

NOTICE IS HEREBY GIVEN THAT THE MONTHLY MEETING OF THE FINANCE AND POLICY COMMITTEE, WILL BE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE, ON TUESDAY 13 MARCH 2007, FOLLOWING THE CONCLUSION OF THE REGULATORY AND PLANNING COMMITTEE MEETING

**Steve Parry
CHIEF EXECUTIVE**

7 March 2007

A G E N D A

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FINANCE AND POLICY COMMITTEE AGENDA

MARCH 2007

1. FINANCIAL REPORT FOR JANUARY 2007

(Memo from Management Accountant – 23.02.07)

Operating Results

For the seven months ended 31 January 2007, the Gore District Council recorded a surplus of \$4,044,000. This is favourable by \$194,000 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.

Operating Results

January						Full Year	
Actual	Budget	Variance		Actual	Budget	Variance	LTCCP
\$000	\$000	\$000		\$000	\$000	\$000	\$000
Revenue							
0	0	0	Rates	8,668	8,629	39	8,629
185	387	(202)	Other	2,502	2,859	(358)	4,793
185	387	(202)		11,170	11,489	(319)	13,422
Expenses							
41	45	4	Democracy	250	312	61	535
676	698	22	Assets	4,592	4,883	291	8,373
374	349	(25)	Corporate Services	2,357	2,444	87	4,192
1,091	1,091	0		7,200	7,639	439	13,099
(907)	(705)	(202)	Surplus (Deficit)	3,970	3,850	120	323

Variance Explanation

Income

Overall income is unfavourable by \$319k.

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 \$180k 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 \$439k. 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 six months ended 31 January 2007 be received.

Gore District Council
Statement of Financial Performance
1 July - 31 January 2007

January				Actual	Budget	Variance	LTCCP
Actual	Budget	Variance		Actual	Budget	Variance	LTCCP
\$000	\$000	\$000		\$000	\$000	\$000	\$000
Revenue							
0	0	0	Rates	8,668	8,629	39	8,629
12	10	1	Petroleum Tax	73	72	1	123
2	171	(169)	Transfund Subsidy	647	1,196	(549)	2,051
205	203	2	Licenses Fees & Other Revenue	1,662	1,575	87	2,590
(34)	2	(36)	Interest and Dividends	120	17	103	29
185	387	(202)		11,170	11,489	(319)	13,422
Expenses							
41	45	4	Democracy	250	312	61	535
256	264	8	Essential services	1,688	1,847	159	3,167
274	267	(7)	Roads	1,774	1,871	97	3,207
94	113	19	Reserves & Sport Facilities	783	789	5	1,352
53	54	1	Property	347	377	30	646
58	50	(9)	Regulatory	375	347	(28)	594
102	87	(16)	Aquatic Centres	573	607	34	1,041
76	74	(2)	Heritage Precinct	503	517	15	887
138	139	1	Administration	906	972	66	1,669
1,091	1,091	0		7,200	7,639	439	13,099
(907)	(705)	(202)	Surplus (Deficit)	3,970	3,850	120	323

**Gore District Council
Balance Sheet
As at 31 January 2007**

Actual		Actual	LTCCP
30 Jun 2006		31 Jan 2007	30 Jun 2007
\$000		\$000	\$000
	Equity		
137,223	Accumulated funds	141,194	138,388
106,982	Asset Revaluation Reserve	106,980	108,025
244,205		248,174	246,413
	Assets		
	Current Assets		
(16)	Bank	97	41
1,263	Debtors	5,244	900
711	Short Term Deposits	1,426	708
39	Inventory	53	0
1,997		6,820	1,649
	Non current Assets		
68	Investments	68	68
230	Loans to Community Groups	220	0
251,994	Fixed Assets	251,053	255,561
252,292		251,341	255,629
254,289	Total Assets	258,161	257,278
	Liabilities		
	Current Liabilities		
1,496	Creditors	1,408	1,525
	Non Current Liabilities		
8,400	Term Loans	8,400	9,196
188	Landfill Aftercare Provision	178	144
8,588		8,578	9,340
10,084	Total Liabilities	9,987	10,865
244,205	Net Assets	248,174	246,413

2. GORE SKATE PARK

(Memo from Management Accountant – 05.03.07)

This report provides an update on funding of the Gore skate park and the Council's present financial liability in regard to its underwriting role.

The current liability outstanding as at 5 March 2007 is \$8,783. This has not changed since the last update provided in October 2006.

At the beginning of the financial year the liability of \$41,236, this was reduced substantially to the amount above. The liability never exceeded \$50,000.

According to the District Arts and Heritage Curator, Jim Geddes, the contractor was overpaid and Gore Lions are still trying to recoup the overpayment from the contractor. These funds will cover the outstanding amount. The Club has apparently expressed its intention to clear the amount by the end of the financial year (30 June 2007). If the funds cannot be recouped from the contractor it is likely that the Lions will cover the shortfall itself.

To date, the Council has received a total of \$124,730.84 in funds from various organisations and has paid out \$133,514.06. This position has not changed since October 2006.

RECOMMENDATION

THAT the information be received.