

3 NET CURRENT FUNDING POSTION

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Attachment - 2

Operating activities excluded from budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

(a) Operating activities excluded from budgeted deficiency

The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.

Adjustments to operating activities

Less: Profit on asset disposals	(451,752)	(334,433)	(401,654)	(178,903)	(401,654)
Net Share of Interest in Associates	0	(699,586)	0	0	0
Less: Share of net profit of associates and joint ventures accounted for using the equity method	(3,750,000)	(3,292,208)	(5,833,333)	(3,541,667)	(5,833,333)
Add: Loss on disposal of assets	13,043	227,574	4,204	981	4,204
Add: Depreciation on assets	13,122,588	13,630,524	13,961,448	8,162,236	13,961,448
Non-cash movements in non-current assets and liabilities	0	(18,512)	0	(160,843)	0
Non-cash amounts excluded from operating activities	8,933,879	9,513,359	7,730,665	4,281,804	7,730,665

(b) Investing activities excluded from budgeted deficiency

The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

Adjustments to investing activities

Movement in non-current capital grant/contribution liability		(673,959)		673,959	
Right of use assets received - non cash		815,388			
Non cash Capital grants, subsidies and contributions		430,682			
Non cash amounts excluded from investing activities	0	572,111	0	673,959	0

Adjustments to financing activities

Non cash proceeds from new leases

	Adopted Budget 30 June 2025	Audited Actual 30 June 2024	Updated Budget Estimates 30 June 2025	Year to Date Actual 31 January 2025	Estimated Year at End Amount 30 June 2025
	\$	\$	\$	\$	\$
(c) Current assets and liabilities excluded from budgeted deficiency					
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.					
Adjustments to net current assets					
Less: Reserve accounts	(25,507,557)	(22,878,829)	(29,001,798)	(26,317,392)	(29,001,798)
Less: Land held for sale	(1,143,517)	(862,570)	(1,257,869)	(862,570)	(1,257,869)
Add: Current liabilities not expected to be cleared at end of year			2,496,394	3,326,728	2,496,394
Add: Infringement debtors transferred to non current asset	972,731				0
Total adjustments to net current assets	(23,866,421)	(21,252,276)	(27,763,272)	(23,853,234)	(27,763,272)
(d) Composition of estimated net current assets					
Current assets					
Cash and cash equivalents	7,055,916	6,209,612	9,999,420	29,928,285	9,999,420
Financial assets	27,884,624	30,300,000	29,001,798	26,317,392	29,001,798
Trade and other receivables	4,290,523	5,248,716	5,406,177	11,091,652	5,406,177
Other current assets	1,800,005	1,774,051	1,827,273		
Inventories	1,434,611	1,106,193	1,139,379	1,203,041	1,139,379
	42,465,679	44,638,572	47,374,047	68,540,370	47,374,047
Less: current liabilities					
Trade and other payables	(8,190,798)	(7,604,532)	(8,436,522)	(9,747,969)	(8,436,522)
Contract liabilities	(838,572)	(682,729)	(880,501)		
Capital grant/contribution liability	(1,504,641)	(673,959)	(1,995,406)		
Lease liabilities	(264,318)	(264,318)	(264,318)		(264,318)
Borrowings	(1,547,604)	(1,498,010)	(1,624,984)	(1,525,224)	(1,624,984)
Employee related provisions	(6,103,851)	(5,700,443)	(6,409,044)	(5,529,398)	(6,409,044)
	(18,449,784)	(16,423,991)	(19,610,774)	(16,802,591)	(19,610,774)
Net current assets used in the Statement of Financial Activity					
Total current assets	42,465,679	44,638,572	47,374,047	68,540,370	47,374,047
Less: Total current liabilities	(18,449,784)	(16,423,991)	(19,610,774)	(16,802,591)	(19,610,774)
Less: Total adjustments to net current assets	(23,866,421)	(21,252,276)	(27,763,272)	(23,853,234)	(27,763,272)
Surplus or deficit after imposition of general rates	149,474	6,962,305	(0)	27,884,545	(0)