	5,740,972
Current Liabilities			
Accounts payable and accruals		71,211	71,767
Buller District Council - current account	9	266,283	286,254
Total Current Liabilities		337,494	358,021
Net Assets		5,384,448	5,382,951
Equity			
Equity: Ministry of Transport	7	2,161,650	1,965,532
<u>Less: Share of accumulated losses</u>		(626,550)	(429,489)
		1,535,100	1,536,043
Equity: Buller District Council	7	4,515,117	4,315,181
<u>Less: Share of accumulated losses</u>		(665,334)	(468,273)
		3,849,783	3,846,908
Equity: Ministry of Transport & Buller District Council		6,676,767	6,280,713
<u>Less: Total accumulated losses</u>		(1,291,884)	(897,762)
Total Equity		5,384,883	5,382,951

Authorised for issue on behalf of the Westport Airport Authority on XX September 2024 by:

Simon Pickford
CHIEF EXECUTIVE

Jamie Cleine
CHAIRPERSON

*The accompanying Notes are an integral part of and are to be read
in conjunction with these statements.*

WESTPORT AIRPORT AUTHORITY
Statement of Changes in Equity
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Equity at Start of the Year		5,382,951	5,407,150
Total Comprehensive Revenue and Expense		(394,122)	(394,198)
Contributions from Buller District Council	9	199,936	273,669
Contributions from the Crown	9	196,118	96,330
Equity at End of the Year		5,384,883	5,382,951

CONTRIBUTIONS BY THE JOINT VENTURE PARTNERS

Equity Account as at 30 June 2024	Ministry of Transport \$	Buller District Council \$	Total \$
Land	-	2,159,000	2,159,000
Contributions for assets purchased to 30 June 2024	1,528,356	1,553,359	3,081,715
Contributions for accumulated losses to 30 June 2024	633,295	802,758	1,436,052
Total before share of accumulated losses or surplus	2,161,651	4,515,117	6,676,767

Equity Account as at 30 June 2023	Ministry of Transport \$	Buller District Council \$	Total \$
Land		2,159,000	2,159,000
Contributions for assets purchased to 30 June 2023	1,485,912	1,522,767	3,008,679
Contributions for accumulated losses to 30 June 2023	479,620	633,414	1,113,033
Total before share of accumulated losses or surplus	1,965,532	4,315,181	6,280,713

EQUITY APPROPRIATION ACCOUNT

	2024 \$	2023 \$
Opening Balance (Accumulated Losses)	(897,762)	(503,563)
Total Comprehensive Revenue and Expense	(394,122)	(394,198)
Closing Balance (Accumulated Losses)	(1,291,884)	(897,762)

The accompanying Notes are an integral part of and are to be read
in conjunction with these statements.

WESTPORT AIRPORT AUTHORITY
Statement of Cash Flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash Flows from Operating Activities			
<i>Cash was provided from:</i>			
Landing Fees & Airport Dues		30,883	30,490
Rental, Service Charges & Other Income		112,449	101,515
Farming Lease		42,000	42,000
Flood Recovery Income Received		-	-
		185,332	174,005
<i>Cash was applied to:</i>			
Payments to Suppliers and Employees		(488,435)	(420,539)
Interest Paid		-	-
Net GST		(1,740)	516
		(490,175)	(420,023)
Net Cash Flows from/(to) Operating Activities		(304,842)	(246,018)
Cash Flows from Investing Activities			
<i>Cash was provided from:</i>			
Sale of Assets		-	-
<i>Cash was applied to:</i>			
Purchase of fixed assets		(61,182)	(105,643)
Net Cash Flow from/(to) Investing Activities		(61,182)	(105,643)
Cash Flows from Financing Activities			
<i>Cash was provided from:</i>			
Contributions from Joint Venture Partners		396,054	370,000
Buller District Council Current Account		-	-
		396,054	370,000
<i>Cash was provided to:</i>			
Buller District Council Current Account		(30,031)	(18,340)
Net Cash Flows from/(to) Financing Activities		366,023	351,660
Net Increase in Cash and cash equivalents		-	-
Add Cash and cash equivalents at Start of Year		-	-
Cash and cash equivalents End of Year	1	-	-

The accompanying Notes are an integral part of and are to be read
in conjunction with these statements.

WESTPORT AIRPORT AUTHORITY
Notes to the Financial Statements
For the year ended 30 June 2024

1. Cash

Buller District Council provides administrative services to the Authority. The Airport does not run a bank account and all Airport income and expenses are paid through the Buller District Council general bank account.

2. Taxation

	2024	2023
	\$	\$
Net Surplus (Deficit) before Tax	(394,122)	(394,198)
Tax at 28%	(110,354)	(110,376)
Temporary Differences not recognised	(12,451)	(6,729)
Tax Losses not recognized	137,462	117,105
Tax Expense	-	-

Unrecognised tax losses of \$3,337,789 (2023: \$2,885,728) with a tax effect of \$934,581 (2023: \$808,003) are available to carry forward.

3. Accounts Receivable and Accruals

Accounts receivable and accruals are disclosed net of any provision for impairment. There was no impairment recognized in 2024 (2023: Nil).

4 Support by Buller District Council

The operation of the Authority is undertaken by the Buller District Council, which is also responsible for the financing of those operations.

Buller District Council has included in its Annual Plan provision to support the Westport Airport Authority for the next twelve months to enable the Authority to maintain its current level of operation. This support includes all financial, operational and administrative support services. Administrative support includes employment of operational staff and internal charges for administration of the Authority.

	2024	2023
	\$	\$
Employment related costs	228,860	226,632
Buller District Council - internal charges	104,124	82,272
Total Administration Expenses	332,984	308,903

5. Property, Plant and Equipment

Property, Plant and Equipment - 2024								
	Cost 1 July 2023	Accumulated Depreciation 1 July 2023	Additions	Disposals & Transfers	Depreciation 30 June 2024	Accumulated Depreciation 30 June 2024	Cost 30 June 2024	Carrying Amount 30 June 2024
Land & Improvements	4,619,353	-	26,893	-	166	166	4,646,246	4,646,079
Runway	387,977	89,787	-	-	15,505	113,421	387,977	274,555
Runway Lighting	701,637	532,722	27,068	-	20,297	553,018	728,704	175,686
Terminal Building	542,554	213,631	-	-	13,564	227,194	542,554	315,359
Toilet Block	13,995	9,214	-	-	700	9,913	15,538	7,490
Furniture & Fittings	26,375	14,028	-	-	1,514	15,542	26,375	10,833
Other Assets	405,290	169,127	7,224	-	40,407	199,491	409,082	207,701
Fuel Facility	288,195	288,195	-	-	-	288,195	288,195	-
Carpark	41,994	70	-	-	840	910	41,994	41,084
Capital WIP	-	-	-	-	-	-	-	-
	7,027,370	1,316,774	61,185	-	92,993	1,407,851	7,086,664	5,678,787

Property, Plant and Equipment - 2023								
	Cost 1 July 2022	Accumulated Depreciation 1 July 2022	Additions	Disposals & Transfers	Depreciation 30 June 2023	Accumulated Depreciation 30 June 2022	Cost 30 June 2023	Carrying Amount 30 June 2023
Land & Improvements	4,619,353	-			-	-	4,619,353	4,619,353
Runway	387,977	74,292			15,495	89,787	387,977	290,060
Runway Lighting	701,637	513,778			18,944	532,722	701,637	168,915
Terminal Building	542,554	200,067			13,564	213,631	542,554	328,923
Toilet Block	13,995	8,514			700	9,214	13,995	4,782
Furniture & Fittings	26,375	12,487			1,541	14,028	26,375	12,347
Other Assets	362,397	132,592	42,893		36,535	169,127	405,290	236,163
Fuel Facility	288,195	288,195			-	288,195	288,195	-
Carpark	-	-	41,994		70	70	41,994	41,924
Capital WIP	-	-			-	-	-	-
	6,942,483	1,229,923	84,888	0	86,849	1,316,774	7,027,370	5,710,596

6. Post Balance Date Events

There were no post balance date events subsequent to June 2024.

7. Equity

The Airport Authority capital is equity. Equity is represented by net assets.

The Statement of Intent requires the Airport Authority to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently. The Authority's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing the Airport Authority's equity is to ensure it effectively achieves its objectives and purpose, while remaining a going concern.

8. Shareholders Statement of Intent

The 2023-2024 Draft Statement of Intent was required to be delivered by the Authority to shareholders under Part 2 of Schedule 8 of the Local Government Act 2002 by 1 March 2023. The Draft Statement of Intent was delivered to shareholders on 28 February 2023.

9. Related Party Transactions

The Westport Airport Authority is a joint venture between the Crown and Buller District Council, with each holding a 50% interest. During the period the following related party transactions occurred between the Airport Authority and Buller District:

	Note	2024 \$	2023 \$
Services Provided by Buller District Council	4	332,984	308,903
Interest Charges		47,615	37,559
Rates charges		957	957
Current Account balance owed by/(owed to) Buller District Council		(266,283)	(286,254)

WestReef Services Limited is a Council Controlled Organisation of Buller District Council. During the period the following related party transactions occurred between the Airport Authority and WestReef Services Limited:

	2024 \$	2023 \$
Services Provided by WestReef Services Limited	-	5,556
Balance owed to WestReef Services Limited	-	-

There were equity contributions totaling \$196,118 in 2024 by the joint venture partners. (2023: \$370,000).

10. Commitments, Contingent Assets and Contingent Liabilities

The Authority had no contingent assets as at 30 June 2024 (2023: Nil). The Authority had no contingent liabilities in 2024. (2023: Nil).

11. Audit

Audit fees include \$20,666 for Ernst & Young to complete the 2023 annual audit. (2023: \$19,692).

	2024	2023
	\$	\$
Ernst & Young	20,666	19,692

12. 2023 Year: Delay in completion of the audited Annual Report

The Westport Airport Authority, as a Council Controlled Organisation, was required to complete its 2022/23 Annual Report within three months after the end of the financial year (i.e. by 30 September 2023).

This timeframe was not met because the tax work was not completed by the external tax advisors until after this date.

WESTPORT AIRPORT AUTHORITY
Statement of Service Performance
For the year ended 30 June 2024

The Westport Airport Authority operates an Airport at Westport. It is involved in the provision, maintenance, upgrading and enhancement of services and facilities to accommodate the landing of aircraft and the efficient and safe facilitation of passengers and cargo through the Airport, having regard to the regulatory requirements of the Civil Aviation Authority of New Zealand.

The principal objective of the Authority is to:

- Operate as close as possible to a commercial business in a cost effective and efficient manner;
- Maintain the airport's assets; and
- Enter into any commercial undertakings at the airport that will complement the Airport operation and that are considered desirable.

The Authority's performance in comparison to its performance targets agreed in the 2023- 2024 Westport Airport Authority Statement of Intent is outlined as follows:

PERFORMANCE COMMENTARY

Operating Revenue for the Westport Airport Authority was \$6,816 lower than budgeted. This was mainly due to less terminal and other revenue received than budgeted. Actual Terminal and Other Revenue was \$112,449 against the budget of \$117,779.

Operating Expenditure was \$20,709 higher than budgeted. Administration Costs (\$29,977), Audit Fees (\$1,612), Rates and Insurance (\$2,451), Power and Telephone (\$726) and General Expenses (\$6,669) were greater than budgeted, offset by Repairs and Maintenance (\$14,461) and non-cash Depreciation Expense (\$4,207).

The Capital Budget allowed for \$116,076k of capital expenditure as set out below. This budget was for aerodrome beacon lighting, land improvements and for sundry small assets. The actual capital expenditure was for \$61,125 and included land improvements including bunding to make crucial airport infrastructure safe from surface water ingress as well as the planned beacon lighting. Other Assets included VHF radio purchases, essential communication equipment for the safe operations of the airport.

	2024		2023	
	Actual Performance	Performance Targets (as per SOI)	Actual Performance	Performance Targets (as per SOI)
Operating Revenue	196,453	203,269	183,523	158,538
Operating Expenditure	542,960	522,251	540,163	574,699
Net Profit (Loss)	(346,507)	(318,982)	(356,640)	(416,161)
Capital Expenditure:				
Signs	-	-	-	-
Website	-	-	-	-
Furniture and Fittings	-	-	-	-
Other Plant	-	-	28,529	30,000
Land/Bunding Improvements	26,893	26,255	-	-
Aerodrome Beacon	27,008	39,305	-	-
Other Assets	7,224	50,506	14,365	15,300
Fencing	-	-	-	-
Carpark	-	-	41,994	80,000
Capital Revenue:	-	-	-	-
Grants and Subsidies	-	-	-	-
Ratio Performance:				
Total Equity/total Assets (excluding liabilities)	95%	99%	91%	99%