

# Finance REPORT



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28 February 2014

GWRC REGIONAL COUNCIL

<b>1</b>	<b>Council Summary</b>	<b>1</b>
1.1	Overview	1
1.2	Council Financial Performance	1
1.3	Financial Summary	1
1.4	Financial Summary by Group	2
1.5	Forecast to 30 June 2014	3
1.6	Financial forecast	3
1.7	Financial forecast by Group	4
1.8	Capital expenditure	5
<b>2</b>	<b>Financial Performance by Group</b>	<b>7</b>
2.1	Catchment Management	7
2.2	Environmental Management	9
2.3	Forestry	10
2.4	Regional Parks	10
2.5	Public Transport	11
2.6	Public Transport capital and improvement projects	13
2.7	Strategy & Community Engagement	15
2.8	WRS	16
2.9	People and Capability	16
2.10	Finance ICT and Support	17
2.11	Emergency Management	18
2.12	Warm GWRC	19
2.13	Investment Management	19
2.14	Water	22
<b>3</b>	<b>Funding Impact Statement</b>	<b>24</b>
<b>4</b>	<b>Balance Sheet</b>	<b>25</b>

# 1 COUNCIL SUMMARY

## 1.1 Overview

Overall at the operating surplus level, before transport improvements, the result for the council is favourable by \$6,155k relative to budget. When the transport improvement numbers and non-operational movements are included then the financial results for the first eight months were \$2,547k favourable compared to budget. This is mainly due to reduced expenditure in public transport and good forestry returns being offset by a large increase in depreciation as a result of the 2013 water revaluation.



## 1.2 Council Financial Performance

### Year to date

GWRC achieved an operating surplus of \$4,385k (budget, a deficit of \$1,770k) for the eight months to 28 February, a \$6,155k favourable result. This result excludes revenue and expenditure for public transport capital and improvement projects and the non-operational movements. Including these amounts, GWRC made a surplus of \$4,160k (budget, a surplus of \$1,613k), a favourable variance of \$2,547k. Details by group follow in section 2.

## 1.3 Financial Summary

Summary Income Statement \$(000)'s	8 Months ended 28 February 2014			
	Actual	Budget	Variance	Last Year
Regional Rates	61,268	60,869	399	91,304
Regional Water Supply Levies	17,090	17,090	-	25,635
Other Operating Revenue	61,358	60,929	429	18,150
<b>Total Operating Revenue</b>	<b>139,716</b>	<b>138,888</b>	<b>828</b>	<b>135,089</b>
Operational Costs	135,331	140,658	5,327	129,833
<b>Operating Surplus / (Deficit) before Transport Improvements</b>	<b>4,385</b>	<b>(1,770)</b>	<b>6,155</b>	<b>5,256</b>
Operating Surplus / (Deficit) from Transport Improvements	3,596	3,814	(218)	(16,895)
<b>Operating Surplus before other movements</b>	<b>7,981</b>	<b>2,044</b>	<b>5,937</b>	<b>(11,639)</b>
Non-operational movements	(3,821)	(431)	(3,390)	(360)
<b>Operating Surplus / (Deficit)</b>	<b>4,160</b>	<b>1,613</b>	<b>2,547</b>	<b>(11,999)</b>

## 1.4 Financial Summary by Group

Greater Wellington Regional Council				
Summary income statement - Operating Surplus / (Deficit)				
Total operating surplus / (deficit) \$(000)'s	8 Months ended 28 February 2014			
	Actual	Budget	Variance	Last Year
Catchment Management	2,396	1,733	663	2,451
Forestry	909	3	906	(492)
Environmental Management	(350)	(42)	(308)	(140)
Regional Parks	233	(171)	404	177
Wairarapa Water Use project	38	(9)	47	489
Public Transport	1,411	(1,680)	3,091	3,258
Strategy & Community Engagement	723	(87)	810	358
WRS	62	-	62	318
Other Corporate	(61)	(223)	162	453
Emergency Management	111	(176)	287	771
Finance and Support	(460)	(1,039)	579	(786)
<b>Total operational surplus / (deficit)</b>	<b>5,012</b>	<b>(1,691)</b>	<b>6,703</b>	<b>6,857</b>
Investment Management	8,491	9,010	(519)	8,114
Business unit rates contribution	(6,935)	(6,937)	2	(7,570)
<b>Total rates funded operating surplus / (deficit)</b>	<b>6,568</b>	<b>382</b>	<b>6,186</b>	<b>7,401</b>
Water Supply	(2,183)	(2,152)	(31)	(2,145)
<b>Total rates &amp; levy funded operating surplus / (deficit)</b>	<b>4,385</b>	<b>(1,770)</b>	<b>6,155</b>	<b>5,256</b>
<b>Non-operational movements</b>				
Forestry cost of goods sold	(488)	(431)	(57)	(360)
Additional depreciation from 2013 Water Revaluation	(3,333)	-	(3,333)	-
Warm Greater Wellington	-	-	-	-
EMU investment - GW Rail	-	-	-	-
Public Transport net surplus / (deficit) on capital, improvement and investment projects	3,596	3,814	(218)	(16,895)
<b>Total non-operational surplus / (deficit)</b>	<b>(225)</b>	<b>3,383</b>	<b>(3,608)</b>	<b>(17,255)</b>
<b>Total council surplus / (deficit)</b>	<b>4,160</b>	<b>1,613</b>	<b>2,547</b>	<b>(11,999)</b>

## 1.5 Forecast to 30 June 2014

GWRC is forecasting an operating deficit of \$1,391k (budget, a deficit of \$4,482k) for the year to 30 June 2014. This forecast excludes revenue and expenditure for public transport capital improvement projects and revaluations. Including these amounts, GWRC is forecasting a surplus of \$4,185k (budget, a surplus of \$3,370k). The primary difference is a forecast \$5m increase in depreciation as a result of the 30 June 2013 revaluation of the water supply assets as well as an increase in external logging revenue and interest revenue. There have also been significant favourable variances in the Public Transport division. Details by group follow in section 2.

## 1.6 Financial forecast

Summary Income Statement \$(000)'s	Year ending 30 June 2014			
	Forecast	Budget	Variance	Last Year
Regional Rates	91,304	91,304	-	90,114
Regional Water Supply Levies	25,635	25,635	-	24,890
Other Operating Revenue	91,927	89,877	2,050	91,925
<b>Total Operating Revenue</b>	<b>208,866</b>	<b>206,816</b>	<b>2,050</b>	<b>206,929</b>
Operational Costs	210,257	211,298	1,041	199,772
<b>Operating Surplus / (Deficit) before Transport Improvements</b>	<b>(1,391)</b>	<b>(4,482)</b>	<b>3,091</b>	<b>7,157</b>
Operating Surplus / (Deficit) from Transport Improvements	7,877	5,103	2,774	(18,129)
<b>Operating Surplus before other movements</b>	<b>6,486</b>	<b>621</b>	<b>5,865</b>	<b>(10,972)</b>
Non-operational movements	(2,301)	2,749	(5,050)	11,503
<b>Operating Surplus / (Deficit)</b>	<b>4,185</b>	<b>3,370</b>	<b>815</b>	<b>531</b>
Net fixed asset revaluations	-	-	-	111,102
<b>Total council comprehensive income</b>	<b>4,185</b>	<b>3,370</b>	<b>815</b>	<b>111,633</b>

## 1.7 Financial forecast by Group

Greater Wellington Regional Council				
Summary income statement - Operating Surplus / (Deficit)				
Total operating surplus / (deficit) \$(000)'s	Year ending 30 June 2014			
	Forecast	Budget	Variance	Last Year
Catchment Management	3,063	2,595	468	2,975
Forestry	763	6	757	(268)
Environmental Management	(396)	(76)	(320)	(323)
Regional Parks	(283)	(283)	-	(301)
Wairarapa Water Use project	(12)	(12)	-	(5)
Public Transport	(51)	(2,598)	2,547	6,110
Strategy & Community Engagement	(321)	(299)	(22)	(1)
WRS	-	-	-	621
Other Corporate	(245)	(245)	-	100
Emergency Management	(264)	(264)	-	424
Finance and Support	(1,551)	(1,730)	179	(418)
<b>Total operational surplus / (deficit)</b>	<b>703</b>	<b>(2,906)</b>	<b>3,609</b>	<b>8,914</b>
Investment Management	11,322	12,053	(731)	12,856
Business unit rates contribution	(10,406)	(10,406)	-	(11,359)
<b>Total rates funded operating surplus / (deficit)</b>	<b>1,619</b>	<b>(1,259)</b>	<b>2,878</b>	<b>10,411</b>
Water Supply	(3,010)	(3,223)	213	(3,254)
<b>Total rates &amp; levy funded operating surplus / (deficit)</b>	<b>(1,391)</b>	<b>(4,482)</b>	<b>3,091</b>	<b>7,157</b>
<b>Non-operational movements</b>				
Forestry cost of goods sold	(697)	(647)	(50)	(530)
Additional depreciation from 2013 Water Revaluation	(5,000)	-	(5,000)	-
Warm Greater Wellington	-	-	-	-
EMU investment - GW Rail	-	-	-	8,533
Public Transport net surplus / (deficit) on capital, improvement and investment projects	7,877	5,103	2,774	(18,129)
<b>Total non-operational surplus / (deficit)</b>	<b>5,576</b>	<b>7,852</b>	<b>(2,276)</b>	<b>(6,626)</b>
<b>Total council surplus / (deficit)</b>	<b>4,185</b>	<b>3,370</b>	<b>815</b>	<b>531</b>
<b>Net fixed asset revaluations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111,102</b>
<b>Total council comprehensive income</b>	<b>4,185</b>	<b>3,370</b>	<b>815</b>	<b>111,633</b>

## 1.8 Capital expenditure

### Capital expenditure by Group

Capital expenditure is \$17,879k below budget, year to date. This is due the land purchase for lake three not been completed for Water Supply, the fit out expenditure on shed 39 and the public transport capital, improvement and investment expenditure being later than planned. Details by group follow in section 2.

Total capital and transport investment and improvement expenditure \$(000)'s	8 Months ended 28 February 2014			
	Actual	Budget	Variance	Last Year
Catchment Management	1,926	2,196	270	7,865
Forestry	204	270	66	143
Environmental Management	94	38	(56)	(819)
Regional Parks	420	94	(326)	335
Wairarapa Water Use project	484	164	(320)	595
Public Transport capital projects	793	1,505	712	762
Strategy & Community Engagement	180	186	6	4
Other Corporate	22	46	24	(12)
Emergency Management	-	-	-	31
Finance, ICT and Support	1,119	2,006	887	1,779
<b>Total capital expenditure</b>	<b>5,242</b>	<b>6,505</b>	<b>1,263</b>	<b>10,683</b>
Investment and property management	2,215	2,500	285	228
<b>Total rates funded capital expenditure</b>	<b>7,457</b>	<b>9,005</b>	<b>1,548</b>	<b>10,911</b>
Water Supply	3,575	8,362	4,787	5,172
<b>Total rates &amp; levy funded capital expenditure</b>	<b>11,032</b>	<b>17,367</b>	<b>6,335</b>	<b>16,083</b>
Public Transport investment projects	13,490	25,034	11,544	-
<b>Total council capital and transport investment expenditure</b>	<b>24,522</b>	<b>42,401</b>	<b>17,879</b>	<b>16,083</b>

## Capital expenditure forecast by Group

Capital expenditure is forecast to be \$2,409k more than budget by year end. This is primarily due to changes within public transport, catchment and finance and ICT which are discussed in section 2.

Total capital and transport investment and improvement expenditure \$(000)'s	Year ending 30 June 2014			
	Forecast	Budget	Variance	Last Year
Catchment Management	6,549	4,331	(2,218)	10,259
Forestry	404	404	-	214
Environmental Management	202	240	38	(1,185)
Regional Parks	1,200	1,033	(167)	837
Wairarapa Water Use project	271	271	-	597
Public Transport capital projects	2,430	1,956	(474)	2,314
Strategy & Community Engagement	269	269	-	85
Other Corporate	46	46	-	(11)
Emergency Management	-	-	-	137
Finance, ICT and Support	2,760	3,180	420	2,010
<b>Total capital expenditure</b>	<b>14,131</b>	<b>11,730</b>	<b>(2,401)</b>	<b>15,257</b>
Investment and property management	2,434	2,500	66	309
<b>Total rates funded capital expenditure</b>	<b>16,565</b>	<b>14,230</b>	<b>(2,335)</b>	<b>15,566</b>
Water Supply	9,981	9,981	-	9,776
<b>Total rates &amp; levy funded capital expenditure</b>	<b>26,546</b>	<b>24,211</b>	<b>(2,335)</b>	<b>25,342</b>
Public Transport investment projects	30,134	30,060	(74)	39,018
<b>Total council capital and transport investment expenditure</b>	<b>56,680</b>	<b>54,271</b>	<b>(2,409)</b>	<b>64,360</b>



# 2 FINANCIAL PERFORMANCE BY GROUP

## 2.1 Catchment Management

Catchment Management								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	21,513	21,101	412	21,309	31,800	31,137	663	32,104
Operating expenditure	19,117	19,368	251	18,858	28,737	28,542	(195)	29,129
<b>Operating surplus / (deficit)</b>	<b>2,396</b>	<b>1,733</b>	<b>663</b>	<b>2,451</b>	<b>3,063</b>	<b>2,595</b>	<b>468</b>	<b>2,975</b>
Net fixed asset revaluation	-	-	-	-	-	-	-	-
Net capital expenditure	1,926	2,196	(270)	7,865	6,549	4,331	(2,218)	10,259

### Year to date

A favourable operating variance of \$663K, comprising higher revenue of \$412K and lower operating costs of \$251K.

#### Operating revenue is higher than budget due mainly to:

- ▶ BioWorks external revenue \$182K ahead of budget due to Project Kaka aerial operation for DoC and internal revenue \$202K behind budget due to timing predator control operations
- ▶ Additional external revenue of \$48K for Wairarapa River schemes
- ▶ Grants and subsidies revenue of \$94K from MPI for the Hill Country Erosion Initiative
- ▶ External revenue of \$178K from Mfe and internal revenue of \$100K from Biodiversity for the Wairarapa Moana project

#### Operating expenditure was lower than budget due to:

- ▶ Biosecurity expenditure \$451K behind due to timing of pest plant and animal programmes
- ▶ Biodiversity implementation savings of \$163K, mainly due to staff vacancies
- ▶ Flood Protection expenditure \$156K ahead due to timing of river maintenance works and additional asset management system costs
- ▶ Wairarapa Moana expenditure of \$165K expensed against Mfe grant
- ▶ Expenditure of \$83K for the Akura Conservation Centre including development costs for the new nursery

**Capital expenditure is lower than budget, primarily due to:**

- ▶ Flood Protection net capital expenditure was \$101K below budget. Property purchases for the City Centre are ahead of schedule, and Otaki and Waiohine stopbank delays
- ▶ Vehicle replacement expenditure was \$169K below budget due to timing.

## Forecast to 30 June 2014

The forecast operating surplus is \$468K above budget.

**Operating revenue is forecast to be above budget due to:**

- ▶ Additional external revenue of \$250K for BioWorks (Project Kaka and TbFree)
- ▶ Additional external revenue of \$224K and internal revenue of \$100K for the Wairarapa Moana Clean Up project
- ▶ Additional grants and subsidies revenue from MPI for WRECI

**Operating expenditure is also forecast to be above budget due to:**

- ▶ Additional material and contractor costs for BioWorks
  - ▶ Expenditure for the Wairarapa Moana project
- A number of offsetting variances within departments

**The forecast capital expenditure to June 2014 is expected to be \$ 2,218K higher than budget due to:**

- ▶ Deferral of:
  - Otaki River North Stopbank improvements \$250K
  - Otaki River Works Mouth to SH1 \$370K
  - Waiohine Stopbank improvements \$300K
- ▶ Additional expenditure of:
  - \$770K for City Centre Mills Street property purchases
  - \$1,300K for the Woollen Mills property purchase
  - \$240K for Otaki River Works Chrystalls to Gorge
  - \$297K for the UWVFMP Phase 2
  - \$100K for Boulcott Stopbank project (still within overall project budget)
  - \$103K for the Waiohine FMP and flood hazard website development
  - \$268K for Biosecurity portacom

## 2.2 Environmental Management

Environmental Management								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	9,827	9,590	237	8,949	14,584	14,384	200	13,541
Operating expenditure	10,177	9,632	(545)	9,089	14,980	14,460	(520)	13,864
<b>Operating surplus / (deficit)</b>	<b>(350)</b>	<b>(42)</b>	<b>(308)</b>	<b>(140)</b>	<b>(396)</b>	<b>(76)</b>	<b>(320)</b>	<b>(323)</b>
Net capital expenditure	94	38	56	(819)	202	240	38	(1,185)

### Year to date

Overall, an unfavourable operating variance of \$308k, comprising higher revenue of \$237k and higher expenditure of \$545k.

#### Operating revenue is ahead of budget primarily due to:

- ▶ External income is \$1,910k which is \$211k more than budget of which \$166k is for additional on charging of consultants costs for consent processing.

#### Operating expenditure was higher than budget due mainly to:

- ▶ Staff costs are under budget in Support, Policy & Harbours but over budget in Regulation and Science due to unbudgeted staff and salaries higher than budgeted with no vacancies to offset the overspends.
- ▶ Travel and vehicle costs, materials, internal costs are all close to budget.
- ▶ Consultants & contractors spend which is \$324k more than budget with underspends in Science and Policy offset by \$635k overspend in Regulation. This includes unbudgeted spend on Hearing commissioners costs, contracts for earthworks monitoring, contract staff for consent processing, enforcement legal costs and technical advice for RONS projects.

### Forecast to 30 June 2014

The forecast has been updated to increase the net deficit by \$320k. This is due to \$400k increase in deficit in Regulation for additional consultant and staff back-fill costs for enforcement, the RONS projects advice, monitoring and earthworks compliance projects. Science forecast includes \$150k additional staff costs. Policy is forecast to underspend by \$190k in consultants costs and Support is forecast to be \$50k better than budget due to staff recoveries to other departments.

## 2.3 Forestry

Forestry								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	8,148	6,096	2,052	5,034	11,282	9,145	2,137	8,383
Operating expenditure	7,239	6,093	(1,146)	5,526	10,519	9,139	(1,380)	8,651
<b>Cash Operating surplus / (deficit)</b>	<b>909</b>	<b>3</b>	<b>906</b>	<b>(492)</b>	<b>763</b>	<b>6</b>	<b>757</b>	<b>(268)</b>
Revaluation of forestry (ETS and Trees)	-	-	-	-	2,661	2,661	-	232
Forestry cost of goods sold	(488)	(431)	(57)	(360)	(697)	(647)	(50)	(530)
<b>Operating surplus / (deficit)</b>	<b>421</b>	<b>(428)</b>	<b>849</b>	<b>(852)</b>	<b>2,727</b>	<b>2,020</b>	<b>707</b>	<b>(566)</b>
Net fixed asset revaluation	-	-	-	-	-	-	-	(1,511)
Net capital expenditure	204	270	66	143	404	404	-	214

### Year to date

A favourable operating variance of \$906K prior to cost of goods sold

#### Operating surplus is ahead of budget primarily due to:

- Favourable external logging revenue due to an increase in log prices, and harvest volumes, particularly in the Wairarapa. Associated operating expenses are also up. Correspondingly, harvesting costs are above budget.

### Forecast to 30 June 2014

The forecast is in line with the reasons noted above are due to result in a favourable operating variance of \$757K prior to cost of goods sold.

## 2.4 Regional Parks

Regional Parks								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	4,573	3,935	638	3,784	6,379	5,879	500	5,818
Operating expenditure	4,340	4,106	(234)	3,607	6,662	6,162	(500)	6,119
<b>Operating surplus / (deficit)</b>	<b>233</b>	<b>(171)</b>	<b>404</b>	<b>177</b>	<b>(283)</b>	<b>(283)</b>	<b>-</b>	<b>(301)</b>
Net fixed asset revaluation	-	-	-	-	-	-	-	3,899
Net capital expenditure	420	94	326	335	1,059	892	(167)	837

## Year to date

A favourable operating variance of \$404k, due to increased revenue of \$638k.

### Operating Revenue was higher than budget due to:

- ▶ Logging activities in Belmont Park has produced \$697k external revenue.

### Operating expenditure is above budget due to:

- ▶ Consultants & contractors include an additional \$626k for the costs of Belmont logging.
- ▶ Personal costs are below budget due to vacancies and a higher level of staff resources charges to capital projects
- ▶ Material costs have been significantly lower than anticipated by \$307k.

Total capital & asset spend is forecasted at \$1059k which is \$167k more than budget

- ▶ Capital project expenditure was \$410k with \$470k planned to spend by year end.
- ▶ Spend on the capital projects which include QEP heritage project being ahead of the budgeted programme. The forecast remains in line with budget.
- ▶ Vehicle replacements are forecast to happen earlier than originally planned due to high mileage and will therefore be replaced in the current financial year rather than in 2014/15 as planned. This brings forward net spend after disposals of \$167k

## Forecast to 30 June 2014

- ▶ The forecast has been updated to include \$500k logging income and \$500k logging costs in Belmont Park which has nil impact on the net result.

## 2.5 Public Transport

Public Transport								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	64,216	67,378	(3,162)	66,138	98,804	101,142	(2,338)	101,051
Operating expenditure	62,805	69,058	6,253	62,880	98,855	103,740	4,885	94,941
Operating surplus / (deficit)	1,411	(1,680)	3,091	3,258	(51)	(2,598)	2,547	6,110

## Year to date

A favourable operating variance of \$3,091k, comprising lower expenditure of \$6,253k and reduced revenue of \$3,162k.

### Operating revenue was \$3,162k below budget because of:

- ▶ Grants and subsidies revenue was \$3.1 million below budget which reflects the reduction in operational expenditure detailed below for the year.

### Operating expenditure is \$6,253k below budget because of:

- ▶ Rail contract costs were \$1.0 million below budget because of higher fare revenue and lower expenditure.
- ▶ Rail network operations and maintenance costs were \$0.7 million below budget because of changes to timing of platform maintenance, traction maintenance, vegetation control and signal works.
- ▶ Rail network incident costs were \$0.5 million above budget. Additional work was done to reinstate the Ngauranga to Petone seawall.
- ▶ Rail network renewals expenditure was \$0.4 million above budget because of changes to the timing of track work.
- ▶ Train maintenance expenditure was \$1.2 million below budget, with less unplanned maintenance on the Ganz Mavag trains than budgeted.
- ▶ Diesel bus operations expenditure was \$19.6 million which is \$0.7 million below budget, primarily because bus inflation payments in the year to date have been lower than budgeted.
- ▶ Trolley bus operations expenditure was \$5.1 million which is \$0.9 million below budget. There were changes to the timing of expenditure as well as cost reductions from services not run.
- ▶ Projects and planning expenditure was \$0.6 million below budget. The Integrated Ticketing Investigation commenced later than expected and planned expenditure will be re-budgeted to 2014/15.
- ▶ Expenditure on the new Public Transport Operating Model (PTOM) was \$0.6 million below budget. A detailed projection has been completed with a better indication of when expenditure is likely to occur.
- ▶ There has also been reduced expenditure on studies, administration and Total Mobility.

## Forecast to 30 June 2014

The overall forecast deficit of \$51,000 is \$2,547k better than budget. This is due to lower revenue and expenditure.

### Operating revenue is forecast to be \$2,338k below budget because of:

- ▶ Lower grants and subsidies revenue because of the reduction in expenditure detailed below.

**Operating expenditure is forecast to be \$4,885k below budget because of:**

- ▶ Rail contract full year forecast expenditure is \$1.5 million below budget, continuing the year to date trend of increased fare revenue and lower expenditure.
- ▶ Network incident costs full year forecast expenditure is \$0.6 million above budget, reflecting the costs of reinstating the seawall.
- ▶ Train maintenance full year forecast expenditure is \$0.7 million below budget.
- ▶ Diesel bus contract expenditure is forecast to be \$0.6m below budget.
- ▶ Projects and planning full year forecast expenditure is \$0.7m below budget.
- ▶ PTOM full year forecast expenditure is \$0.4m below budget.
- ▶ The full year forecast expenditure for Administration is \$0.5m below budget.

Options to effectively utilise some of the surplus in 2013/14 are being explored and this may reduce the forecast surplus for the year.

## 2.6 Public Transport capital and improvement projects

In this table, operating expenditure includes capital improvements where the underlying asset is not owned by GWRC (Trolley bus infrastructure renewals).

Capital projects are projects that improve (or create) assets owned by GWRC.

Investment projects relate to capital works where the underlying asset will be owned by GWRC Rail Limited (GWRL).

Public Transport capital, improvement and investment projects								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	7,935	10,878	(2,943)	16,234	16,513	17,063	(550)	20,889
Operating expenditure	4,339	7,064	2,725	33,129	8,636	11,960	3,324	39,018
<b>Operating surplus / (deficit)</b>	<b>3,596</b>	<b>3,814</b>	<b>(218)</b>	<b>(16,895)</b>	<b>7,877</b>	<b>5,103</b>	<b>2,774</b>	<b>(18,129)</b>
Public Transport capital projects	793	1,505	712	762	2,430	1,956	(474)	2,314
Public Transport investment projects	13,490	25,034	11,544	33,129	30,134	30,060	(74)	39,018
<b>Capital and investment expenditure</b>	<b>14,283</b>	<b>26,539</b>	<b>12,256</b>	<b>33,891</b>	<b>32,564</b>	<b>32,016</b>	<b>(548)</b>	<b>41,332</b>

### Year to date

Overall, an unfavourable operating variance of \$218k due mainly to reduced operating expenditure and reduced revenue.

**Operating revenue was \$2,943k lower than budget because of:**

- ▶ Grant and subsidies revenue was \$3.4 million below budget because of a reduction in improvement expenditure, capital projects and investment projects.
- ▶ This is offset by \$0.4 million of non-cash revenue. This comprises bus stop assets that had originally been funded by GWRC which have now been gifted back to us by Upper Hutt City Council and Kapiti Coast District Council.

**Operating expenditure was \$2,725k lower than budget because of:**

- ▶ Reduced financial costs of approximately \$0.3 million.
- ▶ Trolley bus infrastructure renewals were \$2.3 million below budget. The wire renewal programme is underway; however the network wide fault protection system expenditure is now mainly expected to occur in 2014/15.

**Capital and investment expenditure is \$12,256k less than budget because of:**

This reduction in expenditure primarily relates to changes to the timing of projects expenditure including:

- ▶ Real Time Information project - \$0.2 million below budget.
- ▶ Bus shelter and signage upgrades - \$0.3 million below budget.
- ▶ Customer information systems - \$0.3 million below budget.
- ▶ Wellington review interchanges - this project will not commence this year and has been re-budgeted to 2014/15.
- ▶ New Matangi 1 trains - \$1.4 million below budget.
- ▶ New Matangi 2 trains - \$5.0 million below budget.
- ▶ Station renewals and upgrades - \$1.8 million below budget.
- ▶ Insurance related rail improvements - \$0.6 million below budget.
- ▶ Wellington depot and stabling - \$2.5 million below budget.

## Forecast to 30 June 2014

The forecast operating surplus is \$2,774k above budget. This is a result of lower improvement project expenditure.

The forecast net capital and investment expenditure is \$548k above budget. This includes changes to the timing of expenditure relating to:

- ▶ Real Time Information project - \$0.6 million above budget because of the increased costs of the Wellington CBD display signs and CBD static signs (approved by Council).
- ▶ Bus shelter and signage upgrades – \$0.1 million above budget.
- ▶ Customer information systems – same as budget.
- ▶ Wellington review interchanges - \$0.2 million below budget.
- ▶ New Matangi 1 trains - \$1.9 million below budget.
- ▶ New Matangi 2 trains - \$1.3 million above budget.
- ▶ Station renewals and upgrades - same as budget.
- ▶ Insurance related rail improvements - same as budget.
- ▶ Wellington depot and stabling - \$0.7 million above budget.



Options to effectively utilise some of the surplus in 2013/14 are being explored and this may reduce the forecast surplus for the year.

## 2.7 Strategy & Community Engagement

Strategy & Community Engagement								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	3,041	3,117	(76)	2,944	4,669	4,669	-	4,666
Operating expenditure	2,318	3,204	886	2,586	4,990	4,968	(22)	4,667
<b>Operating surplus / (deficit)</b>	<b>723</b>	<b>(87)</b>	<b>810</b>	<b>358</b>	<b>(321)</b>	<b>(299)</b>	<b>(22)</b>	<b>(1)</b>
Net capital expenditure	180	186	6	4	269	269	-	85

### Year to date

Overall, a favourable operating variance of \$810k, comprising lower expenditure of \$886k and reduced revenue of \$76k.

#### Operating revenue is lower than budget due to:

- ▶ Reduced grant revenue from NZTA due to lower expenditure on projects that receive funding.

#### Operating expenditure was lower than budget due to:

- ▶ Reduced expenditure on consultants, materials and supplies due mainly to timing of the projects for e.g. PT Spine Study.
- ▶ Reduced expenditure on Iwi Projects and GW capacity training of \$90k to date. This is expected to be on budget at year-end.
- ▶ Reduced personnel costs due to vacancies.
- ▶ Printing costs for the Annual Plan and Annual report were lower than accrued for at the previous year end.

### Forecast to 30 June 2014

#### The forecast operating surplus is \$22k lower than budget due to:

- ▶ The adjustment to forecast is a result of higher software licence costs this year. The forecast surplus is expected to be higher at the end of the year, with likely savings in personnel costs. An adjustment to the forecast will be made in the next reporting period when the cost of filling vacancies will be known.

## 2.8 WRS

WRS								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	3,087	3,087	-	3,112	4,631	4,631	-	4,668
Operating expenditure	3,025	3,087	62	2,794	4,631	4,631	-	4,047
<b>Operating surplus / (deficit)</b>	<b>62</b>	<b>-</b>	<b>62</b>	<b>318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>621</b>

### Year to date

Overall, a favourable operating variance of \$62k, comprising lower expenditure of \$62k.

#### Operating expenditure was lower than budget due to:

- ▶ Reduced expenditure on consultants (\$46k) due mainly to timing of payments to external parties.
- ▶ Reduced grant expenditure paid to Grow Wellington which is \$16k below budget.

### Forecast to 30 June 2014

The forecast is in line with budget.

## 2.9 People and Capability

People and Capability								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	2,282	2,280	2	2,465	3,419	3,419	-	3,697
Operating expenditure	2,336	2,496	160	2,087	3,654	3,654	-	3,703
<b>Operating surplus / (deficit)</b>	<b>(54)</b>	<b>(216)</b>	<b>162</b>	<b>378</b>	<b>(235)</b>	<b>(235)</b>	<b>-</b>	<b>(6)</b>
Net capital expenditure	22	46	24	(12)	46	46	-	(11)

### Year to date

Overall, a favourable operating variance of \$162k, comprising lower expenditure of \$160k.

Operating revenue is in line with budget.

**Operating expenditure was lower than budget due to:**

- ▶ Reduced expenditure on consultants. This is spread across all the departments and includes an allowance for costs arising out of the Local Government Elections.
- ▶ There has also been slightly lower spend on materials and travel mainly as a result of timing of payments.

## Forecast to 30 June 2014

The forecast is in line with budget.

## 2.10 Finance ICT and Support

Finance and Support									
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014				
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year	
Operating revenue	3,821	3,857	(36)	4,012	5,785	5,785	-	6,992	
Operating expenditure	4,281	4,896	615	4,798	7,336	7,515	179	7,410	
<b>Operating surplus / (deficit)</b>	<b>(460)</b>	<b>(1,039)</b>	<b>579</b>	<b>(786)</b>	<b>(1,551)</b>	<b>(1,730)</b>	<b>179</b>	<b>(418)</b>	
Net capital expenditure	1,119	2,006	887	1,779	2,760	3,180	420	2,010	

## Year to date

Overall, a favourable operating variance of \$579k comprising unfavourable revenue variance of \$36k and lower expenditure of \$615k.

**Operating revenue is slightly higher than budget due to:**

- ▶ External revenue is largely in line with expectations with internal revenue being above budget.

**Operating expenditure was lower than budget due to:**

- ▶ Personnel costs are under budget as the Group looks to fill vacancies in ICT.
- ▶ The above savings have been offset by the early and hurried shift to Harbour Quays due to the earthquake have resulted in an additional \$147k of property related expenditure including moving, storage, equipment hire and property services costs.
- ▶ Lower capital expenditure in the previous year has resulted in depreciation being lower than budgeted in the current year.
- ▶ Rent costs are also ahead of budget as rent is being incurred on both RCC and more recently Shed 39. Rent has been reviewed for RCC and the Pringle House Board have agreed to a rent that covers on-going costs to hold the building at council request.

Capital expenditure is lower than budget:

- ▶ Capital expenditure is going to be below budget by year end. The Lidar and HAWAN projects will be completed this financial year. The hummingbird document management system replacement or upgrade is underway, and we expect the majority of the project to be delivered in 2015.

## Forecast to 30 June 2014

Capital expenditure in the previous year has resulted in depreciation being lower than budgeted in the current year. This will remain throughout the year and hence the adjustment to forecast depreciation.

A net increase of \$100k in property services as a result of the early and rushed relocation to Shed 39.

Capital expenditure for the year is forecast to be \$420k less than budget primarily due to:

- ▶ The hummingbird document management system replacement or upgrade being delayed.

## 2.11 Emergency Management

Emergency Management								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	1,826	1,882	(56)	2,462	2,823	2,823	-	3,207
Operating expenditure	1,715	2,058	343	1,691	3,087	3,087	-	2,783
<b>Operating surplus / (deficit)</b>	<b>111</b>	<b>(176)</b>	<b>287</b>	<b>771</b>	<b>(264)</b>	<b>(264)</b>	<b>-</b>	<b>424</b>
Net capital expenditure	-	-	-	31	-	-	-	137

## Year to date

Overall, a favourable operating variance of \$287k comprising lower revenue of \$56k and lower expenditure of \$343k.

### Operating revenue is lower than budget due to:

- ▶ Revenue is below budget due to the timing of the invoices being raised to the Territorial local authorities which have since been raised. This year the costs are shared on a population basis.

### Operating expenditure is lower than budget due to:

- ▶ Saving in personnel costs due to vacancies
- ▶ Lower planned activity arising from the earthquakes.

## Forecast to 30 June 2014

No change for the 2013/14 year compared to budget.

## 2.12 Warm GWRC

Warm Greater Wellington								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	1,142	2,019	(877)	735	1,715	3,029	(1,314)	1,100
Operating expenditure	1,142	2,019	877	735	1,715	3,029	(1,314)	1,100
Operating surplus / (deficit)	-	-	-	-	-	-	-	-

### Year to date

Overall, a break-even position, comprising lower revenue of \$877k and lower expenditure of \$877k.

#### Operating revenue is lower than budget due to:

- ▶ Rates revenue is below budget as the rates are calculated on the actual outstanding advances at 30 June 2013 which were lower than budgeted. This was due to a lower cash level of advances provided in 2012/13 and a much larger than expected number of full repayments as houses sold and rates being set after the budgets were adopted.

#### Operating expenditure is lower than budget due to:

- ▶ The accounting treatment for this programme is that expenditure will match revenue as the programme progresses, resulting in a nil surplus / deficit. The costs of the programme are amortised back in line with the rates revenue.
- ▶ Only the ratepayers participating in the scheme fund this programme

### Forecast to 30 June 2014

Rates and expenditure are forecast down in line with the actual rates charged for the year.

## 2.13 Investment Management

Investment Management								
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Operating revenue	6,262	5,249	1,013	4,327	7,697	6,828	869	6,945
Operating expenditure net of internal interest revenue	(2,229)	(3,761)	(1,532)	(3,787)	(3,625)	(5,225)	(1,600)	(5,911)
Operating surplus / (deficit)	8,491	9,010	(519)	8,114	11,322	12,053	(731)	12,856
Net capital expenditure	2,215	2,500	285	228	2,434	2,500	66	309

## Year to date

Overall, an unfavourable variance of \$519k compared with budget.

### This is due to:

- ▶ Investment Revenue is favourable to budget due to \$961k higher money market interest from higher than planned debt prefunding balances; \$69k higher guarantee fee for CentrePort's debt.
- ▶ Expenditure variance comprises of lower interest recovery of \$671k from internal debt as the capital expenditure by operational Groups is slower than budgeted.
- ▶ External finance costs are \$655k above budget, mainly as a result of prefunding of debt. The costs for our swaps are \$87k above budget.
- ▶ \$176k higher expenditure for contractors and consultants, mainly emanating from moving and project management costs relating to shed 39

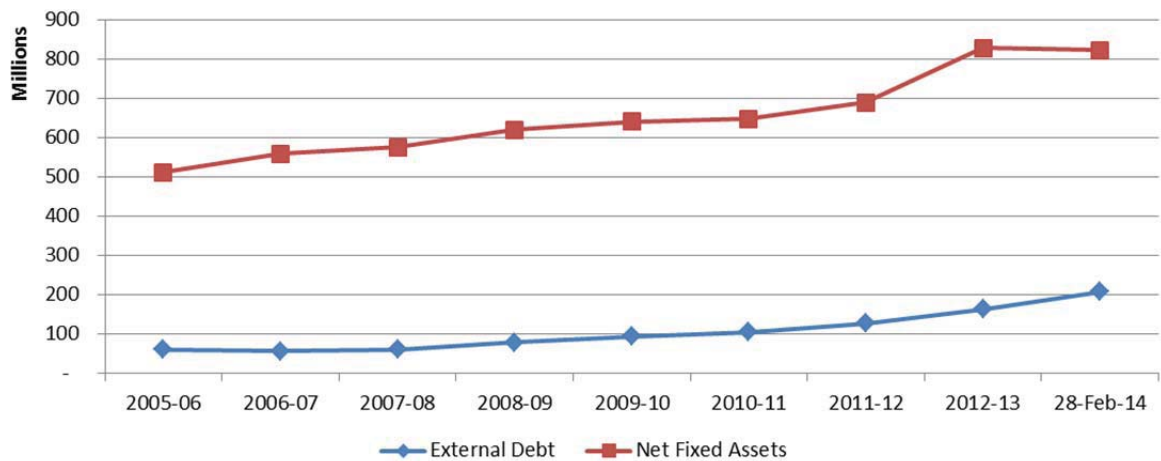
Capital expenditure relating to Shed 39 is \$1,955k for the year to date, which is \$545k below budget. This favourable variance results from the timing of payments relating to the work on shed 39.

## Forecast to 30 June 2014

The operating surplus is forecast to be \$731k lower than the budget. The main reason for this decrease is due to:

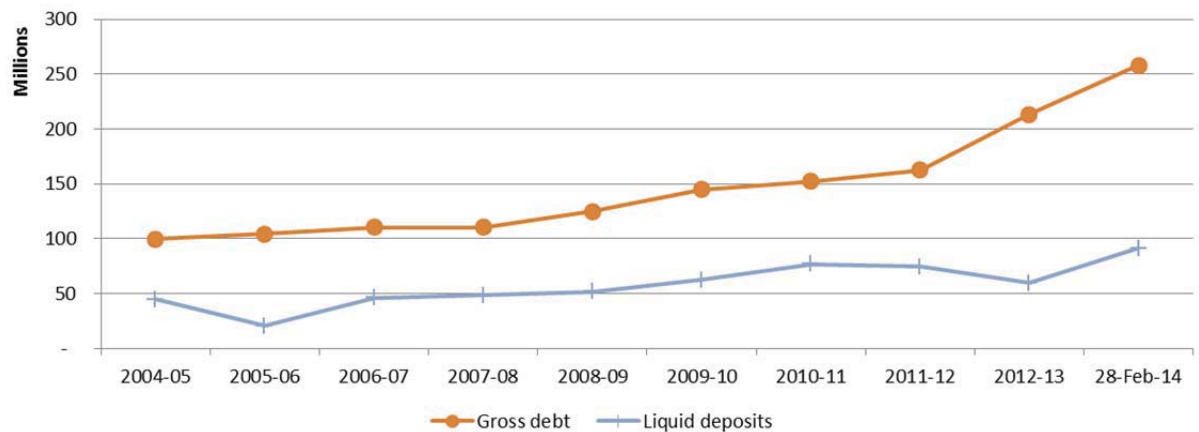
- ▶ Expectation of \$241,000 higher income, mainly resulting from \$968,000 higher investment revenue, offset by \$727,000 lower interest revenue (within operating expenditure per the table) from internal loans due to the timing of capital expenditure by the Council.
- ▶ The guarantee fee from CentrePort is expected to be \$108,000 more due to higher borrowings by CPL.
- ▶ Finance costs are forecasted to be \$701,000 above budget, mainly due to the prefunding of debt. The direct expenditure is forecasted to be \$171,000 above budget. This is predominantly due to costs relating to the unscheduled move after the first earthquake and the final move to shed 39.

## External Debt and Assets



- ▶ External Debt has been growing at a slower rate than assets due to the 30 June 2013 asset revaluation.

## External Debt and Cash investments



- ▶ External Debt including WRC Holdings has risen sharply this year due to prefunding of debt which has been placed on deposit till it is required. The Council has \$34m of debt to refinance in the remainder of this year.

## 2.14 Water

Water Supply									
Financial Summary \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014				
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year	
Operating revenue	17,687	17,714	(27)	17,532	26,710	26,571	139	26,719	
Operating expenditure	19,870	19,866	(4)	19,677	29,720	29,794	74	29,973	
<b>Operational Surplus / (deficit) before other items</b>	<b>(2,183)</b>	<b>(2,152)</b>	<b>(31)</b>	<b>(2,145)</b>	<b>(3,010)</b>	<b>(3,223)</b>	<b>213</b>	<b>(3,254)</b>	
Additional depreciation from 2013 Water Revaluation	3,333	-	(3,333)	-	5,000	-	(5,000)	-	
<b>Operational Surplus / (deficit)</b>	<b>(5,516)</b>	<b>(2,152)</b>	<b>(3,364)</b>	<b>(2,145)</b>	<b>(8,010)</b>	<b>(3,223)</b>	<b>(4,787)</b>	<b>(3,254)</b>	
Net fixed asset revaluation	-	-	-	-	-	-	-	108,714	
Net capital expenditure	3,575	8,362	4,787	5,172	9,981	9,981	-	9,776	

### Year to date

Overall an unfavourable operating variance of \$31k compared to budget before the additional depreciation resulting from the 30 June 2013 asset revaluation

**Operating revenue is \$27k below budget due to timing differences and is expected to be on budget at year end.**

**Operating expenditure was \$4k higher than budget due to:**

- ▶ Resource costing recoveries for the half year were \$387k below budget due to the deferral of 2013/14 projects to focus on improvement of project delivery and the reprioritisation of resilience projects. This 'refocus' in capital projects has caused a below budget recovery which has been financed from savings in other areas as noted below.
- ▶ Materials and supplies spend is \$378k under budget due to timing of payments and savings due to budgeted cost increases in power and chemicals not occurring.
- ▶ Finance costs. \$202k under budget. These savings are likely to continue as the budget was based on the Kaitoke land deal having been finalised in August. These have been offset by unbudgeted losses on the disposal of replaced assets of \$201k

As a result of the large increase in asset values from the previous years' valuation which was completed after the depreciation budgets were set for this year, depreciation is \$3.9m over budget at 28 February, and is expected to be \$5 million over budget at year end.

Depreciation is not a cash or performance item, so we have separated this large adjustment out to enable a more meaningful comparison with the operating budget.

Capital expenditure is \$4,787k under budget, primarily due to the lake 3 land purchase and associated development that will take place after this is completed. A decision regarding the re-budgeting of the \$4m land purchase project will be required by the end March 2014.

### Forecast to 30 June 2014

The forecast operating deficit is \$4.7m lower than budget. This is primarily due to the \$5m increase in depreciation as a result of the 30 June 2013 revaluation of the water supply assets.



This 'slow down' in capital projects has caused a below budget resource costing recovery which has been financed from savings in other areas such as materials, contractors and finance costs.

# 3 FUNDING IMPACT STATEMENT

Funding Impact Statement \$(000)'s	8 Months ended 28 February 2014				Year ending 30 June 2014			
	Actual	Budget	Variance	Last Year	Forecast	Budget	Variance	Last Year
Targeted Rates	41,885	41,885	-	62,828	62,828	62,828	-	61,536
General Rate	19,383	18,984	399	28,476	28,476	28,476	-	28,578
<b>Regional Rates</b>	<b>61,268</b>	<b>60,869</b>	<b>399</b>	<b>91,304</b>	<b>91,304</b>	<b>91,304</b>	<b>-</b>	<b>90,114</b>
Regional Water Supply Levies	17,090	17,090	-	25,635	25,635	25,635	-	24,890
Warm Greater Wellington Rates	1,142	2,019	(877)	1,715	1,715	3,029	(1,314)	1,095
Grants and Subsidies Revenue	38,693	45,582	(6,889)	65,808	65,808	69,174	(3,366)	72,092
Other Operating Revenue	21,523	13,328	8,195	(49,373)	24,404	17,674	6,730	18,738
<b>Total Operating Revenue</b>	<b>139,716</b>	<b>138,888</b>	<b>828</b>	<b>135,089</b>	<b>208,866</b>	<b>206,816</b>	<b>2,050</b>	<b>206,929</b>
Operational Costs	71,095	70,395	(700)	27,949	108,373	104,055	(4,318)	79,376
Grants and Subsidies Expenditure	57,938	64,703	6,765	92,432	92,432	98,492	6,060	112,471
Finance Costs	6,298	5,560	(738)	9,452	9,452	8,751	(701)	7,925
<b>Total Operating Expenditure</b>	<b>135,331</b>	<b>140,658</b>	<b>5,327</b>	<b>129,833</b>	<b>210,257</b>	<b>211,298</b>	<b>1,041</b>	<b>199,772</b>
<b>Operating Surplus / (Deficit) before Transport Improvements</b>	<b>4,385</b>	<b>(1,770)</b>	<b>6,155</b>	<b>5,256</b>	<b>(1,391)</b>	<b>(4,482)</b>	<b>3,091</b>	<b>7,157</b>
Transport Improvement revenue	7,935	10,878	(2,943)	16,234	16,513	17,063	(550)	20,889
Transport Improvement expenditure	(4,339)	(7,064)	2,725	(33,129)	(8,636)	(11,960)	3,324	(39,018)
<b>Operating Surplus / (Deficit) from Transport Improvements</b>	<b>3,596</b>	<b>3,814</b>	<b>(218)</b>	<b>(16,895)</b>	<b>7,877</b>	<b>5,103</b>	<b>2,774</b>	<b>(18,129)</b>
<b>Operating Surplus before other movements</b>	<b>7,981</b>	<b>2,044</b>	<b>5,937</b>	<b>(11,639)</b>	<b>6,486</b>	<b>621</b>	<b>5,865</b>	<b>(10,972)</b>
Revaluation of debt and stadium advance	-	-	-	-	735	735	-	4,712
Revaluation of Transport Interest free debt	-	-	-	-	-	-	-	(1,444)
Revaluation of forestry (ETS and Trees)	-	-	-	-	2,661	2,661	-	232
Forestry cost of goods sold	(488)	(431)	(57)	(360)	(697)	(647)	(50)	(530)
Additional depreciation from 2013 Water Revaluation	(3,333)	-	3,333	-	(5,000)	-	5,000	-
Warm Greater Wellington	-	-	-	-	-	-	-	-
EMU investment - GW Rail	-	-	-	-	-	-	-	8,533
<b>Total other movements</b>	<b>(3,821)</b>	<b>(431)</b>	<b>3,276</b>	<b>(360)</b>	<b>(2,301)</b>	<b>2,749</b>	<b>4,950</b>	<b>11,503</b>
<b>Operating Surplus / (Deficit)</b>	<b>4,160</b>	<b>1,613</b>	<b>2,547</b>	<b>(11,999)</b>	<b>4,185</b>	<b>3,370</b>	<b>815</b>	<b>531</b>
Add Back Non Cash Items	13,217	9,347	3,870	15,594	20,594	10,719	9,875	13,740
<b>Cash operating surplus/(deficit)</b>	<b>17,377</b>	<b>10,960</b>	<b>6,417</b>	<b>3,595</b>	<b>24,779</b>	<b>14,089</b>	<b>10,690</b>	<b>14,271</b>
<b>Less:</b>								
Net capital expenditure	11,104	17,355	(6,251)	26,536	26,536	24,202	2,334	26,776
Debt movements	(44,766)	(32,898)	(11,868)	(38,447)	(38,447)	(46,297)	7,850	(34,809)
Investment movements	52,161	26,278	25,883	33,841	33,841	32,548	1,293	(6,238)
Working capital movements	(35,876)	(21,695)	(14,181)	(25,525)	(46,709)	(24,542)	(22,167)	-
<b>Net Funding Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# 4 BALANCE SHEET

<b>Greater Wellington Regional Council</b>			
<b>Balance Sheet</b>			
	<b>February 2014</b>	<b>June 2014</b>	<b>June 2013</b>
<b>\$(000)'s</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
Bank	8	9,205	8,335
Receivables	10,941	18,138	12,362
Accrued Revenue and Prepayments	30,046	30,071	24,176
Inventory	2,973	2,733	3,002
<b>Total Current Assets</b>	<b>43,968</b>	<b>60,147</b>	<b>47,875</b>
Other Investments	93,958	64,685	62,003
Forestry Investments	22,890	24,079	23,377
Derived Financial Instruments	(3,808)	(5,397)	(4,492)
Investment in Subsidiaries	88,720	98,575	68,514
<b>Total Investments</b>	<b>201,760</b>	<b>181,942</b>	<b>149,402</b>
Fixed Asset at cost or valuation	863,784	854,577	861,225
less Accumulated Depreciation	(44,492)	(84,327)	(32,001)
<b>Net Fixed Assets</b>	<b>819,292</b>	<b>770,250</b>	<b>829,224</b>
Capital Works In Progress	7,566	3,553	756
<b>Non Current Assets</b>	<b>1,028,618</b>	<b>955,745</b>	<b>979,382</b>
<b>Total Assets</b>	<b>1,072,586</b>	<b>1,015,892</b>	<b>1,027,257</b>
<b>less:</b>			
Current Liabilities	25,275	31,099	21,298
Non Current Liabilities	214,490	209,101	178,332
<b>Total Liabilities</b>	<b>239,765</b>	<b>240,200</b>	<b>199,630</b>
<b>Net Assets</b>	<b>832,821</b>	<b>775,692</b>	<b>827,627</b>
Total Retained Earnings	356,518	377,039	352,832
Asset Revaluation Reserves	449,304	379,020	449,304
Other Reserves	26,999	19,633	25,491
<b>Total Ratepayer Funds</b>	<b>832,821</b>	<b>775,692</b>	<b>827,627</b>



**greater WELLINGTON**

**REGIONAL COUNCIL**

**Te Pane Matua Taiao**