

**Financial Report (Stephen Hill)**  
**For the period ending 31 October 2007**

<b>Catchment Division Funding Impact Statement 4 Months Ended 31 October 2007</b>	<b>YTD Actual \$000</b>	<b>YTD Budget \$000</b>	<b>YTD Var \$000</b>	<b>FY Forecast \$000</b>	<b>FY Budget \$000</b>	<b>FY Var \$000</b>
Rates & levies	5,268	5,268	0 U	15,803	15,803	0 U
Government grants & subsidies	0	0	0 U	0	0	0 U
External revenue	1,981	2,130	-149 U	6,801	7,647	-846 U
Investment revenue	160	184	-24 U	545	553	-8 U
Internal revenue	1,421	1,273	148 F	4,502	4,890	-388 U
<b>TOTAL REVENUE</b>	<b>8,830</b>	<b>8,855</b>	<b>-25 U</b>	<b>27,651</b>	<b>28,893</b>	<b>-1,242 U</b>
Personnel costs	2,124	2,419	295 F	6,724	7,248	524 F
Materials, supplies & services	784	934	150 F	2,355	2,556	201 F
Travel & transport costs	106	127	21 F	364	383	19 F
Contractors	911	1,472	561 F	4,407	4,407	0 U
Consultants	411	310	-101 U	1,253	1,258	5 F
Grants and subsidies	19	28	9 F	103	103	0 U
Internal charges	1,457	1,273	-184 U	5,034	5,096	62 F
<b>TOTAL DIRECT EXPENDITURE</b>	<b>5,812</b>	<b>6,563</b>	<b>751 F</b>	<b>20,240</b>	<b>21,051</b>	<b>811 F</b>
<b>TOTAL INDIRECT EXPENDITURE</b>	<b>1,583</b>	<b>1,632</b>	<b>49 F</b>	<b>4,748</b>	<b>4,781</b>	<b>33 F</b>
<b>TOTAL EXPENDITURE</b>	<b>7,395</b>	<b>8,195</b>	<b>800 F</b>	<b>24,988</b>	<b>25,832</b>	<b>844 F</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>1,435</b>	<b>660</b>	<b>775 F</b>	<b>2,663</b>	<b>3,061</b>	<b>-398 U</b>
Add back non cash items	402	395	7 F	1,035	1,068	-33 U
Less capital expenditure	-1,735	-1,616	-119 U	-6,468	-7,689	1,221 F
Less investments movements	-95	-95	0 U	-378	-378	0 U
Less debt repayments	-634	-667	33 F	-2,002	-2,002	0 U
Plus debt additions	1,701	1,584	117 F	5,777	6,777	-1,000 U
Plus reserve movements	-254	-364	110 F	-777	-786	9 F
<b>FUNDING SURPLUS/(DEFICIT)</b>	<b>820</b>	<b>-103</b>	<b>923 F</b>	<b>-150</b>	<b>51</b>	<b>-201 U</b>

At the end of October the Division's funding position was \$923,000 favourable compared to budget largely due to the timing of flood protection programmes and the letting of Bovine Tb contracts. Total operating expenditure is \$800,000 below budget.

Flood Protection maintenance work is expected to track closer to budget as the weather improves over the second and third quarter. The Bovine Tb programme is not expected to be completed by year end due to the time taken to bed in new contracting arrangements.

Capital expenditure at October was \$119,000 above budget because of the \$490,000 Connolly Street land purchase for the Hutt / Boulcott stopbank project. Expenditure for the Lower Wairarapa Valley Development scheme stopbank upgrade is tracking behind budget, with major works on this project scheduled to commence from January 2008. The South Waitohu stopbank project is also tracking behind budget because further hydraulic analysis work was required.