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Report 01.839

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Report to the Rural Services and Wairarapa Committee
from Stephen Hill, Divisional Accountant, Wairarapa

Financial Report for the Four Months to 31 October 2001

1. Purpose

To inform the committee of the Division's financial performance to budget.

2. Operating Performance

	YTD Actual \$000's	YTD Budget \$000's	YTD Variance \$000'S	FY Forecast \$000's	FY Budget \$000's
Rates & Levies	2,524	2,526	2U	7,578	7,578
Grants & Subsidies	0	0	0F	0	0
External Revenue	2,019	2,231	212U	7,698	7,698
Investment Revenue	44	40	4F	120	120
Internal Revenue	988	811	177F	2,194	2,194
Total Revenue	5,575	5,608	33U	17,590	17,590
Personnel Costs	1,786	1,977	191F	5,931	5,931
Materials	772	736	36U	2,114	2,114
Travel & Transport	99	110	11F	348	348
Contractor & Consultants	1,011	1,406	395F	4,518	4,518
Grants & Subsidies	13	26	13F	112	112
Internal Charges	1,083	949	134U	2,607	2,607
Total Direct Expenditure	4,764	5,204	440F	15,630	15,630
Financial Costs	184	192	8F	586	586
Bad Debts	(5)	0	5F	0	0
Net Corporate Overheads	230	230	0F	690	690
Depreciation	86	92	6F	276	276
Loss(Gain) on Assets	(23)	(72)	49U	(77)	(77)
Total Indirect Expenditure	472	442	30U	1,475	1,475
Total Operating Expenditure	5,236	5,646	410F	17,105	17,105
Operating Surplus/(Deficit)	339	(38)	377F	485	485
Net Capital Expenditure	196	200	4F	225	225

3. Comment

At the end of October the Division overall was \$377,000 under budget with revenue being \$33,000 below budget and operating expenditure \$410,000 below budget. Capital expenditure at October was \$4,000 below budget.

Significant components of this favourable variance are as follows:

(1) Biosecurity Department \$122,000 Favourable

Bovine Tb operations \$174,000 favourable due to timing of contracts. Pest Animals \$74,000 unfavourable because of East Harbour KNE expenditure. Pest Plants \$52,000 favourable due to temporary savings in contractors.

(2) Operations Department \$166,000 Favourable

River scheme expenditure \$256,000 favourable due to the timing of maintenance operations and District Council revenue. Reserve Forests net logging income \$100,000 below budget.

(3) Planning & Resources Department \$89,000 Favourable

Emergency Management \$82,000 favourable due to the incorrect accrual of the funds owing to Wairarapa Engineering Lifelines Association (WELA). Department was \$17,000 favourable at the end of October.

(4) Support Services Department \$0 Favourable

No significant variances.

4. Recommendation

That the report be received and the contents noted.

Report prepared by:

Approved for submission:

STEPHEN HILL
Divisional Accountant

COLIN WRIGHT
Divisional Manager, Wairarapa