



Report 05.630
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Committee Rural Services and Wairarapa
Author Stephen Hill, Divisional Accountant

Financial Report for the Four Months to 31 October 2005

1. Purpose

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

2. Financial Performance

Wairarapa Division Funding Impact Statement 4 Months Ended 31 October 2005	YTD Actual \$000	YTD Budget \$000	YTD Var \$000	FY Forecast \$000	FY Budget \$000	FY Var \$000
Rates & levies	3,082	3,083	(1) U	9,249	9,249	0 F
Government grants & subsidies	0	0	0 F	0	0	0 F
External revenue	2,592	2,848	(256) U	9,865	10,255	(389) U
Investment revenue	59	35	23 F	106	106	0 F
Internal revenue	1,674	1,909	(235) U	5,476	5,456	20 F
TOTAL REVENUE	7,407	7,876	(469) U	24,697	25,066	(369) U
Personnel costs	2,127	2,186	59 F	6,497	6,559	62 F
Materials, supplies & services	791	703	(88) U	1,886	1,886	0 U
Travel & transport costs	104	90	(13) U	271	271	0 U
Contractors	1,709	2,322	614 F	7,847	8,007	160 F
Consultants	152	140	(11) U	232	510	278 F
Grants and subsidies	20	28	8 F	84	84	0 U
Internal charges	1,756	2,064	309 F	5,960	5,890	(70) U
TOTAL DIRECT EXPENDITURE	6,657	7,534	877 F	22,777	23,206	429 F
TOTAL INDIRECT EXPENDITURE	754	783	28 F	2,267	2,267	0 U
TOTAL EXPENDITURE	7,411	8,317	905 F	25,044	25,473	429 F
OPERATING SURPLUS/(DEFICIT)	(4)	(441)	437 F	(347)	(406)	60 F
Add back non cash items	141	164	(22) U	410	410	0 U
Less capital expenditure	(48)	(15)	(33) U	(592)	(634)	42 F
Less investments movements	(70)	(65)	(5) U	(232)	(232)	0 F
Less debt repayments	(170)	(183)	12 F	(548)	(548)	0 F
Plus debt additions	154	377	(223) U	1,281	1,281	0 F
Plus reserve movements	45	64	(19) U	152	254	(102) U
FUNDING SURPLUS/(DEFICIT)	47	(98)	146 F	124	125	(1) U

3. Comment

At the end of October the Division's funding position was \$146,000 under budget with revenue being \$469,000 below budget and operating expenditure \$877,000 below budget. Capital expenditure at October was \$33,000 above budget due to timing of vehicle purchases.

Significant components of this favourable variance are as follows:

(1) *Biosecurity \$427,000 Favourable*

Reduced revenue and expenditure for Bovine Tb work due to the timing of control contracts.

(2) *BioWorks \$262,000 Unfavourable*

Due to the timing of the letting of Bovine Tb contracts there was limited progress achieved during the 1st quarter.

4. Recommendations

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*

Report prepared by:

Report approved by:

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