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Report 01.67

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

Financial Report for the Six Months to 31 December 2000

1. Purpose

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

2. Comment

At the end of December the Division overall was \$330,000 under budget with revenue being \$92,000 above budget and operating expenditure \$238,000 below budget. Capital expenditure at December was \$83,000 below budget. Full details are being reported to Council through the six months review process.

3. Operating Surplus

	2000/01 YTD Actual \$000s	2000/01 YTD Budget \$000s	2000/01 '01 YTD Variance \$000s	2000/01 Year Forecast \$000s	2000/01 Year Budget \$000s	2000/01 Budget Variance \$000s
Operating Surplus(Deficit)						
Biosecurity	166	(100)	266 F	248	(139)	387 F
Operations	107	156	(49) U	(704)	184	(888) U
Planning & Resources	155	90	65 F	25	25	0 U
Support Services	51	3	48 F	20	3	17 F
Total Operating Surplus(Deficit)	479	149	330 F	(411)	73	(484) U

Significant components of this favourable variance are as follows:

(1) *Biosecurity Department \$266,000 Favourable*

Related to savings for Bovine Tb vector control operations, mostly due to timing of aerial and ground control contracts and permanent savings because of the cancellation of the Tora/Tuturumuri in south-east Wairarapa. This operation has not proceeded as the Animal Health Board were unable to fund their share of costs.

(2) *Operations Department \$49,000 Unfavourable*

Related to offsetting variances including; additional expenditure for Soil Conservation due to strong demand and for River Management because of flood damage. Other exceptions were additional sales for the Akura Business unit and timing savings for Reserve Forests.

(3) *Planning & Resources Department \$65,000 Favourable*

Related to the timing of personnel, materials and contract expenditure.

(4) *Support Services Department \$48,000 Favourable*

Related to additional Workshop recoveries and savings on materials and personnel costs.

4. Capital Expenditure

	2000/01 YTD Actual \$000s	2000/01 YTD Budget \$000s	2000/01 '01 YTD Variance \$000s	2000/01 Year Forecast \$000s	2000/01 Year Budget \$000s	2000/01 Budget Variance \$000s
Capital Expenditure						
Biosecurity	66	74	8 F	90	91	1 F
Operations	57	93	36 F	75	94	19 F
Planning & Resources	4	43	39 F	43	43	0 U
Support Services	0	0	0 U	0	0	0 U
Total Capital Expenditure	127	210	83 F	208	228	20 F

Significant components of this favourable variance are as follows:

(1) *Operations Department \$36,000 Favourable*

Related to the deferment of irrigation equipment for the Akura Conservation Centre.

(2) *Planning & Resources Department \$39,000 Favourable*

Related to the timing of vehicle and equipment replacement.

5. Recommendation

That the report be received and the contents noted.

Report prepared by:

Approved for submission by:

STEPHEN HILL
Divisional Accountant

COLIN WRIGHT
Divisional Manager, Wairarapa