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Report 02.687

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

Financial Report for the Three Months to 30 September 2002

1. Purpose

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

2. Operating Performance

	YTD Actual \$000's	YTD Budget \$000's	YTD Variance \$000's	FY Forecast \$000's	FY Budget \$000's
Rates & Levies	1,896	1,894	2F	7,577	7,577
External Revenue	1,174	1,643	469U	7,402	7,402
Investment Revenue	41	41	0F	170	170
Internal Revenue	648	675	27U	2,479	2,479
Total Revenue	3,759	4,253	494U	17,628	17,628
Personnel Costs	1,322	1,427	105F	5,706	5,706
Materials	480	512	32F	1,837	1,837
Travel & Transport	66	93	27F	372	372
Contractors	480	848	368F	4,914	4,914
Consultants	74	117	43F	465	465
Grants & Subsidies	16	25	9F	102	102
Internal Charges	750	766	16F	2,779	2,779
Total Direct Expenditure	3,188	3,788	600F	16,175	16,175
Financial Costs	149	154	5F	618	618
Bad Debts	0	0	0F	0	0
Net Corporate Overheads	194	194	0F	778	778
Depreciation	100	59	41U	235	235
Loss (Gain) on Assets	(11)	(70)	59U	(70)	(70)
Total Indirect Expenditure	432	337	95U	1,561	1,561
Total Operating Expenditure	3,620	4,125	505F	17,736	17,736
Operating Surplus/(Deficit)	139	128	11F	(108)	(108)
Net Capital Expenditure	33	190	157F	190	190

3. Comment

At the end of September the Division overall was \$11,000 below budget with revenue being \$494,000 below budget and operating expenditure \$505,000 below budget. Capital expenditure at September was \$157,000 below budget.

Significant components of this unfavourable variance are as follows:

(1) *Biosecurity Department \$113,000 Favourable*

The variance related to the timing of KNE and Bovine Tb control operations due to the delays in contractor progress.

(2) *Operations Department \$161,000 Unfavourable*

The Akura Conservation Centre was \$120,000 behind budget due to delays in billing customers. The backlog was cleared during October. River maintenance expenditure was ahead of budget because of repairs following minor flooding and for the protection works completed at Henley Lake.

(3) *Planning & Resources Department \$24,000 favourable*

The variance was due to timing savings for external and internal contractors.

(4) *Support Services Department \$35,000 favourable*

The variance related to savings for materials and personnel costs.

4. Recommendation

That the report be received and the contents noted.

Report prepared by:

Approved for submission:

STEPHEN HILL
Divisional Accountant

COLIN WRIGHT
Divisional Manager, Wairarapa