

Debtors Analysis

As at 31 December 2023	Council			
	Dec-23 \$'000	Dec-22 \$'000	Variance \$'000	
From non-exchange transactions				
Trade receivables	7,327	10,365	(3,037)	*1
Infringement receivables	2,466	2,205	261	*2
Rates receivables	10,266	8,521	1,745	*3
New Zealand Transport Agency	4,110	401	3,709	*4
Other	(842)	(597)	(245)	
Allowance for doubtful debts	(2,174)	(1,949)	(225)	*5
	21,154	18,946	2,208	
From exchange transactions				
Trade receivables	6,872	6,867	5	*6
Other	1,603	3,001	(1,397)	*7
Allowance for doubtful debts	(856)	(946)	90	*5
	7,619	8,921	(1,302)	
	28,774	27,868	905	

Age analysis

Trade and other receivables (excluding rates)	Council			
	Dec-23 \$'000	Dec-22 \$'000	Variance \$'000	
Current (0-30 days)	13,465	13,304	161	*8
31-60 days *	1,020	1,826	(806)	
61-90 days *	317	596	(279)	
90 days + *	6,893	6,516	377	
	21,537	22,241	(704)	
Rates receivables				
Current year rates (overdue) *	6,840	5,872	968	*3
Previous years rates *	3,426	2,649	777	*3
	10,266	8,521	1,745	
Allowance for doubtful debts	(3,030)	(2,895)	(135)	*5
	28,774	27,868	905	

* Amounts are considered past due.

Commentary

- *1 \$1.2M reduction in Crown Infrastructure Partner revenue accruals balance. \$2.1M reduction due to the receipt of four large development contributions since Dec 22.
- *2 Dec 23 balance consists of \$2.4M of parking infringements, of which \$2.1M is aged 90 days plus which largely represents the \$2.0M allowance for doubtful debts from non-exchange transactions. Infringements aged greater than 56 days are passed onto the Courts for them to collect on our behalf.
- *3 There are a total of 1,132 properties (\$3.4M) in arrears for previous years rates as at 31 December 23 (Dec 22: 931; \$2.6M). As at 31 January 2024, the current year rates overdue balance has reduced \$1.7M from \$6.8M to \$5.2M, and the previous years rates overdue balance has reduced \$0.4M from \$3.4M to \$3.0M.
- 46% of the 1,132 properties in arrears are rated as residential, 18% vacant sections, 11% accommodation, and 7% country dwelling.
- *4 The \$4.1M Dec 23 balance represents an accrual for two months, compared to one month last year. This years accruals are larger compared to last year due to higher amounts of both capex and opex work.
- *5 Net \$0.1M increase in the provision for doubtful debts. The provision for infringements has gone up \$0.2M and the Sundry Provision has reduced by \$0.1M.
- *6 \$1.3M reduction in Property debtors balance with Skyline down \$0.8M, NASA down \$0.4M and Kiwi & Birdlife Park down \$0.1M due to timing and receipt of invoicing. Transfer station debtors have reduced by \$0.5M and Sundry debtors has reduced by \$0.4M. This is offset by an increase in consent debtors of \$1.6M.
- *7 Movement due to a \$1.1M reduction in the Skyline accrual due to the timing of the year ended 31 March 22 washup invoice which was raised a year later in March 23 due to the prolonged lease renewal negotiations.
- *8 Overall the trade and other receivables (excluding rates) balance is \$175k higher than Dec 22.
- The 90 days + balance as at 31 December 23 of \$6.9M consists of debtor balances of \$4.8M sundry debtors, \$0.9M transfer station, \$3.4M RAMS (development contributions and consent applications) and \$2.1M vehicle infringements. The finance team are actively chasing these 90 day + balances.

The 90 days + balance is \$363k higher with vehicle infringements up \$142k. Property 90 day + debtors have reduced by \$1.2M with the receipt of \$0.8M from Skyline (historical amount which has been receipted after finalising the lease renewal) and \$0.3M from NASA, although 90 day + EAM debtors are up \$0.9M (mostly 14 debtors totaling \$0.5M for resource consents) and Sundry are up \$0.6M (with 0.3M pertaining to Gibston Valley Station, Remarkables Park and Mooreliving Developments).

61-90 days had reduced by \$0.3M with the aging of development contributions, as has 31-60 days with a reduction in the balance of \$1.0M in development contributions within this aging bracket.