

Financial Information Environmental Management

FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	ACTUAL 2013 \$000s	COUNCIL BUDGET 2013 \$000s	VARIANCE \$000s
Income				
Rates income (excluding targeted water supply rates)	1	7,554	7,211	343
Fees, charges & targeted water supply rates	2	3,080	3,252	(172)
Other income		25	4	21
Total Operating Income		10,658	10,467	192
Expenditure				
Direct costs	3	8,452	9,281	829
Indirect costs	4	510	845	335
Activity Expenditure		8,962	10,126	1,164
Depreciation	5	48	154	106
Interest payable		20	177	157
Total Operating Expenditure		9,030	10,457	1,427
Net Operating Surplus/(Deficit)		1,628	10	1,618
Capital Statement				
Net operating surplus		1,628	10	1,618
Other funding		23	23	0
Total Funding		1,651	33	1,618
New works		8	10	2
Loan repayments		23	23	0
Total Capital Expenditure		31	33	2
NET SURPLUS/(DEFICIT)		1,620	0	1,620

NOTE:

A favourable variance is shown as a positive number and an unfavourable variance is shown as a negative number.

The direct and indirect budgets shown in the table do not individually agree to those published in the LTP due to a difference in allocation. The total activity expenditure, however, does agree to the total published in the LTP.

VARIANCE TO THE LONG TERM PLAN 2012/13

1. Rates Income is showing a favourable variance due to:
 - a. An increase in penalty rate income of \$437k; and
 - b. An decrease in general rate income of \$95k.
2. Fees and charges are showing an unfavourable variance of \$172k predominantly due to:
 - a. Regulatory service fees & charges are below budget by \$117k as a result of the current economic downturn;
 - b. Health licenses are showing an unfavourable variance of \$19k;
 - c. Parking fines are showing an unfavourable variance of \$34k;
 - d. Other income of \$37k is due to a rejected prior year insurance claim which was unbudgeted for.
3. Direct Costs are showing a favourable variance of \$829k predominantly due to:
 - a. Personnel costs are below budget by \$268k due to staff vacancies not being filled as a result of the current economic downturn;
 - b. Training costs are showing a favourable variance of \$58k;
 - c. Expenditure on contractor and professional fees are below budget by \$420k as a result of the current economic downturn; and
 - d. Bad debt provisions exceeded budget by \$381k due to increased penalty charges.
4. Indirect costs are below budget \$335k due to a decrease in corporate allocations.
5. Depreciation is showing a favourable variance of \$106k due to delays in the replacement of the vehicle fleet.