

Council's Funding Impact Statement

How have surplus funds been used?

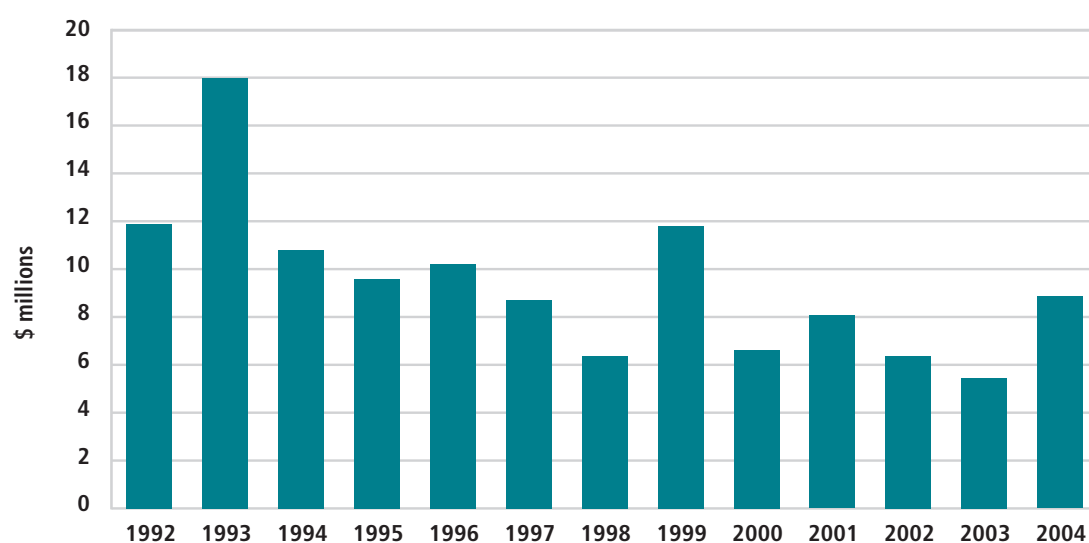
	Council 2004 Actual \$000's	Council 2004 Budget \$000's	Council 2004 Variance \$000's
Regional Water Supply	1,033	335	698
Regional Transport	859	(508)	1,367
Regional Stadium	757	757	0
Other regional responsibilities	4,522	2,226	2,296
Operating surplus (deficit)	7,171	2,810	4,361
Movement in reserves	581	1,263	(682)
Add back non cash items	8,709	8,516	193
Other loan funding	2,855	2,631	224
Funding surplus from operations	19,316	15,220	4,096
less:			
Net capital expenditure	8,857	10,205	(1,348)
Investment additions	2,717	2,666	51
Loan funding of capital expenditure	(5,885)	(7,881)	1,996
Net capital expenditure and investment	5,689	4,990	699
Working capital movement	(1,859)	0	(1,859)
Debt repayment	15,486	10,230	5,256
Net funding surplus (deficit)	0	0	0

The Council's funding surplus from operations was above budget by \$4.1 million and working capital movement of \$1.9 million has primarily been applied to increased debt repayment of \$5.3 million.

This table summarises the Council's operating result by funding type and shows how surplus funds have been applied. Funds have been applied to capital expenditure, investment additions and debt servicing.

Paying off debt early saves future interest costs and therefore reduces rates in the future.

Net Capital Expenditure*



*Capital expenditure is net of asset disposals.

By recent historical standards the level of capital expenditure in 2003/04 has been relatively high as can be seen on the adjacent table.

Notable projects advanced or completed during 2003/04 included:

- Various flood protection projects, primarily within the Hutt Valley, including Belmont edge protection and starting the Strand Park realignment
- Replacement of the last remaining stretch of the original main pipeline supplying the Wainuiomata Treatment Plant with source water
- Relocation of the Pukerua Bay branch pipeline to the seismically secure new SH1 Paremata Bridge
- New toilet block at Queen Elizabeth Park
- Replacement of the Petone Station and surrounding canopies.

Statement of Cash Flows

What was the inflow & outflow of cash?

	Council 2004 Actual \$000's	Council 2004 Budget \$000's	Council 2003 Actual \$000's	Group 2004 Actual \$000's	Group 2003 Actual \$000's
Opening cash & call deposits	6,878	4,905	8,504	7,106	7,913
Closing cash & call deposits	2,869	4,905	6,878	2,330	7,106
Net increase (decrease) in cash held	(4,009)	0	(1,626)	(4,776)	(807)
Net cash inflow (outflow) from operating activities	13,796	11,779	19,976	20,896	27,676
Net cash inflow (outflow) from investing activities	(10,869)	(12,871)	(6,147)	(18,830)	(12,701)
Net cash inflow (outflow) from financing activities	(6,936)	1,092	(15,455)	(6,842)	(15,782)
	(4,009)	0	(1,626)	(4,776)	(807)