

Debtors Analysis

As at 31 March 2019	Council		
	Mar-19 \$'000	Mar-18 \$'000	Variance \$'000
From non-exchange transactions			
Trade receivables	1,190	1,156	34
Infringement receivables	2,185	1,904	281 *1
Rates receivables	3,960	3,756	204 *2
New Zealand Transport Agency	2,795	1,318	1,477 *3
Other	112	200	(88)
Allowance for doubtful debts	(1,429)	(1,587)	158 *1
	8,813	6,747	2,066
From exchange transactions			
Trade receivables	3,777	18,715	(14,938) *4
Other	4,159	2,672	1,487 *5
Allowance for doubtful debts	(317)	(254)	(63)
	7,619	21,133	(13,514)
	16,432	27,880	(11,448)
Age analysis			
Trade and other receivables (excluding rates)			
	Council		
	Mar-19 \$'000	Mar-18 \$'000	Variance \$'000
Current (0-30 days)	9,526	22,459	(12,933) *4
31-60 days *	749	415	334
61-90 days *	460	384	76
90 days + *	3,483	2,707	776 *1, *4
	14,218	25,965	(11,747)
Rates receivables			
Current year rates (overdue) *	2,507	2,269	238 *2
Previous years rates *	1,453	1,487	(34) *2
	3,960	3,756	204
Allowance for doubtful debts	(1,746)	(1,841)	95
	16,432	27,880	(11,448)

* Amounts are considered past due.

Commentary

- *1 Infringement receivables continues to increase with \$1.8m in over 90 days relating to infringements. The allowance for doubtful debts includes \$1.4m for infringements.
- *2 Increase in rates receivable includes increase in 2018/19 rates and rateable properties, offset by decrease in previous years' rates following recent debt recovery processes for rates. The Local Government (Rating) Act has mechanisms available to recover overdue rates via a charge on the mortgage for mortgaged properties or via sale of the property for rates balances less than 6 years old. Mortgagee letters were issued at the end of February 2019 in relation to rates owing for previous rating years. Payment is expected in June 2019 via mortgagees for rates still in arrears.
- *3 Increase in NZTA receivable due to timing of operating and capital expenditure and associated NZTA subsidy.
- *4 The prior year included \$15.4m receivable from Queenstown Airport Corporation in relation to the 100 year lease of Wanaka Airport and sale of associated buildings. This was paid in April 2018. The balance over 90 days has increased due to a higher number of accounts in this category split as follows: Sundry Debtors \$950 per additional account; Applications \$650 per additional application; and Infringements \$160 per additional infringement.
- *5 The increase relates mainly to a higher GST refund due versus the prior year which is consistent with an increase in expenditure.