

WESTPORT AIRPORT AUTHORITY

FINANCIAL STATEMENTS

**For the year ended
30 June 2022**



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WESTPORT AIRPORT AUTHORITY
Entity Information
For the year ended 30 June 2022

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 2022

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. (2021 Nil).

WESTPORT AIRPORT AUTHORITY
Statement of Financial Position
As at 30 June 2022

	Note	2022 \$	2021 \$
Current Assets			
Accounts receivable and accruals	3	15,513	17,168
Prepayments		2,992	2,647
Total Current Assets		18,505	19,815
Non-Current Assets			
Property, plant & equipment	5	5,712,560	5,565,443
Total Assets		5,731,065	5,585,257
Current Liabilities			
Accounts payable and accruals		56,881	54,132
Buller District Council - current account	9	267,034	132,896
Total Current Liabilities		323,915	187,028
Net Assets		5,407,150	5,398,230
Equity			
Equity: Ministry of Transport	7	1,869,201	1,804,072
<u>Less: Share of accumulated losses</u>		(232,390)	(171,720)
		1,636,812	1,632,352
Equity: Buller District Council	7	4,041,511	3,976,382
<u>Less: Share of accumulated losses</u>		(271,174)	(210,504)
		3,770,338	3,765,878
Equity: Ministry of Transport & Buller District Council		5,910,713	5,780,453
<u>Less: Total accumulated losses</u>		(503,563)	(382,224)
Total Equity		5,407,150	5,398,230

Authorised for issue on behalf of the Westport Airport Authority on 7 March 2023 by:



Rachel Townrow
ACTING 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 Financial Performance
For the year ended 30 June 2022

2021		Note	2022	Unaudited Budget
\$			\$	\$
	Revenue			
41,747	Landing fees & Other Dues		41,304	48,000
111,683	Terminal Rental & Other Income		100,273	121,704
42,000	Farming Lease		42,000	42,000
-	Flood Recovery Income	11	268,106	-
195,430	Total Revenue		451,683	211,704
	Less: Expenditure			
57,298	Airport Maintenance		42,732	111,500
211,446	Administration	4	299,264	220,905
13,264	Audit Fees	12	17,601	10,500
63,122	Depreciation	5	67,716	59,449
8,344	Rates and Insurance		9,312	9,773
2,500	Legal Fees		6,496	2,000
10,594	Power and Telephone		9,774	11,196
-	Repairs and Maintenance Flood Recovery		88,904	-
20,303	General Expenses		29,336	32,300
386,871	Total Expenditure		571,135	457,623
(191,441)	Operating Surplus (Deficit)		(119,452)	(245,919)
	Less:			
658	Interest Expense	9	1,887	-
2,069	Loss on Disposal of Asset	5	-	-
(194,168)	Net Surplus/(Deficit) Before Tax		(121,339)	(245,919)
-	Less Tax Expense	2	-	-
(194,168)	Net Surplus (Deficit) after Tax		(121,339)	(245,919)
	Plus Capital Grant Funding			
755,630	External Contributions - Grant Funding	11	-	-
561,462	Net Surplus (Deficit)		(121,339)	(245,919)
	Attributable to:			
280,731	Profit / (Loss) Buller District Council		(60,670)	
280,731	Profit/ (Loss) Ministry of Transport		(60,670)	

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 2022

	Note	2022 \$	2021 \$
Equity at Start of the Year		5,398,230	4,298,310
Total Comprehensive Revenue and Expense		(121,339)	561,462
Contributions from Buller District Council	9	65,130	269,229
Contributions from the Crown	9	65,130	269,229
Equity at End of the Year		5,407,150	5,398,230

CONTRIBUTIONS BY THE JOINT VENTURE PARTNERS

Equity Account as at 30 June 2022	Ministry of Transport \$	Buller District Council \$	Total \$
Land	-	2,159,000	2,159,000
Contributions for assets purchased to 30 June 2022	1,480,882	1,475,293	2,956,175
Contributions for accumulated losses to 30 June 2022	388,320	407,219	795,538
Total before share of accumulated losses or surplus	1,869,201	4,041,511	5,910,713

Equity Account as at 30 June 2021	Ministry of Transport \$	Buller District Council \$	Total \$
Land	-	2,159,000	2,159,000
Contributions for assets purchased to 30 June 2021	1,476,212	1,470,623	2,946,835
Contributions for accumulated losses to 30 June 2021	327,860	346,759	674,617
Total before share of accumulated losses or surplus	1,804,072	3,976,382	5,780,453

EQUITY APPROPRIATION ACCOUNT

	2022 \$	2021 \$
Opening Balance (Accumulated Losses)	(382,224)	(943,686)
Total Comprehensive Revenue and Expense	(121,339)	561,462
Closing Balance (Accumulated Losses)	(503,563)	(382,224)

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 2022

	Note	2022 \$	2021 \$
Cash Flows from Operating Activities			
<i>Cash was provided from:</i>			
Landing Fees & Airport Dues		41,304	58,201
Rental, Service Charges & Other Income		103,713	111,683
Farming Lease		42,000	42,000
Flood Recovery Income Received		268,106	-
Grant Received		-	755,630
		453,123	967,514
<i>Cash was applied to:</i>			
Payments to Suppliers and Employees		(502,928)	(312,156)
Interest Paid		(1,229)	(658)
Net GST		487	(68,138)
		(503,670)	(380,952)
Net Cash Flows from/(to) Operating Activities		(50,547)	586,562
Cash Flows from Investing Activities			
<i>Cash was provided from:</i>			
Sale of Assets		-	8,261
<i>Cash was applied to:</i>			
Purchase of fixed assets		(213,850)	(787,356)
Net Cash Flow from/(to) Investing Activities		(213,850)	(779,095)
Cash Flows from Financing Activities			
<i>Cash was provided from:</i>			
Contributions from Joint Venture Partners		130,260	538,459
Buller District Council Current Account		134,138	-
		264,398	538,459
<i>Cash was provided to:</i>			
Buller District Council Current Account		-	(345,296)
Net Cash Flows from/(to) Financing Activities		264,398	192,532
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 2022

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

	2022	2021
	\$	\$
Net Surplus (Deficit) before Tax	(121,339)	(194,168)
Tax at 28%	(33,975)	(54,367)
Temporary Differences not recognised	(58,781)	(37,310)
Tax Losses not recognized	92,756	91,677
Tax Expense	-	-

Unrecognised tax losses of \$2,174,699 (2021: \$2,053,360) with a tax effect of \$608,916 (2021: \$574,941) 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 2022 (2021: 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.

	2022	2021
	\$	\$
Employment related costs	246,728	183,285
Buller District Council - internal charges	52,536	28,007
Total Administration Expenses	\$299,264	\$211,446

5. Property, Plant and Equipment

Property, Plant and Equipment - 2022								
	Cost 1 July 2021	Accumulated Depreciation 1 July 2021	Additions	Disposals & Transfers	Depreciation 30 June 2022	Accumulated Depreciation 30 June 2022	Cost 30 June 2022	Carrying Amount 30 June 2022
Land & Improvements	4,618,573	-	780	-	-	-	4,619,353	4,619,353
Runway	387,977	66,916	-	-	7,376	74,292	387,977	313,686
Runway Lighting	512,199	512,199	189,438	-	1,579	513,778	701,637	187,859
Terminal Building	542,554	186,503	-	-	13,564	200,067	542,554	342,487
Toilet Block	13,995	7,814	-	-	700	8,514	13,995	5,481
Furniture & Fittings	12,774	11,903	13,601	-	584	12,487	26,375	13,888
Fixed Assets	331,641	88,678	11,012	19,744	43,914	132,592	362,397	229,805
Fuel Facility	288,195	288,195	-	-	-	288,195	288,195	-
Capital WIP	19,744	-	-	(19,744)	-	-	-	-
	6,727,652	1,162,208	214,831	-	67,715	1,229,923	6,942,483	5,712,560

Property, Plant and Equipment - 2021								
	Cost 1 July 2020	Accumulated Depreciation 1 July 2020	Additions	Disposals & Transfers	Depreciation 30 June 2021	Accumulated Depreciation 30 June 2021	Cost 30 June 2021	Carrying Amount 30 June 2021
Land & Improvements	2,693,196	-	187,082	1,738,295	-	-	4,618,573	4,618,573
Runway	387,977	50,645	-	-	16,271	66,916	387,977	321,061
Runway Lighting	512,199	512,199	-	-	-	512,199	512,199	-
Terminal Building	542,554	172,939	-	-	13,564	186,503	542,554	356,051
Toilet Block	13,995	7,114	-	-	700	7,814	13,995	6,181
Furniture & Fittings	12,774	11,433	-	-	471	11,903	12,774	870
Fixed Assets	245,620	58,751	100,255	(14,234)	32,117	88,678	331,165	242,963
Fuel Facility	288,195	288,195	-	-	-	288,195	288,195	-
Capital WIP	1,738,295	-	19,744	(1,738,295)	-	-	19,744	19,744
	6,434,805	1,101,276	307,081	(14,234)	63,122	1,162,209	6,729,842	5,565,443

* Disposals for Fixed Assets in 2021 includes \$2,190 of accumulated depreciation.

6. Post Balance Date Events

A significant rainfall event occurred in August 2022. However there was no damage to the Westport Airport.

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 2021/2022 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 2021. The Draft Statement of Intent was delivered to shareholders on 24 February 2021.

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:

	2022	2021
	\$	\$
Services Provided by Buller District Council	299,264	211,446
Interest Charges (interest charged at 8.75%)	1,887	658
Rates charges	850	634
Current Account balance owed by/(owed to) Buller District Council	(267,034)	(132,896)

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

	2022	2021
	\$	\$
Services Provided by WestReef Services Limited	588	2,435
Balance owed to WestReef Services Limited	-	-

There were equity contributions totaling \$130,260 in 2022 by the joint venture partners. (2021: \$538,458).

10. Commitments, Contingent Assets and Contingent Liabilities

The Authority had no contingent assets as at 30 June 2022 (2021: Nil). The Authority had no contingent liabilities in 2022. (2021: Nil).

11. External Contributions - Grant Funding

The airport received a Flood Recovery Response Grant from the DIA to the value of \$268,106 (2021: \$nil).

2021: A grant of \$755,630 was provided by the Ministry of Business and Innovation. It was from the Critical Infrastructure Resilience Fund. This funding was for the Westport Airport Sea Wall, a rock protection wall which shelters the Westport Airport runway and land. No further grant funding was received from the Ministry of Business and Innovation during the year end 30 June 2022.

12. Audit

Audit fees include \$5,520 for Audit NZ to complete the annual audit for the 2021 financial year, an accrual of \$10,650 for EY to complete the 2022 annual audit and \$2,863 for Civil Aviation Audits. (2021: \$10,300 for Audit NZ and \$2,964 for Civil Aviation Audits).

	2022	2021
	\$	\$
Audit New Zealand (2021)/Ernst Young (2022) <i>(for annual report audit)</i>	16,170	10,300
Civil Aviation Authority <i>(for aviation audit)</i>	2,863	2,964

WESTPORT AIRPORT AUTHORITY
Statement of Service Performance
For the year ended 30 June 2022

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 2021-2022 Westport Airport Authority Statement of Intent is outlined as follows:

PERFORMANCE COMMENTARY

Operating Revenue for the Westport Airport Authority was \$240k higher than budgeted, predominantly due to income received from Government for flood recovery response. The remainder of the variance is due to lesser terminal rental and other income, and landing fees and other dues income being less than budget.

Operating Expenditure was \$115k higher than budgeted. \$88k of this variance relates to repairs and maintenance required for flood recovery response. Administration costs were \$78k higher than budgeted, while airport maintenance was \$69k below budget.

The Capital Budget allowed for \$72k of capital expenditure as set out below. This budget was for various small value fixed assets. During the year less capital expenditure was undertaken than planned, however \$189k extra capital expenditure was incurred to replace the runway lighting system. This unplanned capital expenditure was required because of the July 2021 flood event which damaged the lighting, an important part of the airport infrastructure.

	2022		2021	
	Actual Performance	Performance Targets (as per SOI)	Actual Performance	Performance Targets (as per SOI)
Operating Revenue	451,683	211,704	195,429	211,704
Operating Expenditure	573,022	457,623	386,871	406,096
Net Profit (Loss)	(121,339)	(245,919)	(191,441)	(194,392)
Capital Expenditure:				
Signs			-	-
Furniture and Fittings			-	-
Other Plant			-	-
Runway Lighting	189,438	-		
Other Assets	24,613	72,300	100,255	22,000
Rock Protection Wall	780	-	295,159	-
Fence	-	-	73,672	-
Capital Income:				
MBIE Grant	-	-	755,630	-
Ratio Performance:				
Total Equity/total Assets (excluding liabilities)	94%	99%	96%	99%

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WESTPORT AIRPORT AUTHORITY'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2022

The Auditor-General is the auditor of Westport Airport Authority (the airport authority). The Auditor-General has appointed me, Brendan Summerfield, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements and the performance information of the airport authority on his behalf.

Opinion

We have audited:

- the financial statements of the airport authority on pages 2 to 11, that comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the airport authority on page 12.

In our opinion:

- the financial statements of the airport authority on pages 2 to 11:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard; and
- the performance information of the airport authority on page 12 presents fairly, in all material respects, the airport authority's actual performance compared against the performance targets and other measures by which performance was judged in relation to the airport authority's objectives, for the year ended 30 June 2022.

Our audit was completed on 10 March 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Buller District Council and our responsibilities relating to the financial statements and the performance information, and we explain our independence.



Basis for our opinion

We carried out our audit 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. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Buller District Council for the financial statements and the performance information

The Buller District Council is responsible on behalf of the airport authority for preparing financial statements and performance information that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

Buller District Council is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, Buller District Council is responsible on behalf of the airport authority for assessing the airport authority's ability to continue as a going concern. The Buller District Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the airport authority or to cease operations, or there is no realistic alternative but to do so.

Buller District Council's responsibilities arise from the Local Government Act 2002 and a Deed between Buller District Council and the Crown.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:



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- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the airport authority's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Buller District Council.
- We evaluate the appropriateness of the reported performance information within the airport authority's framework for reporting performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Buller District Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the airport authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the airport authority to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Buller District Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify in our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Buller District Council is responsible for the other information. The other information comprises the information included on page 1 but does not include the financial statements and performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Independence

We are independent of the airport authority in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the airport authority.

A handwritten signature in blue ink, appearing to read 'B Summerfield', is written over a faint, light blue circular stamp.

Brendan Summerfield
Ernst & Young
On behalf of the Auditor-General
Christchurch, New Zealand
10 March 2023