



AGENDA

Commercial and Strategy Committee Meeting Tuesday, 14 June 2022

Date Tuesday, 14 June 2022

Time following the Community Services Committee

Location Council Chamber
Timaru District Council
King George Place
Timaru

File Reference 1504101

Timaru District Council

Notice is hereby given that a meeting of the Commercial and Strategy Committee will be held in the Council Chamber, Timaru District Council, King George Place, Timaru, on Tuesday 14 June 2022, at the conclusion of the Community Development Committee meeting.

Commercial and Strategy Committee Members

Cr Peter Burt (Chairperson), Cr Allan Booth (Deputy Chairperson), Mayor Nigel Bowen, Cr Steve Wills, Cr Richard Lyon, Cr Gavin Oliver, Cr Paddy O'Reilly, Cr Barbara Gilchrist, Cr Sally Parker and Cr Stu Piddington

Quorum – no less than 2 members

Local Authorities (Members' Interests) Act 1968

Committee members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table.

Jason Rivett

Acting Group Manager Commercial & Strategy

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- 1 Apologies**
- 2 Identification of Items of Urgent Business**
- 3 Identification of Matters of a Minor Nature**
- 4 Declaration of Conflicts of Interest**
- 5 Chairperson's Report**

6 Confirmation of Minutes

6.1 Minutes of the Commercial and Strategy Committee Meeting held on 26 April 2022

Author: Andrew Feary, Governance Advisor

Recommendation

That the Minutes of the Commercial and Strategy Committee Meeting held on 26 April 2022 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Attachments

- 1. Minutes of the Commercial and Strategy Committee Meeting held on 26 April 2022**



MINUTES

Commercial and Strategy Committee Meeting Tuesday, 26 April 2022

Ref: 1504101

**Minutes of Timaru District Council
Commercial and Strategy Committee Meeting
Held in the Council Chamber, Timaru District Council, King George Place, Timaru
on Tuesday, 26 April 2022 following the Community Services Committee**

Present: Cr Richard Lyon (Chairperson), Cr Stu Piddington (Deputy Chairperson), Mayor Nigel Bowen, Cr Steve Wills, Cr Allan Booth, Cr Peter Burt, Cr Barbara Gilchrist, Cr Gavin Oliver (via Zoom), Cr Paddy O'Reilly, Cr Sally Parker

In Attendance: Bede Carran (Chief Executive), Paul Cooper (Group Manager Environmental Services), Andrew Dixon (Group Manager Infrastructure), Erik Barnes (Acting Group Manager Recreational & Cultural Services), Steve McKnight (Group Manager Commercial & Strategy), Beth Stewart-Wright (Director User Experience and Community Engagement), Hannah Goddard-Coles (Director Engagement & Culture), Anne Lemmens (Pleasant Point Community Board), Azoor Ali (Chief Financial Officer)

1 Apologies

There were no apologies from members to be accepted.

2 Identification of Items of Urgent Business

No items of urgent business were received.

3 Identification of Matters of a Minor Nature

No matters of a minor nature were raised.

4 Declaration of Conflicts of Interest

No conflicts of interest were declared.

5 Chairperson's Report

5.1 Chairperson's report

Cr Peter Burt advised the Committee of the Chairperson's attendance at meetings since the last Commercial & Strategy Committee meeting.

- Ordinary & Extraordinary Council meetings
- Workshops
- Future for Local Government workshops
- Directors & Trustees Appointment Subcommittee meeting
- People & Performance Committee meeting

Resolution 2022/2

Moved: Cr Peter Burt

Seconded: Cr Barbara Gilchrist

That the Chairman's report be received.

Carried

6 Confirmation of Minutes

6.1 Minutes of the Commercial and Strategy Committee Meeting held on 15 March 2022

Resolution 2022/3

Moved: Cr Sally Parker

Seconded: Cr Richard Lyon

That the Minutes of the Commercial and Strategy Committee Meeting held on 15 March 2022 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

7 Reports

7.1 Council Investments and Borrowing

The Group Manager Commercial and Strategy & Chief Financial Officer spoke to the report to update the Committee on the status of Council's treasury activities at 31 March 2022.

Resolution 2022/4

Moved: Cr Steve Wills

Seconded: Cr Sally Parker

That the Committee receive and note the Council Investment and Borrowing report.

Carried

8 Consideration of Urgent Business Items

No items of urgent business were received

9 Consideration of Minor Nature Matters

No matters of a minor nature were raised.

10 Exclusion of the Public

Resolution 2022/5

Moved: Cr Richard Lyon

Seconded: Cr Paddy O'Reilly

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
11.1 - Public Excluded Minutes of the Commercial and Strategy Committee Meeting held on 15 March 2022	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities</p>	<p>To protect a person's privacy</p> <p>Commercial sensitivity</p> <p>To enable commercial activities</p>

Carried

11 Public Excluded Reports

11.1 Public Excluded Minutes of the Commercial and Strategy Committee Meeting held on 15 March 2022

12 Readmittance of the Public

Resolution 2022/6

Moved: Cr Peter Burt

Seconded: Cr Sally Parker

That the meeting moves out of Closed Meeting into Open Meeting.

Carried

The Meeting closed at 11.24 am.

.....

Cr Peter Burt
Chairperson

Unconfirmed

7 Reports

7.1 Financial Report for the month ending April 2022

Author: Azoora Ali, Chief Financial Officer

Authoriser: Jason Rivett, Acting Group Manager Commercial & Strategy

Recommendation

1. That the summary financial results to 30 April 2022 be received and noted.

Purpose of Report

- 1 The purpose of this report is to outline progress on implementing year one of the 2021-31 Long Term Plan (LTP) and report on the financial results for the period ended 30 April 2022.

Assessment of Significance

- 2 This matter is considered to be of low significance in terms of Council's Significance and Engagement Policy. It is a regular report to the Commercial and Strategy Committee on Council's financial performance during the current financial year.

Discussion

- 3 The following is a summary of the financial performance for the year ending 30 April 2022 (refer to Attachment 1).

	Actuals to 30 April 2022 (\$000)	Budget* to 30 April 2022 (\$000)	Forecast** to 30 April 2022 (\$000)
Total Revenue	93,959	85,739	90,879
Total Expenses	75,029	80,408	75,713
Operating Surplus	18,930	5,331	15,166

* Budget – LTP estimated budget as at 30 April 2022.

** Forecast – anticipated financial result as at 30 April 2022.

- 4 The overall financial results show a favourable surplus to date of \$18.9M (million). This is a \$13.6M favourable variance to budget and \$3.7M favourable variance to forecast.
- 5 Operating Revenue to 30 April 2022 is \$3.1M above forecast. This represents 85% of total revenue forecasted for the financial year. The major variances are:
 - I. Subsidies and grants - \$1.9M favourable variance
 - Grants and subsidies received for Roading and footpaths are \$3.1M higher than forecast – this is partly due to a timing difference with \$4.7M of funding received during April.
 - Offsetting this, grant funding received from the Ministry of Business, Innovation and Employment provincial development fund is \$1.2M lower

than forecast. \$2.8M has been received with an additional \$1.2M being applied for by year end.

II. Other gains - \$1.9M favourable variance

- A fair value gain on the revaluation of interest rate swaps has been recognised. This represents a \$1.9M variance to forecast and is due to a combination of rising floating rates and the Council entering into a further \$35M of interest rate swaps this financial year which currently have favourable outcomes.

III. Other minor variances - \$0.7M unfavourable variances as follows:

- Fees and Charges \$0.2M less than forecast due to lower Waste Minimisation Operations revenue and LIM revenue.
- Other Revenue \$0.3M less than forecast due to lower Parks revenue and Drainage and Water revenue.
- Dividend Revenue \$0.2M less than forecast due to a timing difference on when TDHL dividends are received.

6 Operating Expenditure to 30 April 2022 is \$0.7M below forecast. This represents 80% of total expenditure forecasted for in the financial year. The key variances are:

- I. Personnel Costs \$0.5M less than forecast resulting in a favourable variance.
- II. Other expense being \$0.2M less than forecast resulting in a favourable variance. This is made up of a number of minor variances.

7 The total actual capital expenditure is \$54.7M. This is higher than budget by \$7.3M and represents 72% of our full year forecast for this financial year.

8 Total borrowings as at 30 April 2022 were \$138.9M. The net debt position at the same date is \$120.3M. Net debt is total borrowings less cash reserves held by Council.

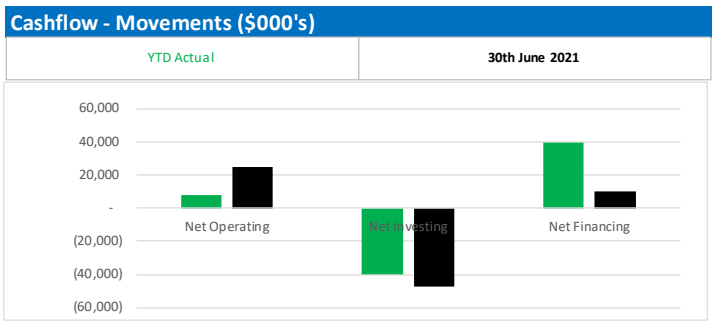
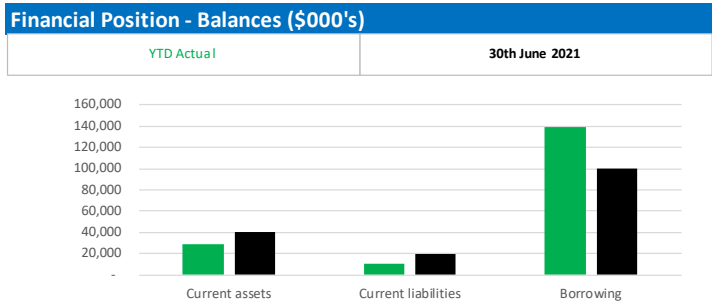
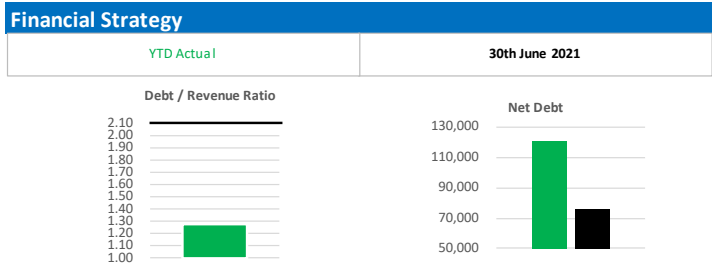
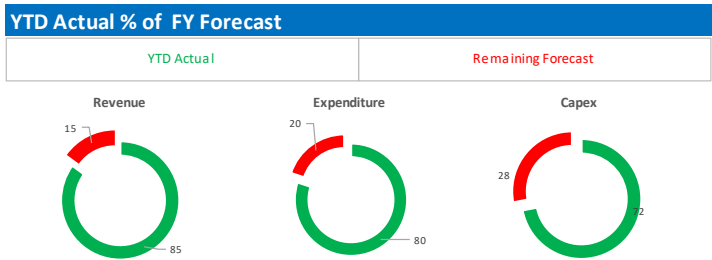
9 Debt to revenue ratio as at 30 April 2022 is 128%. Council's debt to revenue ratio limit is 210% as set out in its Financial Strategy. This is comfortably within Council's ceiling limit.

Attachments

1. **Council Financial Performance & Variance Analysis Summary as at 30 April 2022**  

Council Financial Performance & Variance Analysis Summary as at 30 April 2022

Council Performance as at 30 Apr 2022



YTD Actual % of FY Forecast			Council Performance as at 30 Apr 2022								
YTD Actual		Remaining Forecast	Year to Date					Full year Forecast	YTD Actual % of FY Forecast	Full year Budget	YTD Actual % of FY Budget
Revenue	Expenditure	Capex	Actual \$000's	Budget \$000's	Variance Budget \$000's	Forecast \$000's	Variance Forecast \$000's	\$000's		\$000's	
Operating Revenue											
Rates revenue			51,423	51,389	34	51,450	(27)	61,763	83%	61,667	83%
Subsidies and grants			14,381	15,401	(1,020)	12,505	1,876	18,357	78%	18,481	78%
Fees & charges			13,419	14,100	(681)	13,623	(204)	16,241	83%	16,920	79%
Other revenue			7,847	3,355	4,492	8,152	(305)	9,030	87%	4,026	195%
Finance revenue			927	603	324	877	50	1,285	72%	723	128%
Dividend revenue			500	867	(367)	680	(180)	1,040	48%	1,040	48%
Other gains			5,462	24	5,438	3,592	1,870	2,466	221%	29	18834%
Total Operating Revenue			93,959	85,739	8,220	90,879	3,080	110,182	85%	102,886	91%
Operating Expenditure											
Personnel costs			18,603	19,896	1,293	19,080	477	23,491	79%	23,875	78%
Depreciation expense			20,452	20,452	-	20,501	49	24,689	83%	24,543	83%
Finance costs			2,253	2,818	565	2,230	(23)	2,835	79%	3,381	67%
Other expenses			33,721	37,242	3,521	33,902	181	43,198	78%	44,690	75%
Total Operating Expenditure			75,029	80,408	5,379	75,713	684	94,213	80%	96,489	78%
Operating Surplus/(Deficit)			18,930	5,331	13,599	15,166	3,764	15,969		6,397	
Capital Expenditure											
Community Support			2,641	3,416	775	2,530	(111)	2,776	95%	4,258	62%
Corporate Support			1,453	1,549	96	1,781	328	2,372	61%	2,550	57%
District Planning and Environmental Service			-	15	15	-	-	15	0%	35	0%
Recreation & Leisure			3,764	6,670	2,906	5,426	1,662	10,147	37%	15,242	25%
Roading and Footpaths			14,611	13,574	(1,037)	12,743	(1,868)	15,098	97%	16,946	86%
Sewer			1,891	2,414	523	2,114	223	3,099	61%	3,573	53%
Stormwater			551	1,779	1,228	784	233	1,158	48%	2,326	24%
Waste Minimisation			1,902	3,037	1,135	2,720	818	5,509	35%	5,559	34%
10% reduction in capital expenditure projects			-	(6,976)	(6,976)	-	-	-	0%	(8,372)	0%
Total Capital Expenditure			54,706	47,441	(7,265)	57,613	76,221	72%	75,693	72%	

Notes to the Financial Statements for year as at 30 April 2022**Interpretation**

1. Variances greater than \$100,000 are explained below.
 - i. **F** (favourable variance) means that either actual revenue is greater than forecast or actual expenditure is less than forecast.
 - ii. **U** (unfavourable variance) is when actual revenue is less than forecast or actual expenditure is greater than forecast.
2. Downlands Water is reported at 82% (TDC's shareholding in the scheme) in these financial reports.
3. The year to date budgeted operating expenditure in this report is based on phasing of 10/12 of the full year budgeted costs to represent the 10 month period from July – April 2022.
4. The forecast presented is the recent forecast undertaken in April 2022.

YTD Variance Actuals 2021/22 to Forecast 2021/22

5. Variance analysis for year to date actuals against the year to date forecast for Council Performance (Actuals 2021/22 to Forecast 2021/22) is presented below.
6. Operating Revenue – Variances and explanations for Council performance are as follows:
 - i. **Subsidies and grants - \$ 1,876K F**
Reason for variance
 - An MBIE provincial development grant for the Theatre Royal of \$2.8M has been received which is \$1.2M below forecast year to date. An additional \$1.2M is being applied for by year end.
 - Roading and footpaths (including LTU) expenditure grants and subsidies are \$3M above budget year to date. \$4.7M of funding was received during April which has resulted in a timing difference to forecast.
 - ii. **Fees and charges - \$204K U**
Reason for variance
 - Waste Minimisation Operations Revenue \$139K below forecast. This is to lower than budgeted tonnes into landfill along with less solid waste collected through Red bins.
 - LIM revenue is \$97K below forecast.
 - iii. **Other revenue – \$305K U**
Reason for variance
 - Key variances within other income are from Parks \$100K and Drainage & Water \$143K.
 - All other variances are below \$100K.
 - iv. **Dividend revenue - \$180K U**
Reason for variance
 - Dividend revenue is behind forecast due to a timing difference on when TDHL dividends are received.
 - v. **Other gains - \$1,870K F**
Reason for variance
 - A fair value gain on revaluation of interest rate swaps has been recognised. At 30 June 2021 the value of derivatives was a \$2.9M liability, however this has continued to increase in value after forecast was set and is now a \$2.8M asset. This represents a \$1.9M variance to forecast and is due to a combination of rising floating rates and TDC entering into a further \$35m of interest rate swaps this financial year which currently have favourable outcomes.

7. Operating Expenditure – Variances and explanations for Council Performance (Actuals 2021/22 to Forecast 2021/22):

i. **Personnel costs – \$ 477K F**

Reason for variance

- Salaries and wages are below forecasted year to date overall with all business units less than a \$100K variance. Libraries was the largest variance at \$80K against forecast.

ii. **Other expenses - \$ 181K F**

Reason for variance

- Significant variances are as follows with further detail provided in the Council Performance by Activity analysis:
 - Corporate Support - \$369K F
 - Sewer - **\$168K U**

The remaining favourable variance consists of many smaller variances to budget.

YTD Actual % of FY Forecast			Council Performance as at 30 Apr 2022								
YTD Actual		Remaining Forecast	Year to Date					Full year	YTD Actual %	Full year	YTD Actual %
Revenue	Expenditure	Capex	Actual	Budget	Variance Budget	Forecast	Variance Forecast	Forecast	of FY Forecast	Budget	of FY Budget
			\$000's	\$000's	\$000's	\$000's	\$000's	\$000's		\$000's	
Operating Revenue											
Community Support	5,549	5,186	363	5,535	14	6,565	85%	6,223	89%		
Corporate Support	8,056	(500)	8,556	6,834	1,222	6,607	122%	(600)	-1343%		
Democracy	4,356	4,246	110	4,306	50	5,146	85%	5,096	85%		
District Planning and Environmental Services	5,086	4,871	215	5,072	14	5,992	85%	5,845	87%		
Recreation & Leisure	18,835	22,468	(3,633)	20,157	(1,322)	25,676	73%	26,961	70%		
Roading and Footpaths	23,804	21,338	2,466	20,604	3,200	26,116	91%	25,606	93%		
Sewer	7,893	7,799	94	7,873	20	9,440	84%	9,359	84%		
Stormwater	3,309	3,114	195	3,297	12	3,901	85%	3,737	89%		
Waste Minimisation	6,826	7,106	(280)	6,877	(51)	8,280	82%	8,527	80%		
Water Supplies	10,247	10,110	137	10,324	(77)	12,459	82%	12,132	84%		
Total Operating Revenue	93,961	85,738	8,223	90,879	3,082	110,182	85%	102,886	91%		
Operating Expenditure											
Community Support	4,221	5,240	1,019	4,262	41	5,322	79%	6,288	67%		
Corporate Support	3,170	2,769	(401)	3,437	267	7,135	44%	3,323	95%		
Democracy	3,674	4,246	572	3,654	(20)	3,599	102%	5,096	72%		
District Planning and Environmental Services	5,327	5,811	484	5,470	143	6,731	79%	6,974	76%		
Recreation & Leisure	15,993	16,280	287	16,014	21	19,347	83%	19,536	82%		
Roading and Footpaths	17,057	18,300	1,243	17,132	75	21,277	80%	21,960	78%		
Sewer	7,295	7,799	504	7,333	38	8,148	90%	9,359	78%		
Stormwater	2,459	3,114	655	2,522	63	3,030	81%	3,737	66%		
Waste Minimisation	7,045	7,106	61	7,029	(16)	9,664	73%	8,527	83%		
Water Supplies	8,788	9,741	953	8,860	72	9,960	88%	11,689	75%		
Total Operating Expenditure	75,029	80,406	5,377	75,713	684	94,213	80%	96,489	78%		
Operating Surplus/(Deficit)	18,932	5,332	13,600	15,166	3,766	15,969		6,397			
Capital Expenditure											
Community Support	2,641	3,416	775	2,530	(111)	2,776	95%	4,258	62%		
Corporate Support	1,453	1,549	96	1,781	328	2,372	61%	2,550	57%		
District Planning and Environmental Services	-	15	15	-	-	15	0%	35	0%		
Recreation & Leisure	3,764	6,670	2,906	5,426	1,662	10,147	37%	15,242	25%		
Roading and Footpaths	14,611	13,574	(1,037)	12,743	(1,868)	15,098	97%	16,946	86%		
Sewer	1,891	2,414	523	2,114	223	3,099	61%	3,573	53%		
Stormwater	551	1,779	1,228	784	233	1,158	48%	2,326	24%		
Waste Minimisation	1,902	3,037	1,135	2,720	818	5,509	35%	5,559	34%		
Water Supplies	27,893	21,963	(5,930)	29,515	1,622	36,047	77%	33,576	83%		
10% reduction in capital expenditure projects	-	(6,976)	(6,976)	-	-	-	0%	(8,372)	0%		
Total Capital Expenditure	54,706	47,441	(7,265)	57,613	2,907	76,221	72%	75,693	72%		

YTD Variance for Activity Groups Actuals 2021/22 to Forecast 2021/22

8. Variance analysis for year to date actuals against the year to date forecast for Activity Groups (Actuals 2021/22 to Forecast 2021/22) is presented below.
9. Operating Revenue – variances for activity groups (actuals 2021/22 to forecast 2021/22) are as follows:
 - i. **Corporate support - \$1,222K F**
Reason for variance
 - A fair value gain on revaluation of interest rate swaps has been recognised. At 30 June 2021 the value of derivatives was a \$2.9M liability, however this has continued to increase in value after forecast was set and is now a \$2.8M asset. This represents a \$1.9M variance to forecast and is due to a combination of rising floating rates and TDC entering into a further \$35M of interest rate swaps this financial year which currently have favourable outcomes.
 - LIM revenue is \$97K below forecast.
 - Drainage & Water other income is \$143K below forecast.
 - Dividend revenue is \$180K below forecast due to a timing difference.
 - LTNZ Grants & Subsidies relating to the Land Transport Unit are \$145K below forecast.
 - ii. **Recreation and Leisure - \$1,322K U**
Reason for variance
 - An MBIE provincial development grant for the Theatre Royal of \$2.8M has been received which is \$1.2M below forecast year to date. An additional \$1.2M is being applied for by year end.
 - Parks other income is \$100K below forecast.
 - iii. **Roading and Footpaths - \$3,200K F**
Reason for variance
 - Roothing and footpaths (including LTU) expenditure grants and subsidies are \$3M above budget year to date. \$4.7M of funding was received during April which has resulted in a timing difference to forecast.
10. Operating Expenditure variances for activity groups: (Actuals 2021/22 to Forecast 2021/22) are as follows:
 - i. **Corporate support - \$267K F**
Reason for variance
 - Salaries and wages are \$239K below forecasted year to date overall with all corporate support activities having less than a \$100K variance due to vacancies within the units.

- Finance costs are \$397K below forecasted year to date overall, primarily related to interest expense arising on external debt which has been re-allocated across all activities. The allocation is based on levels of debt funding required across activities.
- Other expenses are \$414K below forecasted year to date, which are a combination of many smaller variances with none larger than \$100K.
- Internal charges are \$847K above forecasted year to date, relating to overheads which will be re-allocated to capital expenditure as at 30 June 2022.

ii. District Planning & Environmental Services - \$143K F

Reason for variance

- Salaries and wages are \$61K below forecasted year to date overall due to vacancies within the unit.
- Other expenses are \$89K below forecasted year to date.

11. Capital expenditure variance explanations (actuals 2021/22 to forecast 2021/22) are as follows:

i. Community Support - \$111K U

Reason for variance

- Airport runway costs were \$156K above forecasted.
- All other variances in capital expenditure projects were below \$100K.

ii. Corporate Support - \$328K F

Reason for variance

- Vehicle management costs were \$161K below forecasted.
- All other variances in capital expenditure projects were below \$100K.

iii. Recreation & Leisure - \$1,662K F

Reason for variance

- Library capital works were \$120K below forecasted.
- Theatre Royal capital works were \$728K below forecasted.
- Caroline Bay bleacher replacement costs were \$475K below forecasted.
- All other variances in capital expenditure projects were below \$100K.

iv. Roading and Footpaths - \$1,868K U

Reason for variance

- \$3M of roading emergency works were recognised as capital expenditure (previously recorded as operating expenses).
- Footpath renewals were \$480K below forecasted.
- Subsidisable roading projects were \$828K below forecasted.
- All other variances in capital expenditure projects were below \$100K.

v. Sewer - \$223K F

Reason for variance

- All variances in individual capital expenditure projects were below \$100K.

vi. Stormwater - \$233K F

Reason for variance

- Taitarakahi Creek Railway Culvert upgrade costs were \$100K below forecasted.
- All other variances in capital expenditure projects were below \$100K.

v. Waste Minimisation - \$818K F

Reason for variance

- Landfill cell development costs were \$916K below forecasted.

vi. Water supplies - \$1,622K F

Reason for variance

- Te Moana Water Downs projects were \$582K below forecasted.
- Downlands projects were \$838K below forecasted, largely relating to the Te Ana Wai Water Treatment Plant upgrade.
- All other variances in capital expenditure projects were below \$100K.

	YTD Actual \$000's	30th June 2021 Actual \$000's
ASSETS		
Current assets		
Cash and deposits	11,803	4,107
Debtors and other receivables	8,132	9,902
Inventories	50	8
Other financial assets	9,147	25,967
Total current assets	29,132	39,984
Non-current assets		
Property plant & equipment	1,425,885	1,378,085
Intangible assets	3,304	3,802
Forestry	1,420	1,420
Investment property	1,739	1,739
Investment in associates	31,260	31,260
Investment in cco's & other similar	30,203	22,833
Other financial assets	51	51
Total non-current assets	1,493,862	1,439,190
Total assets	1,522,994	1,479,174
LIABILITIES		
Current liabilities		
Trade and other payable	8,657	17,240
Employee benefit liabilities	2,045	2,045
Total current liabilities	10,702	19,285
Non-current liabilities		
Provisions	2,777	8,239
Employee benefit liabilities	458	458
Non-current borrowing	138,984	99,484
Total non-current liabilities	142,219	108,181
Total liabilities	152,921	127,466
Net Assets	1,370,073	1,351,708
EQUITY		
Retained earnings	818,725	800,362
Special funds	26,295	26,295
Separate funds	9,298	9,298
Asset revaluation	515,755	515,755
Total equity	1,370,073	1,351,708



Statement of Cashflow as at 30 Apr 2022

	YTD Actual \$000's	30th June 2021 Actual \$000's
OPERATING ACTIVITIES		
Rates	62,706	55,271
Other revenue received	25,887	38,068
Interest received	927	948
Dividends received	500	2,022
Payments to suppliers and employees	(79,818)	(68,367)
Finance costs	(2,253)	(2,937)
Net operating activities	7,949	25,005
INVESTING ACTIVITIES		
Reduction of term investment	14,912	11,984
Proceeds from sale of property, plant and equipment	40	389
Purchase of property, plant and equipment	(54,706)	(59,507)
Net investing activities	(39,754)	(47,134)
FINANCING ACTIVITIES		
Drawdown / (repayment) of borrowings	39,500	10,000
Net financing activities	39,500	10,000
Cash movement	7,695	(12,129)
Opening Balance 1st July	4,107	16,238
Closing Bank Balance	11,802	4,109

8 Consideration of Urgent Business Items

9 Consideration of Minor Nature Matters