

Financial Report
For the period ending 31 December 2007

Catchment Division Funding Impact Statement 6 Months Ended 31 December 2007	YTD Actual \$000	YTD Budget \$000	YTD Var \$000	FY Forecast \$000	FY Budget \$000	FY Var \$000
Rates & levies	7,901	7,901	0 U	15,803	15,803	0 U
Government grants & subsidies	0	0	0 U	0	0	0 U
External revenue	2,782	3,294	-512 U	6,432	7,647	-1,215 U
Investment revenue	242	277	-35 U	545	553	-8 U
Internal revenue	1,938	1,961	-23 U	4,018	4,890	-872 U
TOTAL REVENUE	12,863	13,433	-570 U	26,798	28,893	-2,095 U
Personnel costs	3,110	3,629	519 F	6,336	7,248	912 F
Materials, supplies & services	1,061	1,353	292 F	2,283	2,556	273 F
Travel & transport costs	172	191	19 F	365	383	18 F
Contractors	1,716	2,389	673 F	4,260	4,407	147 F
Consultants	641	474	-167 U	1,358	1,258	-100 U
Grants and subsidies	38	52	14 F	76	103	27 F
Internal charges	2,072	2,043	-29 U	4,555	5,096	541 F
TOTAL DIRECT EXPENDITURE	8,810	10,131	1,321 F	19,233	21,051	1,818 F
TOTAL INDIRECT EXPENDITURE	2,405	2,333	-72 U	4,723	4,781	58 F
TOTAL EXPENDITURE	11,215	12,464	1,249 F	23,956	25,832	1,876 F
OPERATING SURPLUS/(DEFICIT)	1,648	969	679 F	2,842	3,061	-219 U
Add back non cash items	608	476	132 F	1,060	1,068	-8 U
Less capital expenditure	-3,610	-3,091	-519 U	-6,836	-7,689	853 F
Less investments movements	-192	-189	-3 U	-378	-378	0 U
Less debt repayments	-950	-1,001	51 F	-1,992	-2,002	10 F
Plus debt additions	3,308	2,738	570 F	6,017	6,777	-760 U
Plus reserve movements	-328	-478	150 F	-812	-786	-26 U
FUNDING SURPLUS/(DEFICIT)	484	-576	1,060 F	-99	51	-150 U

At the end of December the Division's funding position was \$1,060,000 under budget due to the timing of flood protection programmes, the letting of bovine Tb contracts, and the replacement of vehicles. Total revenue was \$570,000 below budget and total operating expenditure \$1,249,000 below budget.

Flood protection maintenance work is expected to track closer to budget during the third quarter. The bovine Tb programme is not expected to be completed by year end due to the time taken to complete the preferred supply tender process.

Capital expenditure was \$519,000 above budget due to the land purchase for the Hutt/Boulcott stopbank project, and the very good progress being achieved for the Ava Rail bridge and the Chrystalls extended stopbank projects.

The year end forecast for the Catchment Division incorporates a small funding deficit due to cost increases/revenue reductions within several areas. All departments will closely review expenditure to year end with the aim of reducing the forecast Divisional deficit.