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# WATER NEW ZEALAND

(THE NEW ZEALAND WATER AND WASTES ASSOCIATION)

## 2019 ANNUAL REVIEW

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**water**  
NEW ZEALAND



*The New Zealand Water & Wastes Association Waiora Aotearoa*  
A consistent approach across the 3 waters sector



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## MESSAGE FROM THE CHAIRMAN



*Kelvin Hill*

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It is with pleasure that I present my report for the 2018/19 year on the activities of Water New Zealand and its Governance Board.

The focus of Association activities remains on the important work being done by the government on 3 waters reform and regulation options. While three waters reform continues to be a key focus, there remain several other initiatives which are equally important. I'll return to these shortly.

The reform work is being led by the Ministries of Internal Affairs and Health and Water New Zealand has been focused on ensuring officials have access to good technical information both about the performance of the sector, as well as the implications of the decisions government is making.

Where possible, we have shared with industry the technical reports being prepared by officials. The Government itself ran an invitation-only workshop series earlier this year to test their emerging policy proposals. These were generally supported by industry.

At the time of preparing this report, there is an expectation government will make final decision about the nature and functions of a new regulator shortly.

During the year, our technical team was regularly called upon by the sector to provide advice of a technical nature and provide formal technical guidance to industry.

Particularly worthy is the standing which our National Performance Review which has been referenced in several official government reports as authoritative information about the sector,

The other major area of focus is training and education. This includes working with an industry team on the development of a draft industry strategy and competency framework along with a continuing professional development scheme.

We continued to take a lead on industry advocacy including more than a dozen submissions on central government discussion papers - these are all available on our website.

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The conferences and events continued to be well received, with the annual conference trade show being sold out months before conference started.

This year's response to our membership survey was the highest to date with over 22% of members responding, more than twice the number of previous years. The results from the survey and our actions in response are detailed elsewhere in this review. Worthy of mention is the need to provide opportunities for engaging at regional meetings. Accordingly, we continue to run these events either by ourselves or in conjunction with other groups such as CIWEM or the Young Water Professionals.

The Association has a well-developed sector engagement strategy with several dozen organisations both here and overseas with whom we maintain contact. All have some relevance to water. We are currently bidding for an International Water Association Conference to be held here in 2023, and are working with Australian Water Association and Water Aid to develop a joint program of action in the South Pacific funded by our respective foreign affairs agencies.

There have been a couple of changes to the Board, with Lorraine Kendrick and Iain Rabbitts being elected. Troy Brockbank was co-opted and joined the Board in April 2019. My thanks to the contributions of Dukessa Blackburn-Huettner who filled the position of chair for the last two years, and David Simpson who has been on the Board for 3 years.

I look forward to meeting many of the members at the annual conference in September.



KELVIN HILL

*Chairman of the Board*

# WATER NEW ZEALAND

## AT A GLANCE



From 1 July 2018 to 30 June 2019

John Pfahlert, CEO

The 2018/19 year represented an important milestone for Water New Zealand – our 60-year anniversary of representing members of the water sector. Acting as the principal voice for the water sector on sustainable management and promotion of the 3 waters lies at the heart of the Association's longevity.

This year a considerable amount of staff time has been involved in working with government and members on the 3 waters reform process. We have contributed a good deal of technical information from the National Performance Review to assist officials with the evidence base to support government decision making. We ran several regional workshops around New Zealand to keep members apprised of developments. We have staff representing industry on the review of the NZ Drinking Water Standards.

The 3 waters sector faces several challenges. The reform proposals being led by the Government are clearly the most obvious of these and final decisions are expected from the government in October 2019. However, the Association is also responding to challenges around capacity and capability, continuing professional development and training and education. This is requiring a significant investment of Association funds and will do so for some time to come. We need to continue working collaboratively with our members to ensure that the involvement we make as an industry is both considered and timely.

Throughout this report you will see the Association continues to operate to a strategy with 5 principal pillars or areas of focus.



### Performance

Monitoring and promoting high performance



### Workforce

Ensuring educated, knowledgeable and informed people



### Engagement

Encouraging a collegial exchange of ideas



### Technical

Providing good practice information and support



### Advocacy

Influencing key stakeholders

## Our Purpose

Achieving a consistent approach across the 3 Waters Sector



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## WATER NEW ZEALAND

### INDUSTRY ADVOCACY

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Part of the Association's role is to advocate on behalf of the sector when discussion documents from government departments, legislation or other regulatory instruments are released for comment. Demonstrating sector leadership and advocating on behalf of the members are among our core priorities.

### 3 Waters Review and Regulation

Officials continue to make progress with this work. Staff attended several workshops where the Government's emerging proposals were presented. Water New Zealand ran a series of about 15 regional workshops in the August/September 2018 period, updating the membership on government developments and attended by approximately 450 people. In late June the Productivity Commission also released their draft report on local government funding and financing, which has an entire chapter devoted to 3 waters reform and how the Commission envisages it proceeding.

The Association has also been involved in providing officials with technical information to support a variety of reports into the costs of upgrading water and wastewater systems.

### Freshwater Policy

Despite expectations that the Minister for the Environment Parker would release a programme of action in late 2018, there has been little progress by the Government in the past 12 months. As at July 2019, no announcements as to progress have been forthcoming – reflecting perhaps the political difficulty of making decisions on freshwater management without having a significant impact on the agricultural community.

### Metadata Project

This work is now being overseen by a group led by the transport sector, with Myles Lind as chair. The Quake Centre is actively involved, and the Association has representation. The Quake Centre has also trialed a proof of concept for a national pipe data portal which allows comparisons between councils even where the data and asset management systems used are different.

## Climate Change

We continue our links with the Deep South Science Challenge on aspects of resilience – particularly those driven by climate change. A recent Productivity Commission report acknowledged the Government needed to work more closely with local government on how to fund improved resilience for councils unable to respond themselves.

## Resilience

The Association also participates in the Resilience to Natures Challenges National Science Challenge on behalf of the water sector. Another resilience project that the association is represented at is the Reazealeance project lead by the New Zealand Insurance Council, this project relates to developing models to represent flooding risks.

## Sector Workforce Capability

The Association funded a significant piece of work via the Stormwater Group into sector needs around stormwater training. The Group is working with Clare Feeney on this project. The Group has also been involved with Auckland Council which is implementing a National Green Infrastructure Certification Programme. Jim Graham is progressing the development of a competency framework for industry, an industry training strategy, and working with the Water Industry Operations Group to implement a CPD scheme for operators.

At the highest level, the Tertiary Education Commission is pursuing significant reform of the vocational education sector. Announced in January 2019, it isn't clear where this work will land, but initial proposals appeared to have significant implications for industry training organisations. It's fair to say that that the future of industry training is far from clear, with many employers frustrated at the lack of suitable water industry training courses.



Photo competition entry - Outfall inspection of Pukete WWTP - Martin Scott - Hamilton City Council

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## WATER NEW ZEALAND

### SECTOR ENGAGEMENT

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Encouraging a collegial exchange of ideas, through special interest groups, regional and annual meetings and conferences, and international connections.

Water New Zealand has a well-developed sector engagement strategy, with a network of supported special interest groups and external partners with whom we regularly engage to collaborate and share learnings across the three waters network; drinking, waste and stormwater. Here are some of our achievements over the past twelve months.

#### Backflow Group

- The review and republication of the New Zealand Industry Standard for Field Testing of Backflow Prevention Devices
- Ongoing participation in the Australia/New Zealand Industry Standards for WS-014 and WS-023, both important parts of the plumbing and draining standards as they pertain to backflow protection

#### Modelling Group

- Revision and republication of the National Modelling Guidelines for Wastewater Network Modelling
- Annual symposium held in Wellington

## Modelling Symposium 2019

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The Modelling Group held it's 2019 Symposium in Wellington in March.







### Stormwater Group

- Completion of a Stormwater Education and Training Strategy, with a three-year executable plan to be rolled out. This will provide an adaptive framework with a focus on training needs, delivery and funding mechanisms
- Infographics to support Te Wiki o te reo Maori to support guidance and engagement on te reo Maori in relation to Stormwater
- Regular regional meetings in Christchurch, along with Auckland, Gisborne and Wellington.
- Annual conference held in Auckland

### Smart Water Infrastructure Group (SWIG)

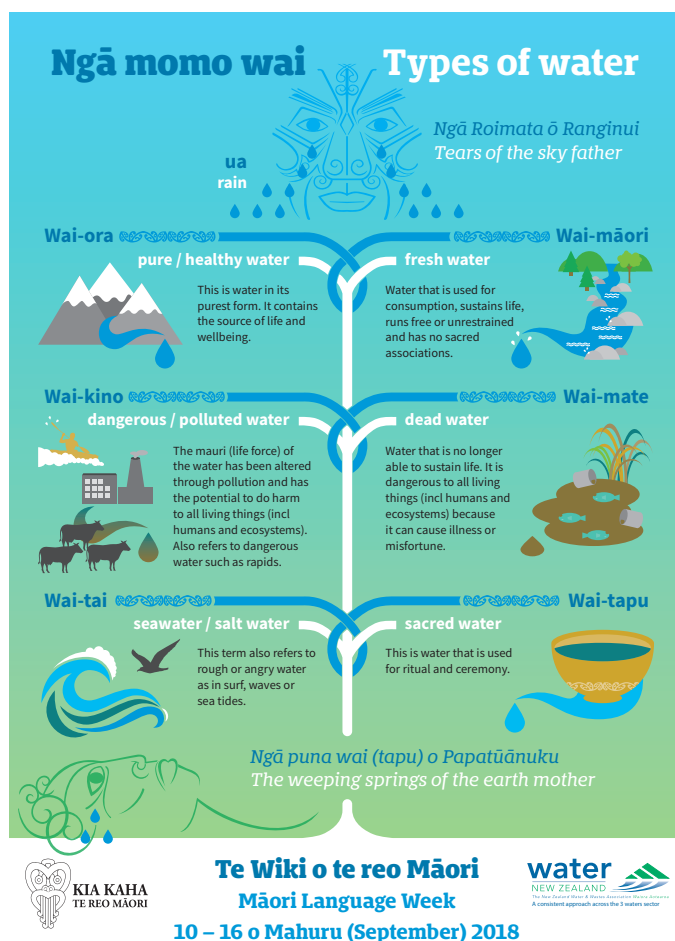
- This group held informal meetings early in 2019 and will be holding a stream of presentations at the Water New Zealand conference 2019.

### Small Water and Natural Systems Group (SWANS)

- This group is being reinvigorated and are holding a meeting at the Water New Zealand conference 2019.

### Young Water Professionals

The four YWP groups are located in Auckland, Central (Tauranga), Wellington and Christchurch. All held regional workshops which supported good growth in membership. Closer participation with the Australian YWP group will see mutual participation in the 2020 AWA/IWA Australia-New Zealand YWP Conference.



## Water Service Manager's Group

- The group met twice during the year, November 2018 in Timaru, and April 2019 in Invercargill. Collectively, more than 100 water service manager's attended these meetings with many projects discussed, including the WSMG sponsored projects, and current issues talked to.
- WSMG members made four presentations at the 2018 Water New Zealand Conference in Hamilton
- Thanks to Lorraine Kendrick, who stepped down as Chair in 2018, for her many years service.

## Water Utilities Association

- This group met twice during the year, in particular to be apprised of developments from the 3 waters review and new regulator discussions with central government.

## Australian Water Association

- Water New Zealand staff shared learnings with the AWA on a variety of operational matters, focusing on a joint project to improve water services in the Pacific.
- We established contact with Water Aid in Melbourne who will be working with us on that project.

There is ongoing dialogue with the IWA, Water Services Association of Australia, Pacific Water and Wastes Association, WEFTEC, the British Columbia Water & Wastes Association.

## Other regional meetings of note were:

- David Sedlak, International Water expert, co-hosted by University of Auckland and Water New Zealand in Auckland and Wellington
- Joint event Water New Zealand / CIWEM / BECA / WSP-Opus in Christchurch with Jim Mihelcic presenting on Water Re-use, his area of expertise. Dan Stevens of BECA also presented the Melbourne Western Water modelling work to address population and infrastructure growth rates
- Water New Zealand annual pub quiz in Wellington – and the Winner for 2019 was team-Beca Aqua-Lira

## International events and conferences we attended:

- AWA Ozwater conference in Melbourne in May.
- Water Industry Operations Association conference in Ballarat and presented a paper on 3 waters reform.
- the Pacific Water and Wastes Association conference Noumea,
- the British Columbia Water & Wastes Association Conference in Victoria
- Water Environment Federation trade show in the United States



**water**  
NEW ZEALAND  
CONFERENCE & EXPO

4  
Days

1200  
Delegates

109  
Speakers

1958-2018  
**60**  
years

113  
Exhibitors

4  
Workshops

17  
Sponsors

Water New Zealand celebrated its 60 year anniversary at the September 2018 conference, with a record turnout and special Gala Dinner awards ceremony.

## WATER NEW ZEALAND

### TECHNICAL

The Association provides and co-ordinates good practice advice, information and support to the sector through its technical team.

Technical guidance documents were completed on choosing an Onsite Wastewater Management System.

As at the 30th June work has progressed on

- Rainfall and Runoff guidelines;
- Guidelines for Beneficial Use of Organic Material (Biosolids);
- New Zealand Pipe Inspection Manual,
- Good Practice guide for Developing Pressure Sewer Systems;
- Good Practice Guide for Hygiene Practices to Prevent Water Supply Contamination, and
- Metadata.

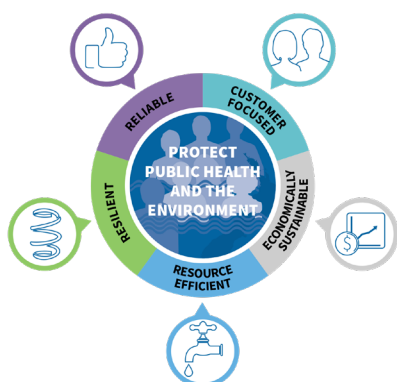
On behalf of members, the technical team is progressing with a joint Australia / New Zealand standard for Non-flushable products.

Also during this period, the Onsite Effluent Testing Facility was being modified to test against the more real world scenarios as described in AS 1546.3:2017

### National Performance Review

The 2017/18 NPR participants have jurisdictions that cover 4,513,457 New Zealanders, roughly 94% of the population, with assets worth over \$38 billion.

Figure 1: Aspects of 3 Waters service provision addressed by the National Performance Review



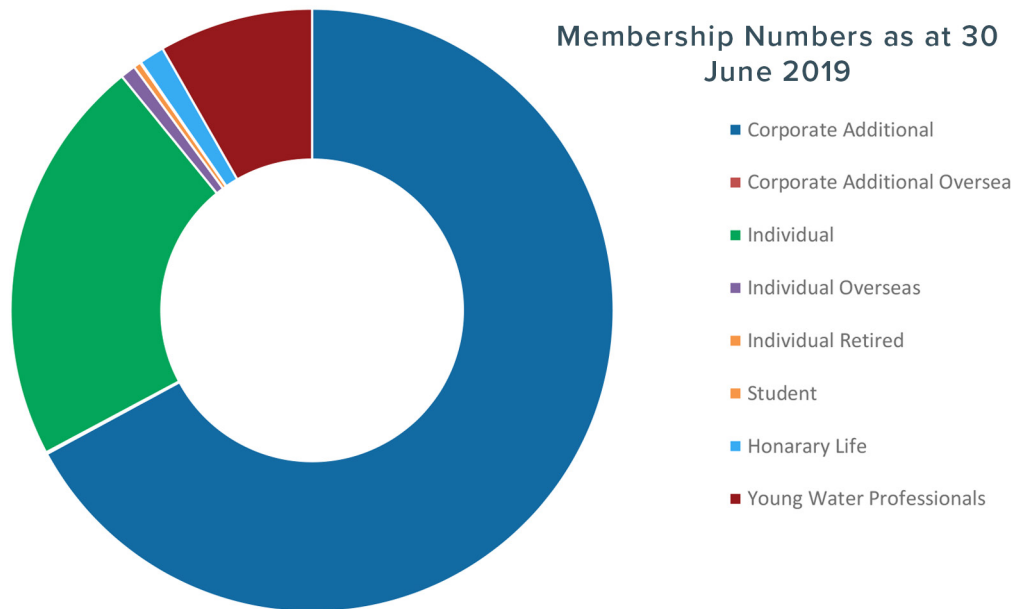
- Annual benchmark of water, wastewater, and stormwater service delivery throughout New Zealand
- 48 Council's and CCO participants
- Covers 94% of NZ's population



## WATER NEW ZEALAND ASSOCIATION UPDATES

### Membership

The Membership for the 2018/2019 year has remained steady with corporate additional making up most of the membership.



### Membership Survey 2019

The Association ran a survey of members during March and early April 2019. The survey received 456 respondents – a 22% response rate. This is more than twice the number who have previously participated. The survey results in large part supported the strategic work being done by the Association. In particular, members want the Association to do more work in the area of training and education; they want us to ensure our advocacy is balanced and reflects members views; they want a continued emphasis on the provision and preparation of technical guidance, and a continued emphasis on the provision of regional meetings.

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## BOARD OF DIRECTORS

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The Board

**KELVIN HILL**

President

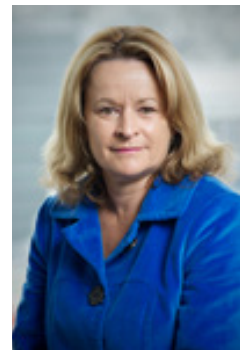
Utilities Manager, Western  
Bay of Plenty District Council



**HELEN ATKINS**

Board Member

Partner, Atkins Holm Majurey  
Law



**JOHN MACKIE**

Board Member

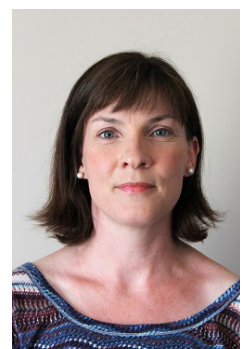
General Manager -  
Christchurch, Golder  
Associates (NZ) Limited



**LORRAINE KENDRICK**

Board Member

Manager Project Delivery  
(Major Capital Works), Waipa  
District Council.



**IAIN RABBITS**

Board Member

Principal Process Engineer,  
Lutra Limited



**TROY BROCKBANK**

Board Member, Co-opted

Senior Environmental  
Consultant, WSP OpusT



**GARTH DIBLEY**

Board Member, Co-opted

Chief Executive, WEL  
Networks



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## STAFF & CONTRACTORS

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### The Team

JOHN PFAHLERT  
CEO

LINDA WHATMOUGH  
Manager, Corporate Services

VICKI MCENANEY  
Manager, Sector Engagement

NOEL ROBERTS  
Technical Manager

JIM GRAHAM  
Principal Advisor Water Quality

LESLEY SMITH  
Principal Data Scientist

DEBRA HARRINGTON  
Communications Manager  
(Part Time)

AMY SAMUEL  
Executive Administrator

PIP DONNELLY  
Administrator  
(Part Time)

NOELINE STRANGE  
Advertising Manager  
(Contractor)

ALAN TITCHALL  
Water Journal editor  
(Contractor)

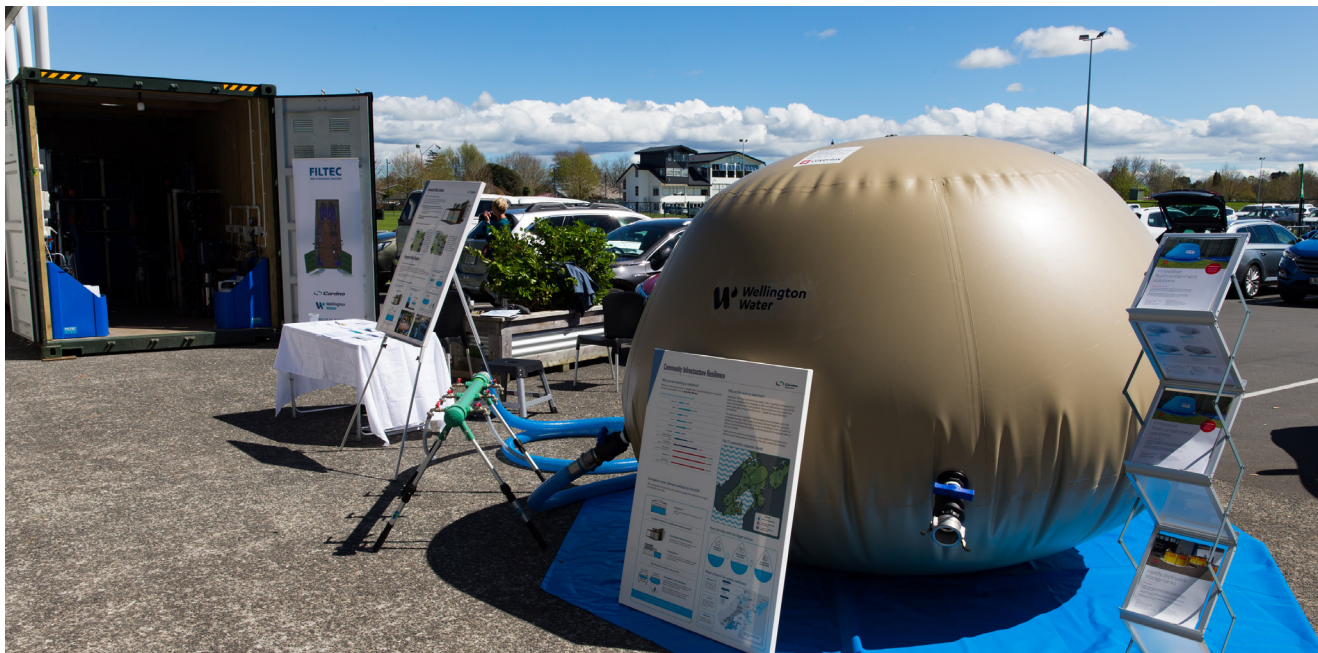


Photo: Annual Conference 2019



# Annual Report

New Zealand Water and Wastes Association Inc. (Trading As  
Water New Zealand)

For the year ended 30 June 2019

Prepared by BW Miller Dean Limited

## Directory

### New Zealand Water and Wastes Association Inc. (Trading As Water New Zealand) For the year ended 30 June 2019

#### Nature of Business

Membership Association

The Association provides technical and educational services to members. The nature of the Association's business has not changed during the year under review.

#### Auditors

Grant Thornton New Zealand Audit Partnership

#### Chartered Accountant

BW Miller Dean Limited  
Level 5, 203-209 Willis Street  
Wellington

#### Bankers

Bank of New Zealand

#### Business Location

Level 12, Ranchhod Tower  
39 The Terrace  
Wellington

# Statement of Financial Performance

**New Zealand Water and Wastes Association Inc. (Trading As Water New Zealand)**  
**For the year ended 30 June 2019**

|  | NOTES | 2019             | 2018             |
|--|-------|------------------|------------------|
| <b>Revenue</b>                               |       |                  |                  |
| Publications                                 |       | 363,034          | 381,742          |
| Seminar & Conference                         |       | 1,883,565        | 1,823,787        |
| Water Utilities Association                  |       | 71,000           | 78,000           |
| Income from Joint Venture                    |       | -                | 6,592            |
| Project Income                               |       | 346,554          | 456,459          |
| Subscriptions                                |       | 620,883          | 507,747          |
| Interest Received & Miscellaneous            |       | 26,684           | 38,487           |
| Consulting Income                            |       | 43,230           | 116,048          |
| Miscellaneous Income                         |       | -                | 3,018            |
| <b>Total Revenue</b>                         |       | <b>3,354,950</b> | <b>3,411,880</b> |
| <b>Expenses</b>                              |       |                  |                  |
| Accident Compensation Levies                 |       | 1,957            | 2,079            |
| Audit Fees                                   |       | 14,000           | 14,000           |
| Bank Fees                                    |       | 4,387            | 5,020            |
| Computer Expenses                            |       | 24,831           | 28,090           |
| Event & Communication                        |       | 254,486          | 274,398          |
| Governance                                   |       | 34,606           | 36,922           |
| Insurance                                    |       | 6,354            | 6,084            |
| Membership                                   |       | 15,718           | 4,370            |
| Printing & Stationery                        |       | 7,759            | 16,228           |
| Professional Fees                            | 2     | 72,294           | 122,969          |
| Project Expenditure                          |       | 211,967          | 361,518          |
| Publications                                 |       | 242,029          | 248,700          |
| Rent & Lease Costs                           |       | 76,201           | 75,674           |
| Repairs and Maintenance                      |       | 14,029           | 16,004           |
| Salaries & Staff Costs                       |       | 1,053,752        | 936,658          |
| Seminar & Conference Expenses                |       | 1,181,874        | 1,157,307        |
| Subscriptions                                |       | 11,045           | 13,712           |
| Telephone & Internet                         |       | 9,723            | 9,489            |
| Travel and Accommodation                     |       | 81,767           | 75,591           |
| Loss on Disposal                             |       | 479              | 468              |
| Depreciation                                 |       | 19,952           | 18,159           |
| <b>Total Expenses</b>                        |       | <b>3,339,210</b> | <b>3,423,440</b> |
| <b>Net Surplus/(Deficit) Before Taxation</b> |       | <b>15,740</b>    | <b>(11,560)</b>  |
| <b>Net Surplus/(Deficit) for the Year</b>    |       | <b>15,740</b>    | <b>(11,560)</b>  |

The accompanying notes form part of these special purpose financial statements.





## Statement of Changes in Equity

New Zealand Water and Wastes Association Inc. (Trading As Water New Zealand)  
For the year ended 30 June 2019

|                                  | 2019             | 2018             |
|----------------------------------|------------------|------------------|
| <b>Equity</b>                    |                  |                  |
| Opening Balance                  | 1,140,173        | 1,151,733        |
| Surplus/(Deficit) for the Period | 15,740           | (11,560)         |
| <b>Total Equity</b>              | <b>1,155,913</b> | <b>1,140,173</b> |



The accompanying notes form part of these special purpose financial statements.

# Balance Sheet

## New Zealand Water and Wastes Association Inc. (Trading As Water New Zealand) As at 30 June 2019

|                                  | NOTES | 30 JUN 2019      | 30 JUN 2018      |
|----------------------------------|-------|------------------|------------------|
| <b>Assets</b>                    |       |                  |                  |
| <b>Current Assets</b>            |       |                  |                  |
| Cash and Bank                    | 6     | 463,850          | 200,259          |
| Trade and Other Receivables      |       | 328,697          | 274,828          |
| Prepayments                      |       | 132,090          | 67,809           |
| GST Receivable                   |       | -                | 12,218           |
| Income Tax Receivable            | 12    | 8,637            | 10,935           |
| Accrued Income                   |       | -                | 30,900           |
| Accrued Interest                 |       | 652              | 797              |
| Term Deposits                    |       | 750,000          | 1,000,000        |
| <b>Total Current Assets</b>      |       | <b>1,683,926</b> | <b>1,597,747</b> |
| <b>Non-Current Assets</b>        |       |                  |                  |
| Property, Plant & Equipment      | 9     | 34,776           | 29,198           |
| <b>Total Non-Current Assets</b>  |       | <b>34,776</b>    | <b>29,198</b>    |
| <b>Total Assets</b>              |       | <b>1,718,702</b> | <b>1,626,945</b> |
| <b>Liabilities</b>               |       |                  |                  |
| <b>Current Liabilities</b>       |       |                  |                  |
| Trade and Other Payables         | 8     | 251,863          | 337,251          |
| GST Payable                      |       | 12,371           | -                |
| Golden Shovel Award              |       | 4,776            | 3,386            |
| Income In Advance                |       | 153,700          | 41,951           |
| OSET Project                     | 10    | 140,079          | 104,184          |
| <b>Total Current Liabilities</b> |       | <b>562,790</b>   | <b>486,773</b>   |
| <b>Total Liabilities</b>         |       | <b>562,790</b>   | <b>486,773</b>   |
| <b>Net Assets</b>                |       | <b>1,155,913</b> | <b>1,140,173</b> |
| <b>Equity</b>                    |       |                  |                  |
| Retained Earnings                |       | 1,155,913        | 1,140,173        |
| <b>Total Equity</b>              |       | <b>1,155,913</b> | <b>1,140,173</b> |

For & On Behalf of the Board

President

Board Member

Date 30/8/2019



The accompanying notes form part of these special purpose financial statements.

# Notes to the Special Purpose Financial Statements

New Zealand Water and Wastes Association Inc. (Trading As Water New Zealand)  
For the year ended 30 June 2019

## 1. Statement of Accounting Policies

### Reporting Entity

The special purpose financial statements presented here are for the reporting entity New Zealand Water and Wastes Association Incorporated, trading as Water New Zealand (the "Association").

### Reporting Basis

The annual report is a special purpose financial report that has been prepared in order to meet the requirements of the Incorporated Societies Act 1908 and for the benefit of New Zealand Water & Wastes Associations' members and for Inland Revenue.

### Measurement Basis

The special purpose financial statements of Water New Zealand have been prepared on the accruals basis and are based on historical costs.

The information is presented in New Zealand dollars, rounded to the nearest whole dollar.

### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.





## Specific Accounting Policies

### a) Property, Plant & Equipment

The entity has the following classes of Property, Plant & Equipment;

| <u>Asset Class</u>   | <u>Depreciation Rate</u>     |
|----------------------|------------------------------|
| Furniture & Fittings | 11 - 33% Diminishing Value   |
| Office Equipment     | 11.4 - 67% Diminishing Value |

Property, Plant and Equipment is included at cost less accumulated depreciation. Depreciation is charged over the assets' useful lives.

### b) Goods & Services Tax

These special purpose financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

### c) Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

### d) Taxation

Income tax is accounted for using the taxes payable method. The income tax expense charged to the Statement of Financial Performance is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years.

### e) Income Recognition

Conference and project income received is recognised as revenue after the event has been held. Amounts relating to events after reporting date are recognised as income in advance

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Subscription revenue is accounted for on the accruals basis in the financial statements and recognised as revenue in the period in which it relates to.

Grants without conditions are recognised on receipt. Grants with set conditions, for use towards a particular event are recognised on the occurrence of the recognition event, when the conditions are satisfied.

All other revenue streams are measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to New Zealand Water and Wastes Association Incorporated and revenue can be reliably measured.

### f) Income in Advance

The balance of income in advance is compiled of conference and publications income received/invoiced during the year relating to delivery occurring after balance date.

### g) Bank Accounts & Cash

Bank accounts and petty cash are recorded at their closing amount at reporting date.

### h) Prepayments

Prepayments include expenditure paid relating to subsequent financial years. These prepayments are measured at cost.



### i) Investments

Investments are compiled of funds held in term deposits. Amounts maturing within one year are recognised as current assets. Amounts maturing in more than one year are recognised as non-current assets.

## 2. Professional Fees

|                                | 2019            | 2018             |
|--------------------------------|-----------------|------------------|
| Accountancy Fees               | 8,616           | 9,644            |
| Legal Fees                     | 9,284           | -                |
| Consultancy/Contractors        | 34,394          | 83,325           |
| Strategic Planning             | 20,000          | 30,000           |
| <b>Total Professional Fees</b> | <b>\$72,294</b> | <b>\$122,969</b> |

## 3. Contingent Assets & Liabilities

At balance date there are no known contingent assets & liabilities (2018: \$nil).

## 4. Subsequent Events

There were no significant events after balance date requiring reporting or adjustment in these financial statements.

## 5. Operating Lease Commitments

|                      | 2019             | 2018             |
|----------------------|------------------|------------------|
| <b>Within 1 Year</b> | 74,954           | 74,954           |
| <b>1 - 2 Years</b>   | 42,525           | 74,954           |
| <b>2 - 5 Years</b>   | -                | 42,524           |
|                      | <b>\$117,479</b> | <b>\$192,432</b> |

## 6. Cash & Bank

|                              | 2019             | 2018             |
|------------------------------|------------------|------------------|
| B.N.Z. Cheque Account        | \$11,565         | \$89,696         |
| B.N.Z. Call Account          | \$338,293        | \$6,773          |
| B.N.Z. Oncall Account        | \$113,827        | \$103,494        |
| Cash on Hand                 | \$165            | \$296            |
| <b>Total Cash &amp; Bank</b> | <b>\$463,850</b> | <b>\$200,259</b> |



## 7. Term Investments

### Current

|                                       |                  |                    |
|---------------------------------------|------------------|--------------------|
| BNZ Term Deposit 3009                 | \$500,000        | \$500,000          |
| BNZ Term Deposit 3012                 | \$250,000        | \$250,000          |
| BNZ Term Deposit 3013                 | \$ -             | \$250,000          |
| <b>Total Current Term Investments</b> | <b>\$750,000</b> | <b>\$1,000,000</b> |

## 8. Other Payables

Water New Zealand hold a credit card with an available limit of \$19,000. At the end of the 30 June 2019 Financial Year they have utilised \$2,788.77 of the limit.

## 9. Property Plant & Equipment

|  | 2019          | 2018          |
|--|---------------|---------------|
|  | \$            | \$            |
| <b>Furniture &amp; Fittings</b>              |               |               |
| At Cost                                      | 15,441        | 15,441        |
| Less: Accumulated Depreciation               | (8,385)       | (7,238)       |
|  | <b>7,056</b>  | <b>8,203</b>  |
| <b>Current Year Depreciation</b>             | <b>1,147</b>  | <b>1,270</b>  |
|  |               |               |
| <b>Office Equipment</b>                      |               |               |
| At Cost                                      | 111,545       | 124,789       |
| Less: Accumulated Depreciation               | (83,825)      | (102,593)     |
|  | <b>27,721</b> | <b>20,996</b> |
| <b>Current Year Depreciation</b>             | <b>18,806</b> | <b>16,889</b> |
|  |               |               |
| <b>Total Property, Plant &amp; Equipment</b> | <b>34,776</b> | <b>29,198</b> |
| <b>Total Depreciation for the Year</b>       | <b>19,952</b> | <b>18,159</b> |

## 10. OSET

Included within Current assets is \$140,079 (2018: \$104,184) for which use is restricted. These funds are held on behalf of On-site Effluent Testing Project ('OSET') and are to be expended based on the project guidelines.



## 11. Water Services Managers' Group Financial Performance

|                                     | 2019           | 2018            |
|-------------------------------------|----------------|-----------------|
|                                     | \$             | \$              |
| <b>Revenue</b>                      |                |                 |
| Membership Subscriptions            | 35,955         | 37,485          |
| Project Income                      | 87,000         | 92,000          |
| WSMG Interest & Miscellaneous       | 78             | 96              |
| <b>Total Income</b>                 | <b>123,033</b> | <b>129,581</b>  |
| <b>Expenses</b>                     |                |                 |
| Governance - WSMG                   | 9,883          | 10,099          |
| Guidelines - WSMG                   | 15,000         | 18,000          |
| Management Fee to Water New Zealand | 29,500         | 29,500          |
| Subscription                        | 7,000          | 7,000           |
| Project Expenditure                 | 46,637         | 87,594          |
| <b>Total Expenses</b>               | <b>108,020</b> | <b>152,193</b>  |
| <b>Net Surplus / (Deficit)</b>      | <b>15,013</b>  | <b>(22,611)</b> |

The Water Services Managers' Group is a separate project within the Association. The results of the project are included within the Statement of Financial Performance of the Association.

|   | 2019             | 2018            |
|---|------------------|-----------------|
| <b>12. Income Tax Expense</b>           |                  |                 |
| Net Profit / (Loss) Before Tax          | 15,740           | (11,560)        |
| <b>Tax Adjustments</b>                  |                  |                 |
| <b>Less: Non-Assessable Income</b>      |                  |                 |
| Non-Assessable Income                   | (1,038,437)      | (1,042,207)     |
| <b>Plus: Non-Deductible Expenditure</b> |                  |                 |
| Non-Deductible Expenses                 | 933,228          | 984,876         |
| <b>Total Tax Adjustments</b>            | <b>(105,210)</b> | <b>(57,331)</b> |
| Assessable Income/(Loss)                | (89,470)         | (68,891)        |
| Tax Liability                           | -                | -               |
| Opening Taxation Asset/(Liability)      | 10,935           | 11,007          |
| Tax Paid/(Refund received during year)  | (10,935)         | (11,007)        |
| Current years taxation                  | -                | -               |
| RWT Paid                                | 8,637            | 10,935          |
| Closing Taxation Asset/(Liability)      | 8,637            | 10,935          |





## Independent Auditor's Report

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To the Board Members of New Zealand Water and Wastes Association Inc.

### Report on the Audit of the Special Purpose Financial Statements

#### Opinion

We have audited the special purpose financial statements of New Zealand Water and Wastes Association Inc. on pages 3 to 10 which comprise the balance sheet as at 30 June 2019 and the statement of financial performance and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of New Zealand Water and Wastes Association Inc. at 30 June 2019 and of its financial performance for the year ended 30 June 2019 in accordance with the Accounting Policies set out in the notes to the special purpose financial statements.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our firm carries out other assignments for New Zealand Water and Wastes Association Inc in the area of taxation compliance. The firm has not other interest in the entity.

#### Emphasis of Matter

We draw attention to Note 1 of the financial statements, which describes the reporting basis. The Special Purpose financial statements are prepared in accordance with the accounting policies set out in these financial statements and as a result, the financial statements may not be suitable for another purpose. Our Opinion is not modified in respect of this matter.

#### Board Member's Responsibilities for the Special Purpose Financial Statements

The Board Members are responsible on behalf of the entity for the preparation and fair presentation of these special purpose financial statements in accordance with the Accounting Policies set out in Note 1 in the financial statements and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

#### Restriction on use of our report

This report is made solely to the Entity's board members, as a body. Our audit work has been undertaken so that we might state to the Entity's board members, as a body, those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity and the Entity's board members, as a body, for our audit work, for this report or for the opinion we have formed.

#### Grant Thornton New Zealand Audit Partnership



**B Kennerley**  
Partner  
Wellington

30 August 2019