

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2008

	COUNCIL			GROUP		
	NOTE	ACTUAL 2008 \$000	BUDGET 2008 \$000	ACTUAL 2007 \$000	ACTUAL 2008 \$000	ACTUAL 2007 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from rates – Council		188,668	192,009	183,390	188,668	183,390
Receipts from rates – GWRC ¹		36,257	-	33,386	36,257	33,386
Receipts from activities and other income		100,049	93,937	94,572	112,510	106,904
Receipts from Government grants and subsidies		15,185	13,157	13,069	22,177	20,042
Receipts from investment property lease rentals		12,720	11,468	12,884	12,720	12,884
Cash paid to suppliers and employees		(215,179)	(205,848)	(209,884)	(235,161)	(228,423)
Rates passed to GWRC ¹		(33,884)	-	(30,125)	(33,884)	(30,125)
Grants paid		(24,164)	(24,841)	(24,115)	(24,164)	(24,115)
Net GST received ²		435	-	1,855	536	1,591
NET CASH FLOWS FROM OPERATING ACTIVITIES		80,087	79,882	75,032	79,659	75,534
CASH FLOWS FROM INVESTING ACTIVITIES						
Dividends received		5,714	4,750	5,710	5,714	5,710
Interest received		491	100	1,177	941	1,565
Decrease in bank investments		-	-	-	-	3,588
Loan repayments received		211	-	13,750	211	13,750
Proceeds from sale of investment properties		-	-	1,981	-	1,981
Proceeds from sale of property, plant and equipment		1,100	2,000	2,503	1,100	2,504
Increase in bank investments		-	-	-	(357)	-
Loan advances made		(1,692)	(2,000)	-	(1,692)	-
Purchase of investment properties		(75)	-	-	(75)	-
Purchase of intangibles		(1,093)	-	(1,908)	(1,400)	(1,992)
Purchase of property, plant and equipment		(95,650)	(127,467)	(93,534)	(96,353)	(95,342)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(90,994)	(122,617)	(70,321)	(91,911)	(68,236)
CASH FLOWS FROM FINANCING ACTIVITIES						
Increase in borrowings		23,438	63,703	40,377	23,438	40,377
Interest paid on borrowings		(20,075)	(18,968)	(14,609)	(20,166)	(14,713)
Decrease in borrowings		(1,261)	(2,000)	(21,250)	(1,390)	(21,415)
NET CASH FLOWS FROM FINANCING ACTIVITIES		2,102	42,735	4,518	1,882	4,249
Net increase/(decrease) in cash and cash equivalents		(8,805)	-	9,229	(10,370)	11,547
Cash and cash equivalents at beginning of year		11,112	1,883	1,883	15,674	4,127
CASH AND CASH EQUIVALENTS AT END OF YEAR	9	2,307	1,883	11,112	5,304	15,674

¹ GWRC is the Greater Wellington Regional Council for which Wellington City Council acts as a collection agency by including additional rates and levies in its own billing process. Once collected the monies are passed to GWRC.

² The GST (net) component of operating activities reflects the net GST paid and received with the IRD. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Statement of Cash Flows continued

FOR THE YEAR ENDED 30 JUNE 2008

The net surplus from the Statement of Financial Performance is reconciled to the net cash flows from operating activities in the Statement of Cash Flows as follows:

	NOTE	COUNCIL		GROUP	
		2008 \$000	2007 \$000	2008 \$000	2007 \$000
RECONCILIATION OF NET SURPLUS TO NET OPERATING CASH FLOWS					
Net surplus for the period		25,515	35,722	34,866	36,069
Add / (deduct) non-cash items:					
Bad debts written-off not previously provided for	5	514	59	522	60
Depreciation and amortisation	6	63,615	62,724	65,270	64,253
Fair value changes in investment properties	3	(22,620)	(31,750)	(22,620)	(31,750)
Other fair value changes		6,308	(819)	6,308	(794)
Movement in provision for impairment of doubtful debts		521	1,509	521	1,293
Non-cash movement in provisions		3,676	3,232	3,758	3,299
Vested assets	3	(10,859)	(6,169)	(10,859)	(6,164)
Total non-cash items		41,155	28,786	42,900	30,197
Add / (deduct) movement in working capital:¹					
Trade and other receivables		(1,857)	121	(2,869)	617
Trade and other payables		3,352	5,762	2,802	5,762
Employee benefit liabilities		(294)	(278)	(312)	(125)
Provisions for other liabilities		(1,075)	(1,689)	(1,212)	(1,689)
Total working capital movement		126	3,916	(1,591)	4,565
Add / (deduct) investing and financing activities:					
Net gain on disposal of property, plant and equipment		(579)	(530)	(579)	(506)
Gain on sale of investments		-	(584)	-	(584)
Dividends received		(5,714)	(5,710)	(70)	(67)
Interest received		(491)	(1,177)	(941)	(1,722)
Interest paid on borrowings		20,075	14,609	20,167	14,709
Share of equity accounted surplus from associates			-	(15,093)	(7,127)
Total investing and financing activities		13,291	6,608	3,484	4,703
Net cash flow from operating activities		80,087	75,032	79,659	75,534

¹ Excluding non-cash items