



STATEMENT OF PERFORMANCE EXPECTATIONS

FOR THE 2020/2021 FINANCIAL YEAR

**NEW ZEALAND WALKING ACCESS COMMISSION
ARA HĪKOI AOTEAROA**

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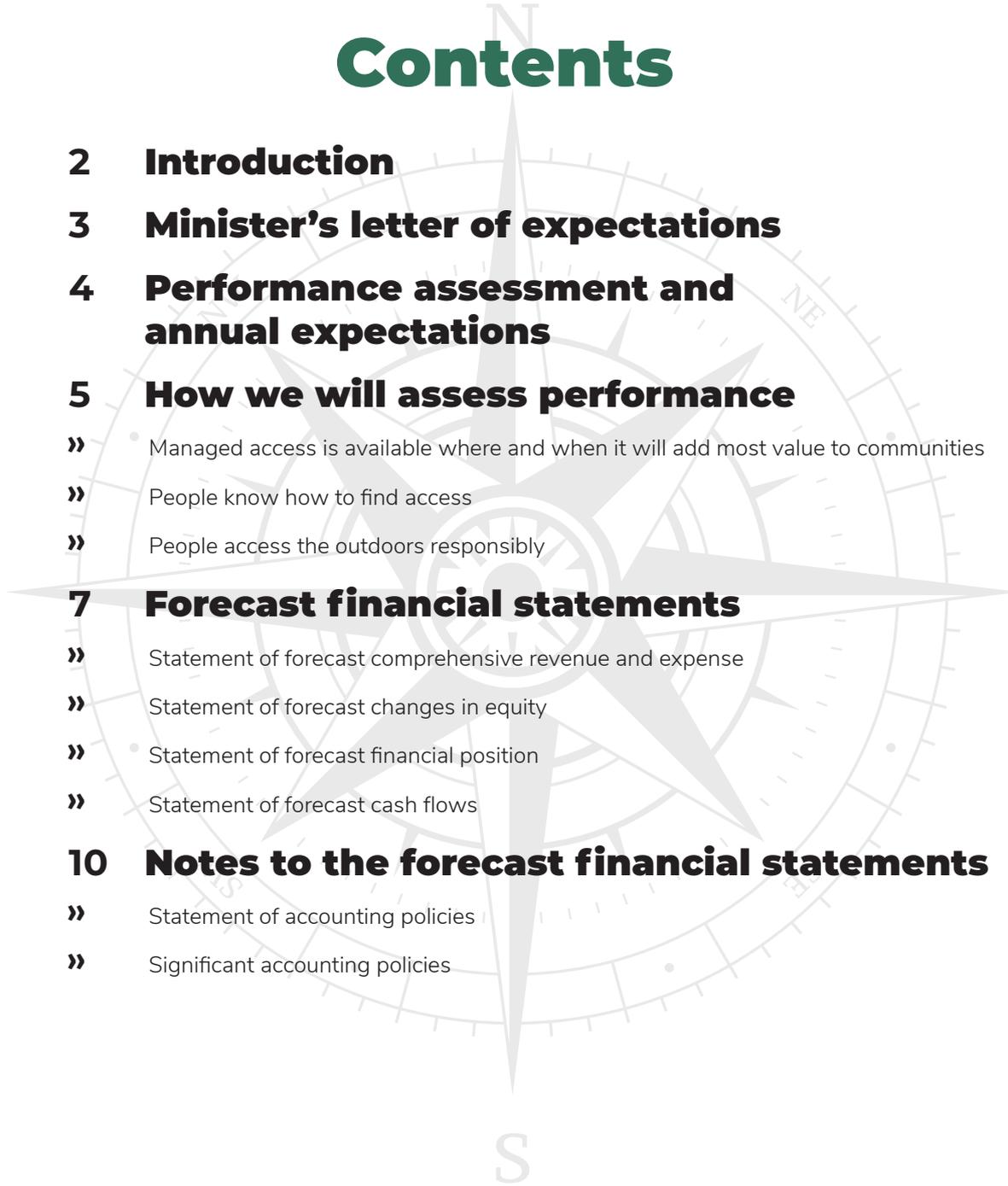
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ISSN 2357-2531 (Print) ISSN 2357-254X (Online)

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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 2021

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 by 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

20 June 2020



Peter Coburn

Board member

20 June 2020



Introduction

This is the 2020/2021 Statement of Performance Expectations (SPE), prepared by the New Zealand Walking Access Commission Ara Hikoi Aotearoa. We provide all information in accordance with the Crown Entities Act 2004.

This SPE reflects our operational priorities for the 2020/2021 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 that we developed in 2017/18. Both of these 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 2020/2021 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 during COVID-19 Alert Level 4. COVID-19 has introduced new challenges to the way the Commission operates.

The 2020-2021 SPE's performance management expectations, budgeting, planning and forecasting have all been made without taking into account any significant impact that the effect of COVID-19 might have.

The Commission is confident that it can adapt quickly and prudently if it is required to realign annual expectations with any operating restrictions as a result of any ongoing impact of COVID-19.

Performance assessment and annual expectations

This section sets out performance measures, targets, estimates and budgets for the year ending 30 June 2021. 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 long-term mission.

As our strategic framework shows, the three outcomes and their related services work collectively. Together, they contribute to the vision of what we intend to achieve –

Minister's letter of expectations

Hon Damien O'Connor, as Minister for Primary Industries, 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 2020/2021, these are:

- unlocking the potential of Māori heritage and history,
- minimising the environmental impacts of public access to the outdoors, and
- incorporating cycling access alongside walking access negotiations and development.

namely, that New Zealanders have free, certain, enduring and practical access to the outdoors.

The specific impact which, over time, we contribute to and influence is ensuring all stakeholders:

- generate public access opportunities to support healthy and prosperous communities.

We contribute to these impacts by delivering our three outcomes 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 we provide:
 - » school education programmes;
 - » digital-led initiatives to change behaviour; and
 - » walkway compliance.

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 2021 in accordance with s149G of the *Crown Entities Act 2004*.

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

The Minister has also asked the Commission to respond to any Cabinet-agreed changes to the *Walking Access Act 2008* arising from the review of the Act.

While Cabinet is not likely to consider or agree to any changes during the 2020/2021 financial year, the Commission is ensuring that our internal systems and processes are in top shape, to enable us to easily respond to any such changes when they are decided.

Performance assessment and annual expectations

Our Strategic Framework

Our vision and purpose

Te mauri o te hīkoi

Journeys across the land and to our special places

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 and community groups to generate public access opportunities that support healthy and prosperous 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 the access mapping system; and
- provide tracks and trails information.

People access the outdoors responsibly because of our:

- school education programmes;
- digital-led behaviour change initiatives; 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 Enhanced Access Grant applications;
- Developing walking access policy;
- Attending or hosting workshops and meetings with other government agencies, landholders, iwi, hapū and community groups to promote access;
- Managing and maintaining track and trail data;
- 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 from the Enhanced Access Fund.

Output: Facilitate and lead public outdoor access

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Number of external stakeholder meetings or workshops we held.	8	8	8
Percentage of OIO reports completed within 90 days.	80%	80%	85%

Output: Facilitate resolution of access disputes

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage of access disputes successfully resolved within 12 months.	50%	50%	37%

Output: Manage the Enhanced Access Fund

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage of contracts completed within five years of funding being approved.	70%	70%	76%

Output: Engage with communities

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage of enquiries responded to within 10 working days.	90%	90%	96%

People know how to find access

The Commission works with LINZ, DOC 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 (www.walkingaccess.govt.nz). 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	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage of technical enquiries from our mapping system completed within 90 working days of receipt.	90%	90%	38%*
Percentage of new gazetted walkways displayed on our maps within 12 months.	100%	100%	100%

Output: Provide tracks and trails information

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage increase in the number of unique visits to our tracks and trails database.	5%	5% (9,047)	Baseline set at 8,616

* Note this measure was within 30 working days in 2018/2019 and 2019/2020.

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	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage increase in the number of people accessing digital education resources compared to the previous year.	5%	5% (5,254)	-2.7% (5,004)

Output: Digital-led initiatives to change behaviour

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage increase in the number of people accessing digital information on rights, responsibilities and appropriate behaviour in the outdoors.	5%	5% (6,580)	Baseline set at 6,267

Output: Walkway compliance

Performance measure	Standard 2020/2021	Standard 2019/2020	Actual 2018/2019
Percentage of compliance reports we receive from controlling authorities.	95%	95%	100%

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 2021 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 \$3,570,394 (GST exclusive) in Crown funding in 2020/2021, (\$1,789,000 in 2019/2020).

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

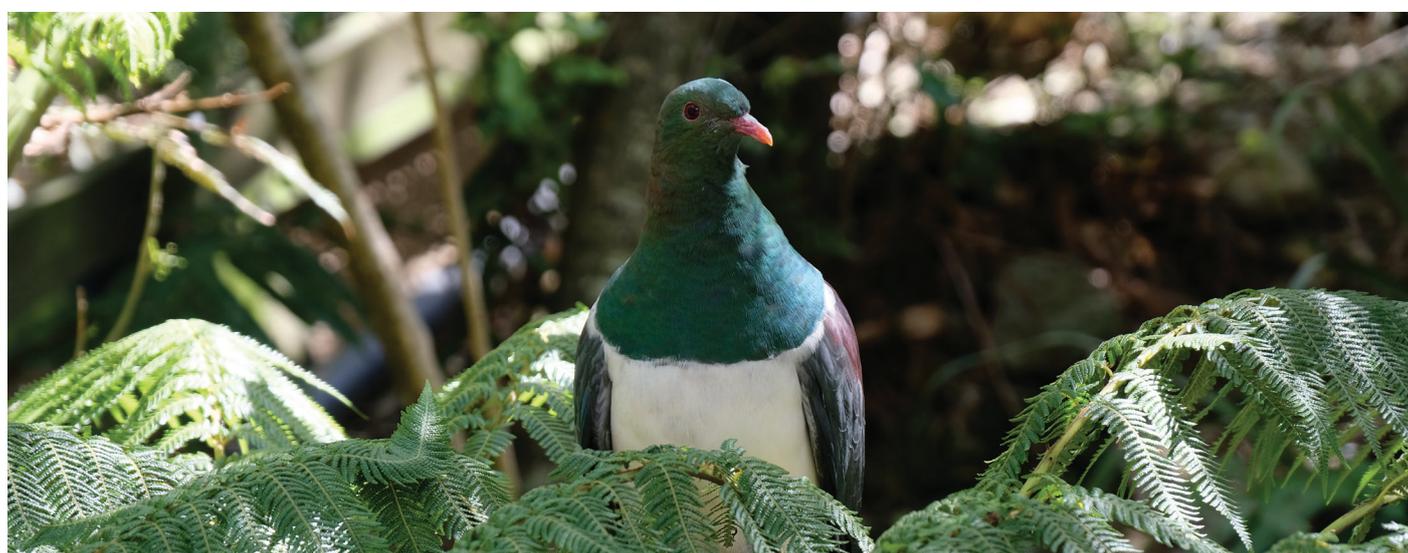
For the Year Ending 30 June 2021

	2020/2021 Budget	2019/2020 Budget	2019/2020 Estimated Actual
	\$	\$	\$
Revenue			
Crown revenue	3,560,394	1,789,000	1,789,000
Interest income	10,000	44,100	17,000
Other income	-	-	5,000
Total Revenue	3,570,394	1,833,100	1,811,000
Less expenses			
Personnel costs	1,324,993	1,162,217	1,147,242
Other operating costs	2,109,739	1,495,153	1,612,604
Depreciation and amortisation	35,662	44,128	33,728
Grant expense	100,000	100,000	75,000
Total Expenditure	3,570,394	2,801,498	2,868,574
Surplus/(deficit)	0	(968,398)	(1,057,574)

Statement of Forecast Financial Position

As at 30 June 2021

	2020/2021 Budget \$	2019/2020 Budget \$	2019/2020 Estimated Actual \$
Current Assets			
Bank accounts and cash	546,875	510,404	341,301
Investments	1,000,000	450,000	1,200,000
Trade and other receivables	56,667	79,917	79,917
Total current assets	1,603,542	1,040,321	1,621,218
Non-current assets			
Property, plant and equipment	114,288	93,540	93,540
Term investments	-	750,000	-
Total non-current assets	114,288	843,540	93,540
Total assets	1,717,830	1,883,861	1,714,758
Less liabilities			
Creditors and accrued expenses	124,932	125,000	125,000
Employee entitlements	71,140	68,000	68,000
Income in advance	447,250	447,250	447,250
Total liabilities	643,322	640,250	640,250
Net assets	1,074,508	1,243,611	1,074,508
Equity	1,074,508	1,243,611	1,074,508



Statement of Forecast Changes in Equity

As at 30 June 2021

	2020/2021 Budget \$	2019/2020 Budget \$	2019/2020 Estimated Actual \$
Equity as at 1 July	1,074,508	2,212,009	2,132,082
Total recognised revenue and expense	0	(968,398)	(1,057,574)
Equity at 30 June	1,074,508	1,243,611	1,074,508

Statement of Forecast Cash Flows

For the Year Ending 30 June 2021

	2020/2021 Budget \$	2019/2020 Budget \$	2019/2020 Estimated Actual \$
Cash Flows from Operating Activities			
Revenue from Crown	3,560,000	1,789,000	1,789,000
Interest received	10,000	47,097	17,000
Other revenue	-	-	5,000
Payments to employees and members	(1,324,993)	(1,197,248)	(1,147,242)
Payments to suppliers	(2,108,433)	(1,552,122)	(1,669,068)
GST (net)	(16,000)	0	50,000
Net cash flows from operating activities	120,574	(913,273)	(955,310)
Cash flows from investing activities			
Net (increase)/decrease from maturity of investments	100,000	750,000	(750,000)
Purchase of property, plant and equipment	(15,000)	(10,000)	(5,000)
Net cash flows from investing activities	85,000	740,000	(755,000)
Net increase/(decrease) in cash	205,574	(173,273)	(1,710,310)
Cash and cash equivalents at the beginning of the year	341,301	683,677	2,051,611
Cash and cash equivalents at the end of the year	546,875	510,404	341,301

Notes to the Forecast Financial Statements

Statement of Accounting Policies

Reporting Entity

The New Zealand Walking Access Commission Ara Hikoī 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 2021.

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.

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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