

Statement of Performance Expectations

for the
2021-2022
Financial Year



WALKING ACCESS
ARA HĪKOI AOTEAROA

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ISSN 2357-2531 (Print) ISSN 2357-254X (Online)

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Presented to the House of Representatives pursuant to Section 149 of the
Crown Entities Act 2004.

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Statement of Performance Expectations

For the year ending 30 June 2022

This Statement of Performance Expectations reflects our proposed performance targets and forecast financial information for the year ahead. We produced it in accordance with section 149E of the Crown Entities Act 2004.

The Board of the Walking Access Commission has authorised, as appropriate, for issue the forecast financial statements and underlying assumptions in this document in accordance with its role under the Crown Entities Act 2004. We do not intend to update the forecast financial statements subsequent to presentation.



Don Cameron

Chair

15 June 2021



Peter Coburn

Board member

15 June 2021

Introduction

This is the 2021/2022 Statement of Performance Expectations (SPE), prepared by the New Zealand Walking Access Commission Ara Hīkoi Aotearoa. We provide all information in accordance with the Crown Entities Act 2004.

This SPE reflects our operational priorities for the 2021/2022 financial year.

The SPE also incorporates the priorities of the Government, the Minister, and our Board. To support this work, we will continue to utilise the strategy and outcomes framework as outlined in the Commission's Statement of Intent 2021 to 2026 which we developed in 2020/21. Both continue to inform our decision-making and enable us to track our performance.

To ensure we can respond to changes in our operating environment we review our measures annually to ensure they remain fit for purpose.

We will report our performance results in the 2021/2022 Annual Report.

We provide the SPE in two parts:

1. performance assessment and annual expectations and
2. forecast financial statements.

COVID-19

This SPE has been prepared by the Commission while New Zealand is under COVID-19 Alert Level 1 with continuing border restrictions. COVID-19 introduced new challenges to the way the Commission operates.

The global community continues to respond to the pandemic, which has required us all to be mindful of the way we work and engage with each other. While worldwide vaccination programmes are underway, there is still no certainty as to how long the changes may last or the impact it may have on our country and our people.

New Zealanders are exploring our outdoors in greater numbers than before the COVID-19 pandemic and getting outside has become more important to many people. Better information about where and how people can access outdoor opportunities is an important part of the Commission's work.

Notwithstanding the pandemic, and restrictions imposed through the various alert levels, the Commission continues to be fully operational, delivering all functions and services under our statutory mandate. We have not incurred any significant additional costs because of the change to our working arrangements, including working remotely.

The Commission demonstrated that it could adapt effectively under lockdown during Alert Level 4. We are confident that we can adapt quickly and prudently if we need to realign annual expectations because of any further impact from COVID-19.

We expect to be able to continue to deliver all services in the 2021/22 financial year.

The 2021-2022 Statement of Performance Expectation's performance management expectations, budgeting, planning, and forecasting have all been made without considering any significant impact from COVID-19.

Performance assessment and annual expectations

This section sets out performance measures, targets, estimates, and budgets for the year ending 30 June 2022.

These accord with the Crown Entities Act 2004 and refer to our strategic framework and related activities and services. This section explains how our activities link to, influence, and contribute to delivering our vision and purpose.

We deliver the three strategic outcomes in our Statement of Intent and their related output services and activities.

These outcomes are:

- Managed access is available where and when it will add most value to communities, because we:
 - » facilitate and lead public outdoor access
 - » facilitate resolution of access disputes
 - » manage the Enhanced Access Fund, and
 - » engage with communities.
- People know how to find access because we:
 - » manage our mapping system, and
 - » provide tracks and trails information.
- People access the outdoors responsibly because of our:
 - » school education programmes
 - » digital-led initiatives to change behaviour
 - » New Zealand Outdoor Access Code, and
 - » walkway compliance.

Budget Bid 2022/2023

The Commission's cost pressure budget bid for an additional \$1.772 million baseline funding was successful in 2020. This was approved by the Government, but expires at the end of the 2021/2022 financial year.

We will require additional funding to maintain our current level of activity, with the expectation of another budget bid in 2022 for the 2022/2023 Budget and out years.

Forecast financial statements

The forecast financial statements provide all appropriate information and explanations needed to fairly reflect the forecast financial operations and financial position of the Commission for the year ending 30 June 2022, in accordance with s149G of the Crown Entities Act 2004.

Minister's letter of expectations

Hon Meka Whaitiri, as Associate Minister of Agriculture, is the Minister responsible for the Walking Access Commission. Each year the Minister sets out in a letter of expectations the areas they would like the Commission to demonstrate results in.

For 2021/2022, these are:

- Continue making demonstrable progress towards creating new outdoor access opportunities while also considering the associated environmental costs. As part of this, continue progressing strategic regional projects in Tairāwhiti, Franklin–North Waikato and Matakana.
- Continue progressing the Commission's Māori partnership and engagement strategy to develop new opportunities for access for Māori.
- Where appropriate, implement the recommendations of the review of the Walking Access Act 2008 that do not require legislative change, including:
 - » building the Commission's support for regional and local volunteer groups and trusts involved in walkways, tracks, trails, and other public access to the New Zealand outdoors;
 - » continuing to develop the partnership with Te Araroa Trust;
 - » completing the rebranding to better reflect the work the Commission does and its relationship with Māori; and
 - » enabling increased Māori involvement in the kaitiakitanga of tracks and trails.
- Continue to incorporate cycling access alongside walking access negotiations and development.

As the Commission seeks out opportunities to provide access to the outdoors, we will give extra weight to opportunities that include these areas of focus.

We will work to realise each of the Minister's expectation as well as maintaining our core activities.

Performance assessment and annual expectations

Our Strategic Framework

Our purpose

Te mauri o te hīkoi

Our purpose is to provide New Zealanders with free, certain, enduring and practical access to the outdoors.

Our mission

What we intend to achieve

Lead national development and support local implementation of public access to the outdoors.

Impacts over time

How we contribute and influence

We engage with central and local government agencies, iwi, hapū, organisations and community groups to generate public access opportunities that support healthy communities.

Our outcomes

How we know we are succeeding

The following outcomes are important to the success of the Commission:

- managed access is available where and when it will add most value to communities
- people know how to find access
- people access the outdoors responsibly.

Our outputs

How we deliver

Managed access is available where and when it will add most value to communities because we:

- facilitate and lead public outdoor access
- facilitate resolution of access disputes
- manage the Enhanced Access Fund, and
- engage with communities.

People know how to find access because we:

- manage our mapping system, and
- provide tracks and trails information.

People access the outdoors responsibly because of our:

- school education programmes
- digital-led initiatives to change behaviour
- New Zealand Outdoor Access Code, and
- walkway compliance.

Our activities

What we work on

Key activities that support our output delivery include:

- investigating, assessing and facilitating access disputes
- supporting the promotion of Māori culture and heritage through public access
- incorporating cycling access, where appropriate, alongside walking access
- handling general access enquiries and case management
- preparing and delivering access recommendation reports for the Overseas Investment Office
- managing the Enhanced Access Grants
- developing walking access policy
- attending or hosting workshops and meetings with other government agencies, landholders, iwi, hapū, organisations and community groups to promote access
- managing and maintaining digital mapping data, and
- publicising and identifying access across all land types.

How we will assess performance

Managed access is available where and when it will add most value to communities

The Commission works with a range of stakeholders to secure access to the outdoors in urban, peri-urban, and rural communities. We do this by negotiating and building relationships with local communities, iwi and hapū, councils, and agencies such as the Department of Conservation (DOC) and Land Information New Zealand (LINZ), which incorporates the Overseas Investment Office (OIO).

Our work under this output includes recommending access for areas subject to the sensitive land provisions of the OIO. It also includes mediating between parties where they are disputing access. We also support communities and local groups to secure new access opportunities through grants.

Output: Facilitate and lead public outdoor access

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Number of external stakeholder meetings or workshops we held.	8	8	8	8
Percentage of OIO reports completed within 90 days.	80%	80%	100%	80%

Output: Facilitate resolution of access disputes

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage of access disputes successfully resolved within 12 months.	50%	50%	59%	50%

Output: Manage the Enhanced Access Fund

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage of contracts completed within two years of funding being approved.	70%	70%	100% ¹	70% ¹

Output: Engage with communities

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage of enquiries acknowledged within 10 working days.	90%	90%	97% ²	90% ²

Note 1: This measure was 'within five years' in 2019/2020.

Note 2: This measure was 'percentage of enquiries responded to' in 2019/2020.

People know how to find access

The Commission works with DOC, LINZ, and other organisations, to access spatial data that forms the basis of our mapping system. From this data we make the publicly available maps that are on our website. These provide up-to-date information on where the public can find legal public access for recreational and professional purposes.

Our website also contains Find My Adventure, a database of tracks and trails, which enables New Zealanders and overseas visitors to find places to go in the outdoors for walking, cycling and horse-riding.

We want to understand how the public learns about access opportunities, so we analyse website traffic using Google analytics, to ensure the information we provide is current and relevant.

Output: Manage our mapping system

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage of technical enquiries from our mapping system completed within 90 working days of receipt.	90%	90%	78% ³	90% ³
Percentage of new gazetted walkways displayed on our maps within 12 months.	100%	100%	100%	100%

Output: Provide tracks and trails information

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage increase in the number of unique visits to our tracks and trails database.	5%	5%	55%	5%
		14,020	13,353	7,600

People access the outdoors responsibly

Encouraging the public to act responsibly while in the New Zealand outdoors is a key task. We do this in two ways – by providing school-based educational resources, and general information on how to behave while in the outdoors.

In addition, we are also responsible for enforcing behaviour on walkways via territorial and regional councils and DOC, which act as controlling authorities on our behalf.

Output: School education programmes

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage increase in the number of people accessing digital education resources compared to the previous year.	5%	5%	142%	5%
		12,687	12,083	5,670

Output: Digital-led initiatives to change behaviour

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage increase in the number of people accessing digital information on rights, responsibilities and appropriate behaviour in the outdoors.	5%	5%	57%	5%
		10,575	10,072	5,145

Output: Walkway compliance

Performance measure	Target 2021/2022	Target 2020/2021	Actual 2019/2020	Target 2019/2020
Percentage of compliance reports we receive from controlling authorities.	95%	95%	96%	95%

Note 3: This measure was 'within 30 days' in 2019/2020.

Forecast Financial Statements

The forecast financial statements provide all the appropriate information and explanations needed to fairly reflect the forecast financial operations and financial position of the Walking Access Commission for the year ending 30 June 2022 in accordance with s149G of the Crown Entities Act 2004.

Our activities contribute to the non-departmental output expense, Support for Walking Access, within Vote Agriculture, administered by the Ministry for Primary Industries. We will receive \$3,595,394 (GST exclusive) in Crown funding in 2021/2022, (\$3,560,394 in 2020/2021).

The Commission does not propose to supply any class of outputs in the financial year that is not a reportable class of outputs [section 149E (1)(c)].

Statement of Forecast Comprehensive Revenue and Expense

For the Year Ending 30 June 2022

	2021/2022 Budget	2020/2021 Budget	2020/2021 Estimated Actual
	\$	\$	\$
Revenue			
Crown revenue	3,595,394	3,560,394	3,560,000
Interest income	9,000	10,000	10,000
Other income	-	-	-
Total Revenue	3,604,394	3,570,394	3,570,000
Less expenses			
Personnel costs	1,706,171	1,324,993	1,449,000
Other operating costs	1,962,073	2,109,739	2,085,000
Depreciation and amortisation	66,150	35,662	36,000
Grant expense	100,000	100,000	100,000
Total Expenditure	3,834,394	3,570,394	3,670,000
Surplus/(deficit)	(230,000)	0	(100,000)

Statement of Forecast Financial Position

As at 30 June 2022

	2021/2022 Budget	2020/2021 Budget	2020/2021 Estimated Actual
	\$	\$	\$
Current Assets			
Bank accounts and cash	203,113	546,875	362,000
Investments	750,000	1,000,000	1,000,000
Trade and other receivables		56,667	5,000
Total current assets	953,113	1,603,542	1,367,000
Non-current assets			
Property, plant and equipment	241,850	114,288	58,000
Term investments	-	-	-
Total non-current assets	241,850	114,288	58,000
Total assets	1,194,963	1,717,830	1,425,000
Less liabilities			
Creditors and accrued expenses	116,416	124,932	108,000
Employee entitlements	121,547	71,140	130,000
Income in advance	0	447,250	0
Total liabilities	237,963	643,322	238,000
Net assets	957,000	1,074,508	1,187,000
Equity	957,000	1,074,508	1,187,000

Statement of Forecast Changes in Equity

As at 30 June 2022

	2021/2022 Budget \$	2020/2021 Budget \$	2020/2021 Estimated Actual \$
Equity as at 1 July	1,187,000	1,074,508	1,287,000
Total recognised revenue and expense	(230,000)	0	(100,000)
Equity at 30 June	957,000	1,074,508	1,187,000

Statement of Forecast Cash Flows

For the year ending 30 June 2022

	2021/2022 Budget \$	2020/2021 Budget \$	2020/2021 Estimated Actual \$
Cash Flows from Operating Activities			
Revenue from Crown	3,595,394	3,560,000	3,560,000
Interest received	9,000	10,000	10,000
Other revenue	-	-	-
Payments to employees and members	(1,808,471)	(1,324,993)	(1,551,000)
Payments to suppliers	(2,109,773)	(2,108,433)	(1,983,000)
GST (net)	(50,000)	(16,000)	(50,000)
Net cash flows from operating activities	(363,850)	120,574	(14,000)
Cash flows from investing activities			
Net (increase)/decrease from maturity of investments	225,000	100,000	(0)
Purchase of property, plant and equipment	(20,037)	(15,000)	(23,000)
Net cash flows from investing activities	204,963	85,000	(23,000)
Net increase/(decrease) in cash	(158,887)	205,574	(37,000)
Cash and cash equivalents at the beginning of the year	362,000	341,301	399,000
Cash and cash equivalents at the end of the year	203,113	546,875	362,000

Notes to the Forecast Financial Statements

Statement of Accounting Policies

Reporting Entity

The New Zealand Walking Access Commission Ara Hīkoi Aotearoa is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. As such, the Commission's operations include the Crown Entities Act 2004 and the Walking Access Act 2008. The Commission's ultimate parent is the New Zealand Crown.

The functions and responsibilities of the Commission are set out in the Walking Access Act 2008. Our primary objective is to provide services to the New Zealand public, as opposed to making a financial return. We have one output: Support for Walking Access. The figures presented in these financial statements are for that one output. Accordingly, the Commission has designated itself as a public benefit entity (PBE) for the purposes of financial reporting purposes.

The forecast financial statements reflect the operations of the Commission only, and do not incorporate any other entities. These forecast financial statements are for the year ending 30 June 2022.

Basis of Preparation

We have prepared the financial statements presented here in accordance with (New Zealand) generally accepted accounting practice and are consistent with the accounting policies to be adopted for the preparation of financial statements. We have prepared them on the assumption that the Commission is a going concern.

We have prepared the forecast financial statements in accordance with Tier 2 PBE accounting standards.

Presentation Currency and Rounding

We have presented the financial statements in New Zealand dollars unless otherwise stated.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at the fair value of consideration received or receivable.

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 our objectives as

specified in our 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.

Interest revenue

Interest income is recognised as it accrues on bank account balances and investments.

Grant Expenditure

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

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, other short term highly liquid investments with original maturities of three months or less.

Debtors and other 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 we 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

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.

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 included in the Statement of Financial Performance.

Subsequent costs

Costs incurred after 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 based on 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. The cost of an internally generated asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of our website are recognised as an expense when incurred.

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.

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 total impairment loss is recognised in the Statement of

Financial Performance as is any subsequent reversal of an impairment loss.

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.

Presentation of employee entitlements

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

Superannuation Schemes

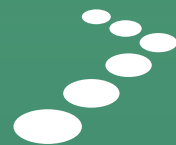
Defined contribution schemes obligations for contributions to Kiwi Saver and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit as incurred.

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. 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, we have made no provision for income tax.



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New Zealand Government

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