



Report 05.194
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Committee Rural Services and Wairarapa
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Financial Report for the Nine Months to 31 March 2005

1. Purpose

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

2. Financial Performance

Wairarapa Division Funding Impact Statement 9 Months Ended 31 March 2005	YTD Actual \$000	YTD Budget \$000	YTD Var \$000	FY Forecast \$000	FY Budget \$000	FY Var \$000
Rates & levies	6,813	6,813	0 U	9,084	9,084	0 U
Government grants & subsidies	7	0	7 F	0	0	0 U
External revenue	5,417	6,790	-1,373 U	7,785	9,453	-1,668 U
Investment revenue	70	84	-14 U	112	112	0 U
Internal revenue	3,685	4,088	-403 U	5,338	5,473	-135 U
TOTAL REVENUE	15,992	17,775	-1,783 U	22,319	24,122	-1,803 U
Personnel costs	4,451	4,746	295 F	6,087	6,328	241 F
Materials, supplies & services	1,445	1,445	0 U	2,022	1,879	-143 U
Travel & transport costs	201	235	34 F	261	313	52 F
Contractors	3,946	4,999	1,053 F	6,858	6,884	26 F
Consultants	266	426	160 F	18	562	544 F
Grants and subsidies	20	47	27 F	20	85	65 F
Internal charges	4,079	4,463	384 F	5,171	5,884	713 F
TOTAL DIRECT EXPENDITURE	14,408	16,361	1,953 F	20,437	21,935	1,498 F
TOTAL INDIRECT EXPENDITURE	1,642	1,653	11 F	2,201	2,231	30 F
TOTAL EXPENDITURE	16,050	18,014	1,964 F	22,638	24,166	1,528 F
OPERATING SURPLUS/(DEFICIT)	-58	-239	181 F	-319	-44	-275 U
Add back non cash items	304	310	-6 U	410	440	-30 U
Less capital expenditure	-596	-615	19 F	-916	-1,013	97 F
Less investments movements	-190	-148	-42 U	-227	-197	-30 U
Less debt repayments	-343	-352	9 F	-469	-469	0 U
Plus debt additions	1,010	813	197 F	1,197	1,187	10 F
Plus reserve movements	-80	169	-249 U	453	221	232 F
FUNDING SURPLUS/(DEFICIT)	47	-62	109 F	129	125	4 F

3. Comment

At the end of March the Division's funding position was \$109,000 within budget. Total revenue was \$1,783,000 below budget and total operating expenditure was \$1,964,000 below budget. Capital expenditure at March was \$19,000 within budget.

Significant components of this favourable variance are as follows:

(1) Land & River Operations \$464,000 Unfavourable

River Management was \$406,000 unfavourable because of numerous flood damage repair works.

(2) Biosecurity \$284,000 Favourable

Net savings of \$218,000 for Bovine Tb control and \$140,000 for Pest Plant control. Pest Animal expenditure was \$109,000 over budget, relating to KNE operations and the Monitoring & Investigations Section.

(3) Planning & Resources \$160,000 Favourable

Contract expenditure for Resource Investigations was \$140,000 favourable due to timing. Consent processing revenue was \$91,000 below budget due to reduced activity. The Department's personnel costs were \$58,500 under budget because of delays in replacing staff.

(4) BioWorks \$109,000 Favourable

Due to operational savings and the timing of vehicle acquisitions.

4. Recommendation

That the report be received and the contents noted.

Report prepared by:

Report approved by:

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Colin Wright
Divisional Manager, Wairarapa