

FINANCE AND POLICY COMMITTEE AGENDA

OCTOBER 2006

1. FINANCIAL REPORT FOR AUGUST 2006

(Memo from Chief Financial Officer – 29.09.06)

Operating Results

For the two months ended 31 August 2006, the Gore District Council recorded a surplus of \$7,383,000. This represents a \$10,000 improvement on the budget result for the same period.

Our performance for the period is summarised in the table below. The full results can be found in the statements at the end of this report.

August						Full Year LTCCP	
Actual	Budget	Variance		Actual	Budget	Variance	LTCCP
\$000	\$000	\$000		\$000	\$000	\$000	\$000
Revenue							
(4)	0	(4)	Rates	8,668	8,629	39	8,629
308	387	(78)	Other	847	927	(79)	4,793
305	387	(82)		9,516	9,556	(40)	13,422
Expenses							
49	45	(5)	Democracy	76	89	13	535
684	698	13	Assets	1,317	1,395	79	8,373
546	349	(197)	Corporate Services	740	698	(42)	4,192
1,279	1,091	(188)		2,132	2,183	50	13,099
(975)	(705)	(270)	Surplus (Deficit)	7,383	7,373	10	323

Variance Explanation

Income

Overall income is unfavourable by \$40k.

The Transfund subsidy is the major reason for the unfavourable variance as spending on roads has not been high so far this year. As a result the subsidy is \$187k behind budget. This is purely a timing difference.

The full rates strike for 2006/07 is included in the operating results giving the Council a large operating surplus. The rates figure will not change much for the rest of the year, therefore the surplus will steadily decrease towards the \$323k predicted at the end of the financial year.

Expenditure

Overall expenditure is favourable by \$50k. This is mainly due to timing differences. Although this is a positive result it is too early in the financial year to make any meaningful comment on the variance and the probable trend.

RECOMMENDATION

THAT the financial report for the two months ended 31 August 2006 be received.

Gore District Council
Statement of Financial Performance
1 July - 31 August 2006

August				Actual	Budget	Variance	LTCCP
Actual	Budget	Variance		Actual	Budget	Variance	LTCCP
\$000	\$000	\$000		\$000	\$000	\$000	\$000
Revenue							
(4)	0	(4)	Rates	8,668	8,629	39	8,629
10	10	0	Petroleum Tax	21	20	0	123
165	171	(6)	Government Assistance	154	342	(187)	2,051
132	203	(71)	Licenses Fees & Other Revenue	667	559	107	2,590
0	2	(2)	Interest and Dividends	6	5	1	29
305	387	(82)		9,516	9,556	(40)	13,422
Expenses							
49	45	(5)	Democracy	76	89	13	535
258	264	6	Essential services	518	528	10	3,167
243	267	25	Roads	477	534	57	3,207
136	113	(23)	Reserves & Sport Facilities	219	225	7	1,352
47	54	6	Property	103	108	5	646
74	50	(24)	Regulatory	126	99	(27)	594
92	87	(5)	Aquatic Centres	149	174	25	1,041
154	74	(80)	Heritage Precinct	144	148	4	887
226	139	(87)	Administration	321	278	(43)	1,669
1,279	1,091	(188)		2,132	2,183	50	13,099
(975)	(705)	(270)	Surplus (Deficit)	7,383	7,373	10	323

**Gore District Council
Balance Sheet
As at 31 August 2006**

Actual		Actual	LTCCP
30 Jun 2006		31 Aug 2006	30 Jun 2007
\$000		\$000	\$000
	Equity		
137,223	Accumulated funds	144,607	138,388
106,982	Asset Revaluation Reserve	106,980	108,025
244,205		251,588	246,413
	Assets		
	Current Assets		
(16)	Bank	(24)	41
1,263	Debtors	8,167	900
711	Short Term Deposits	2,311	708
39	Inventory	43	0
1,997		10,498	1,649
	Non current Assets		
68	Investments	68	68
230	Loans to Community Groups	230	0
251,994	Fixed Assets	251,687	255,561
252,292		251,985	255,629
254,289	Total Assets	262,482	257,278
	Liabilities		
	Current Liabilities		
1,496	Creditors	2,306	1,525
	Non Current Liabilities		
8,400	Term Loans	8,400	9,196
188	Landfill Aftercare Provision	188	144
8,588		8,588	9,340
10,084	Total Liabilities	10,895	10,865
244,205	Net Assets	251,588	246,413