



Report 05.279
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Committee Rural Services and Wairarapa
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Financial Report for the Ten Months to 30 April 2005

1. Purpose

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

2. Financial Performance

Wairarapa Division Funding Impact Statement 10 Months Ended 30 April 2005	YTD Actual \$000	YTD Budget \$000	YTD Var \$000	FY Forecast \$000	FY Budget \$000	FY Var \$000
Rates & levies	7,569	7,570	-1 U	9,084	9,084	0 U
Government grants & subsidies	7	0	7 F	0	0	0 U
External revenue	5,965	7,629	-1,664 U	7,785	9,453	-1,668 U
Investment revenue	79	93	-14 U	112	112	0 U
Internal revenue	4,234	4,513	-279 U	5,338	5,473	-135 U
TOTAL REVENUE	17,854	19,805	-1,951 U	22,319	24,122	-1,803 U
Personnel costs	4,977	5,273	296 F	6,087	6,328	241 F
Materials, supplies & services	1,623	1,579	-44 U	2,037	1,879	-158 U
Travel & transport costs	225	261	36 F	262	313	51 F
Contractors	4,358	5,645	1,287 F	6,888	6,884	-4 U
Consultants	365	471	106 F	18	562	544 F
Grants and subsidies	20	65	45 F	20	85	65 F
Internal charges	4,629	4,933	304 F	5,164	5,884	720 F
TOTAL DIRECT EXPENDITURE	16,197	18,227	2,030 F	20,476	21,935	1,459 F
TOTAL INDIRECT EXPENDITURE	1,825	1,846	21 F	2,195	2,231	36 F
TOTAL EXPENDITURE	18,022	20,073	2,051 F	22,671	24,166	1,495 F
OPERATING SURPLUS/(DEFICIT)	-168	-268	100 F	-352	-44	-308 U
Add back non cash items	335	354	-19 U	410	440	-30 U
Less capital expenditure	-603	-655	52 F	-846	-1,013	167 F
Less investments movements	-199	-153	-46 U	-227	-197	-30 U
Less debt repayments	-385	-392	7 F	-469	-469	0 U
Plus debt additions	1,125	912	213 F	1,197	1,187	10 F
Plus reserve movements	-25	197	-222 U	342	221	121 F
FUNDING SURPLUS/(DEFICIT)	80	-5	85 F	55	125	-70 U

3. Comment

At the end of April the Division's funding position was \$85,000 within budget. Total revenue was \$1,951,000 below budget and total operating expenditure was \$2,051,000 below budget. Capital expenditure at April was \$52,000 within budget.

Significant components of this favourable variance are as follows:

(1) *Land & River Operations \$632,000 Unfavourable*

River Management was \$534,000 unfavourable because of flood damage repair works.

(2) *Biosecurity \$392,000 Favourable*

Net savings of \$220,000 for Bovine Tb control and \$180,000 for Pest Plant control.

(3) *Planning & Resources \$107,000 Favourable*

Due to savings in personnel costs and contractor expenditure. Consent processing revenue was \$100,000 below budget because of reduced activity.

(4) *BioWorks \$209,000 Favourable*

Due to operational savings and the timing of vehicle acquisitions.

4. Recommendation

That the Committee

(1) *Receive the report.*

(2) *Note the contents of the report.*

Report prepared by:

Report approved by:

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