



Report 05.117
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Committee Rural Services and Wairarapa
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Financial Report for the Eight Months to 28 February 2005

1. Purpose

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

2. Financial Performance

Wairarapa Division Funding Impact Statement 8 Months Ended 28 February 2005	YTD Actual \$000	YTD Budget \$000	YTD Var \$000	FY Forecast \$000	FY Budget \$000	FY Var \$000
Rates & levies	6,056	6,056	0 U	9,084	9,084	0 U
Government grants & subsidies	0	0	0 U	0	0	0 U
External revenue	4,969	5,961	-992 U	8,939	9,453	-514 U
Investment revenue	62	74	-12 U	112	112	0 U
Internal revenue	3,234	3,655	-421 U	5,292	5,473	-181 U
TOTAL REVENUE	14,321	15,746	-1,425 U	23,427	24,122	-695 U
Personnel costs	3,886	4,219	333 F	6,166	6,328	162 F
Materials, supplies & services	1,331	1,310	-21 U	1,904	1,879	-25 U
Travel & transport costs	176	209	33 F	265	313	48 F
Contractors	3,355	4,294	939 F	7,807	6,884	-923 U
Consultants	240	380	140 F	86	562	476 F
Grants and subsidies	20	46	26 F	85	85	0 U
Internal charges	3,568	3,993	425 F	5,683	5,884	201 F
TOTAL DIRECT EXPENDITURE	12,576	14,451	1,875 F	21,996	21,935	-61 U
TOTAL INDIRECT EXPENDITURE	1,463	1,461	-2 U	2,201	2,231	30 F
TOTAL EXPENDITURE	14,039	15,912	1,873 F	24,197	24,166	-31 U
OPERATING SURPLUS/(DEFICIT)	282	-166	448 F	-770	-44	-726 U
Add back non cash items	269	267	2 F	410	440	-30 U
Less capital expenditure	-600	-524	-76 U	-916	-1,013	97 F
Less investments movements	-152	-108	-44 U	-227	-197	-30 U
Less debt repayments	-298	-313	15 F	-469	-469	0 U
Plus debt additions	876	713	163 F	1,197	1,187	10 F
Plus reserve movements	-76	140	-216 U	786	221	565 F
FUNDING SURPLUS/(DEFICIT)	301	9	292 F	11	125	-114 U

3. Comment

At the end of February the Division's funding position was \$292,000 within budget. Total revenue was \$1,425,000 below budget and total operating expenditure was \$1,783,000 below budget. Capital expenditure at February was \$75,000 over budget due to the delayed completion of the Te Whiti stopbank (budgeted in the 2003/04 financial year).

Significant components of this favourable variance are as follows:

(1) *Land & River Operations \$211,000 Unfavourable*

River Management was \$217,000 unfavourable because of the August and October 2004 flood damage repair works. This includes \$497,000 of Government assistance funding for the February 2004 floods.

(2) *Biosecurity \$319,000 Favourable*

Due to permanent savings on Bovine Tb control of \$215,000 and timing savings for Pest Plant control of \$131,000.

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

Contract expenditure for Resource Investigations was \$104,000 favourable due to timing. Consent processing revenue was \$82,000 below budget due to reduced activity. The Department's personnel costs were \$60,000 under budget due to savings from delays in replacing staff.

(4) *BioWorks \$83,000 Favourable*

Mostly due to timing savings for vehicle acquisitions.

4. Recommendation

That the report be received and the contents noted.

Report prepared by:

Report approved by:

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