

# ANNUAL REPORT 2017-2018



**WALKING ACCESS**  
ARA HĪKOI AOTEAROA



NEW ZEALAND WALKING ACCESS COMMISSION  
ARA HĪKOI AOTEAROA

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ISSN 1179-5220 (print) ISSN 1179-5239 (online)  
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Presented to the House of Representatives pursuant to Sections  
150-157 of the Crown Entities Act 2004

Cover: The Commission's Whitecliffs Walkway in Taranaki has  
an optional beach section which is only recommended at low tide.

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# Chair's message

The provision of public access is the key to unlocking a wide array of experiences in New Zealand's great outdoors. As the Government's expert agency on public access, the New Zealand Walking Access Commission Ara Hīkoi Aotearoa is responsible for the provision of public access, and providing leadership of national and local strategies that enable this provision.

In the 2017/18 financial year the Commission was more proactive about its approach to public access planning and strategy, working alongside a variety of partners in local and central government, the recreation sector, landholders, and iwi.

As we near 10 years since the the Commission's establishment, it is building a higher public profile and a strong reputation for integrity, accuracy and reliability.

Part of the credit for this reputation goes to the Commission's small but committed Wellington-based staff and team of regional contractors across the country. In 2017/18, the Wellington-based team has grown in size and skill to enhance capacity and capability across the areas in which the Commission works.

In 2018/19, the Walking Access Act 2008 is due to be reviewed, and I am confident that the efforts of the Board and staff have ensured we will see the positive position of the Commission endorsed by this review.

The work of the Commission has focused around three key impacts, identified in the Outcome Framework from the Statement of Performance Expectations 2017/18: Access is available where and when wanted; People know where access is; and People know how to behave in the outdoors.

We have trialled a number of new approaches in 2017/18, mostly focused on identifying narratives and strategic planning opportunities to assist with access planning at a regional level, rather than on individual access issues.

These regional projects have come about in a variety of ways, including identifying areas with the most need (such as the South Island High Country); funding opportunities for work in specific areas (the project in north Auckland); and where key partners have stepped forward to enhance capability (the Taranaki 2040 vision work).

Piloting different ways of working has assisted the Commission to increase our influence around provision of public access. Over time this will benefit both locals and visitors, and will provide enhanced economic development in those regions.

At the same time, the Commission's core work of dispute resolution, Overseas Investment Office case management, and providing innovative mapping solutions have all continued to grow. We have begun work to improve the efficiency of the Commission's systems, as our growing public profile has also led to more work while needing to ensure accuracy and integrity are not compromised.

Lastly, I want to pay tribute to three people who gave significantly to the Commission in recent years and have finished their time with us. Board members Penny Mudford and Barbara Stuart have both been involved in public access to the outdoors for some time, including in the period prior to the establishment of the Commission, and their expertise and dedication will be missed. Eric Pyle, the Commission's second Chief Executive, was the driving force behind much of the Commission's step-change towards proactive access planning. While his time with us was short, his impact cannot be overstated. Thank you, Penny, Barbara and Eric, on behalf of the Board and staff of the Commission.



John Forbes, Board Chair



Robin McNeill, Board Member



## Purpose

The New Zealand Walking Access Commission's purpose is to lead and support the negotiation, establishment, maintenance and improvement of walking access and types of access that may be associated with walking access, such as access with firearms, dogs, bicycles, or motor vehicles.

The Commission's governing legislation is the *Walking Access Act 2008*.

## Governance

The Commission is governed by a board appointed by the Minister for Primary Industries. The Commission is funded by Parliament through Vote Primary Industries and Food Safety and is accountable for its performance to the Minister for Primary Industries.

The Board is responsible for setting policy and strategic direction and for monitoring the overall performance of the Commission.

## Board

### Chairman

**John Forbes** is Mayor of Opotiki District. He has a good understanding of the agricultural, horticultural, forestry and rural sectors. As a committee chairman of a rural council for 19 years and a Mayor since 2001, John has had significant experience in governance processes, public consultation and representing rural communities. He was a member of the Walking Access Consultation Panel and the Walking Access Advisory Board.

*Term of appointment: August 2016-April 2020.*



### Board members

**Barbara Stuart** is a Nelson-based farmer and outdoor enthusiast with a background of community involvement. The Stuart family has a long-standing history of supporting outdoor access. Barbara, her husband Ian and his parents were among the first private landowners to create a formal public walkway across their family farm, establishing the Cable Bay Walkway in 1984. In 2013, they received a Walking Access Award for this and other outdoor access initiatives in their community.

*Term of appointment: November 2015-July 2018.*



**Peter Brown** affiliates to several Tairāwhiti iwi and works as the Māori Health Manager at Tairāwhiti DHB. He is an owner of a whānau land block which provides free public access to East Cape Lighthouse.

Peter is also the chairman of a tribal farming incorporation, a director of a medicinal herb company and has his own orchard block. He holds qualifications in law, management and the environment and is certified in dispute resolution.

Peter is also a former Waitangi Tribunal member.

*Term of appointment: August 2016-April 2019.*

**Penny Mudford** is a Wellington-based arbitrator and mediator and a Fellow of the Arbitrators' and Mediators' Institute of New Zealand. Penny was a member of the Land Access Ministerial Reference Group in 2003.

She is a Chartered Member of the Institute of Directors, a member of Global Women New Zealand, and has held many governance roles. Penny has a background in agriculture with 20 years' experience as a dairy farmer and rural property owner in Manawatu. She is National Chair of Rural Women New Zealand and a former provincial president of Federated Farmers.

*Term of appointment: November 2015-July 2018.*

**Robin McNeill** has had two decades of involvement in outdoor sector issues as a keen tramper, mountaineer and occasional hunter. He is a past president of Federated Mountain Clubs and served for ten and a half years on the Southland Conservation Board.

Robin played an important role in development of the Walking Access Mapping System as a member of the technical advisory committee.

*Term of appointment: August 2016-April 2019.*



## Staff

The Commission has a team of thirteen staff (11.51 FTE) and twelve regional field advisors. The staff are based in the Commission's head office in Wellington and include a mix of permanent, seconded and fixed-term staff. The field advisors are located around the country and are engaged on a part-time contractual basis.

Our people have a range of backgrounds including law, policy, land surveying, geospatial information technology, finance and administration. Some of our regional field advisors are farmers or have a background in farming. The Commission's people have a keen interest in rural New Zealand and outdoor recreation.

# Functions

The Commission's functions are provided for in section 10 of the *Walking Access Act 2008*.

It is to:

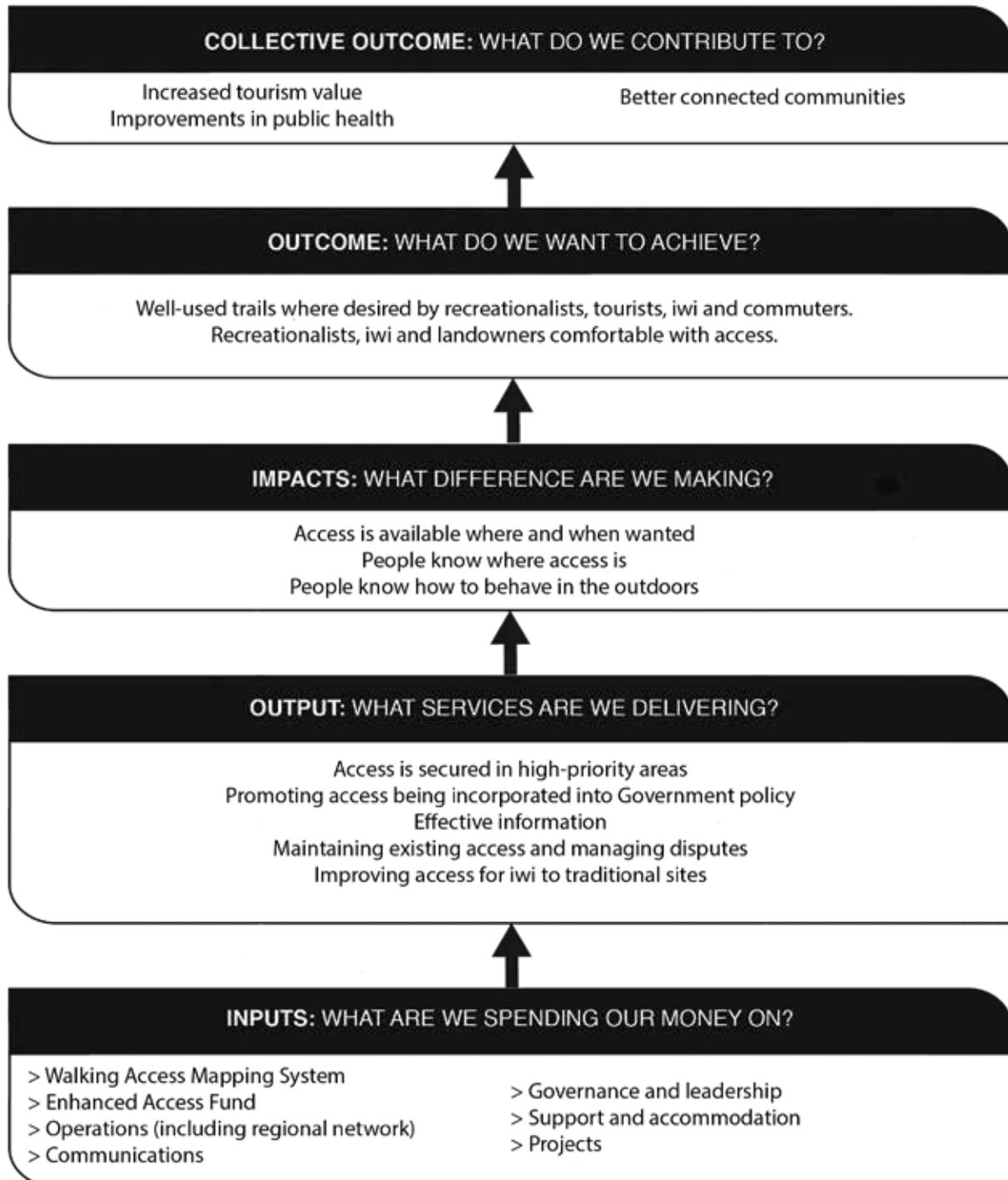
- provide national leadership on walking access by:
  - » preparing and administering a national strategy; and
  - » coordinating walking access among relevant stakeholders and central and local government organisations, including Sport New Zealand;
- provide local and regional leadership on, and coordination of, walking access in collaboration with local authorities;
- compile, hold and publish maps and information about land over which members of the public have walking access;
- provide advice on walking access to the Minister or any other person;
- facilitate resolution of disputes about walking access, including initiating negotiations about disputed issues, mediating disputes and referring disputes to a court, tribunal, or other dispute resolution body;
- negotiate with landholders to obtain walking access (including walkways, which are one form of walking access) over public or private land;
- negotiate rights in addition to any walking access that is obtained, such as the right of access with firearms, dogs, bicycles, or motor vehicles;
- administer a fund to finance the activities of the Commission, or any other person, in obtaining, developing, improving, maintaining, administering, and signposting walking access over any land;
- receive and manage private funding, contributions, or sponsorship for the promotion of walking access;
- research, educate the public about, and participate in topics and programmes related to walking access;
- develop, promote, and maintain the code of responsible conduct;
- administer walkways under the Act, with planning and supervision focused at a local level; and
- monitor the compliance with, and enforcement of, the Act in relation to walkways.

# Principles

In carrying out its functions the Commission applies a set of principles:

- in exercising its leadership role, the Commission will be an independent, responsive, open and influential catalyst facilitating access;
- the New Zealand economy is based on a strong and stable set of property rights and a legal system which values certainty and predictability;
- New Zealand has a well-defined legal framework for the ownership of land, which spells out the property rights and responsibilities of those who control access to land, whether privately or publicly owned; and
- a strong tradition has evolved whereby members of the public are generally given permission to access privately owned land, if they ask permission first and respect property, other people and the environment.

# The Commission's outcome framework



# Achieving our outcomes

The Commission is proud to contribute to creating increased tourism value, better connected communities and improvements in public health across New Zealand. Through assisting with the creation and maintenance of well-used tracks and trails, the Commission provides opportunity for local communities to promote their areas to tourists, bringing revenue and jobs into their areas. These tracks and trails provide direct benefit for locals as well, as they connect communities to each other and to local amenities, providing a better experience for locals and making it easy for them to get into the great outdoors. This has flow-on benefits for public health, as physically active, socially connected communities are healthier communities.

## Impacts and outputs

This annual report will examine case studies from across the breadth of the Commission's work in 2017/18, as examples of the Commission's achievements on its three impacts:

- Access is available when and where wanted;
- People know where access is;
- People know how to behave in the outdoors.

And the Commission's five outputs:

- Access is secured in high-priority areas;
- Promoting access being incorporated into Government policy;
- Effective information.
- Maintaining existing access and managing disputes;
- Improving access for iwi to traditional sites;

In 2017/18, the Commission published and began to embed its new Walking Access Strategy 2017 - 2022 throughout the organisation. The most significant change for the Commission's work was the increased focus on proactive access planning, undertaken in partnership with a wide range of key stakeholders. This proactive work occurred alongside the traditional, reactive work of Commission staff and contractors, resulting in an increased overall workload for the Commission.

Proactive planning will have a long-term positive impact on the number of disputes and enquiries relating to public access that members of the public raise with the Commission. Effective planning of new access combined with forecasting of potential issues will significantly assist with ensuring that access to the outdoors is available where and when wanted, with appropriate restrictions where necessary.

The Commission undertook two major projects with regards to the provision of information on access in 2017/18, and case studies of both are on the following pages. Staff continued to upgrade and improve the Commission's flagship product, the Walking Access Mapping System, while also developing a new product, Find My Adventure, to help provide consistent and effective information on where, when and how the public can access the outdoors.

Responsible outdoor behaviour continues to be a focus for the Commission. Helping to spread messages about what proper behaviour is, means that users of public access will have as low an impact as possible on both the environment and on others who live, work and play on the land they are using. The main target audience for the Commission in this area during 2017/18 were school children, through promoting the use of the Both Sides of the Fence website and the educational material located on it. The Top Outdoor Spot competition, for primary- and intermediate-age children helps to foster a love of the outdoors amongst all those who grow up in New Zealand, providing a strong base for responsible behaviour messages to take root.

# Impact: Access is available when and where wanted

## Taranaki's people linked together by shared pathways

When Taranaki sporting legend, and Chief Executive of Sport Taranaki, Howie Tamati, asked us to develop a tracks and trails strategy for his region we were more than excited.

He told us several groups around the mountain wanted to build new tracks and trails. Howie was keen to connect all these ideas into a tracks and trails strategy for the whole region.

Soon the mayors of New Plymouth, Stratford and South Taranaki, as well as the Chair of the Regional Council, all agreed on the need for a long-term strategy for developing tracks and trails in their region.

We engaged the DesignLab team at Lincoln University. Together we collaborated with councils, Sport Taranaki, local iwi, community groups and the Department of Conservation. DesignLab's report tells the story of Taranaki, the maunga, which embraces the whole region as it stretches from its summit out to the ocean.

Now we have a tracks and trails strategy that draws people to Taranaki to journey around the mountain. It outlines a potential network of pathways, biodiversity trails, tourist trails, cycle trails, coastal trails, river crossings and historic trails. This plan can now inform future funding and development for years to come.

# Impact: People know where access is

## Online maps let people know where access is

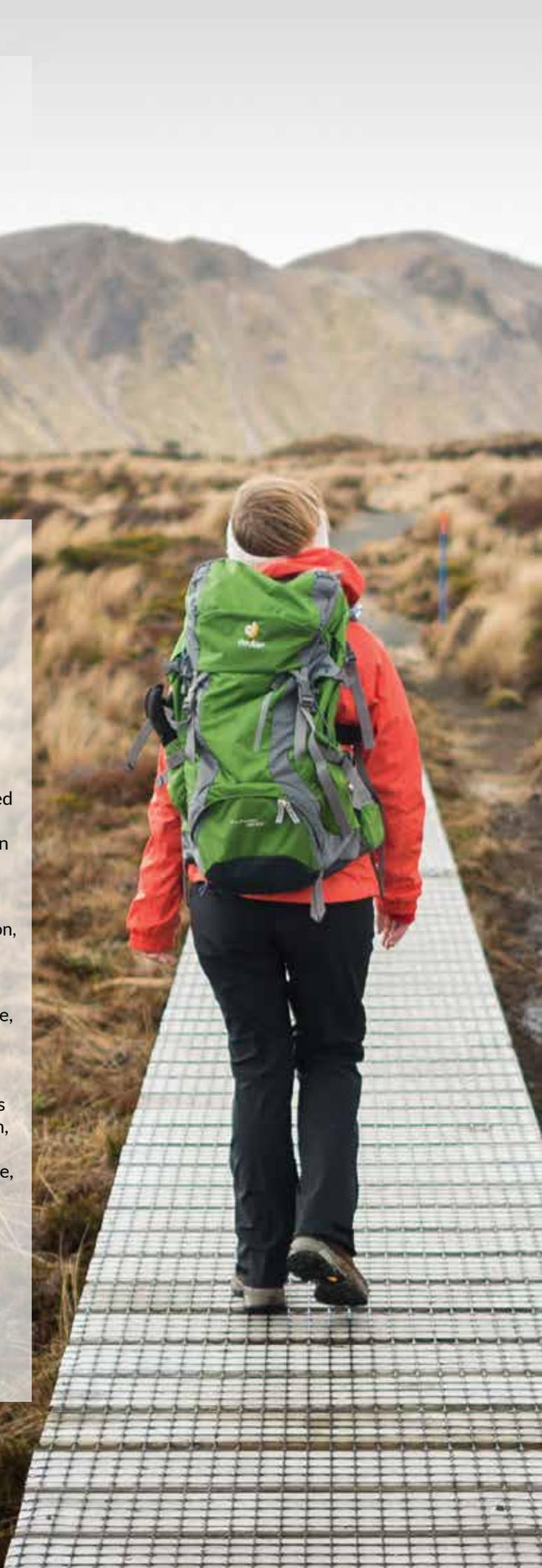
Walkers, hunters, campers, outdoor recreationalists and many others are keen users of our online mapping system, affectionately known as WAMS. But, despite its popularity, many people said it was too cluttered and complicated. So this year we revamped it.

Our Mapping Advisor Sarah Cruickshank says we needed to split WAMS up for each of the different needs that people used it for, to ensure people only saw information they needed and to speed up overall loading times.

In February we launched four new WAMS maps, called Tracks and Trails, Public Access Areas, Property Information, and Hunting and Fishing. Each map contains a range of different information combined from several sources.

Following the launch, we collected feedback from people, and found that there was an additional use case that we were missing. One group of WAMS users needed data from all four of our new maps. These heavy users of WAMS were often people who were building new tracks and trails and creating access for other people. For them, we created a fifth map, our Outdoor Access Map. Sarah says now we have the fifth map feedback is, on the whole, positive.

She and her team are now turning their focus to a new task; making sure the public access layers of our maps have the most up-to-date and accurate data available. We are working with agencies like the Department of Conservation and Land Information NZ to find and fill the map gaps, to ensure as much legal public access as possible is visible through our system.



# Impact: People know how to behave in the outdoors



Wharf Jump by Esme, age 8.

## School competition teaches outdoor values

Part of our job is letting people know how to behave responsibly and respectfully in the outdoors. We know that the way people behave is easier to establish than to change, so working with school-age children can have a big impact.

The Commission has a range of education resources on the Both Sides of the Fence website that teachers can use to help students to define and understand responsible outdoor behaviour. To help instil this in children, we also need to promote a love and respect for the outdoors.

The Top Outdoor Spot competition, held annually on the Both Sides of the Fence website, invites children from around New Zealand to share their favourite outdoor place and tell us why it matters to them. In 2017/18, hundreds of children sent in drawings, photos and stories.

While the judging is not yet complete at the time this report goes to print, the short list includes Esme's picture of the wharf in Tauranga that she loves jumping off. She says it's close to nature but right in the centre of the city.

At the other end of the country Enzo sent us a photo of the Clutha where he swims and jumps off the rocks. He says he can taste the steam from the cold water and the fish and chips in his mouth.

And Anna told us about the barnacles at the Moeraki Boulders. She says when the waves crashed onto them they open and "strange green things come out and grab tiny bits of seaweed".

# Output: Access is secured in high-priority areas

## Investigating issues in the South Island High Country

Tourist numbers are rapidly increasing throughout New Zealand, but particularly in the central southern South Island in the Mackenzie, Queenstown Lakes, Waitaki and Central Otago districts.

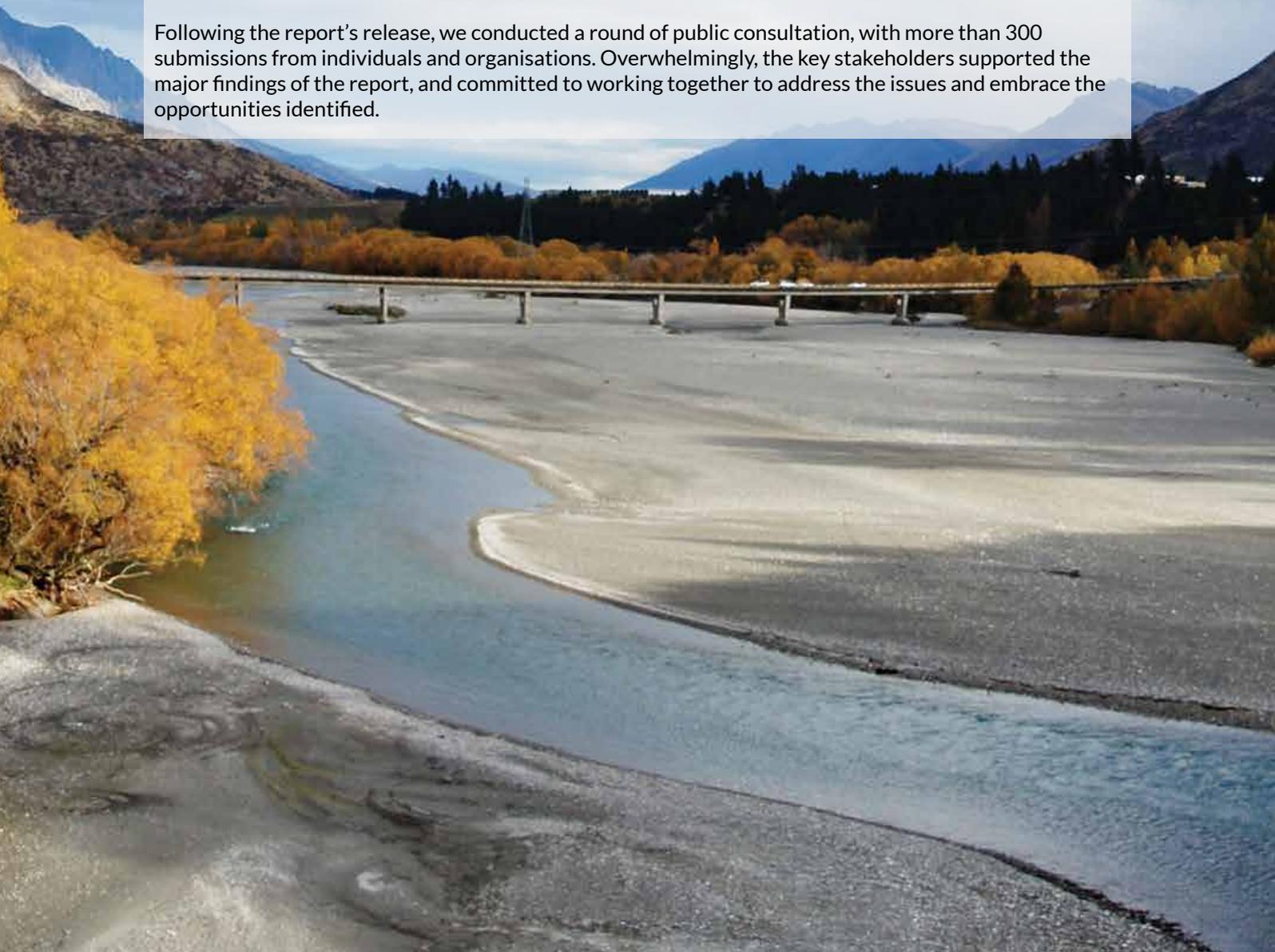
These increasing numbers, combined with population growth in the Queenstown Lakes and Central Otago districts, are bringing unique pressures to the people who live, work and play in these areas, and to the central and local government agencies that support them.

Through our work on the ground helping to create new access and resolving access disputes, the Commission began to hear concerning messages about the potential that some landholders could withdraw access to private land due to problems and pressures created by these increasing numbers, and that there was a real risk of local communities withdrawing the social license for tourism.

The Commission decided to investigate the experiences of the people who live, work and play in these regions. We produced a report as the first step, based on 36 hours of meetings with 55 people.

The people interviewed, whose thoughts, hopes and fears are noted throughout the report, range from newcomers to the area to long-time locals. They include landholders and farmers; central and local government staff; recreationalists; community groups building, maintaining and using tracks and trails; tourism operators and agencies, and others.

Following the report's release, we conducted a round of public consultation, with more than 300 submissions from individuals and organisations. Overwhelmingly, the key stakeholders supported the major findings of the report, and committed to working together to address the issues and embrace the opportunities identified.



# **Output: Promoting access being incorporated into Government policy**

## **Planning for access in a rapidly growing peri-urban environment**

The Commission has developed a partnership with Auckland Council to develop plans for public access in the Rodney local board area. Population in the north of Auckland, is growing rapidly, and is forecast to increase further in the coming years.

As a predominantly rural area now, this growing population will be housed through subdivision and new developments. This offers a unique opportunity to plan public access for both commuting and recreation prior to building the houses.

At the same time, the New Zealand Transport Agency is building a new motorway in the area from Pūhoi to Warkworth. This motorway required the partial closure of the Commission's Moirs Hill Walkway, and the \$800,000 compensation received by the Commission will largely fund the new project with Auckland Council.

The Commission will embed a staff member in Auckland Council to lead the project, working alongside the Matakana Coast Trails Trust, iwi, the Department of Conservation and other relevant organisations. This staff member will help to build capacity within Auckland Council to ensure public access is a key element of statutory and other planning processes.

Over the next three years, this project will produce a strategy for public access in the area, ensuring that the communities are connected to each other and to local amenities such as the coastline and regional parks.

This strategy will be used to prioritise the acquisition of easements and other forms of public access on private land, working with landholders and developers prior to and during the subdivision process, to ensure we do not miss this unique opportunity.

The existing community has a vision for how they want things to be – in 20 years' time, once there are tens of thousands of people living in the area, every child should be able to walk, cycle or even horse-ride to school, without having to travel on a road. That is a vision the Commission supports, and this project will help turn it into reality.

# Output: Effective information

## Improving consistency of information provision

As part of a project to develop a new website that would bring all of the Commission's digital content into one place Commission staff investigated ways of providing information about public access to the outdoors, including looking at best practice from other countries.

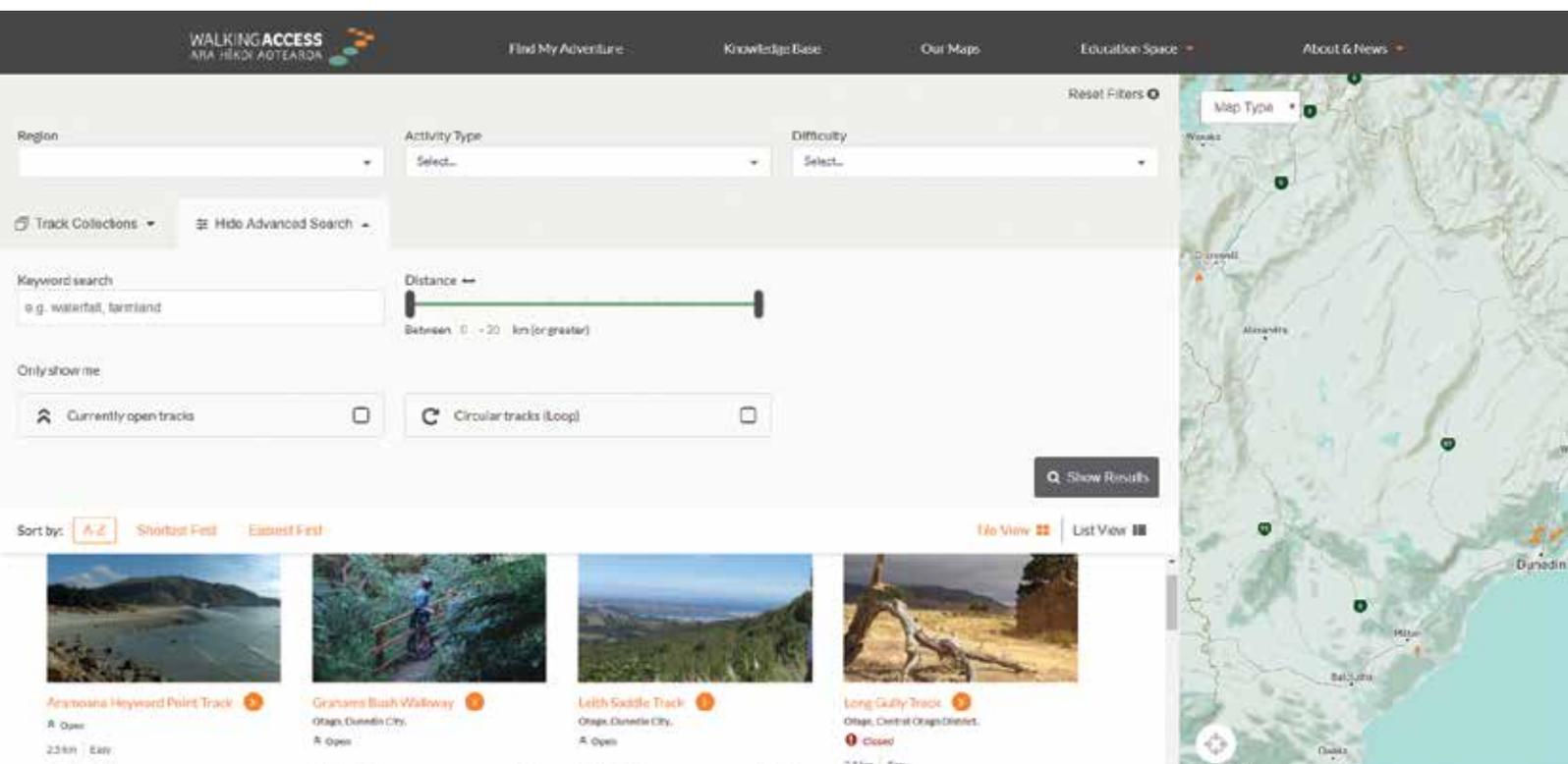
During consultation with stakeholders, one issue was repeatedly raised: the lack of a 'one-stop shop' for information about tracks and trails across New Zealand, with consistent information displayed in an engaging and user-friendly manner.

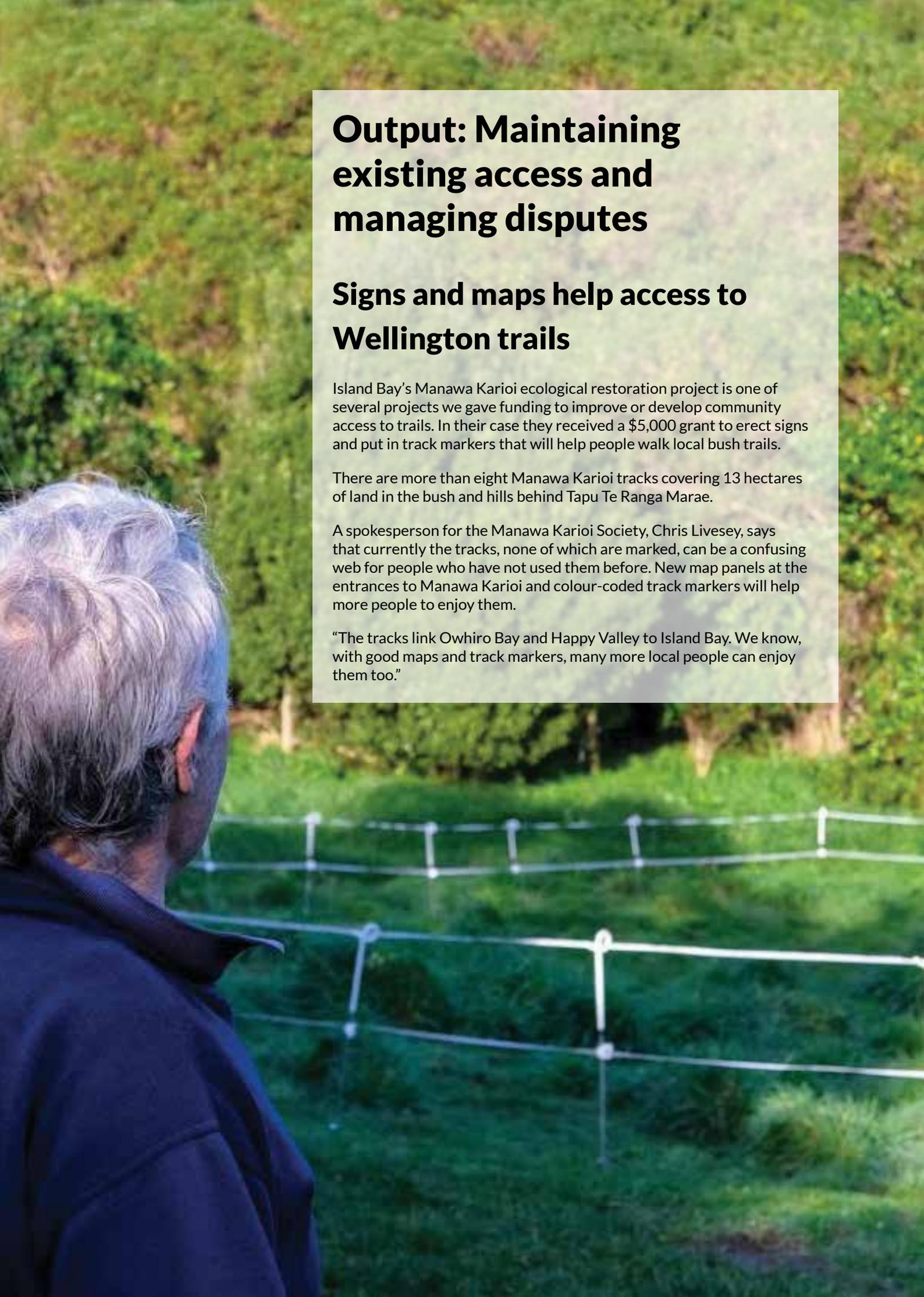
Stakeholders told the Commission that they did not like having to look at multiple websites – including the Department of Conservation, local councils, trail-building community groups' sites, and privately-owned collections of tracks – just to find a walk they could do with their family on the weekend.

A contributing factor to this plethora of websites was that organisations tended to only list tracks and trails they were responsible for. The Commission, as an agency that operates across a wide range of land tenure types, has the unique ability to work across all these trail managers.

The Commission's new website, due for launch in 2018/19, was built in 2017/18, and includes a user-friendly tracks and trails search tool called Find My Adventure (FMA). FMA will include tracks from across New Zealand, with data collected from a wide variety of land and track management agencies.

To help with not just the provision, but the consistency of this information, our agency has built FMA in a way that allows it to be embedded on other websites. The Commission is formalising partnerships with a range of agencies to do this, so that users looking for an outdoor experience can get the same information in the same format, regardless of which website they choose to visit.



A person with grey hair is seen from the back, looking out over a lush green field. In the foreground, there is a white rope fence supported by wooden posts. The background is a dense line of green trees and bushes under bright, natural light.

## **Output: Maintaining existing access and managing disputes**

### **Signs and maps help access to Wellington trails**

Island Bay's Manawa Karioi ecological restoration project is one of several projects we gave funding to improve or develop community access to trails. In their case they received a \$5,000 grant to erect signs and put in track markers that will help people walk local bush trails.

There are more than eight Manawa Karioi tracks covering 13 hectares of land in the bush and hills behind Tapu Te Ranga Marae.

A spokesperson for the Manawa Karioi Society, Chris Livesey, says that currently the tracks, none of which are marked, can be a confusing web for people who have not used them before. New map panels at the entrances to Manawa Karioi and colour-coded track markers will help more people to enjoy them.

"The tracks link Owhiro Bay and Happy Valley to Island Bay. We know, with good maps and track markers, many more local people can enjoy them too."

# Output: Maintaining existing access and managing disputes

## Talking helps find solution for Ross to Mikonui Cycle trail

The South Westland Wilderness Trail Trust asked us to help find solutions to challenges in some sections of the proposed route for a new cycle trail or to identify possible alternative routes from Ross village to Mikonui River bridge and beyond to the glaciers.

We worked with the Trust to find solutions and the Trust has worked with community groups, DOC, Heritage New Zealand and of course many different landowners. For one section of the trail south of Ross, a private landowner was happy to allow a trail to cross his land, which included a historic water race.

Next, we helped the Trust with an Enhanced Access Fund grant to pay for professional fees including legal and survey costs associated with access for the trail over private land.

We are confident that the people of South Westland will finish with a safer, spectacular trail ride that will contribute to their community and their economy.



## Mountain bikers bridge to Karaka Track

Thames Mountain Bike Club President Chris Harison celebrated installing a new bridge on the Karaka Track. He acknowledged the support of the Walking Access Commission in the project:

“Many thanks from us all for your input getting this project off the ground. I hope it gives you some amount of satisfaction that your work is having an impact on quality of life for our community.”



JAKE MCKEE CAGNEY/STUFF

# Output: Improving access for iwi to traditional sites

## Promoting respect for Te Ao Māori in the professional recreation sector

The Outdoors Forum, organised by the New Zealand Recreation Association (NZRA), is an annual conference for those working in the outdoor recreation sector. Attendees include people tourism and recreation sector workers, local government staff, and people working and volunteering for non-profits operating in the outdoor sector.

In September 2017, the Commission worked with NZRA to organise a stream of workshops relating to public access at the Outdoors Forum, to help broaden the scope of what was being discussed.

Ngāti Tūwharetoa, who the Commission had developed a relationship with, were invited to present to Forum attendees about issues relating to public access in their rohe. Gina Rangī, Te Ngāehe Wanikau and Bubs Smith spoke powerfully about what it meant to share Tongariro with tens of thousands of people every year, and the mamae (hurt) caused to them by desecration of wāhi tapu (sacred sites) by visitors from across New Zealand and overseas.

Forum attendees reported afterwards that they had found the presentation moving and challenging, and that it had made them think about their relationships with mana whenua iwi in the areas they operate in entirely new ways.

Following this presentation, Te Ngāehe Wanikau was invited to open the Sustainable Summits Conference in France. Te Ngāehe later told the Taupo & Turangi Weekender that:

“I talked about the maunga (mountains) and what they mean to us and how, just as the World Heritage status acknowledges, they’re more than just landscapes. They are our tūpuna (ancestors), we have a genealogical connection to them.”

The Commission hopes that facilitating discussions like these between recreation professionals and iwi can help to protect wāhi tapu and better educate users of the outdoors about how to treat Māori land and traditional sites with respect. Through this, the Commission is assisting iwi to maintain and improve the ability of their own people to experience their heritage.



# People, culture and capability

The Commission is committed to being a good employer (as defined in section 118 of the *Crown Entities Act 2004*) and actively promotes the principles of equal employment opportunities (EEO).

The Commission has personnel policies which guide its practices. These policies are reviewed regularly to comply with legislation and to reflect the needs of staff.

The Commission manages a small team of employees and maintains a transparent environment, where people's needs and concerns are managed openly.

## People

As at 30 June 2018, the Commission had 11.51 full-time equivalent employees, compared to 9.14 in 2017. The age profile of the employees was wide, with an average age of 44 years. Of the total

of thirteen staff, 61 per cent were NZ European and 39 per cent were of other ethnicities. There were no Māori or Pacific Island staff.

The Commission recognises the benefits of a diverse workforce. Staff members were all able bodied. In 2018 the majority of staff (54 per cent) were female. As at 30 June 2018, four of the Commission's managers are male, and one is female.

The Commission has five Board members – three male and two female – and a kaumātua who provides advice on and assists with Māori cultural matters, particularly at an operational level. Twelve regional field advisors are employed by the Commission as independent contractors. Five of the regional field advisors are male and seven are female. EEO data is not held for them due to their contractual relationship with the Commission.

## Commitment to staff

The following sections follow the reporting framework used by the Human Rights Commission to assess the "good employer" performance of Crown entities:



## **Recruitment, selection and induction**

The Commission demonstrates equal employment opportunity principles in its recruitment and selection practices. Vacancies are advertised and all individuals are employed on the basis of merit, according to skills, knowledge and relevant experience.

## **Employee development**

The Commission has a positive, equitable approach to employee development. It encourages staff to identify development opportunities which reflect both work needs and their own longer-term professional and personal objectives. Managers identify learning and development opportunities for staff aimed at ensuring that organisational needs are met. There is an ongoing focus on developing and providing opportunities for staff. For example, during the year staff attended conferences and courses to develop technical and professional expertise on topics such as communications, and geographic information systems technology. Continued professional development is supported.

## **Remuneration and recognition**

The Commission uses job evaluation to set job bands and reviews salaries annually as part of its performance management process. Remuneration is adjusted using Statistics New Zealand Labour Market Statistics data for the period ending June each year.

## **Flexible work environment**

The Commission recognises the value of flexible work arrangements. It supports and encourages staff to develop and maintain a work-life balance. Arrangements include offering part-time work (23% of staff work part-time) and providing for employees to work from home, as appropriate. The Commission takes into account the age of its employees, and how this might impact on their personal caring duties, whether they are looking after young children or elderly parents.

## **Safe and healthy environment**

The Commission promotes and actively invests in employee health, safety and wellbeing. All staff members are encouraged to attend first-aid courses. Winter influenza vaccinations are offered to all staff members. The Wellington City Council deems the Commission's building not to be earthquake prone. All staff members have "grab and go" earthquake and disaster preparedness kits.

## **Leadership, accountability and culture**

The Commission has a conceptual framework which gives the organisation a clear sense of direction and outcomes. The Board and managers provide the supporting leadership at the governance and management levels. Managers have senior managerial and technical experience and provide informal coaching and mentoring for staff and regional field advisors. The Commission is a member of the public sector Leadership Development Centre.

The Commission's work requires a high level of initiative, judgement and self-management which provide regular opportunities for staff to initiate and manage cases and projects. The Commission's size requires people to multi-task which places a high reliance on team work and operational skills. The nature of the Commission's work presents few opportunities for highly-structured leadership roles. Weekly staff meetings provide opportunities to share information, seek advice and discuss the office, its organisation and culture. The 'Capability' section of the Commission's National Strategy 2010-2035 aims for an organisational culture and environment that builds trust among stakeholders. This relies on an internal culture of transparency, objectivity, integrity and respect for others. The Commission seeks actively to be outward focused and to build constructive and collaborative relationships with stakeholders.

## **Preventing bullying and harassment**

The Commission outlines acceptable behaviour in its Code of Conduct and Unacceptable Performance, Misconduct or Serious Misconduct Policy. Staff members have access to the Employee Assistance Programme. The Commission is committed to managing any complaints of bullying or harassment appropriately and in a timely manner.

## **Organisational capability**

The Commission has a Business Continuity Plan to manage the business in the event of disaster (e.g. fire, water damage, earthquake). The Commission moved into its new office in the Majestic Centre in the Wellington CBD in April 2017.



# **Statement of Service Performance**

# Statement of responsibility

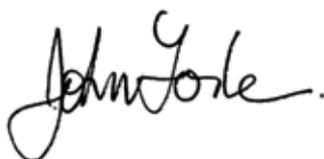
The Board is responsible for the preparation of the New Zealand Walking Access Commission's financial statements and statement of performance, and for the judgments made in them.

The Board of the New Zealand Walking Access Commission has the responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

The Board is responsible for any end-of-year performance information provided by the Commission under section 19A of the Public Finance Act 1989.

In the Board's opinion, the financial statements and the statement of performance fairly reflect the financial position and operations of the New Zealand Walking Access Commission for the year ended 30 June 2018.

**Signed on behalf of the Board, 19/10/2018:**



John Forbes, Board Chair



Robin McNeill, Board Member

## Expenditure against appropriation

**For the year ended 30 June 2018**

The Commission is primarily funded through Vote Primary Industries and Food Safety – Non Departmental Appropriation – Support for Walking Access.

The 2017-2018 Estimates of Appropriation contains the following information on the Commission's funding.

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Total appropriation	1,789,000	1,789,000
The Commission's expenditure against appropriation	1,789,000	1,789,000

## What is intended to be achieved with this appropriation?

The appropriation is intended to achieve the effective management and operation of the New Zealand Walking Access Commission.

The Commission has only one output; therefore the figures presented in the statement of comprehensive revenue and expense represent the cost of service statement.

## Assessment of performance

The Ministry for Primary Industries (MPI) rates the Commission's performance for the measure *Percentage of New Zealand Walking Access Commission deliverables identified in the annual letter of expectation* is achieved at 100 per cent for the year ended 30 June 2018.

This rating is based on the achievement of the expectations as set out in the Minister's annual letter of expectation for 2017-2018:

- Complete the review of the Commission's National Strategy and begin executing its new strategic direction;
- Continue the Commission's emphasis on proactive collaboration and development of formal partnerships with other relevant agencies and groups;
- Continue to make demonstrable progress towards creating new access opportunities while considering the associated environmental costs.

And the achievement of the expectations as set out in the Minister's letter of expectation for 2018-2022:

- Focus on implementing and executing the Commission's new National Strategy well.
- Continue to make demonstrable progress towards creating new access opportunities, including opportunities that unlock the potential of Māori heritage and history, while also considering the associated environmental costs.
- Prepare for, and participate in, the review of the *Walking Access Act 2008* which is scheduled to begin in September 2018.

The Commission has provided MPI with quarterly performance reports for the year ending 30 June 2018 which have successfully shown work undertaken to contribute to the achievement of the Minister's expectations (as above).

# Independent Auditor's Report

## To the readers of New Zealand Walking Access Commission's financial statements and performance information for the year ended 30 June 2018

The Auditor-General is the auditor of New Zealand Walking Access Commission (the Commission). The Auditor-General has appointed me, Chrissie Murray, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Commission on his behalf.

### Opinion

We have audited:

- the financial statements of the Commission on pages 33 to 49, that comprise the statement of financial position as at 30 June 2018, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Commission on pages 23, 24 and 28 to 32.

In our opinion:

- the financial statements of the Commission on pages 33 to 49:
  - \* present fairly, in all material respects:
    - » its financial position as at 30 June 2018; 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 Public Benefit Entity Reporting Standards Reduced Disclosure Regime; and
- the performance information on pages 23, 24 and 28 to 32:
  - \* presents fairly, in all material respects, the Commission's performance for the year ended 30 June 2018, including:
    - » for each class of reportable outputs:
      - » its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
      - » its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year;
      - » what has been achieved with the appropriation; and
      - » the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
    - \* complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 19 October 2018. 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 Board and our responsibilities relating to the financial statements and the performance information, we comment on other 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 audit opinion.

## **Responsibilities of the Board for the financial statements and the performance information**

The Board is responsible on behalf of the Commission for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determine 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, the Board is responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Board 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 merge or to terminate the activities of the Commission, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the *Crown Entities Act 2004* and the *Public Finance Act 1989*.

## **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, as a whole, 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.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Commission's statement of performance expectations.

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:

- 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 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 Commission's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Commission's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission'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 Commission 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 Board 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 during our audit.

Our responsibilities arise from the *Public Audit Act 2001*.

## Other information

The Board is responsible for the other information. The other information comprises the information included on pages 2 to 21, but does not include the financial statements and the 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.

## Independence

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

Other than in our capacity as auditor, we have no relationship with, or interests, in the Commission.



Chrissie Murray  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

The following tables detail our output results against performance measures and targets, for our core activities and services as set out in our Statement of Performance Expectations (SPE) for the year ended 30 June 2018.

## Access is available where and when wanted

The Commission has assisted central and local government agencies, iwi, landholders, businesses and communities to develop new access, with a focus on priority areas of the country.

### Access is secured in high-priority areas

Key deliverable	Performance measure	Target 2017/18	Actual 2017/18	Actual 2016/17	Comment
Access is ensured across the South Island High Country for local residents, iwi, and domestic and international tourists, in the places and for the purposes they desire.	Prepare a situation analysis for access in the South Island High Country (including with local iwi) and framework for a strategy.	New	Achieved	N/A	The situational analysis report is available on the Commission's website: <a href="http://walkingaccess.govt.nz/assets/PDFs/South-Island-High-Country-Access-Report-web.pdf">http://walkingaccess.govt.nz/assets/PDFs/South-Island-High-Country-Access-Report-web.pdf</a> .
All new subdivisions in Auckland build access into their planning, in conjunction with existing local communities.	Prepare a situation analysis for access in the Puhoi-Matakana-Warkworth area (including with local iwi) and framework for a strategy.	New	Achieved	N/A	Following considerable conversation, an MOU has been signed with Auckland Council, which will enable the project to get underway.
The Central North Island has sufficient access capacity for increasing tourism demands.	Work with iwi, Department of Conservation, local government and others to explore new access opportunities.	New	Not Achieved	N/A	The Commission was focused on the Tongariro Area and started conversations with Ngāti Tūwharetoa and iwi around Mt Tarawera. During initial discussions, it became clear that conversations about tracks and trails in these two areas would take time to progress. This has resulted in work being rescheduled for action in 2019.

Key deliverable	Performance measure	Target 2017/18	Actual 2017/18	Actual 2016/17	Comment
People can access New Zealand's rivers and lakes.	Create and test methods to set a baseline of current access to New Zealand's rivers and lakes.	New	Achieved	N/A	<p>A methodology has been developed for use in setting the baseline of current access.</p> <p>Due to significant amounts of undigitised historical data on public access, testing has not been carried out. Testing is expected to be initiated once this has been addressed.</p>
People can access New Zealand's coastline.	Create and test methods to set a baseline of current access to New Zealand's coast.	New	Achieved	N/A	<p>A methodology has been developed for use in setting the baseline of current access.</p> <p>Due to significant amounts of undigitised historical data on public access, testing has not been carried out. Testing is expected to be initiated once this has been addressed.</p>
Opportunities for access through the Overseas Investment Act process are taken up.	Percentage of consents received are processed by the Commission within three months.	80%	86%	N/A	Achieved.

## Promoting access being incorporated into Government policy

Key deliverable	Performance measure	Target 2017/18	Actual 2017/18	Actual 2016/17	Comment
Public access is included during local and central policy planning.	Publish revised guidelines for local government on unformed legal roads.	New	Achieved	N/A	The revised guidelines are available on the Commission's website: <a href="http://walkingaccess.govt.nz/assets/Uploads/Guidelines-for-Unformed-Legal-Roads-2018.pdf">http://walkingaccess.govt.nz/assets/Uploads/Guidelines-for-Unformed-Legal-Roads-2018.pdf</a> .

## Maintaining existing access and managing disputes

Key deliverable	Performance measure	Target 2017/18	Actual 2017/18	Actual 2016/17	Comment
Access disputes are concluded effectively within reasonable timeframes.	Percentage concluded within 12 months.	50%	73%	43%	Achieved.
	Percentage concluded within 24 months.	70%	100%	50%	Achieved.
Access opportunities are created or retained with Commission involvement.	Number of opportunities created or retained annually, including Enhanced Access Fund projects.	50 - 75	77	80	Achieved.

## People know where access is

An effective communications strategy sits at the core of the Commission's work. In order to ensure the access opportunities created by the Commission are actually used, people must be able to easily find and understand their access rights.

### Effective information

Key deliverable	Performance measure	Target 2017/18	Actual 2017/18	Actual 2016/17	Comment
People can easily find information on public access rights and walkways.	Digital strategy published by 31 March 2018.	New	Achieved	N/A	A digital communications strategy was developed for internal use in March 2018.
The Walking Access Mapping System (WAMS) is widely used by people wanting to find their access rights.	Unique visitors to WAMS increase by 7.5%.	65,806	Unable to be calculated.	61,215	As at the end of Q3, there were 55,016 unique visitors to the WAMS site, well ahead of target. Due to a change in the way website analytics were recorded during Q4, a year-end result was unable to be calculated, with comparable data no longer available.
The Walking Access Mapping System (WAMS) provides complete and accurate information.	A report on accuracy of information in WAMS is created that identifies priority areas for action.	New	Achieved	N/A	Work to assess the accuracy of WAMS was completed by 30 June 2018. A draft report was prepared for review in July 2018, with the final report being completed in August 2018. The report will be reviewed for future activities to be initiated in 2019.
Access enquiries are resolved in a prompt manner.	Percentage of enquiries concluded within 3 months.	80%	80%	N/A	Achieved.

## People know how to behave in the outdoors

Good behaviour from those using the outdoors is key to ensuring issues and dispute resolution matters are addressed quickly and easily. The Commission plays a key role in public education on responsible behaviour in the outdoors and on private land.

Key deliverable	Performance measure	Target 2017/18	Actual 2017/18	Actual 2016/17	Comment
The Commission's Both Sides of the Fence (BSOF) education website is well-used by teachers and students.	Unique visitors to BSOF increase by 5%.	7,550	5,143	7,190	Not achieved.  Over the period, the Commission focused its efforts on rebuilding its website, which includes a revamped educational area, replacing BSOF. During this transition period, marketing of BSOF was limited, affecting overall participation during the year.

# Statement of Financial Performance

## Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2018

	Notes	2017/18 Actual \$	2017/18 Budget \$	2016/17 Actual \$
<b>Revenue</b>				
Crown Revenue		1,789,000	1,789,000	1,789,000
Interest Revenue		109,194	78,000	109,548
Other Revenue		32,946	50,000	835,078
<b>Total Revenue</b>	2	<b>1,931,140</b>	<b>1,917,000</b>	<b>2,733,626</b>
<b>Less Expense</b>				
Operating costs	3	1,044,938	1,079,000	835,431
Personnel costs	4	917,749	875,000	652,441
Audit fees		20,557	20,000	20,450
Board Remuneration	12	63,500	64,000	63,500
Depreciation and amortisation		89,744	105,000	89,135
Loss on disposal of assets		0	0	8,644
Rentals and leases		67,225	64,000	50,496
<b>Total Expense</b>		<b>2,203,713</b>	<b>2,207,000</b>	<b>1,720,097</b>
<b>Surplus/(deficit)</b>		<b>(272,573)</b>	<b>(290,000)</b>	<b>1,013,529</b>
<b>Total comprehensive revenue and expense</b>		<b>(272,573)</b>	<b>(290,000)</b>	<b>1,013,529</b>

# Statement of Changes in Equity

For the year ended 30 June 2018

	Notes	2017/18 Actual	2017/18 Budget	2016/17 Actual
		\$	\$	\$
<b>Equity as at 1 July</b>		3,638,983	2,769,000	2,625,454
Total comprehensive revenue and expense for the period		(272,573)	(290,000)	1,013,529
<b>Equity at 30 June</b>	5	3,366,410	2,479,000	3,638,983

# Statement of Financial Position

As at 30 June 2018

	Notes	2017/18 Actual	2017/18 Budget	2016/17 Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and cash equivalents	6	856,354	566,000	551,778
Investments	7	2,250,000	300,000	1,550,000
Debtors and Prepayments		24,624	86,000	898,618
<b>Total Current Assets</b>		<b>3,130,978</b>	<b>952,000</b>	<b>3,000,396</b>
<b>Non-Current Assets</b>				
Property Plant and Equipment	8	40,393	58,000	29,364
Intangible Assets	8	73,232	115,000	150,361
Work in Progress	9	107,000	0	0
Term Investments	7	750,000	1,495,000	1,100,000
<b>Total Non Current Assets</b>		<b>970,625</b>	<b>1,668,000</b>	<b>1,279,725</b>
<b>Total Assets</b>		<b>4,101,603</b>	<b>2,620,000</b>	<b>4,280,121</b>
<b>Less Liabilities</b>				
Creditors and accrued expenses		230,210	98,000	163,089
Employee entitlements	14	57,733	43,000	30,799
Income in advance		447,250	0	447,250
<b>Total Liabilities</b>		<b>735,193</b>	<b>141,000</b>	<b>641,138</b>
<b>Net Assets</b>		<b>3,366,410</b>	<b>2,479,000</b>	<b>3,638,983</b>
<b>Equity</b>		<b>3,366,410</b>	<b>2,479,000</b>	<b>3,638,983</b>

# Statement of Cash Flows

For the year ended 30 June 2018

	Notes	2017/18 Actual \$	2017/18 Budget \$	2016/17 Actual \$
<b>Cash Flows from Operating Activities</b>				
Revenue from the Crown		1,789,000	1,789,000	1,789,000
Interest received		122,794	102,000	110,362
Other revenue		861,704	50,000	4,320
Payments to employees and members		(890,816)	(873,000)	(610,343)
Payments to suppliers		(1,076,153)	(1,239,000)	(1,062,449)
GST (net)		(21,310)	(16,000)	6,117
<b>Net Cash Flows from Operating Activities</b>		<b>785,219</b>	<b>(187,000)</b>	<b>237,007</b>
<b>Cash Flows from Investing Activities</b>				
Net (Increase)/Decrease from maturity of investments		(350,000)	655,000	(50,000)
Purchase of property, plant and equipment		(130,643)	(100,000)	(16,228)
<b>Net Cash Flows from Investing Activities</b>		<b>(480,643)</b>	<b>555,000</b>	<b>(66,228)</b>
<b>Net Increase/(Decrease) in cash</b>				
Cash and cash equivalents at the beginning of the year		551,778	198,000	381,000
<b>Cash and cash equivalents at the end of the year</b>	6	<b>856,354</b>	<b>566,000</b>	<b>551,778</b>

# Notes to the Financial Statements

## 1. Statement of accounting policies

### Reporting entity

The New Zealand Walking Access Commission (the Commission) is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing the Commission's operations includes the *Crown Entities Act 2004* and the *Walking Access Act 2008*. The Commission's ultimate parent is the New Zealand Crown.

The Commission's primary objective is to provide services to the New Zealand public. The Commission does not operate to make a financial return.

The Commission has one output: Walking Access Commission. The figures presented in these financial statements are for that one output.

The Commission has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the Commission are for the year ended 30 June 2018, and were approved by the Board on 25 September 2018.

### Basis of preparation

The financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the period.

### Statement of compliance

The financial statements of the Commission have been prepared in accordance with the requirements of the *Crown Entities Act 2004*, which

includes the requirement to comply with generally accepted accounting practice New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards, and concessions under the reduced disclosure regime have been applied. The criteria under which the Commission is eligible to report in accordance with Tier 2 PBE accounting standards are:

- (a) its debt or equity instruments are not traded in a public market nor is it in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets),
- (b) it does not hold assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses, and
- (c) its total expenses do not exceed \$30 million.

These financial statements comply with PBE standards.

### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and are rounded to the nearest dollar (\$). The functional currency of the Walking Access Commission is New Zealand dollars (NZ\$).

### Changes in Accounting Policies

There have been no changes in accounting policies.

## Summary of significant accounting policies

### Revenue

The specific accounting policies for significant revenue items are explained below:

### Funding from the Crown

The Commission is primarily funded through revenue received from the Crown that is restricted in its use for the purpose of the

Commission meeting its objectives as specified in its founding legislation and the scope of the relevant appropriations of the funder.

The Commission considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

The fair value of revenue received from the Crown has been determined to be equivalent to the amounts due in the funding arrangement.

### **Interest revenue**

Interest revenue is recognised using the effective interest method.

### **Grant expense**

Discretionary grants are those grants where the Commission has no obligation to award on receipt of the grant application and are recognised as an expense when the approved applicant has met the criteria in the grant contract and the Commission has approved the expense.

The Commission has no non-discretionary grants.

## **Leases**

### **Finance leases**

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

The Commission does not have any finance leases.

### **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

## **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

## **Receivables**

Short-term receivables are measured at their face value, less any provision for impairment.

A receivable is considered impaired when there is evidence that the Commission will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

## **Investments**

### **Bank term deposits**

Investments in bank term deposits are initially measured at the amount invested.

After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

## **Property, plant and equipment**

Property, plant and equipment consists of the following asset classes: computer hardware, leasehold improvements and office equipment.

Property, plant and equipment are measured at cost, less any accumulated depreciation and impairment losses.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange

transaction, it is recognised at its fair value as at the date of acquisition.

### Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Office equipment	5 - 10 years	10% - 20%
Leasehold improvements	9 years	11.1%
Computer hardware	4 - 5 years	20% - 25%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

### Intangible assets

#### Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

#### Work in Progress

During the year the Commission developed a new internet web-site. The external costs of this development have been recognised as a capital cost. At 30 June 2018 the web-site was not yet operational and is classified as work in progress.

#### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 - 5 years	20% - 33%
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#### Impairment of property, plant and equipment and intangible assets

The Commission does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

#### Non-cash-generating assets

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by

which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

## **Creditors and other payables**

Short-term creditors and other payables are recorded at their face value.

## **Employee entitlements**

### **Short-term employee entitlements**

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

A liability and an expense are recognised for performance payments where there is a contractual obligation and a reliable estimate of the obligation can be made.

## **Long-term employee entitlements**

The Commission does not provide long service leave or retirement leave.

## **Presentation of employee entitlements**

Annual leave and sick leave are classified as a current liability.

## **Superannuation schemes**

### **Defined contribution schemes**

Obligations for contributions to KiwiSaver and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit as incurred.

## **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## **Equity**

Equity is measured as the difference between total assets and total liabilities.

## **Goods and Services Tax (GST)**

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

## **Income tax**

The Commission is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

## **Budget figures**

The budget figures are derived from the statement of performance expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

## **Critical accounting estimates and assumptions**

In preparing these financial statements, the Commission has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below:

### **Estimated useful lives and residual values of property, plant and equipment and Intangible assets**

At each balance date, the useful lives and residual values of property, plant and equipment and intangible assets are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment and intangible assets requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by the Commission, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense or the amortisation expense recognised in the surplus

or deficit, and carrying amount of the asset in the statement of financial position. The Commission minimises the risk of this estimation uncertainty by: physical inspection of assets; and asset replacement programmes and an assessment of intangible assets.

The Commission has not made any significant changes to past assumptions concerning useful lives and residual values.

## **Critical judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

- Crown funding will remain unchanged in the next financial period; and
- Employee entitlements and other costs are budgeted to increase by about the expected rate of inflation.

## 2. Revenue

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
<b>Non-exchange revenue</b>		
Revenue from the Crown	1,789,000	1,789,000
<b>Exchange revenue</b>		
Interest Revenue	109,194	109,548
Other Revenue	32,946	835,078
<b>Total Revenue</b>	<b>1,931,140</b>	<b>2,733,626</b>

### Non-exchange revenue

Revenue from non-exchange transactions are transactions where an entity will receive revenue and provide no or a nominal consideration directly in return.

### Exchange revenue

The Commission has been provided with funding from the Crown for the specific purposes of the Commission.

Apart from these general restrictions, there are no unfulfilled conditions or contingencies attached to Crown funding.

## 3. Operating costs

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Contractors	465,755	305,966
Travel and accommodation	168,925	119,315
Publications and publicity	31,159	34,838
Consultants	33,147	11,165
Service Contracts	198,471	166,941
Enhanced Access Fund - Grants and Other expenses	70,844	79,005
Enhanced Access Fund - Software development expenses	0	7,613
Performance measurement	0	11,750
Other	76,637	98,838
<b>Total operating costs</b>	<b>1,044,938</b>	<b>835,431</b>

## 4. Personnel costs

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Salaries, wages and allowances	826,790	595,409
Increase (decrease) in employee entitlements	23,458	(9,129)
Recruitment	24,523	42,908
Employer contributions to defined contribution plans	24,980	15,551
Employer costs	17,998	7,702
<b>Total personnel costs</b>	<b>917,749</b>	<b>652,441</b>

## 5. Equity

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Balance 1 July	3,638,983	2,625,454
Surplus (deficit) for the year	(272,697)	1,013,529
<b>Balance at 30 June</b>	<b>3,366,286</b>	<b>3,638,983</b>

During the year the Commission's General Fund and Enhanced Access Fund were consolidated into One fund.

This change was made to more accurately reflect the nature and operation of the Commission's overall equity

## 6. Cash and cash equivalents

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Cash at bank	856,354	51,778
Deposits with a term of three months or less	0	500,000
<b>Total cash and cash equivalents</b>	<b>856,354</b>	<b>551,778</b>

## 7. Investments

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Current Investments	2,250,000	1,550,000
Term Investments	750,000	1,100,000
<b>Total</b>	<b>3,000,000</b>	<b>2,650,000</b>

## 8. Property, plant and equipment and intangible assets

The Commission has a vested interest in some easements and a lease on gazetted walkways. These represent an interest in private land and have not been valued. They are held for the benefit of the public. The Commission has compiled a register of known gazetted walkways.

	Computer hardware	Leasehold Improvements	Office equipment	Total Property, Plant and Equipment	Intangible Assets	Total Fixed & Intangible Assets
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
<b>Balance at 1 July 2016</b>	<b>38,451</b>	<b>46,674</b>	<b>72,991</b>	<b>158,116</b>	<b>247,684</b>	<b>405,800</b>
Additions	11,679	0	2,875	14,554	1,674	16,228
Disposals	(1,035)	(46,674)	0	(47,709)	0	(47,709)
<b>Balance at 30 June 2017</b>	<b>49,095</b>	<b>0</b>	<b>75,866</b>	<b>124,961</b>	<b>249,358</b>	<b>374,319</b>
<b>Accumulated depreciation</b>						
<b>Balance at 1 July 2016</b>	<b>33,522</b>	<b>35,437</b>	<b>54,244</b>	<b>123,203</b>	<b>20,458</b>	<b>143,661</b>
Depreciation expense	2,648	2,593	5,356	10,596	78,539	89,135
Elimination on disposal	(173)	(38,030)	0	(38,202)	0	(38,202)
<b>Balance at 30 June 2017</b>	<b>35,998</b>	<b>0</b>	<b>59,599</b>	<b>95,597</b>	<b>98,997</b>	<b>194,594</b>
<b>Carrying amount at 30 June 2017</b>	<b>13,098</b>	<b>0</b>	<b>16,266</b>	<b>29,364</b>	<b>150,361</b>	<b>179,725</b>
<b>Cost</b>						
<b>Balance at 1 July 2017</b>	<b>49,095</b>	<b>0</b>	<b>75,866</b>	<b>124,961</b>	<b>249,358</b>	<b>374,319</b>
Additions	17,539	0	6,104	23,643	0	23,643
Disposals	0	0	0	0	0	0
<b>Balance at 30 June 2018</b>	<b>66,634</b>	<b>0</b>	<b>81,970</b>	<b>148,604</b>	<b>249,358</b>	<b>397,962</b>
<b>Accumulated depreciation</b>						
<b>Balance at 1 July 2017</b>	<b>35,998</b>	<b>0</b>	<b>59,599</b>	<b>95,597</b>	<b>98,997</b>	<b>194,594</b>
Depreciation expense	6,224	0	6,391	12,615	77,129	89,744
Elimination on disposal	0	0	0	0	0	0
<b>Balance at 30 June 2018</b>	<b>42,222</b>	<b>0</b>	<b>65,990</b>	<b>108,212</b>	<b>176,126</b>	<b>284,338</b>
<b>Carrying amount at 30 June 2018</b>	<b>24,413</b>	<b>0</b>	<b>15,980</b>	<b>40,393</b>	<b>73,232</b>	<b>113,625</b>

## 9. Work in progress

During the year the Commission developed a new website. The external costs of this development amounted to \$107,000. At year-end the new website was not yet operational and deemed work in progress.

## 10. Commitments

	2017/18 Actual	2016/17 Actual
	\$	\$
<b>Grant commitments - Enhanced Access Fund</b>		
Not later than one year	126,770	51,000
<b>Total grant commitments</b>	<b>126,770</b>	<b>51,000</b>
<b>Operating leases as lessee</b>		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
Not later than one year	79,212	63,000
Later than one year and not later than five years	75,447	116,000
<b>Total operating leases commitments</b>	<b>154,659</b>	<b>179,000</b>
<b>Total grant and operating lease commitments</b>	<b>281,429</b>	<b>230,000</b>

### Grant commitments:

Contracts are entered into with applicants of projects approved for funding by the Board. Amounts granted under these contracts are disclosed in the statement of comprehensive revenue and expense when the approved applicant (grantee) has met the criteria in the grant contract and the Commission has approved the expenditure.

### Operating lease commitments:

The Commission's lease for its office accommodation expires on 30 April 2020. The Commission does not have the option to purchase the asset at the end of the lease term. There are no restrictions placed on the Commission by this leasing arrangement.

# 11. Related party transactions and key management personnel

## Related party transactions

The Commission is a wholly-owned entity of the Crown. The Commission has been provided with funding from the Crown of \$1.789m (2016/17 \$1.789m) for specific purposes as set out in the Walking Access Act 2008 and the scope of the Vote Primary Industries appropriation.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Commission would have in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

## Key management personnel

There were no transactions entered into during the year (2016/17 Nil) with key management personnel.

## Key management personnel compensation

Key management personnel includes all board members, the chief executive and three members of the management team.

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
<b>Board Members</b>		
Remuneration	63,500	63,500
Full-time equivalent members	0.3	0.3
<b>Leadership Team</b>		
Remuneration	475,117	343,212
Full-time equivalent members	3.83	2.8
<b>Total key management personnel compensation</b>	<b>538,617</b>	<b>406,712</b>
<b>Total full time equivalent personnel</b>	<b>4.13</b>	<b>3.1</b>

The full-time equivalent for Board members has been determined based on the frequency and length of board meetings (including workshops and stakeholder forums) and the estimated time for Board members to prepare for meetings.

## 12. Board remuneration

	2017/18 Actual	2016/17 Actual
	\$	\$
Peter P Brown	11,200	11,200
John H Forbes (Chairman)	18,700	18,700
Robin McNeill	11,200	9,333
Penny Mudford	11,200	11,200
Brian W Stephenson	0	1,867
Barbara Stuart	11,200	11,200
<b>Total Board member remuneration</b>	<b>63,500</b>	<b>63,500</b>

There have been no payments made to committee members appointed by the Board who are not Board members during the financial year.

The Commission has taken out Directors' and Officers' Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

No board member received compensation or other benefits in relation to cessation (2016/17 \$nil).

## 13. Employee remuneration

	2017/18 Actual	2016/17 Actual
	\$	\$
Total remuneration paid or payable *		
\$100,000 - \$109,999	1	1
\$110,000 - \$119,999	1	0
\$130,000 - \$139,999	0	1
\$150,000 - \$159,999	1	0

## 14. Employee entitlements

	2017/18 Actual	2016/17 Actual
	\$	\$
Accrued salaries	8,273	4,792
Annual leave	49,460	26,007
<b>Total employee entitlements</b>	<b>57,733</b>	<b>30,799</b>

## 15. Financial instruments

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are:

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
<b>Loans and receivables</b>		
Cash and cash equivalents	856,354	551,778
Receivables (excluding tax)	7,852	850,209
Investments	3,000,000	2,650,000
<b>Total loans and receivables</b>	<b>3,864,206</b>	<b>4,051,987</b>
<b>Financial liabilities measured at amortised cost</b>		
Payables (excluding income in advance and taxes payable)	316,834	138,320
<b>Total financial liabilities measured at amortised cost</b>	<b>316,834</b>	<b>138,320</b>

## 16. Contingencies

There were no contingent liabilities as at balance date (2016/17 \$nil). The Commission has no contingent assets at balance date (2016/17 \$nil).

## 17. Events after balance date

There were no significant events after balance date.

## 18. Expenditure by nature

	<b>2017/18 Actual</b>	<b>2016/17 Actual</b>
	\$	\$
Walking Access Mapping System	350,616	283,000
Operations	903,999	675,388
Grants	52,381	16,914
Governance and Leadership	388,741	395,177
Communications	121,690	69,000
Support	298,809	191,000
Accommodation	87,477	89,668
<b>Total Expenditure by Nature</b>	<b>2,203,713</b>	<b>1,720,147</b>

# Explanations for major variances

Explanations for variations from the Commission's budgeted figures in the statement of performance expectations are set out below. The overall financial result for the year shows a deficit that is 6% less than the budgeted deficit. There are some instances where actual line item amounts differ significantly from budgeted amounts and this reflects the nature of the Project work of the Commission in the last year particularly around the use of contractor support and consultants.

## Statement of comprehensive revenue and expense

Total revenue was \$14,140 ahead of budget (\$1,931,140 actual, \$1,917,000 budget). This increase was largely from interest revenue that increased due to higher than anticipated interest rates and interest received on the unexpected payment of \$800,000 to the Commission by the New Zealand Transport Agency (NZTA) for compensation due to the loss of walkway land in relation to the extension of the Northern Gateway toll road. Other income was down by \$17,054 compared to budget due to lower than expected income from work completed by the Commission in relation to Overseas Investment Office applications.

Total expense was \$3,287 below budget. Under-expenditure to budget for the year was attributable to more personnel costs that reflected higher staff numbers in 2018 and lower than expected depreciation and grant expenditure.

Actual operating costs were very close to budget while there were variations in some individual budget items.

## Statement of financial position

The year-end financial position is considerably stronger than was originally budgeted as a result of the \$800,000 received from NZTA at the beginning of the financial year.

The total comprehensive revenue and expense deficit for the year exceeded budget by \$17,303 with revenue higher than budget and expenses slightly less than budget. This has resulted in an increase in the overall cash and cash equivalent position of \$1,495,354 (\$3,856,354 actual, \$2,361,000 budget). Liabilities are higher than budgeted as a result of the Crown quarterly funding for the 30 September quarter of \$447,250 being received early in June 2018.

## Statement of cash flows

Receipts from the Crown met budgeted Crown revenue. Other revenue was significantly higher than budgeted for, and included the unbudgeted \$800,000 from NZTA. This has resulted in higher cash flows from operating activities and investments than budgeted. At 30 June 2018 the Commission held investments of \$3,000,000. The statement of cash flows also reflects the reallocation of surplus monies during the year into longer term investments as they have offered more favourable rates.

## Expenditure by nature

There were expenditure increases across all categories, with the exception of governance and leadership and accommodation expenses which were slightly down compared with the previous year. WAMS costs increased by \$67,616 due to a catch-up of deferred maintenance and increased license fees. Operations costs increased significantly and were up \$228,661 from the prior year which reflected additional use of consultants required on information technology and operational projects. It also included costs associated with a seconded employee from the Ministry for Primary Industries. Grant expenditure has increased by \$35,467 and is in line with grant drawdowns as grant expenditure conditions are met. Governance and leadership costs were down by \$6,436 due to less expenditure on meetings, conferences and outside communication resources.

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