



value beyond boundaries™

STATEMENT OF INTENT FOR 2013-2014

30 June 2013

Local Authority Shared Services Limited

Introduction

This Statement of Intent is a public declaration of the activities and intentions of the Waikato's Council Controlled Organisation, Local Authority Shared Services Limited. The statement outlines the Directors' accountabilities to the shareholders for corporate performance, as is intended by Schedule 8 of the Local Government Act 2002.

Objectives of LASS

Local Authority Shared Services (LASS) has been promulgated to provide the Councils in the Waikato region with a vehicle to procure shared services. It provides a mechanism for the development of new services which are available to be joined by any shareholder that so chooses. It also provides those Councils that wish to develop new services with a company structure under which they can develop and promote services to other local authorities.

In the early to mid 2000's the relationship between local authorities within the Waikato Region continued to strengthen. As a result of this a range of initiatives were considered by Waikato local authorities with the most beneficial being the Local Authority Shared Services (LASS). At the inception of this initiative the shareholders identified that improvements could be made in back of office activities by implementing shared services, improvements being gained through cost savings, streamlining of work processes and improved services.

This vehicle was been chosen as it was considered the most appropriate mechanism for improving, and achieving cost reductions in back of office services across the region. Over the period the company has been operating benefits have been delivered in the form of:

- Improved level and quality of service
- Co-ordinated approach to the provision of services
- Reductions in the cost of services
- Opportunity to develop new initiatives
- Opportunity for all Councils irrespective of location or size to benefit from joint initiatives
- Leverage provided from economy of scales resulting from a single entity representing Councils leveraging procurement opportunities.

At this stage these gains have been realised by shareholders in the Shared Valuation Data Service (SVDS), the Waikato Regional Transport Model (WRTM) and joint procurement of insurance services.

The ability of LASS to contribute to a greater extent in terms of shared services and also at a strategic collaboration level has been the subject of discussion through the Waikato Mayoral Forum.

The Directors have been tasked with identifying ways to progress these initiatives. This will involve resourcing and funding a range of initiatives that will potentially extend the services currently offered by LASS.

The LASS Directors will continue to seek any new opportunities, either from internal investigations, or from Council's and C.E.O. initiatives that are presented to it with a sound business case.

New services that are intended to be initiated under the LASS umbrella will only be adopted where a business case shows that they provide some form of benefit to the shareholders.

The benefits that may be gained include development of intellectual property through new business services, protection of Council data, improved levels of service and/or reduced cost. All such proposals will be presented to the Shareholders for approval prior to implementation.

Nature and scope of Current Activities

There are currently three major operations under the LASS umbrella, plus a support role for collaborative initiatives of the Waikato Mayoral Forum.

Firstly, the Shared Valuation Data Service (SVDS). This operational system is providing both timely and accurate valuation data to member Councils and shareholders. The SVDS has become the accepted valuation database in the region.

Secondly, the Waikato Regional Transportation Model (WRTM). This model became fully operational in February 2010. This Model, built within its budgeted cost, provides accurate information to Councils for their transport modelling requirements. The WRTM is the only recognised strategic transport modelling resource in the Waikato Region.

Thirdly, LASS is a party to a joint contract between LASS, shareholding Councils and AON Ltd for insurance brokerage services and various collective insurance policies.

The Waikato Mayoral Forum in 2012 enabled the creation of five working parties to investigate collaborative opportunities in the areas of governance structures, planning, three waters, roading and economic development. Each working party is led by a Council CEO in conjunction with a group of Mayors/Chairs from the Waikato Mayoral Forum. LASS is available as a support entity to assist these working parties.

Collective funding of \$100,000 in 2012/13 has resulted in the scoping and defining of further project work during 2013/14, and additional funding proposals have been presented to shareholding Councils for consideration as part of their 2013/14 Annual Plan process. These proposals and funding are reflected in the financial numbers.

An additional range of shared service opportunities are being considered at the present time. For example, some opportunities in the area of procurement have been identified and the shareholders are looking to progress these opportunities. Further work is also under way to consider how human resource initiatives can be advanced collectively under LASS.

Based on feedback from shareholder Councils and the CEO Forum, the LASS Directors will continue to discuss their role in the development of business cases for shared services at its future meetings. These investigations will include reporting to shareholders and the Waikato Mayoral Forum on the alternative mechanisms to develop shared services.

Directors are mindful of the current political environment, and see these investigations of possible shared services as a key focus of their role.

The Company continues to ensure availability of resource requirements to accelerate efforts to advance collaboration across the shareholder Councils.

Governance

LASS shall have twelve Directors with each Director representing a shareholder Council.

Unless otherwise agreed by the appointing Councils each Director shall be a Chief Executive of a local authority. In addition the board may appoint up to three professional directors to supplement the Directors' expertise.

LASS will conduct itself in accordance with its constitution, its annual Statement of Intent agreed with shareholders, and provisions of the Local Government Act 2002.

Directors

The current Directors are:

Director	Position	Director Appointed By
Gavin Ion (Chair)	Chief Executive, Waikato District Council	Waikato District Council
Peter Guerin	Chief Executive, Rotorua District Council	Rotorua District Council
Chris Ryan	Chief Executive Officer, Waitomo District Council	Waitomo District Council
Bob Laing	Chief Executive, Waikato Regional Council	Waikato Regional Council
Langley Cavers	Chief Executive, Hauraki District Council	Hauraki District Council
Barry Harris	Chief Executive, Hamilton City Council	Hamilton City Council
David Hammond	Chief Executive, Thames-Coromandel District Council	Thames-Coromandel District Council
Garry Dyet	Chief Executive, Waipa District Council	Waipa District Council
Don McLeod	Chief Executive Officer, Matamata-Piako District Council	Matamata-Piako District Council
Rob Williams	Chief Executive Officer, Taupo District Council	Taupo District Council
Dave Clibbery	Chief Executive Officer, Otorohanga District Council	Otorohanga District Council

Process for Future Developments

- All new proposed shared services will have a business case developed for presentation to the Directors. This business case will be approved by the Directors prior to any service proceeding. The appointment of a resource under LASS should minimise costs to participating Councils in undertaking new shared services.
- Any potential new service would be initiated by either in-house Director investigation, LASS resources or from shareholding Councils and / or their CEO'S. The directors of LASS see their role changing from one of an enabler, to that of an initiator of potential new services.

Activities for which the Board seeks Compensation:

It is noted that other shared services may be developed during the year that this Statement of Intent is current. Any such services will only be delivered under the LASS umbrella after the Directors have considered each individual business case including the proposed budget and agreed that the proposed service meets the objectives of LASS.

Any ongoing activities to identify, develop and procure shared services will be budgeted for in advance, subject to the business case, and either funded and staffed by individual Councils without LASS involvement, or agreed by the Directors to be funded by the LASS or utilising LASS resources with consequent recovery from participating Councils.

Shareholders will continue to contribute to the operational costs of the LASS on an annual basis.

Performance Targets

Performance targets relate to the level of services that are current or under development. It is envisaged that these targets will expand as new services are developed.

1. **Shareholder Survey:** The company will carry out an annual survey of shareholders to assist the Directors in developing improvements on behalf of the shareholders, and to receive a majority of shareholder approval on the service provided.
2. **Costs Control:** Administration expenditure shall not exceed that budgeted by more than 5% unless prior **approval** is obtained from the Directors.
3. **Cashflow:** The company maintains an overall positive cashflow position.
4. **Reporting:** The Board will provide a written report on the business operations and financial position of the LASS on a six monthly basis.
5. **Statutory Adherence:** There will be an annual report to directors that all statutory requirements of the LASS are being adhered to.
6. **SVDS Availability:** That SVDS is available to users at least 99% of normal working hours.
7. **SVDS Sales Data Delivery:** That at least 98% of agreed timelines are met for sale and property files that have been delivered to the FTP server for access to customers.
8. **SVDS Major Enhancement Development Hours:** All Capital enhancement development work is supported by a business case approved by the Advisory Group.
9. **WRM:** That all required modelling reports are actioned within the required timeframe.
10. **WRM:** That the base model adheres to "Screenline Validation Standards" as set out in the NZTA Economic Evaluation Manual as indicated by an external independent peer review.
11. **WRM:** That a full report on progress of the model be provided to the LASS Board twice each year.
12. **Insurance:** The key performance indicators from appendix 4 of the brokerage contract are met.
13. **Joint Procurement:** That any joint procurement projects deliver as per project approved objectives.
14. **Advice to the Waikato Mayoral Forum:** In response to requests from shareholders, the Company will provide regular reports and updates to the Waikato Mayoral Forum regarding progress with shared service initiatives.

Policy Statement

Statement of Accounting Principles

Financial statements will be for a company wholly owned by local authorities within the Waikato Region in the proportion of one share per local authority. Financial statements will be prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP) and the Financial Reporting Act 1993 and NZ Financial Reporting Standard No. 42.

Specific Accounting Principles

The following particular principles which have a significant effect on measurement of financial position are to apply.

- Accounts Receivable are to be stated at their expected realisable value after writing off any known bad debts and providing for doubtful debts.
- Investments to be valued at the prevailing market value.
- Fixed assets to be recorded at cost, less accumulated depreciation.

Intangible Assets

- Where intangible assets are purchased, such as intellectual property and computer software, these are to be capitalised and written off on a straight line basis over their expected life, but no greater than seven years.
- Depreciation / Amortisation is to be provided on a straight line basis on all assets other than land, and align with normal accepted depreciation for the types of services being developed.

Impairment Testing

Assets with a finite life are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Balance Sheet Ratios

The Local government Act 2002 requires the SOI to include the projected ratio of shareholders funds to total assets within the Forecast Statement of Financial Position.

The LASS is budgeted to have an accumulated shareholders fund of \$1,374,674 at 30 June 2014, which relates to 95.2% of total assets. The only liabilities of the LASS are trade creditors.

The Forecast Financial Statements for the years 2013-2015 are attached to this statement.

Procedures for the Purchase and acquisition of Shares

The Board will give approval before LASS subscribes for, purchases or otherwise acquires shares in any company or other organisation, which is external to the group.

Inventories

- It is not envisaged that the company will hold inventories, other than those that might relate to providing computer based services to a number of parties. They will be valued at net realisable value.

Taxation

- Taxation will be provided as required against the company in line with the required legislation.

In accordance with the Public Audit Act 2001 and the Local Government Act 2002, the Auditor General will be responsible for the audit of the company's financial statements.

As the current shared services are on a cost recovery basis it is not envisaged that any dividends will be paid.

Value of Shareholder's Investment

The Directors' estimate of the commercial value of the shareholders' investment in the LASS is equal to the shareholders equity in the company. Reassessment of the value of this shareholding shall be undertaken on or about 1 April each year.

Compensation

Directors of the LASS will not receive any fees or expenses for work undertaken on behalf of the LASS.

As the basis of funding of LASS, payment will be sought from all local authorities that receive services from LASS.

Information to be provided to Shareholders

The company will deliver the following Statements to shareholders:

- Within two months of the end of the first half of the financial year Statement of Financial Performance, Statement of Changes in Equity Statement of Financial Position, Statement of Cashflows and Service Performance.
- Within three months of the end of the financial year the following audited statements: Statement of Financial Performance, Statement of Changes in Equity, Statement of Financial Position, Statement of Cashflows, Service Performance plus a summary of how the company has fared against its objectives and prospects for the next financial year, and a report on the company's medium to long-term plans.

Review of Statement of Intent

The Directors shall approve by 1 March of each year a Draft Statement of Intent for the consideration of shareholders.

The Directors must then consider any comments on the Draft Statement of Intent that are made to it within two months of 1 March by the shareholders and deliver the completed Statement of Intent to the shareholders by 30 June.

Local Authority Shared Services

Company Summary For the Year Ended 30 June 2014

	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Revenue					
Recovery of Admin Costs	163,550	169,550	6,000	169,550	169,550
Internal Cost Recovery	59,000	44,231	(14,769)	46,811	49,892
Interest Received	500	500	0	500	500
SVDS Member Charges	609,170	609,599	429	717,537	741,095
SVDS Data & Software Sales	124,068	101,600	(22,468)	0	0
WRTM Cost Recovery	162,000	279,616	117,616	108,406	84,946
WRTM External Users	40,000	0	(40,000)	0	0
WRTM Reserve Realisation	40,000	40,000	0	0	0
Mayoral Forum Projects Funding Contribution	421,700	810,000	388,300	270,000	0
Insurance Brokerage Fee	137,775	147,500	9,725	147,500	147,500
GSB Fee	0	16,575	16,575	18,000	18,000
Values Financial Fee	76,000	46,750	(29,250)	46,750	46,750
Total Revenue	1,833,763	2,265,921	432,158	1,525,054	1,258,233
Operating Expenditure					
CA Cash Expenditure	222,550	213,781	(8,769)	216,361	219,442
SVDS Cash Expenditure	627,638	642,048	14,410	636,424	657,397
WRTM Cash Expenditure	242,000	319,616	77,616	108,406	84,946
Mayoral Forum Cash Expenditure	421,700	810,000	388,300	270,000	0
Insurance Cash Expenditure	213,775	210,825	(2,950)	212,250	212,250
Total Operating Expenses	1,727,663	2,196,270	468,607	1,443,441	1,174,035
Earnings Before interest, tax and depreciation/amortisation (EBITDA)	106,100	69,651	(36,449)	81,613	84,198
Non-Cash Operating Expenditure					
CA Non Cash Expenditure	127	127	0	127	0
SVDS Non Cash Expenditure	176,462	171,899	(4,563)	156,867	141,417
WRTM Non Cash Expenditure	328,122	328,122	0	328,122	328,122
Mayoral Forum Non Cash Expenditure	0	0	0	0	0
Insurance Non Cash Expenditure	0	0	0	0	0
Total Non-Cash Operating Expenditure	504,711	500,148	(4,563)	485,116	469,539
Earnings Before interest and tax (EBIT)	(398,611)	(430,497)	(31,886)	(403,503)	(385,341)
Net Surplus (Deficit) before tax	(398,611)	(430,497)	(31,886)	(403,503)	(385,341)
CA Net Surplus (Deficit) before tax	(127)	(127)	0	(127)	0
SVDS Net Surplus (Deficit) before tax	(70,362)	(102,248)	(31,886)	(75,254)	(57,219)
WRTM Net Surplus (Deficit) before tax	(328,122)	(328,122)	0	(328,122)	(328,122)
Mayoral Forum Net Surplus (Deficit) before tax	0	0	0	0	0
Insurance Net Surplus (Deficit) before tax	0	0	0	0	0
Net Surplus (Deficit) before tax	(398,611)	(430,497)	(31,886)	(403,503)	(385,341)
Capital Expenditure					
SVDS Enhancements	106,100	79,204	(26,896)	81,613	84,198
Total Capital Expenditure	106,100	79,204	(26,896)	81,613	84,198

Local Authority Shared Services

Company Administration For the Year Ended 30 June 2014

	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Revenue					
Recovery of Admin Costs - Shareholders	163,550	169,550	6,000	169,550	169,550
Recovery of Admin Costs - WRTM	29,500	22,116	(7,384)	23,406	24,946
Recovery of Admin Costs - SVDS	29,500	22,116	(7,384)	23,406	24,946
Total Revenue	222,550	213,781	(8,769)	216,361	219,442
Operating Expenditure					
Accountancy Fees	3,877	3,998	121	4,120	4,251
Audit Fees	17,059	14,825	(2,234)	15,276	15,760
Bank Charges	371	369	(2)	380	392
Financial Services	17,433	17,158	(275)	17,680	18,241
ValueFinancials	0	2,250	2,250	2,250	2,250
Insurance	2,585	2,000	(585)	2,061	2,126
IT Services	360	207	(153)	214	220
Legal Fees	2,500	2,500	0	2,576	2,658
Shared Services Contractor	150,000	156,000	6,000	156,000	156,000
Accomodation	0	1,500	1,500	1,500	1,500
LASS Administration & Operations	27,915	11,623	(16,292)	13,237	14,956
Mileage	0	600	600	618	638
Printing, Stationary & Postage	250	250	0	250	250
Sundry Expenses	200	500	300	200	200
Total Operating Expenditure	222,550	213,781	(8,769)	216,361	219,442
Earnings Before interest, tax and depreciation/amortisation (EBITDA)	0	0	0	0	0
Non-Cash Expenses					
Provision for Depreciation	127	127	0	127	0
Net Surplus (Deficit) before tax	(127)	(127)	0	(127)	0

Local Authority Shared Services					
Shared Valuation Database Service (SVDS)					
For the Year Ended 30 June 2014					
	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Revenue					
Member Charges	609,170	609,599	429	717,537	741,095
Interest Received	500	500	0	500	500
Data & Software Sales	124,068	101,600	(22,468)	0	0
Total Revenue	733,738	711,699	(22,039)	718,037	741,595
Operating Expenditure					
Direct Costs					
Management Services	377,849	380,815	2,966	392,391	404,830
Hosting Contract	83,869	70,005	(13,864)	72,133	74,420
Software Support	108,900	118,806	9,906	122,417	126,298
Contingency	10,000	10,313	313	10,627	10,963
SVDS Review	0	25,000	25,000	0	0
Insurance	0	2,000	2,000	2,061	2,126
Provision of Facilities by WRC					
Contract Management Services	13,820	12,994	(826)	13,389	13,814
Secretarial Services	3,700	0	(3,700)	0	0
Recovery of Admin Services	29,500	22,116	(7,384)	23,406	24,946
Total Operating Expenditure	627,638	642,048	14,410	636,424	657,397
Earnings Before interest, tax and depreciation/amortisation (EBITDA)	106,100	69,651	(36,449)	81,613	84,198
Non-Cash Expenses					
Provision for Depreciation	176,462	171,899	(4,563)	156,867	141,417
Earnings Before interest and tax (EBIT)	(70,362)	(102,248)	(31,886)	(75,254)	(57,219)
Net Surplus (Deficit) before tax	(70,362)	(102,248)	(31,886)	(75,254)	(57,219)
Capital Expenditure					
Enhancements	106,100	79,204	(26,896)	81,613	84,198
Total Capital Expenditure	106,100	79,204	(26,896)	81,613	84,198
Total Cash Expenditure (Opex, Interest & Capital)	733,738	721,252	(12,486)	718,037	741,595

Local Authority Shared Services					
Waikato Regional Transport Model (WRTM)					
For the Year Ended 30 June 2014					
	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Revenue					
Shareholder Cost Recovery	162,000	279,616	117,616	108,406	84,946
External Users	40,000	0	(40,000)	0	0
Reserve Realisation	40,000	40,000	0	0	0
Total Revenue	242,000	319,616	77,616	108,406	84,946
Operating Expenditure					
Recovery of Admin Services	29,500	22,116	(7,384)	23,406	24,946
Commercial Manager	16,000	18,000	2,000	18,000	18,000
Annual Scheduling of Works reviews	4,500	4,500	0	5,000	5,000
Minor Model Upgrades	30,000	30,000	0	30,000	30,000
Peer Review Expenses	5,000	5,000	0	5,000	5,000
Insurance	0	2,000	2,000	2,000	2,000
Census Update	125,000	220,000	95,000	0	0
External User Costs	32,000	0	(32,000)	0	0
Regional Modelling Needs Assessment	0	18,000	18,000	0	0
Tendering for WRTM Service Contract	0	0	0	25,000	0
Total Direct Costs (Model Build)	242,000	319,616	77,616	108,406	84,946
Total Operating Costs	242,000	319,616	77,616	108,406	84,946
Earnings Before interest, tax and depreciation/amortisation (EBITDA)					
	0	0	0	0	0
Non-Cash Expenses					
Provision for Depreciation	328,122	328,122	0	328,122	328,122
Earnings Before interest and tax (EBIT)	(328,122)	(328,122)	0	(328,122)	(328,122)
Net Surplus (Deficit) before tax	(328,122)	(328,122)	0	(328,122)	(328,122)

Local Authority Shared Services

Mayoral Forum Projects For the Year Ended 30 June 2014

	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Revenue					
Mayoral Forum Projects Funding Contribution	421,700	810,000	388,300	270,000	0
Total Revenue	421,700	810,000	388,300	270,000	0
Operating Expenditure					
<u>Phase 1</u>					
Consultancy Services - Planning	32,500	0	(32,500)	0	0
Consultancy Services - Roading	20,000	0	(20,000)	0	0
Consultancy Services - Water	51,200	0	(51,200)	0	0
Consultancy Services - Economic Development	8,000	0	(8,000)	0	0
<u>Phase 2</u>					
Consultancy Services - Planning	150,000	500,000	350,000	270,000	0
Consultancy Services - Roading	30,000	50,000	20,000	0	0
Consultancy Services - Water	40,000	180,000	140,000	0	0
Consultancy Services - Economic Development	90,000	80,000	(10,000)	0	0
Total Direct Costs (Model Build)	421,700	810,000	388,300	270,000	0
Total Operating Costs	421,700	810,000	388,300	270,000	0
Earnings Before interest, tax and depreciation/amortisation (EBITDA)	0	0	0	0	0
Net Surplus (Deficit) before tax	0	0	0	0	0

Local Authority Shared Services**Procurement**

For the Year Ended 30 June 2014

	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Revenue					
Insurance Brokerage Fee	137,775	147,500	9,725	147,500	147,500
GSB Fee	0	16,575	16,575	18,000	18,000
Values Financial Fee	76,000	46,750	(29,250)	46,750	46,750
Total Revenue	213,775	210,825	(2,950)	212,250	212,250
Operating Expenditure					
Insurance Brokerage Fee	137,775	147,500	9,725	147,500	147,500
GSB Fee	0	16,575	16,575	18,000	18,000
Values Financial Fee	76,000	46,750	(29,250)	46,750	46,750
Total Operating Costs	213,775	210,825	(2,950)	212,250	212,250
Earnings Before interest, tax and depreciation/amortisation (EBITDA)	0	0	0	0	0
Earnings Before interest and tax (EBIT)	0	0	0	0	0
Net Surplus (Deficit) before tax	0	0	0	0	0

Local Authority Shared Services

Balance Sheet As at 30 June 2014

	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Capital					
Retained Earnings	(610,115)	(1,151,829)	(541,714)	(1,582,327)	(1,985,830)
SVDS Shares	1,607,001	1,607,001	0	1,607,001	1,607,001
WRM Shares	1,350,000	1,350,000	0	1,350,000	1,350,000
Net Surplus (Deficit)	(398,611)	(430,497)	(31,886)	(403,503)	(385,341)
Total Capital	1,948,275	1,374,674	(573,601)	971,171	585,830
Assets					
Current Assets					
Accounts Receivable	73,990	29,142	(44,848)	41,555	39,139
BNZ - Call a/c	61,288	135,491	74,203	109,041	109,457
BNZ - Cheque a/c	91,708	9,117	(82,591)	15,886	18,413
GST Payable (Refund Due)	(4,193)	(6,771)	(2,578)	(2,081)	1,836
RWT on Interest	140	140	0	140	140
Term Deposits	45,687	0	(45,687)	0	0
Total Current Assets	268,620	167,119	(101,501)	164,542	168,984
Non-Current Assets					
Intangible Assets @ Cost	5,380,796	5,379,381	(1,415)	5,460,994	5,545,191
Less Accumulated Depreciation	(3,600,681)	(4,103,083)	(502,402)	(4,588,199)	(5,057,737)
Total Non-Current Assets	1,780,115	1,276,298	(503,817)	872,795	487,455
Total Assets	2,048,735	1,443,417	(605,318)	1,037,337	656,439
Liabilities					
Current Liabilities					
Trade and other Payables	61,883	50,376	(11,507)	47,504	52,485
Accounts Payable Accruals	38,577	17,049	(21,528)	17,567	18,124
Employee Entitlements	0	1,318	1,318	1,095	961
Total Current Liabilities	100,460	68,742	(31,718)	66,166	70,608
Total Liabilities	100,460	68,742	(31,718)	66,166	70,608
Net Assets	1,948,275	1,374,674	(573,601)	971,171	585,830

**Local Authority Shared Services
Statement of Cashflows
For the Year Ended 30 June 2014**

	Actual Budget Jun-13	Budget Jun-14	Variance to Jun-13 Budget	Budget Jun-15	Budget Jun-16
Cashflows from Operating Activities					
Interest Received	500	500	0	500	500
Receipts from Other Revenue	1,189,373	2,251,337	1,061,964	1,468,769	1,207,710
Payments to Suppliers	(993,343)	(2,202,168)	(1,208,825)	(1,405,260)	(1,119,812)
Taxes Paid	(140)	(140)	0	(140)	(140)
Goods & Services tax (net)	9,289	(4,260)	(13,549)	(1,937)	(1,118)
Net cash from operating activities	205,679	45,269	(160,410)	61,932	87,140
Cashflows from Investing Activities					
Purchase of Intangible Assets	(106,100)	(79,204)	26,896	(81,613)	(84,198)
Investments - Term Deposits	(51,910)	0	51,910	0	0
Net Cash from Investing Activities	(158,010)	(79,204)	78,806	(81,613)	(84,198)
Net Increase in cash, cash equivalents and bank accounts					
	47,669	(33,935)	(81,604)	(19,681)	2,943
Cash, cash equivalents and bank accounts at the beginning of the period	105,327	178,543	73,216	144,608	124,927
Cash, cash equivalents and bank accounts at the end of the period	152,996	144,608	(8,388)	124,927	127,870
Summary of Bank Accounts					
BNZ - Cheque a/c	91,708	9,117	(82,591)	15,886	18,413
BNZ - Call a/c	61,288	135,491	74,203	109,041	109,457
Closing Balance of Bank	152,996	144,608	(8,388)	124,927	127,870