

## Debtors Analysis

As at 31 March 2022	Council			
	Mar-22 \$'000	Mar-21 \$'000	Variance \$'000	
<b>From non-exchange transactions</b>				
Trade receivables	2,894	982	1,912	*1
Infringement receivables	2,060	2,103	(43)	
Rates receivables	5,964	5,860	104	*2
New Zealand Transport Agency	1,600	4,447	(2,847)	*3
Other	213	280	(67)	
Allowance for doubtful debts	(1,880)	(1,862)	(18)	
	<b>10,851</b>	<b>11,810</b>	<b>(959)</b>	
<b>From exchange transactions</b>				
Trade receivables	9,955	6,410	3,545	*4
Other	3,093	3,342	(249)	
Allowance for doubtful debts	(1,256)	(1,075)	(181)	
	<b>11,792</b>	<b>8,677</b>	<b>3,115</b>	
	<b>22,643</b>	<b>20,487</b>	<b>2,156</b>	
<b>Age analysis</b>				
<b>Trade and other receivables (excluding rates)</b>				
	Council			
	Mar-22 \$'000	Mar-21 \$'000	Variance \$'000	
Current (0-30 days)	14,599	12,695	1,904	*5
31-60 days *	700	373	327	
61-90 days *	450	175	275	
90 days + *	4,066	4,321	(255)	
	<b>19,815</b>	<b>17,564</b>	<b>2,251</b>	
<b>Rates receivables</b>				
Current year rates (overdue) *	4,319	4,200	119	*2
Previous years rates *	1,645	1,660	(15)	*2
	<b>5,964</b>	<b>5,860</b>	<b>104</b>	
Allowance for doubtful debts	(3,136)	(2,937)	(199)	
	<b>22,643</b>	<b>20,487</b>	<b>2,156</b>	

\* Amounts are considered past due.

### Commentary

- \*1 Increase in non-exchange debtors relates to a \$1.9m increase in outstanding development contribution invoices of which \$1.4m is for the current monthly invoicing completed that isn't yet overdue.
- \*2 Increase in rates receivable relates to an increase in current year rates, overdue offset with a slight decrease in rates arrears. This increase in current year rates is partly due to an increase in the number of rateable properties in the district (28,470 FY22 compared to 27,292 FY21). There are a total of 486 properties in arrears (512 as at Mar21) with just under half of these being mortgaged properties. The majority of the arrears properties are rated as residential. There were 418 arrears letters sent to various banks in December for properties with mortgages and final demands will be made on these in March 2022. To note, rates arrears has decreased by \$2.8m from July 2021 and there has been a further reduction as at May22 down to \$1.37m and 355 properties.
- \*3 Reduction in the March claim is in line with the NLTP budgets approved by Waka Kotahi in September. This late notification of budgets by WK has caused a delay with developing councils 3 year work programme to align with funding approved. Budgets have now been more closely aligned through reforecasts and the Capex subsidy budget has been adjusted down by \$4.6m
- \*4 Increase in exchange debtors relates to a \$5.1m subsidy invoice to Crown Infrastructure Partners for the Queenstown Street upgrades and Arterials monthly claim (\$0.8m for March 2021)
- \*5 Increase in the current aging of debtors relates to the subsidy invoice to Crown Infrastructure Partners as noted above. We are continuing to see a decrease in overdue invoices through improvements in our debt collection process with automatic emailing of statements, payment plan options and use of debt collection when required.