

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 14 OCTOBER 2008, FOLLOWING THE CONCLUSION OF THE REGULATORY COMMITTEE MEETING

**Stephen Parry
CHIEF EXECUTIVE**

8 October 2008

A G E N D A

1. Financial report for August 2008

(Pages 1-4)

FINANCE AND POLICY COMMITTEE AGENDA

OCTOBER 2008

1. FINANCIAL REPORT FOR AUGUST 2008

(Memo from Management Accountant 08.10.08)

Operating Results

For the two months ended 31 August 2008, the Gore District Council recorded a deficit of \$45k. This is favourable by \$72k on the budget result for the same period.

The performance for the period is summarised in the table below. The full results can be found in the statements throughout this report.

Operating Results

August						
Actual	Budget	Variance		Actual	Budget	Variance
\$000	\$000	\$000		\$000	\$000	\$000
Revenue						
841	833	7	Rates	1,681	1,667	14
10	11	(1)	Petroleum Tax	20	22	(2)
80	61	18	LTNZ Subsidy	135	123	12
203	209	(6)	Licenses Fees & Other Revenue	557	508	50
0	0	0	External Funding for Smiths City Building	0	0	0
0	0	0	Wind Farm Revenue	0	0	0
0	0	0	Interest and Dividends	10	0	10
264	264	(0)	Administration Recoveries	529	529	(0)
1,397	1,380	18		2,933	2,848	85
Expenses						
55	60	5	Democracy	110	119	9
948	964	16	Assets	1,853	1,928	75
493	449	(44)	Corporate Services	1,015	917	(97)
1,496	1,473	(23)		2,977	2,965	(13)
(99)	(93)	(5)	Surplus (Deficit)	(45)	(116)	72

Variance Explanation

Income

Overall income is favourable by \$85k and is tracking well.

LTNZ Subsidy

The LTNZ subsidy is on track, this variance is due to the timing.

Rates

Rates are spread evenly over the full financial year.

Expenditure

Overall expenditure is unfavourable by \$13k. At this early stage things are tracking well on the expenditure front, any variances at this stage are primarily due to the timing of the expense and budget spread. No items stand out as 'red flags'.

Balance Sheet

The major changes in the balance sheet from the same month in prior year:

Assets

- Debtors are down on 31 August 2007 due to the timing of the rate intake.
- Short term deposits are due to timing of the rate intake.
- Investments are down on the same month last year due to the revaluation of the interest swaps.
- Loans to community groups have increased to reflect the recent loans given to the Multi-sports Charitable Trust and the St James Theatre.

Liabilities

- Term debt has increased due to the planned borrowing for the former Smith's City building purchase, the St James Theatre loan, Multi-sports Car park Loan and the actiflow project.

Capital Expenditure

As at 31 August 2008 \$1.4 million has been spent on capital works. A large portion of this is for the actiflow project and Matura Community Centre.

All other areas are tracking as expected at this early stage of the financial year.

RECOMMENDATION

THAT the financial report for the two months ended 30 August 2008 be received.

**Gore District Council
Statement of Financial Performance
1 July - 31 August 2008**

Actual	August			Actual	Budget	Variance
	Budget	Variance				
\$000	\$000	\$000		\$000	\$000	\$000
Revenue						
77	77	0	Democracy	155	155	0
339	358	(19)	Essential services	694	717	(22)
254	239	16	Roads	485	475	10
208	202	6	Reserves & Sport Facilities	414	404	10
72	67	5	Property	151	134	17
83	77	6	Regulatory	277	244	33
0	0	0	Wind Farm Revenue Received	0	0	0
87	86	1	Aquatic Centres	192	172	20
109	113	(4)	Heritage Precinct	220	226	(6)
15	0	15	External Funding for Smiths City Building	(2)	0	(2)
153	161	(8)	Administration	347	322	25
1,397	1,380	18		2,933	2,848	85
Expenses						
54	60	6	Democracy	110	119	9
316	386	70	Essential services	689	772	83
330	304	(26)	Roads	556	609	53
212	201	(11)	Reserves & Sport Facilities	425	401	(24)
88	73	(15)	Property	182	147	(36)
80	81	1	Regulatory	200	162	(38)
1	0	(1)	Wind Farm Expenses Incurred	6	0	(6)
121	99	(22)	Aquatic Centres	220	197	(23)
123	112	(11)	Heritage Precinct	272	243	(30)
171	158	(13)	Administration	316	315	(1)
1,496	1,473	(23)		2,977	2,965	(13)
(99)	(93)	(5)	Surplus (Deficit)	(45)	(116)	72

**Gore District Council
Balance Sheet
As at 31 August 2008**

Actual		Actual	LTCCP
31 Aug 2007		31 Aug 2008	30 Jun 2008
\$000		\$000	\$000
	Equity		
138,251	Accumulated funds	138,566	137,392
163,503	Asset Revaluation Reserve	163,503	122,459
301,754		302,069	259,851
	Assets		
	Current Assets		
225	Bank	150	78
1,442	Debtors	686	900
1,773	Short Term Deposits	3135	1,207
38	Inventory	55	0
3,479		4,026	2,185
	Non current Assets		
702	Investments	462	68
10	Loans to Community Groups	50	0
308,834	Fixed Assets	310,487	270,349
309,546		311,000	270,417
313,024	Total Assets	315,026	272,602
	Liabilities		
	Current Liabilities		
3,035	Creditors	2,756	1,525
	Non Current Liabilities		
8,094	Term Loans	10,088	11,090
142	Landfill Aftercare Provision	113	136
8,236		10,201	11,226
11,270	Total Liabilities	12,957	12,751
301,754	Net Assets	302,069	259,851