

# Financial Information Sustainable Environment and Consents

## FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2012

	NOTE	ACTUAL 2012 \$000s	COUNCIL BUDGET 2012 \$000s	VARIANCE \$000s
<b>Income</b>				
Rates Income	1	6,370	5,981	389
Other Income	2	2,501	3,210	(701)
<b>Total Operating Income</b>		<b>8,871</b>	<b>9,182</b>	<b>(311)</b>
<b>Expenditure</b>				
Direct Costs	3	6,425	7,514	1,089
Indirect Costs	4	918	1,564	646
<b>Activity Expenditure</b>		<b>7,343</b>	<b>9,078</b>	<b>1,735</b>
Depreciation	5	44	96	52
Interest Payable		20	8	(12)
<b>Total Operating Expenditure</b>		<b>7,407</b>	<b>9,182</b>	<b>1,775</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>1,465</b>	<b>0</b>	<b>1,465</b>
<b>Capital Statement</b>				
Net Operating Surplus		1,465	0	1,465
Other Funding		7	7	0
<b>Total Funding</b>		<b>1,472</b>	<b>7</b>	<b>1,465</b>
Loan Repayments		70	7	(63)
<b>Total Capital Expenditure</b>		<b>70</b>	<b>7</b>	<b>(63)</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>1,402</b>	<b>0</b>	<b>1,402</b>

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### VARIANCE TO THE ANNUAL PLAN 2011/12

1. Rates income is showing a favourable variance due to:
  - a. An increase in penalty rate income of \$331k; and
  - b. An increase in general rate income of \$58k.
2. Other income is showing an unfavourable variance of \$701k predominantly due to:
  - a. Regulatory service fees & charges are below budget by \$650k as a result of the current economic downturn; and
  - b. 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 \$1,089k predominantly due to:
  - a. Personnel costs are below budget by \$478k due to staff vacancies not being filled as a result of the current economic downturn;
  - b. Insurance costs are below budget by \$401k due to earlier estimates of potential liability for weather-tight homes has been reduced;
  - c. Expenditure on contractor and professional fees are below budget by \$449k as a result of the current economic downturn; and
  - d. Bad debt provisions exceeded budget by \$206k due to increased penalty charges.
4. Indirect costs are below budget \$646k due to:
  - a. Decrease in corporate allocations \$646k.
5. Depreciation is showing a favourable variance of \$52k due to delays in the commencement of capital projects.

