

ANALYSIS OF QVNZ VALUATION ROLL DATA AS AT 15 OCTOBER 2004

CATEGORY	CAT	NO OF ASSESS	OLD CAP VALUE \$,000	NEW CAP VALUE \$,000	AVERAGE CAP VALUE	% CHANGE CAP VAL	OLD LAND VALUE \$,000	NEW LAND VALUE \$,000	AVERAGE LAND VALUE	% CHANGE LAND VAL
COMMERCIAL										
ACCOMMODATION	CA	46	18,110	21,527	467,978	18.87%	5,619	10,191	221,543	81.37%
CINEMAS/THEATRES/HALL COMPLEX	CC	5	7,978	9,205	1,841,000	15.38%	2,651	3,115	623,000	17.50%
HOMES FOR THE ELDERLY	CE	25	122,475	147,595	5,903,800	20.51%	16,848	26,479	1,059,160	59.05%
LIQUOR OUTLETS	CL	9	11,680	12,910	1,434,444	10.53%	3,580	4,291	476,778	19.86%
MOTOR VEHICLE SALES/SERVICE	CM	32	16,784	20,682	646,313	23.22%	8,908	12,415	388,000	39.38%
OFFICES	CO	174	100,140	126,825	728,879	26.65%	26,943	39,516	227,103	46.67%
PARKING	CP	8	4,371	5,103	637,875	16.75%	3,272	3,878	484,750	18.52%
RETAILING	CR	469	636,781	787,129	1,678,313	23.61%	119,712	163,092	347,744	36.24%
SERVICE (PETROL STATIONS ETC)	CS	32	31,384	39,470	1,233,438	25.76%	13,976	19,134	597,938	36.91%
TOURIST TYPE ATTRACTIONS	CT	1	420	485	485,000	15.48%	240	275	275,000	14.58%
VACANT	CV	40	11,146	19,429	485,725	74.31%	10,565	18,795	469,875	77.90%
OTHER USES	CX	121	117,916	152,021	1,256,372	28.92%	33,770	47,672	393,983	41.17%
TOTAL COMMERCIAL		962	1,079,185	1,342,381	1,395,406	24.39%	245,884	348,854	362,634	41.88%
INDUSTRIAL										
HEAVY	IH	1	2,200	2,650	2,650,000	20.45%	360	470	470,000	30.56%
LIGHT MANUFACTURING	IL	683	158,279	203,525	297,987	28.59%	46,555	76,778	112,413	64.92%
SERVICE	IS	118	39,871	51,510	436,525	29.19%	13,794	22,145	187,669	60.54%
VACANT	IV	154	36,048	60,602	393,519	68.11%	34,257	58,222	378,065	69.96%
WAREHOUSING	IW	780	470,877	598,006	767,956	27.21%	135,074	212,035	271,840	56.98%
OTHER USES	IX	72	53,015	73,112	1,015,444	37.91%	15,591	30,550	424,028	95.82%
TOTAL INDUSTRIAL		1,808	760,290	990,405	547,790	30.27%	245,631	400,180	221,338	62.92%
TOTAL COMMERCIAL/INDUSTRIAL		2,770	1,839,475	2,332,786	842,161	26.82%	491,515	749,034	270,409	52.39%
RESIDENTIAL DWELLINGS										
RD	RD	48,903	10,505,285	15,579,745	318,585	48.30%	4,365,560	7,163,552	148,485	64.09%
TOTAL RESIDENTIAL DWELLINGS		48,903	10,505,285	15,579,745	318,585	48.30%	4,365,560	7,163,552	148,485	64.09%

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RESIDENTIAL FLATS										
CONVERTED HOUSES - FLATS	RC	68	15,384	23,048	338,941	49.82%	6,573	11,032	162,235	67.84%
HOME UNITS	RF	5,780	887,906	1,260,889	218,904	40.43%	303,347	492,245	85,459	62.27%
HOME & INCOME	RH	859	235,176	342,578	394,221	45.67%	87,077	141,204	162,490	62.16%
FLATS - PURPOSE BUILT	RR	816	276,953	401,588	492,142	45.00%	92,881	160,469	196,653	72.77%
OTHER USES	RX	37	8,533	11,916	322,054	39.05%	3,278	5,265	142,838	31.23%
TOTAL RESIDENTIAL FLATS		7,550	1,433,952	2,040,019	270,201	42.27%	493,156	810,235	107,316	64.30%
RESIDENTIAL VACANT										
BARE LAND - SUBDIVISIBLE	RB	75	37,498	103,050	1,374,000	174.89%	31,567	97,875	1,305,030	210.05%
VACANT LAND SUIT MULTIPLE UNITS	RM	13	1,257	1,796	138,154	42.88%	818	1,357	104,385	65.89%
VACANT	RV	1,874	210,397	343,493	183,294	63.26%	208,858	342,124	182,564	63.81%
TOTAL VACANT RESIDENTIAL		1,962	249,142	448,339	228,511	79.95%	241,243	441,366	224,962	82.95%
LIFESTYLE LAND	LJ	1,504	700,280	1,139,895	757,909	62.78%	375,900	757,740	503,816	101.58%
LIFESTYLE VACANT OR UNIMPROVED	LV	291	76,924	153,862	528,804	100.04%	73,650	149,930	515,223	103.57%
TOTAL LIFESTYLE		1,795	777,204	1,293,777	720,767	66.47%	449,550	907,670	505,666	101.91%
FARM - ANIMAL										
FATTENING	PF	4	5,255	8,400	2,100,000	59.85%	4,520	7,475	1,868,750	65.38%
GRAZING	PG	1	1,900	3,200	3,200,000	68.42%	1,750	3,000	3,000,000	71.43%
TOTAL FARM - ANIMAL PRODUCTION		5	7,155	11,600	2,320,000	62.12%	6,270	10,475	2,095,000	67.07%

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FARM - CROP & SPECIALIST										
FLOWERS	HF	1	903	1,125	1,125,000	40.10%	345	660	660,000	91.30%
GLASSHOUSES	HG	59	34,024	52,870	896,102	55.39%	14,862	31,490	533,729	111.88%
MARKET GARDEN	HM	2	2,175	4,325	2,162,500	98.85%	1,515	3,590	1,795,000	136.96%
PIP FRUIT	HP	4	2,466	3,660	915,000	48.48%	1,165	2,450	612,500	110.30%
VINEYARD	HV	5	6,255	10,125	2,025,000	61.87%	2,945	6,645	1,329,000	125.64%
OTHER	HX	4	1,400	2,120	530,000	51.43%	780	1,505	376,250	92.95%
DEER	SD	1	1,250	1,900	1,900,000	52.00%	620	1,200	1,200,000	93.55%
POULTRY	SP	7	7,095	11,915	1,702,143	67.94%	3,011	7,035	1,005,000	133.64%
PIGS	SS	1	260	500	500,000	92.31%	196	420	420,000	114.29%
TOTAL FARM - CROP & SPECIALIST		84	55,727	88,540	1,054,048	58.88%	25,439	54,995	654,702	116.18%
FORESTRY/MINING										
PROTECTED FORESTRY	FP	1	350	1,150	1,150,000	35.29%	640	900	900,000	40.63%
ROCK MINING	MIR	11	1,294	1,955	177,727	51.08%	1,234	1,905	173,182	54.38%
TOTAL FORESTRY/MINING		12	2,144	3,105	258,750	44.82%	1,874	2,805	233,750	49.68%
OTHER CATEGORIES										
ASSEMBLY HALLS ETC	OA	21	7,965	10,575	503,571	32.77%	2,999	4,869	231,857	62.35%
EDUCATIONAL	OE	155	273,595	354,024	2,264,026	29.40%	52,522	98,477	635,335	87.50%
HEALTH	OH	1	58,120	68,800	68,800,000	18.38%	4,220	6,980	6,980,000	65.40%
MAORI & MARAE	OM	3	2,805	3,640	1,213,333	29.77%	866	1,405	468,333	62.24%
PASSIVE RECREATION	OP	419	203,013	266,233	635,401	31.14%	77,694	122,400	292,124	57.54%
RELIGIOUS	OR	116	73,659	94,407	813,853	28.17%	19,284	31,902	275,017	65.43%
SPORTS GROUNDS	OS	91	88,819	122,637	1,347,659	36.54%	40,975	66,425	729,945	62.11%
UTILITIES	OU	99	427,444	629,715	6,360,756	47.32%	22,631	35,845	362,071	58.39%
VACANT	OV	335	30,052	39,649	118,355	31.93%	29,288	38,774	115,743	32.39%
OTHER OR MULTIPLE USES	OX	95	136,176	163,731	1,723,484	20.23%	36,985	65,799	692,621	77.91%
TOTAL OTHER CATEGORIES		1,335	1,302,648	1,753,411	1,313,416	34.60%	287,464	472,876	354,214	64.50%
TOTAL ALL CATEGORIES		64,416	16,172,732	23,551,322	365,613	45.62%	6,362,071	10,612,998	164,757	66.82%

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Schedule of Movements in Land and Capital Values - Valuation Category RD - Residential Dwellings										
Sales Group	Description	No of Assess	Old Cap Value \$,000	Old Land Val \$,000	New Cap Val \$,000	New Land Val \$,000	Average New Cap Val	Average New Land Val	% Change CV	% Change LV
1	West Harbour	2,181	758,978	263,562	1,101,945	501,501	505,248	229,941	45.19%	90.28%
2	Massey North	1,451	259,047	104,773	403,570	178,163	278,132	122,786	55.79%	70.05%
3	Massey East - Royal Heights	1,604	319,266	118,560	473,566	202,133	295,241	126,018	48.33%	70.49%
4	Massey	3,428	602,108	233,375	884,748	400,272	258,095	116,705	46.94%	71.51%
5	Lincoln	2,193	382,250	160,618	582,173	256,788	265,468	117,094	52.30%	59.87%
6	Swanson/Ranui	2,499	408,846	161,012	593,245	274,386	237,393	109,798	45.10%	70.41%
7	Henderson Valley	1,338	366,408	134,935	494,080	221,464	369,288	165,519	34.84%	64.13%
8	Henderson Heights	2,198	545,717	192,224	778,785	327,583	354,315	149,037	42.71%	70.42%
9	Henderson West	1,592	250,473	105,458	346,083	179,100	217,389	112,500	38.17%	69.83%
10	Henderson South/Sunnyvale	1,707	324,202	136,757	456,923	234,537	267,676	137,397	40.94%	71.50%
11	Henderson Com/Ind	77	12,495	4,933	17,342	8,331	225,221	108,195	38.79%	68.88%
12	Te Atatu South	3,841	766,668	329,543	1,184,505	564,711	308,385	147,022	54.50%	71.36%
13	Te Atatu North	3,266	712,317	318,473	1,100,725	486,865	337,025	149,071	54.53%	52.87%
14	Glendene	1,722	337,389	139,385	498,890	188,306	289,715	109,353	47.87%	35.10%
15	Kelston	1,007	166,859	80,973	250,881	109,584	249,137	108,822	50.36%	35.33%
16	Kelston Industrial	5	770	332	1,035	449	207,000	89,800	34.42%	35.24%
17	Glen Eden West	1,483	265,602	110,858	398,910	167,658	268,989	113,053	50.19%	51.24%
18	Glen Eden Central	757	147,638	68,679	214,160	103,146	282,906	136,256	45.06%	50.19%
19	Glen Eden East	3,626	660,289	284,314	923,976	427,057	254,820	117,776	39.94%	50.21%
20	New Lynn West	852	150,902	71,272	244,499	140,654	286,971	165,087	62.03%	97.35%
21	New Lynn Com/Ind	8	1,196	477	1,537	751	192,125	93,875	28.51%	57.44%
22	New Lynn South	1,800	346,855	146,407	534,064	287,068	296,702	159,482	53.97%	96.08%
23	Green Bay North	424	87,079	36,543	139,190	57,218	328,278	134,948	59.84%	56.58%
24	Titirangi East	962	222,241	98,081	334,250	147,564	347,453	153,393	50.40%	50.45%
25	Green Bay South	779	181,073	81,504	290,143	128,577	372,456	165,054	60.24%	57.76%
26	Titirangi North	1,725	458,282	189,876	698,699	285,402	405,043	165,450	52.46%	50.31%
27	Titirangi	1,135	342,726	156,846	499,504	235,835	440,092	207,784	45.74%	50.36%
28	Waima/Woodlands Park	803	204,275	87,241	295,757	131,064	368,315	163,218	44.78%	50.23%
29	Laingholm/Huia	1,233	288,745	128,475	412,124	193,644	334,245	157,051	42.73%	50.73%
30	Oratia	718	224,008	95,757	318,529	145,314	443,634	202,387	42.20%	51.75%
31	Scenic Drive North	157	34,056	19,500	49,457	30,654	315,013	195,248	45.22%	57.20%
32	Whenuapai	536	151,870	66,896	238,786	128,053	445,496	238,905	57.23%	91.42%
33	Herald Island	251	90,358	46,998	148,720	86,680	592,510	345,339	64.59%	84.43%
34	Piha	576	199,983	110,712	339,004	208,850	588,549	362,587	69.52%	88.64%
35	Bethells/ARC	122	24,339	9,827	32,920	14,506	269,836	118,902	35.26%	47.61%

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Sales Group	Description	No of Assess	Old Cap Value \$,000	Old Land Val \$,000	New Cap Val \$,000	New Land Val \$,000	Average New Cap Val	Average New Land Val	% Change CV	% Change LY
36	To Henga	299	87,827	30,929	119,985	46,772	401,288	156,428	36.93%	51.22%
37	Waitakere	205	42,936	14,100	62,430	21,548	304,537	105,112	45.40%	52.82%
38	Birdwood	114	23,625	7,936	30,825	11,904	270,395	104,421	30.48%	50.00%
39	Westgate Industrial	1	583	514	875	890	875,000	690,000	50.09%	34.24%
40	Westgate Residential	228	55,205	16,905	82,905	28,770	363,618	126,184	50.18%	70.19%
		48,903	10,505,286	4,365,580	15,579,745	7,163,552	318,585	146,485	48.30%	64.09%

Waitakere City Council  
 Financial Summary  
 September 2004

25.00% of Financial Year

	Actual Cost To Date	%age Spent	Annual Budget
<b>Operating Costs</b>			
Executive Suite	427,108	22.26%	1,918,763
Public Affairs	502,446	19.66%	2,555,586
Finance	267,904	21.46%	1,248,284
Corporate & Civic Services	4,651,292	27.93%	16,650,913
Strategy and Development	1,650,491	17.04%	9,688,129
<b>City Services</b>			
Asset Management	10,524,755	22.88%	45,995,947
Regulatory Services	-356,131	-6.29%	5,664,754
Planning and Community	1,673,948	22.10%	7,576,068
Project Services	840,375	39.33%	2,136,760
Service Management	1,332,168	23.88%	5,578,766
<i>Total City Services</i>	<i>14,015,115</i>	<i>20.93%</i>	<i>66,952,295</i>
Other Expenses	2,055,117	24.96%	8,234,417
<b>Total Operating Costs</b>	<b>23,569,473</b>	<b>21.98%</b>	<b>107,248,387</b>
<b>Capital Expenditure</b>			
Executive Suite	0	0.00%	10,000
Public Affairs	2,975	4.96%	60,000
Corporate & Civic Services	991,835	10.25%	9,676,500
Strategic Projects	4,089,766	5.45%	75,093,895
<b>City Services</b>			
Asset Management	1,590,669	2.82%	56,455,224
Regulatory Services	6,029	0.61%	985,000
Planning and Community	88,439	2.04%	4,336,556
Project Services	62,168	2.07%	3,001,218
<i>Total City Services</i>	<i>1,747,305</i>	<i>2.70%</i>	<i>64,777,998</i>
<b>Total Capital Expenditure</b>	<b>6,831,881</b>	<b>4.57%</b>	<b>149,618,393</b>
<b>Total Council Costs</b>	<b>30,401,354</b>	<b>11.84%</b>	<b>256,866,780</b>

Waitakere City Council  
Special Fund Report  
September 2004

	Opening Balance	Receipts	Expenditure	Interest Receipts	Interest Allocation	Closing balance	Expected Income / (Committed Expense)	Available balance Year End
<b>Restricted Funds</b>								
Recreation and Sport Fund	455,038	64,211		11,905	7,301	538,455	354,311	892,766
Auckland Regional Services Trust (Arts)	878,848			5,535	13,222	897,605	-821,890	75,715
Land Subdivision Reserve Fund	4,232,086	1,114,840	-31,073		79,472	5,395,325	-3,090,476	2,304,849
Waikumete Cemetery & Park Fund	2,010,805		0		30,167	2,040,972	-440,700	1,600,272
Harbourview Oranghina Fund	395,424	430,000	-42,434		11,706	794,696	-687,566	107,130
	7,972,201	1,609,051	-73,507	17,440	141,868	9,667,053	-4,686,321	4,980,732
<b>Non Restricted Funds</b>								
Waitemata Asset Acquisition Fund	93,071					93,071	-93,071	0
New Lynn Asset Acquisition Fund	347,107		-60,337			286,770	-286,770	0
Disaster Recovery Fund	2,497,272					2,497,272		2,497,272
Rural Fire Recovery Fund	9,916					9,916		9,916
Quarry Aftercare Fund	790,173					790,173	-48,660	742,173
Testing Station Plant Renewal Fund	29,400					29,400		29,400
Community Wellbeing Fund	603,599		-20,000		8,725	592,324		592,324
	4,370,538	0	-60,337	0	8,725	4,298,926	-477,861	3,871,085
<b>Total Special Funds</b>	<b>12,342,739</b>	<b>1,609,051</b>	<b>-163,844</b>	<b>17,440</b>	<b>150,593</b>	<b>13,965,979</b>	<b>-9,134,162</b>	<b>8,851,817</b>

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Budget year end term debt position  
per 2004/2005 Annual Plan

TERM DEBT (to fund long term assets)	(\$'000's)
Approved Annual Plan term debt	239,468
Further term debt approved by Council during 2004/2005	-
<b>Budget 2004/2005 year end gross term debt</b>	<b>239,468</b>
Less funds introduced from Development Contributions	10,822
Less Current and future funding for strategic land acquisitions	38,381
Forecast year end Sinking Fund Commissioner funds	3,809
<b>Anticipated 2004/2005 Year End Net Term Debt</b>	<b>186,456</b>

Term debt position at  
30 September 2004

TERM DEBT PORTFOLIO	Estimated (\$'000's)	Estimated (\$'000's)
Term debt borrowed externally	107,110	103,681
Special funds (used to reduce Council's external borrowing)	-	498
<b>Gross term debt</b>	<b>107,110</b>	<b>104,179</b>
Total Sinking Fund Commissioner assets	4,849	4,823
<b>Net term debt</b>	<b>102,261</b>	<b>99,356</b>

Term debt - source of funds at  
30 September 2004

Debenture stock - fixed rate (security: Debenture Trust Deed)	61,681	61,681
Debenture stock - floating rate (security: Debenture Trust Deed)	27,000	27,000
Secured bank loans (security: Debenture Trust Deed)	15,000	15,000
Unsecured bank loans	3,429	0
Finance leases (security: associated asset)	0	0
<b>External borrowing</b>	<b>107,110</b>	<b>103,681</b>
Special funds (used to reduce Council's external borrowing)	0	498
<b>Gross term debt requirement</b>	<b>107,110</b>	<b>104,179</b>

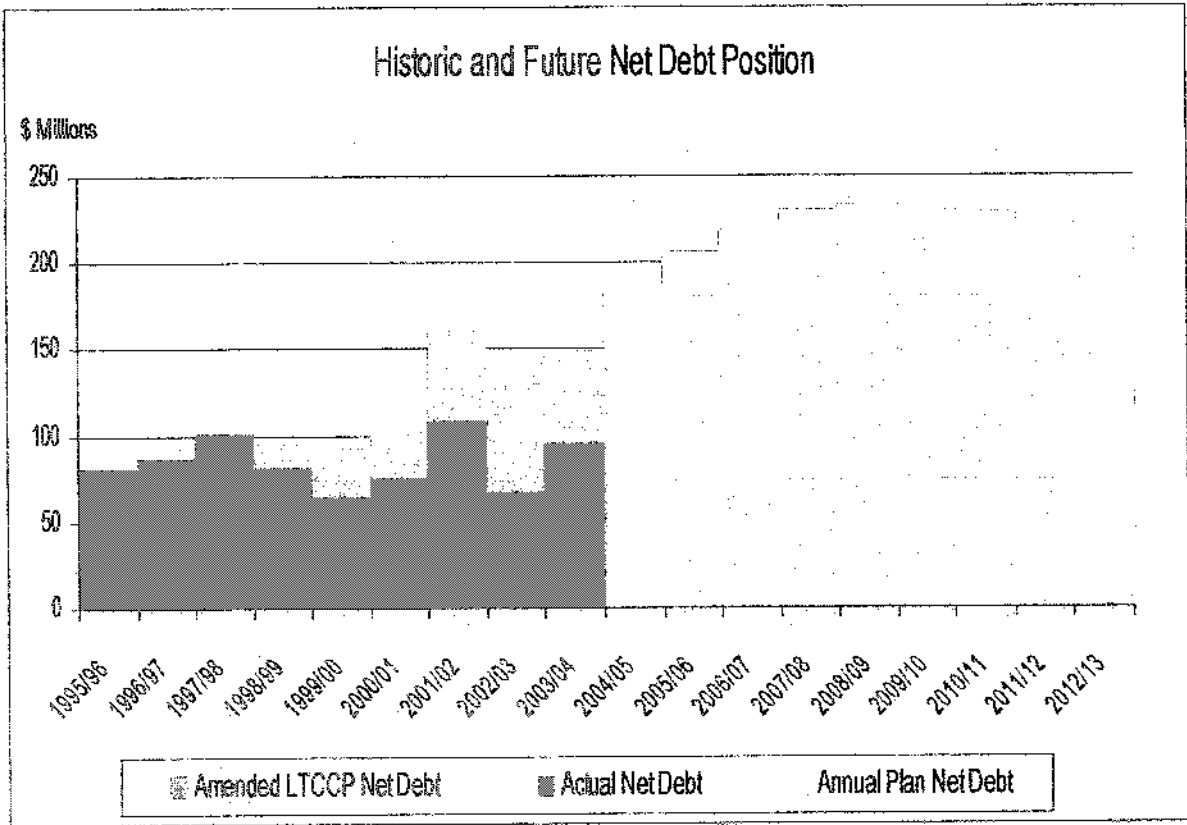
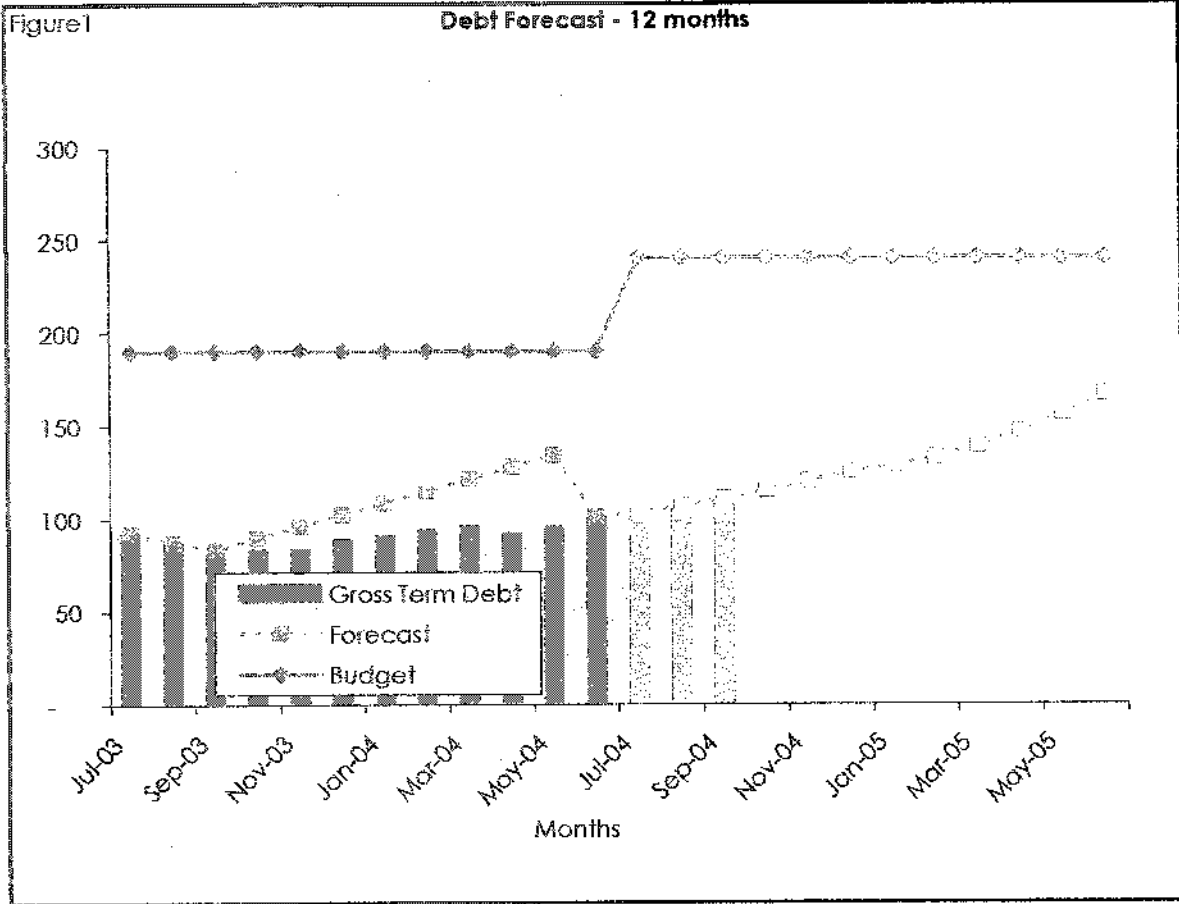
Working capital borrowing at  
30 September 2004

WORKING CAPITAL	(\$'000's)	(\$'000's)
Unsecured bank loans / (investments)	1,721	(5,200)
Special funds (used to reduce Council's external borrowing)	11,917	11,318
UNL Share Fund	-	-
<b>Council working capital borrowing requirement</b>	<b>13,537</b>	<b>6,118</b>

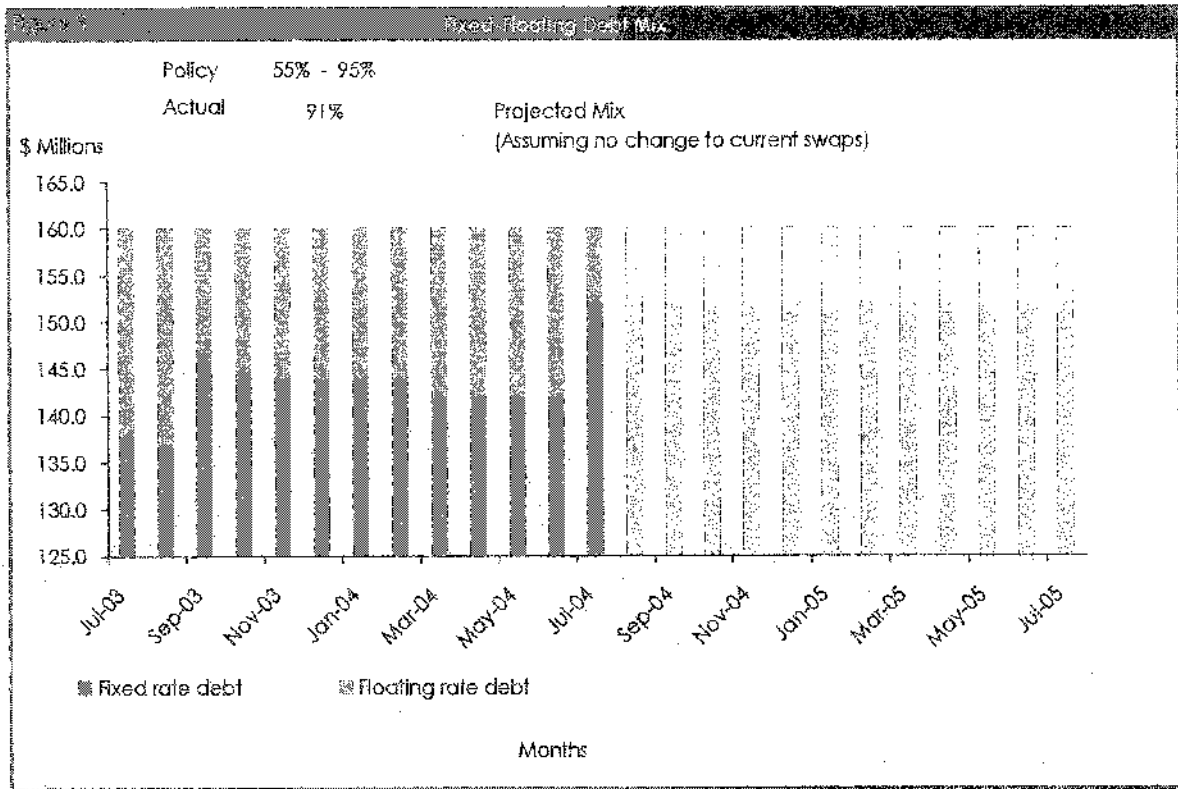
Cash investments held  
30 September 2004

CASH INVESTMENTS	(\$'000's)	(\$'000's)
UNL Share Fund	-	-
Other Cash investments	-	-
ARST fund (excluding fund allocations)	1,234	1,227
<b>Total cash investments</b>	<b>1,234</b>	<b>1,227</b>
ARST invested for 60 days - Current investment interest rate	6.51%	6.20%

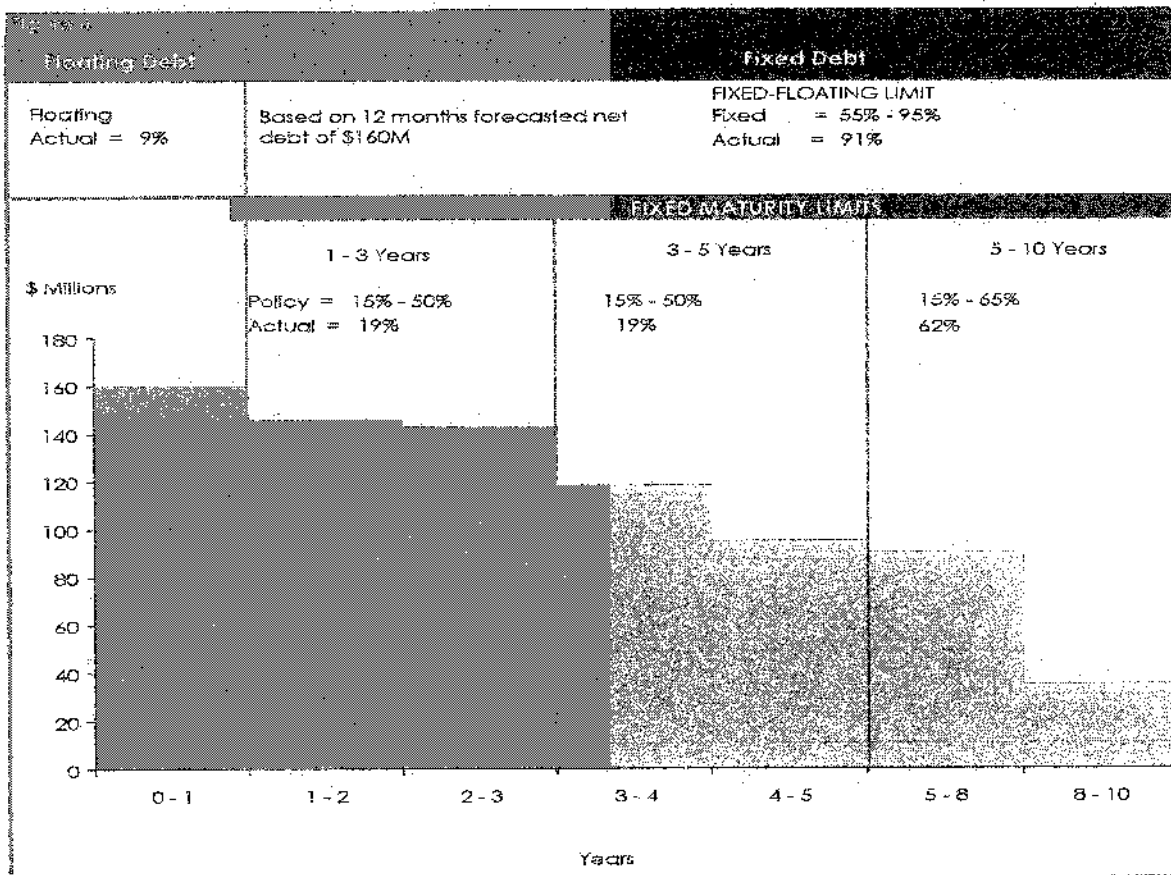
Debt Forecast



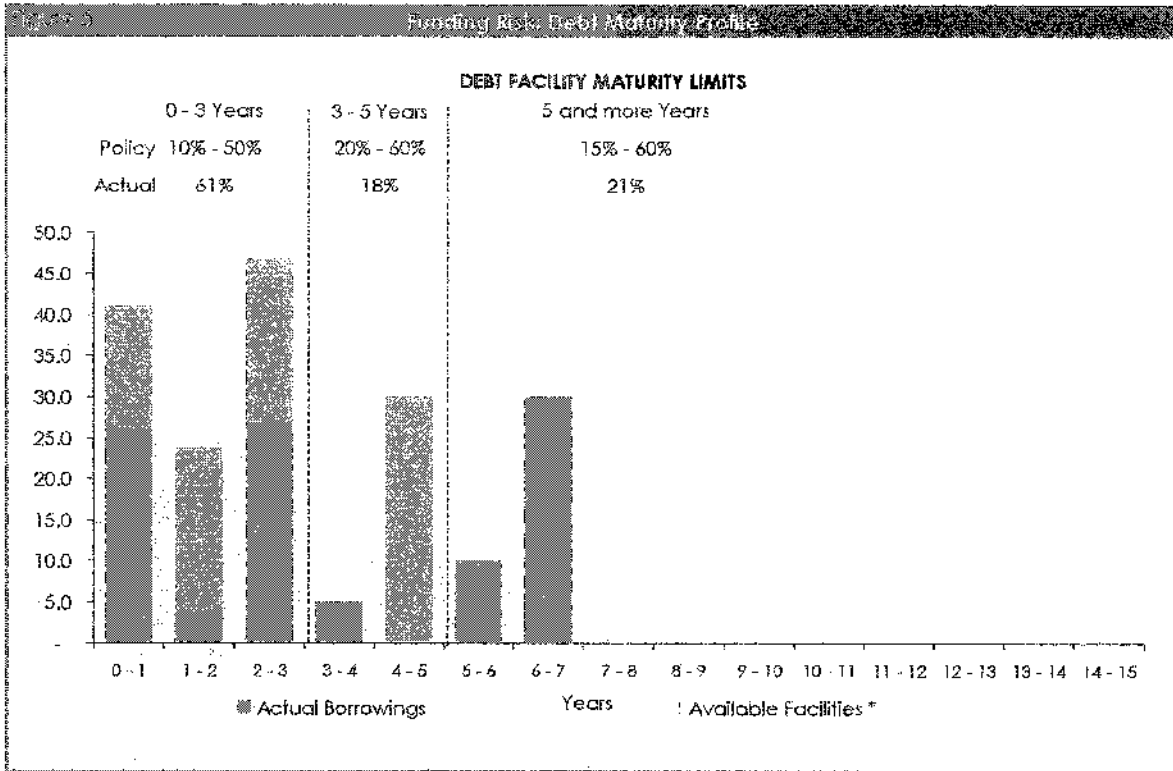
### Fixed-Floating Debt Mix



### Net Interest Rate Repricing Risk Profile



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(1) Council is in the unique position of having \$85 million committed funding facilities. The nature of these facilities may, depending on the utilisation, result in a breach of the funding maturity limits. As this facility is very much in Council's favour this is an acceptable breach of policy.

Figure 6

Council Approved Debt Sources	Total (Millions)		
	Committed Funding Sources	Usage	Available
Bank Loans			
Short Term (uncommitted)	\$0.0	\$3.4	\$0.0
Long Term (committed)	\$100.0	\$15.0	\$81.6
Commercial Paper			
Bank Overdraft	\$1.0	\$0.0	\$1.0
Senior Bonds			
Retail	\$12.6	\$12.6	\$0.0
Wholesale	\$76.1	\$76.1	\$0.0
Other	\$0.0	\$0.0	\$0.0
<b>TOTAL</b>	<b>\$189.7</b>	<b>\$107.1</b>	<b>\$82.6</b>

The Liability Management and Investment Policy gives guideline parameters for the mix of fixed/floating interest rate management and maturity profiling. From time to time the actual position may marginally be outside the recommended guideline as a result of volatility of market interest rates or the Councils actual cash position.

## Notes:

**Working capital borrowing** is necessary due to fluctuations in the timing of operating revenue and expenditure. The working capital borrowing requirement also includes internal deficits relating to prior years. External working capital borrowing is reduced by the use of internal special funds with any surplus requirement funded by way of unsecured bank loans.

**Gross Term debt** is the borrowing relating to long term loan funded capital works projects. External borrowing to fund term debt is reduced by the use of internal special funds with the surplus requirement funded by way of secured or unsecured short term bank loans, fixed or floating medium or long term bonds and finance leases.

**The managed debt portfolio** refers to the portion of Council's total debt portfolio that is managed to reduce interest rate risk, liquidity/funding risk, counterparty risk and operational and legal risk as defined in the Liability Management and Investment Policy. The portfolio is managed on the external net term debt requirement excluding finance leases. i.e. it is net of the special funds that have been used to reduce the external term debt requirement and the sinking fund balance. Working capital is not included in the managed debt portfolio.

**Special Funds** are cash funds either collected through rates or vested to Council that have been 'set aside' for specific future spending. The funds are used in the interim to reduce Council's requirement to borrow externally. The fund is managed via accounting entries and a monthly interest allocation is made to the funds based on the Council's weighted average cost of borrowing for that period.

## Description of Graphs:

### Figure 1

*Gross term debt* (blue) is the actual gross term debt position of Council as defined in the notes above. The *Forecast* (orange) is the projected gross term debt level per month in the current financial year, the figures are obtained from capital works timing forecasts (provided by budget managers on a monthly basis) and the current debt maturity profile. The *Budget* (green) line represents the gross public debt as approved in the 2004/2005 Annual Plan.

### Figure 2

The prior year net term debt figures (dark blue section) are obtained directly from the published Annual Reports. The Annual Plan net term debt figures (light blue section) are obtained from that years published Annual Plan. The orange section is the Long Term Council Community Plan (amended) net term debt as published for 2003/2004 - 2012/2013.

### Figure 3

The fixed (blue) and floating (orange) interest rate mix, both historic and projected, based on the 12 month rolling forecast net debt requirement. The Liability Management and Investment Policy minimum is 55% fixed and maximum 95% fixed. The positioning of the portfolio between policy minimum and policy maximum is dependent on the current and forecast financial market outlook.

### Figure 4

Interest rate risk profile. Figure 4 shows, given the current fixed/floating rate mix and the debt forecast (assuming no changes to current swaps), the percentage of current fixed rate debt that will mature in future years. This enables Council to recognise and reduce significant concentrations of interest rate risk that may arise in future years. As debt forecasts change the amount of fixed cover in place may have to be adjusted to comply with the policy limits.

### Figure 5

Funding and liquidity risk. Figure 5 varies from figure 4 in that it shows the actual maturity profile of current debt on issue as opposed to the profile of Council's exposure to interest rate risk arising when debt either reprices (in the case of floating rate debt or hedges) or matures. The debt maturity profile enables Council to identify significant concentrations of maturing debt and debt facilities. Where there are significant concentrations of debt maturing Council is at risk of not being able to re-borrow from the market at favourable rates.

### Figure 6

In order to ensure Council has the ability to borrow from the market when funding is required committed funding facilities are arranged with approved debt sources. Figure 6 shows Council's committed funding sources and the current usage of these funds. In addition to the committed sources Council also uses uncommitted lines of funding as seen in short term bank loans and bonds, uncommitted funding is at times less expensive than committed funding however its availability is not guaranteed.