



# District Facilities Group Financial Information

## Financial Summary

FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	ACTUAL 2014 \$000s	COUNCIL BUDGET 2014 \$000s	VARIANCE \$000s
<b>INCOME</b>				
Rates income (excluding targeted water supply rates)	1	19,849	18,061	1,788
Fees, charges & targeted water supply rates	2	1,962	2,136	(174)
Development & financial contributions	3	339	113	226
Subsidies & grants		45	0	45
Other income	4	2,008	134	1,874
<b>Total Operating Income</b>		<b>24,203</b>	<b>20,444</b>	<b>3,759</b>
<b>Expenditure</b>				
Direct Costs	5	15,628	13,242	(2,386)
Indirect Costs	6	1,869	2,286	417
Activity Expenditure		17,497	15,528	(1,969)
Depreciation	7	4,977	4,177	(800)
Interest expense		667	1,025	358
<b>Total Operating Expenditure</b>		<b>23,141</b>	<b>20,730</b>	<b>(2,411)</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>1,062</b>	<b>(286)</b>	<b>1,348</b>
<b>Capital Statement</b>				
Net Operating Surplus		1,062	(286)	1,348
Loans		243	1,143	(900)
Other Funding		2,128	5,322	(3,194)
<b>Total Funding</b>		<b>3,433</b>	<b>6,180</b>	<b>(2,747)</b>
New Work	8	2,033	1,339	(694)
Renewal Works	8	981	4,559	3,578
Loan Repayments		686	282	(404)
<b>Total Capital Expenditure</b>		<b>3,700</b>	<b>6,180</b>	<b>2,480</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(267)</b>	<b>0</b>	<b>(267)</b>

### 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 Annual Plan 2013/14

1. Rates Income is showing a favourable variance of \$1,788k predominantly due to:
  - a. An increase in penalty rate income of \$1,317k; and
  - b. General and targeted rates are showing a favourable variance of \$462k.
2. Fees and charges are showing an unfavourable variance of \$174k predominantly due to:
  - a. Admission fees for the Te Ahu cinema are showing an unfavourable variance of \$43k;
  - b. Admission fees for the Museum are showing an unfavourable variance of \$23k;
  - c. Information centre sales are showing an unfavourable variance of \$112k;
  - d. Hire charges for community spaces are showing an unfavourable variance of \$10k;
  - e. Maritime fees are showing an unfavourable variance of \$24k;
  - f. Housing for the Elderly is showing a favourable variance of \$70k due to increased occupancy.
3. Development and financial contributions are showing a favourable variance due to the receipt of development contributions of \$214k that were unbudgeted
4. Other income is showing a favourable variance of \$1,874k predominantly due to:
  - a. Vested asset additions have been identified totaling \$1,078k which was not budgeted;
  - b. Recoveries in relation to rural fires were \$613k and were not budgeted;
  - c. Recoveries for the Opononi i-SITE were \$33k and were not budgeted;
  - d. Special fund interest was ahead of budget by \$156k.
5. Direct costs are showing an unfavourable variance of \$2,386k due to:
  - a. Loss on disposal of property, plant & equipment of \$634k;
  - b. Increased provision for doubtful debts of \$1,162k;
  - c. A favourable variance relating to property related expenses of \$151k;
  - d. An unfavourable variance relating to external services and professional fees of \$552k;
6. Indirect costs are showing a favourable variance of \$417k due to a decrease in corporate allocations.
7. Capital impairment of \$617k has been expensed in anticipation of transferring assets to the Northern Rural Fire Authority
8. Capital Expenditure is showing a favourable variance of \$2,884k predominantly due delays in the completion of projects.



## Key Capital Projects

FOR THE YEAR ENDED 30 JUNE 2014

	ACTUAL 2014 \$000s	COUNCIL BUDGET 2014 \$000s	VARIANCE \$000s
<b>NEW WORKS</b>			
Carparks	92	206	114
Cemeteries	18	77	59
Community centres	46	0	(46)
Housing for the elderly	77	0	(77)
Public toilets	74	175	101
Swimming pools	3	51	48
Town maintenance	111	0	(111)
Parks & reserves	1,559	820	(739)
Civil defence	47	0	(47)
Libraries	0	10	10
Service centres	5	0	(5)
<b>Total New Works</b>	<b>2,033</b>	<b>1,339</b>	<b>(694)</b>
<b>RENEWALS</b>			
District facilities administration	0	1	1
Airports	103	49	(54)
Amenity lighting	(17)	28	45
Carparks	11	250	239
Cemeteries	12	7	(5)
Community centres	22	550	528
Halls	86	563	477
Maritime facilities	35	731	696
Motor camps	11	133	122
Housing for the elderly	116	70	(46)
Public toilets	74	28	(46)
Parks & reserves	229	1,252	1,023
Civil defence	4	0	(4)
Information centres	4	20	16
Libraries	290	702	412
Kaitaia civic buildings	0	175	175
<b>Total Renewals</b>	<b>981</b>	<b>4,559</b>	<b>3,578</b>

### Significant Acquisitions Or Replacements Of Assets For 2013/14

The LGA 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:

	BUDGET 2014 \$000s	ACTUAL 2014 \$000s
<b>PARKS &amp; RESERVES, HALLS AND MARITIME</b>		
Kaikohe library upgrade	285	1
Community centre – BOI – Whangaroa	342	7
Lindvart Park pavilion	309	0
Parks & reserves renewals:		
BOI-Whangaroa Ward	397	92
Te Hiku Ward	501	98
Kaikohe-Hokianga Ward	412	61

### Variance To The Annual Plan 2013/14

- Kaikohe library upgrade.

This work was put on hold pending the outcome of the Kaikohe buildings review.

- Parks and reserve renewals.

Parks and reserve renewals were largely put on hold during 2013/14 awaiting a formal strategy on the works to be carried out.