



# WAIMATE DISTRICT COUNCIL

## 2017/18 ANNUAL REPORT SUMMARY



# INTRODUCTION

It's been another busy year and as this Annual Report Summary goes to print the district is certainly experiencing growth and plenty of activity.

Council has played its part over the last 12 months to facilitate this growth and champion our district as a great place for people to live and visit. While we're relatively small, we certainly punch above our weight and enjoy a district with some unique attractions.

## Economic development and promotions

We know the meeting of minds can create something pretty special and this has been evidenced as we've been developing our Economic Development Strategy and the subsequent working groups that have been established to develop action plans based on five themes.

We know how important it is to promote our district to the wider world so the Explore Waimate District website and Facebook page are doing a fine job of this.

Our roads are also key to economic development – without well performing roads our largely rural sector would struggle so it's important we invest in them. We do this with assistance from the New Zealand Transport Agency (NZTA) in the form of subsidies. We receive a 56% subsidy rate from NZTA, however, that increases to 76% for flood damage.

In our latest funding bid NZTA have indicated their investment for our maintenance and renewal programme will increase 24% to over \$14 million for maintenance and \$11.5 million for renewal work over the next three years.

## Recreation

Promoting our events and attractions is important but it's also important that we have recreational amenities that encourage people outdoors so we installed a new playground at Victoria Park and upgraded the toilets. At Knottingley Park we purchased a new seesaw and junior double slide and bought a giant inflatable crocodile for the swimming pool – lots of fun for our younger citizens!

The Waimate Event Centre is a multifunction facility that caters for a wide range of activities and over the last 12 months we've seen an increase in the number of people using it, both for sporting activities and using the meeting room facilities.

## Literacy

Our library continues to be a place of learning and literacy. From school holiday programmes to colourful displays that have incorporated literacy themes, we saw a steady stream of people using the library.

One highlight was the Books Blokes and a Beer programme. This programme encouraged fathers of young children to support their children's language and literacy development and proved to be very successful.

## Community safety

We all want to live in a safe community and there's a number of ways we've helped achieve this. We worked in partnership with the NZ Police and installed CCTV cameras around town and we've produced two Civil Defence Community Response Plans for St Andrews/Southburn/Otaio and Cannington/Maungati respectively. These plans have been tailor-made for their respective communities, giving specific information that is pertinent to them during a civil



defence emergency. (A further seven plans for local areas will be completed by 2019/20.)

Having safe water to drink has and continues to be a high priority. There's been a lot of publicity about the country's water supplies and while we're waiting to see if the Government makes changes to the national Drinking Water Standards, we continue to press on and upgrade some of our supplies.

As at the end of last year the registration of all known dogs in the district was 99%, which is a significant achievement in comparison to other councils.

## Protecting our environment

Another hot topic is recycling and it's incumbent on all of us to do what we can to help protect our environment. Our kerbside recycling service is important to this community but we need to get it right. We've found examples where recyclables are 'contaminated' and end up in landfills rather than being recycled so we've provided more information about the 'dos' and 'don'ts' of recycling.

## Doing business with Council

We interact with people across our community in many ways and we continue to improve how we do that. Some of our systems have been upgraded, making it easier for people to deal with us. This includes property developers and other business people who have commented on how easy it has been dealing with us! We launched a new website, so it's easier for people to find information about our activities and services.

We've sold the last sections in the Eric Batchelor Place subdivision and we've upgraded the interiors of the Tennant Street camping cabins with fireproof ceilings, painting, new lighting and new beds and bunks.

## Community engagement

We're delighted to mention that the consultation document we produced for our recent 2018-28 Long Term Plan was one of four finalists in a national competition. Although we didn't win, we received a highly commended mention with comments expressed by the judges as it being well designed and easily understood.

## The money

At the beginning of the year we were budgeting for an operating deficit of \$139,000, however we exceeded this with an operating deficit of \$345,000. More information can be found in the full 2017/18 Annual Report at [www.waimatedc.govt.nz](http://www.waimatedc.govt.nz).

## One last thing

Thank you to everyone who's contributed to making Waimate a great place to live and work in. We're in this together and it's our privilege to help create a community we're all proud to be part of.

**Craig Rowley**  
Mayor

**Stuart Duncan**  
Chief Executive



# SERVICE PERFORMANCE

Council uses a number of measures to track our performance. Every three years they are reviewed in conjunction with our Long Term Plan. The 2015-25 Long Term Plan measures are being used in this 2017/18 financial year. Each year we report on this progress in our Annual Report. Over the next three pages is a summary of some of our performance measures. To view the full list of measures please refer to the full Annual Report at [www.waimatedc.govt.nz](http://www.waimatedc.govt.nz).

Group	Achieved	Not Achieved	Not Applicable	% of Applicable Targets Achieved
Water Supply	4	6*	1	40%
Waste Management	4	1	1	80%
Stormwater Drainage	5	0	1	100%
Sewerage & Sewage	5	1**	1	83%
Roading & Footpaths	4	2	1	67%
Property & Investments	2	0	1	100%
Parks & Recreation	3	1	4	75%
Organisation & Governance	3	0	1	100%
Environmental Services	8	4**	1	67%
Community Services	1	5	2	17%

\* Includes 3 performance measures that were partially achieved

\*\* Includes 1 performance measure that was partially achieved

## PERFORMANCE MEASURES

What we measure	What was the result	Did we meet our target?
-----------------	---------------------	-------------------------

### Water Supply

Drinking water is compliant with the NZ Drinking Water Standard (bacteria compliance criteria)	Waimate: Timaru Rd - Yes Waimate: Manchesters Bore - Yes Otaio/Makikihi: Tavistock - Yes Hook/Waituna - No Lower Waihao - Yes Waikakahi - Yes Waihaorunga: Main -Yes Waihaorunga: Tavendales - Yes Cannington/Motukaika - No	Partially achieved (2016/17: Partially achieved <sup>1</sup> )
The length of time to respond to faults	Median response time to urgent call-outs = 30 minutes Median response to resolve urgent call-out = 2 hours & 13 minutes Median response to non-urgent call-outs = 2 hours Median response to resolve non-urgent call-outs = 4 hours & 18 minutes	Achieved (2016/17: Achieved) Achieved (2016/17: Achieved) Achieved (2016/17: Achieved) Achieved (2016/17: Achieved)

### Waste Management

Kerbside refuse collection service for a minimum of 67% of our district's properties.	Kerbside refuse collection service is accessible for 71.6% of our district's properties.	Achieved (2016/17: Achieved - 71.7%)
Reduce waste by ≤ 51% going to landfill.	Residual waste = 53.4%	Not achieved (2016/17: Not achieved - 53.3%)

# PERFORMANCE MEASURES continued ...

## Stormwater Drainage

The number of complaints received about the performance of our stormwater system is no more than 2 per 1000 properties connected to the stormwater system.	Number of complaints per 1000 properties = 0.6	Achieved (2016/17: Achieved)
Continuous access to the service is provided with no blockages to the pipework measured by complaints (nil complaints being the target).	There where no blockages to the pipework.	Achieved (2016/17: Achieved)

## Sewerage and Sewage

Council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system within 60 minutes and resolves those issues within 12 hours.	Time to get to site = 1 hour & 13 minutes	Not achieved (2016/17: Achieved)
	Time to resolve the problem = 2 hours & 52 minutes	Achieved (2016/17: Achieved)
Improve the sustainability of the Waimate sewerage scheme by conducting pipe investigation programme.  Target: 2015/16, 2016/17 and 2018/19.	Sustainability of the Waimate sewerage scheme continued by conducting pipe investigation through on-going CCTV studies.	Achieved (2016/17: Achieved)

## Roading and Footpaths

At least 4.5% of sealed network is resurfaced.	Percentage of sealed network resurfaced = 6.2%.	Achieved (2016/17: Achieved - 5.6%)
100% of customer complaints and service requests are responded to within five working days.	407 complaints and service requests were received and 405 and responded to within five working days = 99.5%	Not achieved (2016/17: Achieved)

## Property

Each year Council will obtain a written report from a qualified Waimate real estate agent identifying market rental value of housing stock equivalent to Council's community housing configuration.  Target: Rental charge is equal to or less than market rental.	The rental charge is equal to or less than the market rent as at July 2018.	Achieved (2016/17: Achieved)
--	---	---------------------------------

## Parks and Recreation

Less than five complaints about camping facilities not well maintained or tidy.	Two complaints in total for the year.	Achieved (2016/17: Not achieved)
All Council playgrounds are assessed against appropriate New Zealand Safety Standards.	No licensed playground assessor has been available to give a rating. However a Code of Compliance has been issued for the new playground in Victoria Park.	Not achieved (2016/17: Not measured)
All safety incidents relating to the swimming pool are reported and responded to within two hours.	All reports filed within two hours.	Achieved (2016/17: Achieved)

# PERFORMANCE MEASURES continued ...

## Governance

Council provides a time slot for public forum in the agenda of each of its ordinary Council Meetings.	7 Ordinary Council Meetings and 8 Committee meetings were held between 1 July 2017 to 30 June 2018 offering Public Forum.	Achieved (2016/17: Not achieved)
---	---	-------------------------------------

## Environmental Services

That Council issues all building consents within the statutory time frame of 20 working days.	267 out of 268 building consents were issued within 20 working days.	Not achieved (2016/17: Achieved)
That all resource consents are actioned within the statutory time frame.  Target non-notified: 100% actioned within 20 days.  Target notified: 100% actioned within 70 days.	33 of 34 resource consents were actioned within the statutory time-frame.  No notified applications were received.	Not achieved (2016/17: Achieved)  Achieved (2016/17: Not achieved - 100%)
95% of all known dogs are registered by 1 December.	As at 1 December 2017 99% of known dogs were registered (2838).	Achieved (2016/17: Achieved)

## Community Services

Produce an economic development strategy to guide Council to support development within the District.	Five themes for the Economic Development Strategy were identified. Action plans are currently being collated to form part of the Economic Development Strategy.	Not achieved (2016/17: Not achieved)
---	---	---

## POINTS OF INTEREST

### WATER SUPPLY

Waimate District Council input and petitioning around the potential changes to the drinking water industry and the standards, which may impact council management and rural water supplies.

### WASTE MANAGEMENT

Council signalled to the community that we are to investigate options around the waste management collection and further education to improve the way people recycle.

### STORMWATER DRAINAGE; SEWERAGE AND SEWAGE

Not only is drinking water under scrutiny by the Government, but also waste water and storm water. The investigation into a single regulatory authority for drinking water also includes waste water, storm water and sewerage.

### ROADING & FOOTPATHS

The NZ Transport Agency (NZTA) Financial Assistance Rate (FAR) will increase from 57% to 60%. NZTA has also signalled that footpath maintenance is now eligible for government funding.

### PARKS AND PUBLIC SPACES

A new playground was installed in Victoria Park and a seesaw and a junior double slide was added to the Knottingley Park Playground.

### SWIMMING POOL

A large inflatable toy (crocodile) was purchased and the changing room floors have been upgraded.

### COMMUNITY REPRESENTATION

The six-yearly Representation Review process commenced.

## POINTS OF INTEREST continued ...

### EMERGENCY MANAGEMENT

Community Response Plans were developed for St Andrews/Southburn/Otaio and Cannington/Maungati.

### PROPERTY

The Waimate Event Centre is well utilised, the last sections in the Eric Batchelor Place subdivision have been sold and Victoria Park public toilets have been upgraded.

### CAMPING

Interior upgrading in the Tennant Street cabins was undertaken. Fireproof ceilings, painting, new lighting and new beds and bunks.

### CEMETERIES

Remedial work was carried out on sunken graves by topping up with soil and sowing grass.

### BUILDING CONTROL

IANZ completed its two yearly assessment of the BCA under the Accreditation of Building Control Authorities

Regulations 2016. This resulted in retention of Accreditation with only one corrective action required and very minor recommendations for process improvement.

### DOG CONTROL

In December registration of all known dogs in the district was 99%, which is a significant achievement in comparison to other councils.

### ECONOMIC DEVELOPMENT

'Explore Waimate District' website and Facebook page were developed to promote the district.

### LIBRARY

'Books Blokes and a Beer' programme for fathers was introduced and proved to be very successful.

### MANAGING SERVICES

A new Council website was developed to improve the flow of information about Council services and facilities.

In partnership with NZ Police, CCTV cameras were installed across town, promoting safety and security.

## COMMITMENT, CONTINGENCIES, RELATED PARTY DISCLOSURES AND INSURANCE

There was one capital commitment in relation to projects from Council's capital programme (2017: One).

Capital commitments represent capital expenditure contract for at balance date but not yet incurred. The following contracts have been entered into:

**Roading** - In October 2015 Council signed a new three year contract commencing 1 November 2015.

**Contingent Assets** - There are no Contingent Assets as at 30 June 2018 (30 June 2017: nil).

**Contingent Liabilities** - Council has a potential liability under the Emissions Trading Scheme if forests harvested in the last two years are not replanted.

**Related Parties** - The Timaru District Council (TDC) is a related party of the Council through the Downlands rural water scheme (DRWS). Council collects rates on behalf of the DRWS and distributes them exactly to TDC.

**Insurance** - The Council has insurance policies covering water network; property, plant and equipment; motor vehicles and moving plant; and forestry assets. There is currently no council insurance on roading assets or any other self-insurance funds maintained by council.

During the 2017/18 year Council had cover in place for its below ground infrastructure assets, provided by the Local Authority Protection Programme Disaster Fund (LAPP). In the event of a claim during this year, Council would have had to fund 8 times its annual contribution before the LAPP Fund would pay 40% of the reinstatement costs of the loss, with Central Government meeting the remaining 60%.

**Events After Balance Date** - There are no significant events after balance date.

## Independent Auditor's Report

### To the readers of Waimate District Council's summary of the annual report for the year ended 30 June 2018

The summary of the annual report was derived from the annual report of the Waimate District Council (the District Council) for the year ended 30 June 2018.

The summary of the annual report comprises the following summary statements on pages 4 to 12:

- the summary statement of financial position as at 30 June 2018;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2018;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision.

### Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

### Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

### The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2018 in our auditor's report dated 6 November 2018.

## **Council's responsibility for the summary of the annual report**

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

## **Auditor's responsibility**

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in the District Council.



Dereck Ollsson,  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
29 November 2018

# SUMMARY FINANCIAL STATEMENTS

Waimate District Council is a territorial local body governed by the Local Government Act 2002 (LGA) and is domiciled in New Zealand.

The Council consists of the Council, 1 forestry joint ventures (73.6% owned) and Downlands joint venture (14.81% owned). Council is a separate legal entity and does not have any subsidiaries.

The primary objective of the Council is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity (PBE) for the purposes of PBE IPSAS.

The financial statements are for the Council, which is an individual entity and includes the Council forestry joint ventures and the Downlands Joint Venture.

The summary financial statements are for the year ended 30 June 2018, are in New Zealand dollars and rounded to the nearest thousand (\$000). The full financial statements of the Council have been prepared in accordance with NZ GAAP and in accordance with Tier 2 Public Benefit Entity accounting standards.

The 2017/18 Annual Report, and the 2016/17 Annual Report have been audited by Audit New Zealand and received unmodified opinions for each report.

The financial statements were authorised for issue by Council on 6 November 2018.

The summary financial statements are in compliance with Public Benefit Entity Financial Reporting Standard 43 (PBE FRS 43).

The full financial statements comply with PBE Standards.

The following financial information has been extracted from the full Annual Report. Readers of the Annual Report Summary should note that the financial information contained herein cannot be expected to provide as complete an understanding as that provided by the full financial reports contained in the full Annual Report. The full Annual Report is available at Waimate District Council, 125 Queen Street, Waimate or at [www.waimatedc.govt.nz](http://www.waimatedc.govt.nz).

## MAJOR FINANCIAL VARIANCES

- ▶ General rates income is lower than the LTP Budget but in line with the Annual Plan Budget. Each year revenue and expenditure is reviewed and rates revenue may change depending on what level of expenditure is required.
- ▶ NZ Transport Agency government grants income have exceeded the LTP and Annual Plan Budgets due to additional Roothing Expenditure, along with Emergency Reinstatement works carried out.
- ▶ Forestry Sales were not allowed for in the LTP and Annual Plan Budgets. This income is partially offset by the Cost of forestry harvested expense.
- ▶ Gain on changes in fair value of forestry assets are the gains Council receive based on the Annual Forest Valuations, the gains on tree growth. This year the gains have exceeded LTP and Annual Plan Budgets due to price changes.
- ▶ Employment Benefit Expenses have exceeded LTP and Annual Plan Budgets due to additional resources required. This has been partially offset by reduced spending on conferences, seminars and training.
- ▶ Depreciation costs are below Budget and is predominately due to reduced depreciation than planned in the Water activity, in addition to reduced depreciation on plant and equipment.
- ▶ Following the transfer of assets, from 1 July 2017, to Fire and Emergency New Zealand (FENZ) an impairment of those assets resulted in a Loss on disposal.
- ▶ Impairment of investments - The Hunter Downs Irrigation development shares have been impaired as they hold no value to Council.

# Statement of Comprehensive Revenue and Expenditure for the year ended 30 June 2018

	2018	2018	2017
	Actual \$000	Annual Plan \$000	Actual \$000
<b>Operating Revenue</b>			
Rates (net of remissions)	\$ 9,303	\$ 9,283	\$ 8,941
Development and Financial contributions	83	87	68
Subsidies and Grants	3,098	2,841	2,655
Fees and charges	1,078	1,013	1,024
Interest revenue	101	35	53
Other revenue	2,150	1,696	4,465
<b>Total Operating Revenue</b>	<b>15,813</b>	<b>14,955</b>	<b>17,206</b>
<b>Operating Expenditure</b>			
Employment benefit expenses	3,883	3,728	3,634
Depreciation	4,437	4,568	4,681
Amortisation	36	39	26
Finance costs	114	207	96
Other expenses	7,689	6,551	6,639
<b>Total Operating Expenditure</b>	<b>16,158</b>	<b>15,094</b>	<b>15,076</b>
<b>Operating Surplus/(Deficit) before Taxation</b>	<b>(345)</b>	<b>(139)</b>	<b>2,130</b>
Taxation expense	-	-	-
<b>Total Surplus/(Deficit)</b>	<b>\$ (345)</b>	<b>\$ (139)</b>	<b>\$ 2,130</b>
<b>Other Comprehensive Revenue and Expenditure</b>			
Increase/(decrease) in discretionary reserves/restricted assets	-	-	-
Increase/(decrease) in revaluation reserves	2,652	3,630	30,718
Impairment of revalued assets and reversal of a prior year value	-	-	-
Financial assets at fair value through other comprehensive revenue	(15,002)	-	1,223
<b>Total Other Comprehensive Revenue and Expenditure</b>	<b>(12,350)</b>	<b>3,630</b>	<b>31,941</b>
<b>Total Comprehensive Revenue and Expenditure</b>	<b>\$ (12,695)</b>	<b>\$ 3,491</b>	<b>\$ 34,071</b>

# Statement of Changes in Equity for the year ended 30 June 2018

	2018	2018	2017
	Actual \$000	Annual Plan \$000	Actual \$000
Equity as at 1 July	\$ 433,511	\$ 417,120	\$ 399,439
Total Comprehensive Revenue and Expenditure	(12,695)	3,491	34,071
<b>Equity as at 30 June</b>	<b>\$ 420,815</b>	<b>\$ 420,611</b>	<b>\$ 433,511</b>

# Statement of Financial Position as at 30 June 2018

	2018 Actual \$000	2018 Annual Plan \$000	2017 Actual \$000
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 4,199	\$ 612	\$ 3,701
Trade and other receivables	1,796	1,439	1,253
Inventories	96	296	284
Other financial assets	5	647	781
Total Current Assets	6,097	2,994	6,019
<b>Non-Current Assets</b>			
Trade and other receivables	-	-	-
Infrastructural assets	374,739	366,915	375,559
Operational assets	27,258	25,763	25,209
Forestry assets	1,727	1,424	1,471
Intangible assets	293	170	198
Other financial assets	15,616	28,711	29,925
Total Non-Current Assets	419,632	422,983	432,362
<b>Total Assets</b>	<b>\$ 425,729</b>	<b>\$ 425,977</b>	<b>\$ 438,381</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	\$ 1,746	\$ 1,465	\$ 1,656
Public debt	33	26	71
Provisions	6	6	6
Employee benefit liabilities	364	410	342
Total Current Liabilities	2,148	1,907	2,075
<b>Non-Current Liabilities</b>			
Public Debt	2,704	3,398	2,734
Provisions	61	61	61
Employee benefit liabilities	-	-	-
Total Non-Current Liabilities	2,765	3,459	2,795
<b>Equity</b>			
Public Equity	84,667	91,714	86,351
Special separate and trust funds	3,207	(4,648)	1,869
Asset revaluation reserve	327,219	314,044	324,567
Other reserves	5,722	19,501	20,724
Total Equity	420,815	420,611	433,511
<b>Total Liabilities and Equity</b>	<b>\$ 425,729</b>	<b>\$ 425,977</b>	<b>\$ 438,381</b>

# Statement of Cash Flows for the year ended 30 June 2018

	2018 Actual \$000	2018 Annual Plan \$000	2017 Actual \$000
<b>Cash flows from operating activities</b>			
<b>Cash was received from:</b>			
Receipts from rates revenue	\$ 9,345	\$ 9,323	\$ 8,877
Interest received	101	35	53
Dividends received	456	754	708
Receipts from other revenue	5,054	4,816	5,607
	<b>14,956</b>	<b>14,928</b>	<b>15,245</b>
<b>Cash was applied to:</b>			
Payments to suppliers and employees	11,269	10,547	10,378
Interest paid	114	207	96
	<b>11,383</b>	<b>10,754</b>	<b>10,474</b>
<b>Net Cash Flows from operating activities</b>	<b>3,573</b>	<b>4,174</b>	<b>4,771</b>
<b>Cash flows from investing activities</b>			
<b>Cash was received from:</b>			
Proceeds from sale of property, plant and equipment	15	-	27
Proceeds from sale of harvested forests	284	-	216
Proceeds from sale of investment property	169	134	-
Proceeds from sale of investments	-	-	12
	<b>468</b>	<b>134</b>	<b>255</b>
<b>Cash was applied to:</b>			
Purchase of property, plant and equipment	3,199	5,040	4,513
Purchase of intangible assets	130	29	56
Purchase of silviculture	-	-	-
Acquisition of investments	146	-	244
	<b>3,475</b>	<b>5,069</b>	<b>4,813</b>
<b>Net Cash Flows from investing activities</b>	<b>(3,007)</b>	<b>(4,935)</b>	<b>(4,558)</b>
<b>Cash flows from financing activities</b>			
<b>Cash was received from:</b>			
Proceeds from public debt	-	-	850
	<b>-</b>	<b>-</b>	<b>850</b>
<b>Cash was applied to:</b>			
Repayment of public debt	68	26	45
	<b>68</b>	<b>26</b>	<b>45</b>
<b>Net Cash Flows from financing activities</b>	<b>(68)</b>	<b>(26)</b>	<b>805</b>
Net increase/(decrease) in cash held	498	(787)	1,018
Add opening cash balance (1 July)	3,701	1,399	2,683
<b>Closing cash (30 June)</b>	<b>\$ 4,199</b>	<b>\$ 612</b>	<b>\$ 3,701</b>
<b>Represented by:</b>			
Cash, cash equivalents and bank overdrafts	4,199	612	3,701
	<b>\$ 4,199</b>	<b>\$ 612</b>	<b>\$ 3,701</b>

# Funding Impact Statement for the year ended 30 June 2018

	2018 Actual \$000	2018 Annual Plan \$000	2017 Actual \$000	2017 Annual Plan \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 1,149	\$ 1,106	\$ 1,022	\$ 1,052
Targeted rates	8,246	8,281	8,004	7,975
Subsidies and grants for operating purposes	1,842	1,169	1,619	986
Fees and charges	1,078	1,013	1,023	876
Interest and dividends from investments	557	789	761	607
Local authority fuel tax, fines, infringement fees other	1,212	745	1,355	796
<b>Total sources of operating funding</b>	<b>14,084</b>	<b>13,103</b>	<b>13,784</b>	<b>12,292</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	10,815	10,224	10,221	9,715
Finance costs	114	207	96	199
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>10,929</b>	<b>10,431</b>	<b>10,317</b>	<b>9,914</b>
<b>Surplus/(deficit) of operating funding</b>	<b>3,155</b>	<b>2,672</b>	<b>3,467</b>	<b>2,378</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,261	1,672	1,251	1,681
Development and financial contributions	83	87	68	92
Increase/(decrease) in debt	(68)	(26)	805	375
Gross proceeds from sale of assets	15	-	27	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,291</b>	<b>1,733</b>	<b>2,151</b>	<b>2,148</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	5	-	464	546
Capital expenditure - to improve level of service	560	1,237	1,545	1,556
Capital expenditure - to replace existing assets	2,763	3,832	2,560	3,394
Increase/(decrease) in reserves	1,117	(664)	805	(1,079)
Increase/(decrease) in investments	-	-	244	109
<b>Total applications of capital funding</b>	<b>4,445</b>	<b>4,405</b>	<b>5,618</b>	<b>4,526</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(3,155)</b>	<b>(2,672)</b>	<b>(3,467)</b>	<b>(2,378)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>