



Report 01.186

16 March 2001

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

Financial Report for the eight months to 28 February 2001

1. Purpose

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

2. Comment

At the end of February the Division overall was \$404,000 under budget with revenue being \$233,000 below budget and operating expenditure \$637,000 below budget. Capital expenditure at February was \$50,000 below budget.

3. Operating Surplus

	2000/01 YTD Actual \$000s	2000/01 YTD Budget \$000s	2000/01 '01 YTD Variance \$000s	2000/01 Year Forecast \$000s	2000/01 Year Budget \$000s	2000/01 Budget Variance \$000s
Operating Surplus (Deficit)						
Biosecurity	456	(129)	585 F	248	(139)	387 F
Operations	(163)	139	(302) U	(704)	184	(888) U
Planning & Resources	104	64	40 F	25	25	0 U
Support Services	84	3	81 F	20	3	17 F
Total Operating Surplus (Deficit)	481	77	404 F	(411)	73	(484) U

Significant components of this favourable variance are as follows:

(1) *Biosecurity Department \$585,000 Favourable*

Related to savings for Bovine Tb vector control operations, mostly due to timing of aerial and ground control contracts and permanent savings because of the cancellation of expanded operations in Southeast Wairarapa. Contract expenditure for the Pest Plants activity was \$94,000 below budget due to timing.

(2) *Operations Department \$302,000 Unfavourable*

Related to offsetting variances including; additional expenditure for Soil Conservation due to strong demand and for River Management because of flood

damage. Other exceptions were additional sales for the Akura Business unit and timing savings for Reserve Forests.

(3) *Planning & Resources Department \$40,000 Favourable*

Related to the timing of personnel, materials and contract expenditure.

(4) *Support Services Department \$81,000 Favourable*

Related to additional Workshop recoveries and savings on materials and personnel costs.

4. Capital Expenditure

	2000/01 YTD Actual \$000s	2000/01 YTD Budget \$000s	2000/01 '01 YTD Variance \$000s	2000/01 Year Forecast \$000s	2000/01 Year Budget \$000s	2000/01 Budget Variance \$000s
Capital Expenditure						
Bio security	66	74	8 F	90	91	1 F
Operations	65	93	28 F	75	94	19 F
Planning & Resources	29	43	14 F	43	43	0 U
Support Services	0	0	0 U	0	0	0 U
Total Capital Expenditure	160	210	50 F	208	228	20 F

Significant components of this favourable variance are as follows:

(1) *Operations Department \$28,000 Favourable*

Related to the deferment of irrigation equipment for the Akura Conservation Centre to 2001/02.

(2) *Planning & Resources Department \$14,000 Favourable*

Related to the timing of equipment replacement.

5. Recommendation

That the report be received and the contents noted.

Report prepared by:

Approved for submission:

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