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## Report 01.289

30 April 2001

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

### Financial Report for the nine months to 31 March 2001

#### 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	6,104	6,111	7U	8,147	8,148
Grants & Subsidies	12	0	12F	0	0
External Revenue	3,220	3,723	503U	4,872	5,061
Investment Revenue	105	100	5F	126	134
Internal Revenue	1,706	1,586	120F	2,196	2,110
<b>Total Revenue</b>	<b>11,147</b>	<b>11,520</b>	<b>373U</b>	<b>15,341</b>	<b>15,453</b>
Personnel Costs	3,738	4,139	401F	5,104	5,637
Materials	1,442	1,429	13U	2,032	1,897
Travel & Transport	198	337	139F	297	455
Contractor & Consultants	2,379	2,413	34F	3,989	3,221
Grants & Subsidies	80	96	16F	106	128
Internal Charges	1,981	1,879	102U	2,548	2,491
<b>Total Direct Expenditure</b>	<b>9,818</b>	<b>10,293</b>	<b>475F</b>	<b>14,076</b>	<b>13,829</b>
Financial Costs	385	441	56F	588	588
Bad Debts	53	0	53U	0	0
Net Corporate Overheads	516	516	0F	688	688
Depreciation	208	258	50F	291	345
Loss(Gain) on Assets	(73)	(69)	4F	(83)	(70)
<b>Total Indirect Expenditure</b>	<b>1,089</b>	<b>1,146</b>	<b>57F</b>	<b>1,484</b>	<b>1,551</b>
<b>Total Operating Expenditure</b>	<b>10,907</b>	<b>11,439</b>	<b>532F</b>	<b>15,560</b>	<b>15,380</b>
<b>Operating Surplus/(Deficit)</b>	<b>240</b>	<b>81</b>	<b>159F</b>	<b>( 219)</b>	<b>73</b>
Net Capital Expenditure	160	228	68F	206	228

### 3. Comment

At the end of March the Division overall was \$159,000 under budget with revenue being \$373,000 below budget and operating expenditure \$532,000 below budget. Capital expenditure at March was \$68,000 below budget.

Significant components of this favourable variance are as follows:

(1) *Biosecurity Department \$487,000 Favourable*

Related to savings for Bovine Tb vector control operations, due to timing of aerial and ground control contracts and permanent savings because of the cancellation of expanded operations in Southeast Wairarapa. Expenditure for the Pest Plants and Animals activities was \$140,000 below budget due to timing and delays for KNE contracts.

(2) *Operations Department \$446,000 Unfavourable*

The Operations variance mostly related to additional expenditure for River Management for flood damage repairs. Other exceptions were additional revenue for Soil Conservation and Akura, offset by additional expenditure for Soil Conservation and reduced logging revenue and logging costs for Reserve forests.

(3) *Planning & Resources Department \$57,000 Favourable*

Related to savings of personnel, materials and contract expenditure.

(4) *Support Services Department \$61,000 Favourable*

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

### 4. Recommendation

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

Report prepared by:

Approved for submission:

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Divisional Accountant

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