



Report 03.650  
Date 30 October 2003  
File Y/21/1

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

## Financial Report for the Three Months to 30 September 2003

### 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	2,117	2,117	0F	8,467	8,467
External Revenue	1,486	1,934	448U	8,076	8,076
Investment Revenue	30	35	5U	140	140
Internal Revenue	849	776	73F	2,719	2,719
<b>Total Revenue</b>	<b>4,482</b>	<b>4,862</b>	<b>380U</b>	<b>19,402</b>	<b>19,402</b>
Personnel Costs	1,380	1,476	96F	5,994	5,994
Materials	536	571	35F	1,924	1,924
Travel & Transport	64	78	14F	314	314
Contractors	848	1,256	408F	5,634	5,634
Consultants	54	138	84F	530	530
Grants & Subsidies	35	25	10U	101	101
Internal Charges	851	884	33F	3,046	3,046
<b>Total Direct Expenditure</b>	<b>3,768</b>	<b>4,428</b>	<b>660F</b>	<b>17,543</b>	<b>17,543</b>
Financial Costs	163	167	4F	669	669
Bad Debts	(9)	0	9F	0	0
Net Corporate Overheads	256	256	0F	1,025	1,025
Depreciation	102	49	53U	195	195
Loss (Gain) on Assets	(4)	(18)	14U	(66)	(66)
<b>Total Indirect Expenditure</b>	<b>508</b>	<b>454</b>	<b>54U</b>	<b>1,823</b>	<b>1,823</b>
<b>Total Operating Expenditure</b>	<b>4,276</b>	<b>4,882</b>	<b>606F</b>	<b>19,366</b>	<b>19,366</b>
<b>Operating Surplus/(Deficit)</b>	<b>206</b>	<b>( 20)</b>	<b>226F</b>	<b>36</b>	<b>36</b>
Net Capital Expenditure	89	95	6F	349	349

### **3. Comment**

At the end of September the Division overall was \$226,000 under budget with revenue being \$380,000 below budget and operating expenditure \$606,000 below budget. Capital expenditure at September was \$6,000 below budget.

Significant components of this favourable variance are as follows:

*(1) Biosecurity Department \$79,000 Favourable*

Pest Plant expenditure was \$40,000 behind budget due to the timing of river control and KNE contracts. Overall, the Bovine Tb activity was \$33,000 below budget. However, total vector control income and expenditure was \$0.3m below budget, due to delays in completing the residual areas from the 02/03 programme during the first quarter.

*(2) Planning & Resources Department \$141,000 Favourable*

Total revenue for Planning & Resources was \$110,000 ahead of budget due to District Council contributions for the Coastal Strategy, and internal revenue for the Waahi Tapu project and Gravel Consent processing.

*(3) Land & River Operations*

Logging revenue and costs for the Reserve Forests business unit were both \$0.2m below budget, because Tauanui logging (due to start in early November) could not proceed until road improvements were completed by the South Wairarapa District Council.

### **4. Recommendation**

*That the report be received and the contents noted.*

Report prepared by:

Report approved by:

**Stephen Hill**  
Accountant

**Colin Wright**  
Divisional Manager, Wairarapa