



DIRECTOR CORPORATE SERVICES REPORT

14th December 2004

DCS10	FINANCIAL STATEMENT FOR THE PERIOD TO 30 SEPTEMBER 2004 FILE: A2-22 APC
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SUMMARY:

Reporting that the Budget Review for the period ending 30 September 2004 has been prepared for all funds.



In preparing the review every effort has been made to contain costs within the approved budgetary allocation for the respective Council activities.

The Budget Review Summary is attached at [\(Appendix E - Part 1, Part 2, Part 3, Part 4, Part 5 and Part 6\)](#).

The Budget review summary incorporates a note's section outlining major variations for the quarter.

A comparison of the estimated financial result of each fund for the September quarter is as follows:

Fund	Adopted Budget	September 2004 Budget Review
General	1,279 (S)	70,197 (D)
Water	15,357 (S)	30,122 (D)
Sewer	3,771 (S)	3,771 (S)

General Fund

The Budget review shows a deficit for the quarter of \$72,196.

As noted earlier in the report, whilst every effort has been made to offset estimated budget variations so as to achieve a neutral result, the initial costs associated in the change of the management structure at the Kempsey and Crescent Head Baths together with a reduction of income from building fees has resulted in a budgeted deficit for the year.

Council's working funds balance allowing for the provision in respect of the Civicview debtor and the current budget deficit are \$606,275, this level is considered acceptable.

The significant variations in revenue funded items that contributed to the deficit result in the quarter are set out below:

Increased Expenditure:

Street Lighting	\$40,400	
Town Beautification	\$29,658	(Council Approval 15 July, Financial Assistance Grant)
Kempsey & Crescent Head Baths Operational Costs	\$82,590	(Net Result)

Increase Income:

Trade Waste Fees	\$40,000
Financial Assistance Grant	\$46,726
Rates	\$33,000
Investment Income	\$40,000

Decreased Income:

149 Certificates	\$25,000
Building & Development Fees	\$60,000

Working Funds

The estimated working fund balance as at 30 June 2005 is set out below:

Unrestricted Working Funds	\$481,275
Provision: Civicview	\$125,000
Total	\$606,275

Water Fund

The review reveals a budget deficit of \$45,479 for the quarter.

The significant variations in revenue funded items that contributed to the result in the quarter are set out below:

Increased Income

Rental	\$7,280
Water Cartage Fees	\$12,000

Increased Expenditure

Tozer Street Water Main	\$64,000 (Approved by Council at its November meeting)
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The estimated Working Fund balance as at 30 June 2005 is \$509,852.

Sewerage Fund

The review shows no change in the budgeted surplus of \$3,371 for the 2004/05 year.

The significant variations in revenue funded items in the quarter are set out below:

INCREASED EXPENDITURE

Hat Head Treatment Plant Operations	\$60,000
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Decreased Income

Liquid Trade Waste Fees	\$23,000
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Increased Income

Sewer Charges	\$52,100
Hat Head Treatment Plant Operations	\$60,000

The estimated Working Fund balance as at 30 June 2005 is \$985,885.

REPORT IMPLICATIONS

Environmental

Nil

Social

Nil

Financial

The financial implications of the following recommendation would be a deficit in the General Fund \$70,917 and Water Fund \$30,122.

Policy or Statutory

Nil

Directors Review

Nil

RECOMMENDATION

That the Budget Review for the period ended 30 September 2004 is adopted and the variations contained therein be approved and financed from the sources as indicated.

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G B Snape
DIRECTOR CORPORATE SERVICES