

Financial Information Governance and Corporate

FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2012

	NOTE	ACTUAL 2012 \$000s	COUNCIL BUDGET 2012 \$000s	VARIANCE \$000s
Income				
Rates Income	1	16,098	15,073	1,025
Other Income	2	806	869	(63)
Total Operating Income		16,904	15,942	962
Expenditure				
Direct Costs	3	12,009	10,767	(1,242)
Indirect Costs	4	1,007	1,795	788
Activity Expenditure		13,017	12,562	(454)
Depreciation	5	18	88	70
Interest Payable		1,081	1,288	207
Total Operating Expenditure		14,116	13,939	(177)
Net Operating Surplus / (Deficit)		2,788	2,003	785
Capital Statement				
Net Operating Surplus		2,788	2,003	785
Loans		12,287	1,616	10,671
Other Funding		(153)	(23)	(130)
Total Funding		14,922	3,596	11,326
New Work	6	2,393	1,616	(777)
Renewal Works	6	380	676	296
Loan Repayments		2,923	1,304	(1,619)
Total Capital Expenditure		5,696	3,596	(2,100)
NET SURPLUS / (DEFICIT)		9,226	0	9,226

VARIANCE TO THE ANNUAL PLAN 2011/12

1. Rates income is showing a favourable variance of \$1,025k predominantly due to:
 - a. An increase in penalty rate income of \$878k and an increase in general rate income of \$147k.
2. Other income is showing an unfavourable variance of \$63k predominantly due to:
 - a. Dividend received from FNHL of \$271k not budgeted in the LTCCP; and
 - b. Development contributions income is below budget by \$316k due to a reduction in applications during the year.
3. Direct costs are showing an unfavourable variance of \$1,258k predominantly due to:
 - a. Salaries are under budget by \$295k due to unfilled vacancies;
 - b. Grants and donations of \$275k are below budget;
 - c. Remission of rates and penalties are \$1,769k more than budget;
 - d. Direct allocations are showing a favourable variance of \$385k to budget;
 - e. Training, stationery, public notices and copying have combined to a favourable variance of \$194k;
 - f. Contract work and professional fees are showing a favourable variance of \$128k; and
 - g. Bad debt provisions exceeded budget by \$548k due to increased penalty charges.
4. Indirect costs are under budget \$788k due to:
 - a. Decrease in corporate allocations \$788k.
5. Depreciation is showing a favourable variance of \$70k.
6. Capital expenditure is showing an unfavourable variance of \$481k predominantly due to delays in the commencement of projects.



KEY CAPITAL PROJECTS
FOR THE YEAR ENDED 30 JUNE 2012

	ACTUAL 2012 \$000s	COUNCIL BUDGET 2012 \$000s	VARIANCE \$000s
New Works			
Accounting services	4	0	(4)
Administration services	26	0	(26)
Information management	366	116	(250)
Building services	12	0	(12)
Community special projects	1,985	1,500	(485)
Total New Works	2,393	1,616	(777)
Renewals			
Administration services	264	576	312
Information management	117	100	(17)
Total Renewals	381	676	295

SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS FOR 2011/12

The Local Government Act 2002 requires Councils to provide information regarding any significant assets acquired or replaced during the year. Council's Significance Policy does not specify a value but does identify the following assets as significant:

CORPORATE AND GOVERNANCE PROJECTS	BUDGET 2012 \$000s	ACTUAL 2012 \$000s
Te Ahu centre Construction of Te Ahu started in 2010/11 and the building was occupied in February 2012	1,500	1,985

VARIANCE TO THE ANNUAL PLAN 2011/12

- Te Ahu centre
The construction of the Te Ahu centre is completed and occupancy of the building took place in February 2012.

