

Appendix C - Financial Performance

Financial Summary

Account	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	68	70	(2)	258	258
Operating revenue (LDI)	0	5	(5)	21	21
Operating expenditure (ABS)	1,769	2,387	618	8,870	8,873
Operating expenditure (LDI)	221	189	(31)	1,446	1,473
Operating expenditure (LGS)	273	273	0	1,097	1,097
Net Cost of Service	2,194	2,774	580	11,134	11,164
Subsidies and grants for capital expenditure	23	0	23	0	0
Capital expenditure	375	547	172	4,686	7,523

The Whau Local Board has invested \$0.4m in capital expenditure and \$2.2m net operating expenditure for the first quarter ended 30 September 2016.

Net cost of service for the quarter ended 30 September 2016 is \$580k under budget and is explained in the following pages. The main variance relates to the parks, sports and recreation activity.

The subsidies and grants on capital expenditure of \$23k refers to contribution received on the McWhirter to Busby footbridge project.

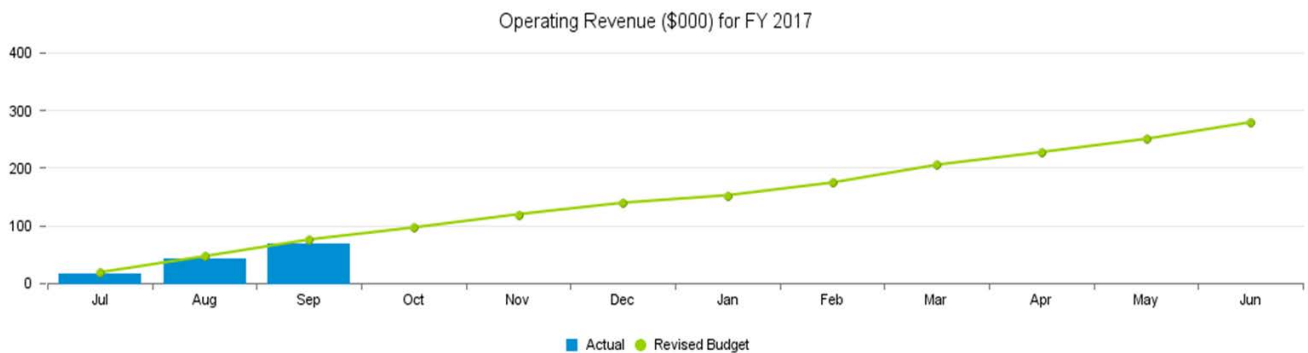
A prospective Funding Impact Statement (FIS) is incorporated in your Local board agreement for the year to meet our legislative requirements. To monitor progress throughout the year and subsequently within our Annual report we have included a Funding Impact Statement for the quarter ended 30th September within the financial appendix.

Since adoption of the Annual plan a review on delivery of capital projects for the year has been made including unspent budget from previous year. The revised budget reflects these changes. The major projects contributing to the change are:

- a) Deferral of the construction phase of Avondale community centre to next year and
- b) LDI capex deferred to next year until further information is presented to the local board by community facilities.

The reduction in the LDI operating expenditure is incorrect and will be adjusted next month

Operating Revenue

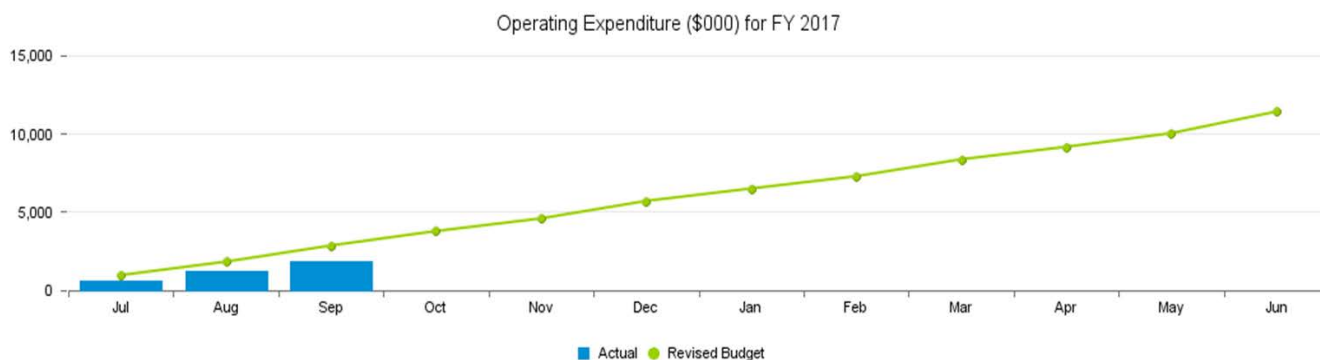


Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	67	75	(8)	279	279
Local parks, sport and recreation	1	0	1	0	0
Total Operating Revenue	68	75	(7)	279	279

Revenue is \$7k (9%) below budget.

This mainly refers to funding not yet received on Youth Connections programmes.

Operating Expenditure



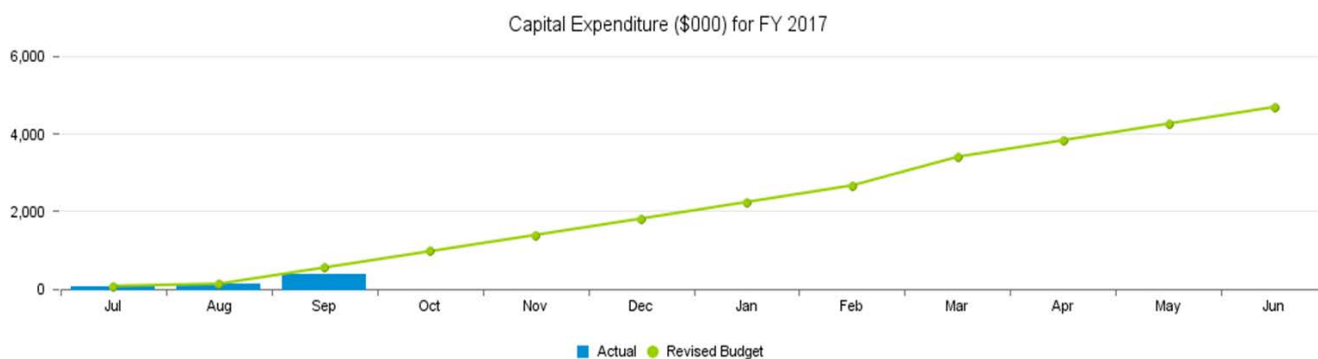
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	921	937	16	3,937	3,962
Local environmental management	30	30	0	213	215
Local governance	273	273	0	1,097	1,097
Local parks, sport and recreation	672	1,202	530	5,211	5,214
Local planning and development	367	407	41	956	956
Total Operating Expenditure	2,262	2,849	587	11,414	11,444

Operating expenditure is \$587k below budget.

The Asset Based Services (ABS) operational budget is \$618k below budget to date and refers largely to lower parks responsive maintenance than planned. The budget allocation spread is being reviewed across the local boards.

Locally Driven Initiatives (LDI) operational budget is over budget by \$31k. This is mainly community grants allocated in the period offset by events expected in second quarter.

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	24	86	62	678	2,669
Local governance	54	6	(48)	60	0
Local parks, sport and recreation	294	452	158	3,637	4,664
Local planning and development	3	3	0	311	190
Total Capital Expenditure	375	547	172	4,686	7,523

Capital expenditure to date is \$375k an under-spend of \$172k to date. The main causes for the underspend relate to;

- a) Parks asset and sportsfield renewals projects at various stages of progress \$104k
- b) Finalisation of design for the play space, walkway and landscaping (Crown Lynn) \$59k

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services					
ACE LDI Staff allocation	47	47	0	188	188
ANZAC	0	0	0	9	9
Capacity building programme	0	0	0	50	50
Community Arts Programmes	15	20	5	85	85
Community facilities - support programme	10	0	(10)	25	25
Community Gardens	0	0	0	15	15
Community placemaking initiatives	0	21	21	85	85
Community response operating fund	0	0	0	9	9
Community Safety Initiatives	0	6	6	25	25
Extended Library hours	0	0	0	52	52
Local civic functions	0	1	1	5	5
Local community grants	96	15	(81)	190	190
Local events fund	(12)	37	49	147	147
Neighbourhood development	1	0	(1)	0	0
Pacific and Ethnic voices	0	0	0	25	25
Rental housing quality project- West	0	0	0	0	25
Youth capacity building	0	0	0	25	25
Youth connections across Auckland	13	7	(6)	29	29
Total Local community services	170	154	(16)	964	989
Local environmental management					
Catchment Care	0	0	0	22	22
Community environmental services	24	24	0	94	94
Manukau Harbour Forum	0	0	0	8	8
Rental housing quality project- West	0	0	0	25	0
Sustainable Initiatives	7	7	0	64	91
Total Local environmental management	30	30	0	213	215
Local parks, sport and recreation					
Greenways plans	0	0	0	40	40
LDI Programme Events in local parks	0	0	0	10	10
LDI Volunteers parks	4	0	(4)	37	37
Non Herbicide support	0	0	0	10	10
Park community partnerships	16	0	(16)	65	65
Recreation programmes	0	0	0	40	40
Total Local parks, sport and recreation	21	0	(21)	202	202
Local planning and development					
Avondale development programme co-ordination	0	0	0	16	16
Heritage protection project	0	0	0	15	15
Migrant Business Support program	0	0	0	15	15
Total Local planning and development	0	0	0	46	46
TOTAL	221	184	(36)	1,425	1,452

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community centre replacement (Avondale)	0	44	44	438	2,486
Local library renewals	23	35	12	170	168
ACE - Community house and centre renewals	0	6	6	55	0
ACE - Leases renewals	0	2	2	16	16
Library furniture and fitting renewals	1	0	(1)	0	0
Total Local community services	24	87	63	679	2,670
Local Board Discretionary Fund Project	54	6	(48)	60	0
Total Local governance	54	6	(48)	60	0
Parks - Asset renewals	169	235	66	1,809	1,718
General park restoration (SH16/20)	49	67	18	476	819
Play space, walkway and landscaping (Crown Lynn)	3	62	59	618	618
Parks - Sports fields renewals	11	49	38	441	425
Greenway and walkway development	30	20	(10)	111	105
Playscape development	9	13	4	85	0
Locally driven initiatives (LDI Capex)	0	5	5	92	981
General park development	2	2	0	5	0
Sport development	5	0	(5)	0	0
Various parks projects - AT funded	16	0	(16)	0	0
Total Local parks, sport and recreation	294	453	159	3,637	4,666
Stormwater pond (Crown Lynn precinct)	3	3	0	311	190
Total Local planning and development	3	3	0	311	190
TOTAL	375	547	172	4,686	7,523
Subsidies and grants for capital expenditure	23	0	23	0	0

Funding Impact Statement
Whau
For the 3 months ended 30 September 2016

\$000	Notes	Actual	Annual Plan	Revised	Annual Plan	Long Term
		2017	Sept 2016	Budget Sept 2016	2017	Plan 2016
Sources of operating funding:						
General rates, UAGC, rates penalties		12,101	12,018	12,018	12,018	11,969
Targeted rates		713	731	731	731	722
Subsidies and grants for operating purposes		-	8	8	31	10
Fees and charges		46	45	45	160	129
Local authorities fuel tax, fines, infringement fees and other receipts		22	22	22	88	175
Total operating funding		12,882	12,824	12,824	13,028	13,005
Applications of operating funding:						
Payment to staff and suppliers	1	1,506	2,476	2,505	9,943	9,970
Finance costs		329	329	329	1,441	1,235
Internal charges and overheads applied		407	407	407	1,627	1,651
Other operating funding applications		-	-	-	-	-
Total applications of operating funding		2,242	3,212	3,241	13,011	12,856
Surplus (deficit) of operating funding		10,640	9,612	9,583	17	149
Sources of capital funding:						
Subsidies and grants for capital expenditure		23	5	5	20	96
Development and financial contributions		-	-	-	-	-
Increase (decrease) in debt		(10,288)	(7,736)	(9,040)	7,486	2,467
Gross proceeds from sale of assets		-	-	-	-	-
Lump sum contributions		-	-	-	-	-
Other dedicated capital funding		-	-	-	-	-
Total sources of capital funding		(10,265)	(7,731)	(9,035)	7,506	2,563
Applications of capital funding:						
Capital expenditure:						
- to meet additional demand		45	26	35	105	-
- to improve the level of service		68	981	173	3,922	1,083
- to replace existing assets		262	874	340	3,496	1,629
Increase (decrease) in reserves		-	-	-	-	-
Increase (decrease) in investments		-	-	-	-	-
Total applications of capital funding	2	375	1,881	548	7,523	2,712
Surplus (deficit) of capital funding		(10,640)	(9,612)	(9,583)	(17)	(149)
Funding balance		-	-	-	-	-

Variance explanation Actual 2016 to Long Term Plan 2016:

1. Payment to staff and suppliers was below budget due to lower call out for Parks responsive maintenance. The budget allocation spread is being reviewed across the local boards.

2. Capital expenditure is below budget due to delays with design, consent /planning on various projects.