

FINANCE, AUDIT AND RISK COMMITTEE

21 OCTOBER 2020

AGENDA ITEM C2

PUBLIC EXCLUDED

DRAFT 30 JUNE 2020 FINANCIAL STATEMENTS

Purpose of Report

To present the draft financial statements for the year ended 30th June 2020.

Recommendations

Officers recommend that the Committee:

1. *Receive the Corporate Services Report.*

1. Executive Summary

Officers present the following draft financial statements.

- Statement of Financial Performance as at 30 June 2020
- Statement of Financial Position as at 30 June 2020
- Statement of Cashflow as at 30 June 2020

2. Discussion

AuditNZ have spent three weeks reviewing Council accounts, both financial and non-financial. Although we are nearing completion of this work we are not in a position to provide a full Annual Report to the Committee.

The draft financial statements have been included in Appendix 1 for your information, however these are subject to change.

The Annual Report is expected to be completed and ready for adoption by Council at 25th November 2020 meeting.

3. Appendices

Appendix 1 – Financial statements 30 June 2020

Contact Officer: Katrina Neems, Chief Financial Officer

Reviewed by: Harry Wilson, Chief Executive Officer

**Appendix 1 –
Financial statements to
30 June 2020 (Draft)**

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For The Year Ended 30 June 2020

Actual 2018/2019 \$,000	Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
Operating Revenue			
14,229	2	15,074	14,888
450	3	389	634
1,862		1,800	2,009
2,326		2,698	2,412
432	4	232	215
562		586	613
1,193	4	1,579	-
1,475		1,116	1,136
289	5	299	248
22,818		23,772	22,155
Operating Costs			
1,648		1,843	1,811
502		505	564
577		843	724
3,509		3,664	3,613
5,402		5,915	5,449
2,997		3,602	2,714
1,690		1,788	1,655
2,200		2,785	2,133
159		358	248
1,071		1,352	1,160
26		-	30
89		19	-
0		-	-
460		826	-
20,331		23,501	20,101
2,487		272	2,054
665	6	0	-
3,152		271	2,054
Comprehensive Revenue and Expense			
2,656		170	-
2,656		170	-
5,809		441	2,054
Note: Operating costs include the following expenses:			
4,565	8	4,816	4,574
37	8	34	41
618	3	639	707

The accompanying notes form part of these Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

For The Year Ended 30 June 2020

Actual 2018/2019 \$,000	Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
444,261	Equity at start of year	450,070	450,415
5,809	Total comprehensive revenue and expense	441	2,055
450,070,010.62	Equity at end of year	450,511	452,470

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As At 30 June 2020

Actual 2018/2019 \$,000		Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
ASSETS				
Current assets				
4,466	Cash and cash equivalents	9	2,203	12,126
8,871	Investments	11	11,700	7,283
2,271	Debtors and other receivables	10	2,255	2,671
12	Inventories		54	17
1,500	Non-current assets held for sale	12	-	-
17,119	Total current assets		16,213	22,097
Non-current assets				
248	Investments	11	269	500
Other Financial assets:				
81	-Investment in CCOs and other similar entities	11	131	-
1	-Investment in other entities	11	1	-
82	Total other financial assets		133	500
9,100	Investment properties	13	8,846	8,468
87	Intangible assets	14	53	265
447,073	Property, plant and equipment	15	452,025	446,076
456,590	Total non-current assets		461,325	455,309
473,710	Total assets		477,538	477,406
LIABILITIES				
Current liabilities				
2,856	Creditors and other payables	16	4,301	2,423
425	Employee entitlements	17	349	290
34	Provisions - current portion	18	35	34
5,000	Public debt - current portion	19	5,700	911
8,316	Total current liabilities		10,384	3,658
Non-current liabilities				
424	Provisions - non-current portion	18	443	445
14,900	Public debt - non-current portion	19	16,200	20,833
15,324	Total non-current liabilities		16,643	21,278
Equity				
151,443	Public equity	20	150,225	156,255
25,517	Restricted reserves and trust funds	20	28,264	22,460
273,109	Asset revaluation reserve	20	272,022	270,451
0	Other reserves	20	0	3,304
450,070	Total equity		450,511	452,470
473,710	Total liabilities and equity		477,538	477,406

The accompanying notes form part of these Financial Statements.

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED

For The Year Ended 30 June 2020

Actual 2018/2019 \$,000		Note	Actual 2019/2020 \$,000	Budget 2019/2020 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was received from:				
14,570	Receipts from rates revenue		14,603	14,888
3,712	Government grants & subsidies		2,829	2,628
100	Petrol tax		91	85
3,144	Other revenue		4,428	3,555
4,146	Regional council rates		4,340	2,922
420	Interest on investments		361	614
26,091			26,652	24,691
Cash was applied to:				
15,925	Payments to suppliers & employees		15,959	16,261
4,146	Regional council rates		4,340	2,922
615	Interest paid		625	619
20,686			20,924	19,802
5,405	Net cash flow from operating activities		5,728	4,889
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was received from:				
0	Sale of property, plant & equipment		1,442	-
16,643	Term investments, deposits, shares & advances		21,200	245
16,643			22,642	245
Cash was applied to:				
9,556	Purchase of property, plant & equipment		8,694	7,641
14,638	Term investments, deposits, shares & advances		23,938	1,247
24,195			32,632	8,888
(7,551)	Net cash flow from investing activities		(9,990)	(8,643)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was received from:				
6,400	Drawdown of Public debt		7,000	1,740
6,400			7,000	1,740
Cash was applied to:				
4,000	Repayment of public debt		5,000	-
4,000			5,000	-
2,400	Net cash flow from financing activities		2,000	1,740
254	Net increase/(decrease) in cash held		(2,262)	(2,014)
4,212	Add cash at start of year (1 July)		4,466	21,423
4,466	Balance at end of year (30 June)		2,203	19,409
REPRESENTED BY:				
1,766	Cash and cash equivalents	9	1,203	222
2,700	Short Term Investments	9	1,000	19,187

The accompanying notes form part of these Financial Statements.