

Attachment D: September 2023 Statement of Financial Position

Statement of Financial Position (Council only)

As at 30 September 2023	Actual Sep-23 \$'000	Actual Sep-22 \$'000	Actual Variance \$'000		Long Term Plan Jun-24 \$'000	Actual 2022/23 \$'000
Current assets						
Cash and cash equivalents	20,870	59,133	(38,263) *1		3,516	1,326
Trade and other receivables from non-exchange transactions	21,109	21,899	(790) *2		7,683	14,227
Trade and other receivables from exchange transactions	8,980	8,398	582 *2		11,391	20,752
Inventories	82	53	29		53	71
Other financial assets	1,155	73	1,082 *3		15	1,155
Other current assets	8,580	7,209	1,371 *4		2,278	10,269
Assets held for Sale	4,455	-	4,455 *5		-	4,455
Total current assets	65,231	96,765	(31,534)		24,936	52,255
Non-current assets						
Investment in subsidiaries	5,412	5,412	-		8,907	5,412
Other financial assets	12,612	7,157	5,455 *6		-	12,612
Property, plant and equipment	2,900,543	2,632,970	267,573 *7		2,536,592	2,878,207
Intangible assets	5,552	4,323	1,229 *8		-	5,159
Investment property	53,150	50,940	2,210 *9		64,333	53,150
Development property	19,414	20,754	(1,340) *10		7,614	19,372
Total non-current assets	2,996,682	2,721,555	275,127		2,617,446	2,973,912
Total assets	3,061,913	2,818,320	243,593		2,642,382	3,026,167
Current liabilities						
Trade and other payables from exchange transactions	43,013	54,338	(11,325) *11		24,656	47,741
Borrowings	109,000	62,780	46,220 *12		126,000	109,000
Other current liabilities	115,220	98,274	16,946 *13		36,525	9,028
Employee entitlements	2,922	2,809	114		-	3,474
Total current liabilities	270,155	218,201	51,955		187,181	169,243
Non-current liabilities						
Borrowings	450,732	299,876	150,856 *12		379,891	417,732
Total non-current liabilities	450,732	299,876	150,856		379,891	417,732
Total liabilities	720,887	518,077	202,810		567,072	586,975
Net assets	2,341,026	2,300,243	40,783		2,075,310	2,439,193
Equity						
Reserves	1,681,547	1,533,538	148,009		1,160,976	1,681,547
Accumulated funds	659,479	766,705	(107,226)		914,334	757,646
Total equity attributable to Council	2,341,026	2,300,243	40,783		2,075,310	2,439,193

Commentary

- *1 Movement in cash on hand relates to \$14.5M reduction in MBIE cash held for Kickstart grant initiatives which as at 30 September 23 has been fully paid out to recipients, \$45.5M reduction in short term deposits due to cash flow availability, and an increase in the main bank account balance of \$18.4M.
- *2 Refer to Debtors Analysis for commentary.
- *3 \$1.1M increase in current interest rate swaps due to timing of when these financial instruments were transacted.
- *4 Increase in prepayments of \$1.4M with prepaid carbon credits balance being higher as a result of a lower unique emissions trading factor (resulting in fewer prepaid credits being used), and higher prepaid insurance balance due to higher premiums when insurance policies have been renewed.
- *5 \$4.5M reclassified as assets held for sale at 30 June 23 year end including \$3.6M for lot 8 at Lakeview, and \$0.8M for unit GF 71 Ballarat street which was purchased as part of the arterials project.
- *6 \$5.4M increase in LGFA borrower note balance from \$5.4M to \$10.8M. The balance increased as each Council that borrows from LGFA must subscribe to an amount equal to 2.5% of the total borrowings from LGFA by that Council. The LGFA will redeem borrower notes when the Councils related borrowings are repaid.
- *7 Movement includes \$148M revaluation movement at 30 June 23 year end. The remaining increase of \$120M is mainly due to capex spend since Sep 22.
- *8 Additions to Intangible asset cost of \$3.8M, less \$2.5M in Intangible Asset Ammortisation for the year.
- *9 Movement due to annual investment property revaluation increase.
- *10 \$1.6M decrease due to the \$4.5M transfer to assets held for sale as per point 5 above, offset by an increase of \$2.9M due to spend at the Lakeview Development on power, gas and telecommunications infrastructure installation.
- *11 \$12.3M reduction in MBIE kickstart funding payable and a \$2.7M reduction in trade creditors, offset by a \$3.7M increase in accruals.
- *12 Increase in total borrowings of \$197.1M to fund the capital programme and the leaky building settlement payment.
- *13 Mainly due to the \$16.7M increase in rates in advance balance as at Sep 23. Rates for the year are invoiced for the full year when struck and are released to the profit and loss monthly. The increase in rates in advance is due to rates revenue increasing from \$106M (GST excl) in 22/23 to \$125M (GST excl) in 23/24.

Borrowing Limits (%)	Forecast Sep-23	Long Term Plan Jun-24	Borrowing Limit		Actual Sep-22	Actual Jun-23
Interest Expense/Rates < 30% (2022/23: < 30%)	20.6%	11.6%	30.0%	●	9.2%	17.5%
Interest Expense/Total Revenue < 15% (2022/23: < 20%)	10.5%	7.3%	20.0%	●	4.5%	8.8%
Net Debt/Total Revenue < 290% (2022/23: < 295%)	261.0%	280.0%	290.0%	●	135.7%	253.4%

- Measure is well within the borrowing limit
- Measure is within 5% of the borrowing limit
- Measure is outside of the borrowing limit