

## 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)	151	129	22	258	258
Operating revenue (LDI)	0	11	(11)	21	21
Operating expenditure (ABS)	3,866	4,663	797	8,900	8,873
Operating expenditure (LDI)	707	521	(186)	1,473	1,473
Operating expenditure (LGS)	547	547	0	1,097	1,097
<b>Net Cost of Service</b>	<b>4,968</b>	<b>5,592</b>	<b>624</b>	<b>11,191</b>	<b>11,164</b>
<b>Subsidies and grants for capital expenditure</b>	<b>23</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>
<b>Capital expenditure</b>	<b>1,100</b>	<b>1,925</b>	<b>825</b>	<b>5,282</b>	<b>7,523</b>

The Whau Local Board has invested \$1.1m in capital expenditure and \$5.0m net operating expenditure for the six months ended 31 December 2016.

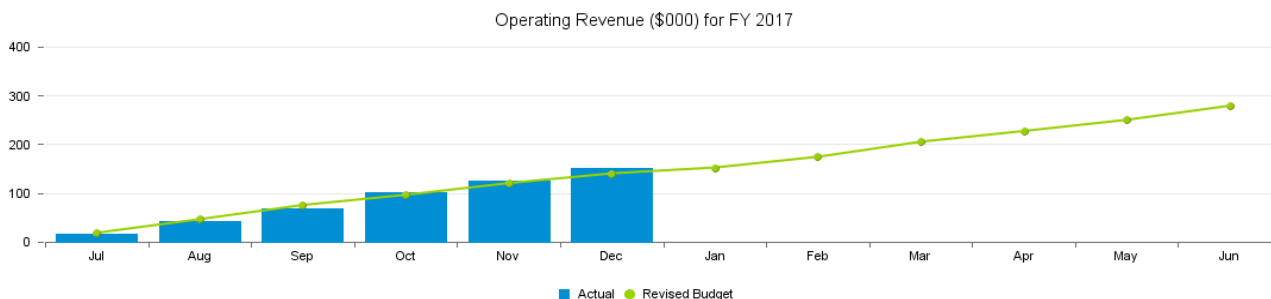
The majority of the capital spend in the quarter to December was in the Parks activity on the lighting at Brains Park and Blockhouse Bay sportsfield and a halfpipe at Sister Renee Shadbolt Park.

Net cost of service for the six months ended 31 December 2016 is \$624k under budget and is explained in the following pages. The main variance relates to the Asset based services (ABS) parks activity where due to very wet conditions in the last quarter some planned maintenance work was not able to be completed.

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 six months ended 31 December 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 as well as additional budget for growth projects. Details are in capital expenditure – all projects.

## Operating Revenue

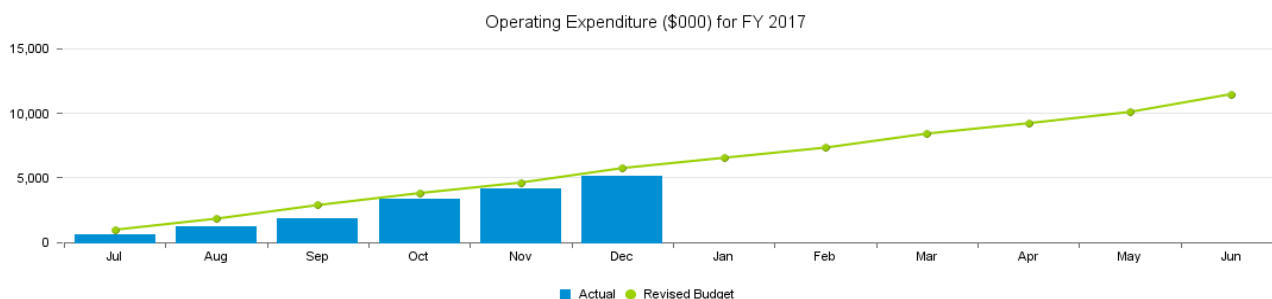


Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	150	139	11	279	279
Local parks, sport and recreation	1	0	1	0	0
<b>Total Operating Revenue</b>	<b>151</b>	<b>139</b>	<b>12</b>	<b>279</b>	<b>279</b>

**Revenue** is \$151k to date, \$12k (8%) above budget.

This mainly refers to hireage of New Lynn community centre, offset by funding not yet received on Youth Connections programmes.

## Operating Expenditure



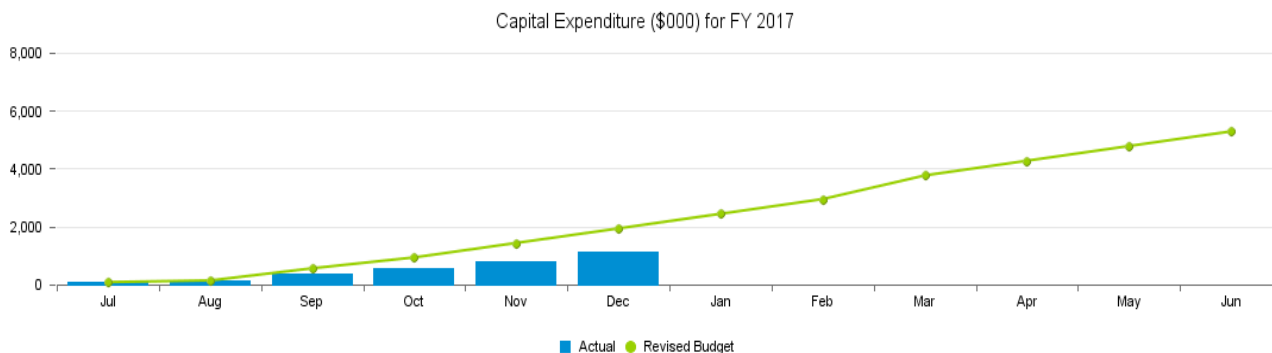
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	2,064	2,030	(34)	3,937	3,962
Local environmental management	83	77	(6)	240	215
Local governance	547	547	0	1,097	1,097
Local parks, sport and recreation	1,873	2,444	571	5,241	5,214
Local planning and development	553	634	81	956	956
<b>Total Operating Expenditure</b>	<b>5,120</b>	<b>5,732</b>	<b>612</b>	<b>11,471</b>	<b>11,444</b>

**Operating expenditure** is \$612k below budget.

The Asset Based Services (ABS) operational budget is \$797k below budget to date and refers largely to lower parks maintenance, the last quarter seeing exceptional wet conditions which resulted in some planned maintenance not being able to proceed.

Locally Driven Initiatives (LDI) operational budget is over budget by \$186k. This is mainly community grants allocated in the period and timing of capacity building programmes and community initiatives.

## Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	174	152	(22)	284	2,669
Local governance	54	24	(30)	60	0
Local parks, sport and recreation	869	1,746	877	4,627	4,664
Local planning and development	3	3	0	311	190
<b>Total Capital Expenditure</b>	<b>1,100</b>	<b>1,925</b>	<b>825</b>	<b>5,282</b>	<b>7,523</b>

**Capital expenditure** to date is \$1.1m an under-spend of \$825k to date. The main causes for the underspend relate to;

- a) Parks asset and sportsfield renewals projects at various stages of progress \$598k
- b) Finalisation of design for the play space, walkway and landscaping (Crown Lynn) \$244k

## LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Local community services</b>					
ACE LDI Staff allocation	94	94	0	188	188
ANZAC	0	0	0	9	9
Capacity building programme	50	25	(25)	50	50
Community Arts Programmes	85	80	(5)	85	85
Community facilities - support programme	10	13	3	25	25
Community Gardens	15	8	(7)	15	15
Community placemaking initiatives	65	42	(23)	85	85
Community response operating fund	(15)	0	15	9	9
Community Safety Initiatives	12	12	0	25	25
Extended Library hours	26	0	(26)	52	52
Local civic functions	0	2	2	5	5
Local community grants	126	45	(81)	190	190
Local events fund	32	74	42	147	147
Neighbourhood development	1	0	(1)	0	0
Pacific and Ethnic voices	15	13	(2)	25	25
Rental housing quality project- West	0	0	0	0	25
Youth capacity building	25	13	(12)	25	25
Youth connections across Auckland	29	15	(14)	29	29
<b>Total Local community services</b>	<b>569</b>	<b>434</b>	<b>(135)</b>	<b>964</b>	<b>989</b>
<b>Local environmental management</b>					
Catchment Care	17	5	(12)	22	22
Community environmental services	47	47	0	94	94
Manukau Harbour Forum	1	0	(1)	8	8
Rental housing quality project- West	1	1	0	25	0
Sustainable Initiatives	18	24	6	91	91
<b>Total Local environmental management</b>	<b>83</b>	<b>77</b>	<b>(6)</b>	<b>240</b>	<b>215</b>
<b>Local parks, sport and recreation</b>					
Greenways plans	0	0	0	40	40
LDI Programme Events in local parks	1	0	(1)	10	10
LDI Volunteers parks	8	0	(8)	37	37
Non Herbicide support	0	0	0	10	10
Park community partnerships	38	0	(38)	65	65
Parks environment programmes	7	0	(7)	0	0
Recreation programmes	0	0	0	40	40
<b>Total Local parks, sport and recreation</b>	<b>54</b>	<b>0</b>	<b>(54)</b>	<b>202</b>	<b>202</b>
<b>Local planning and development</b>					
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
<b>Total Local planning and development</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46</b>	<b>46</b>
<b>TOTAL</b>	<b>707</b>	<b>511</b>	<b>(196)</b>	<b>1,452</b>	<b>1,452</b>

## Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local library renewals	115	80	(35)	170	168
Community centre replacement (Avondale)	0	44	44	44	2,486
ACE - Community house and centre renewals	57	22	(35)	55	0
ACE - Leases renewals	0	6	6	16	16
Facility renewals (Ambrico studio)	1	0	(1)	0	0
Library furniture and fitting renewals	1	0	(1)	0	0
<b>Total Local community services</b>	<b>174</b>	<b>152</b>	<b>(22)</b>	<b>285</b>	<b>2,670</b>
Local Board Discretionary Fund Project	54	24	(30)	60	0
<b>Total Local governance</b>	<b>54</b>	<b>24</b>	<b>(30)</b>	<b>60</b>	<b>0</b>
Parks - Asset renewals	339	759	420	1,809	1,718
Play space, walkway and landscaping (Crown Lynn)	3	247	244	618	618
General park restoration (SH16/20)	145	204	59	476	819
Parks - Sports fields renewals	2	180	178	441	425
Greenway and walkway development	77	137	60	459	105
Sport development	135	88	(47)	352	0
General park development	38	78	40	305	0
Playscape development	114	34	(80)	75	0
Locally driven initiatives (LDI Capex)	0	18	18	92	981
Various parks projects - AT funded	17	0	(17)	0	0
<b>Total Local parks, sport and recreation</b>	<b>870</b>	<b>1,745</b>	<b>875</b>	<b>4,627</b>	<b>4,666</b>
Stormwater pond (Crown Lynn precinct)	3	3	0	311	190
<b>Total Local planning and development</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>311</b>	<b>190</b>
<b>TOTAL</b>	<b>1,101</b>	<b>1,924</b>	<b>823</b>	<b>5,283</b>	<b>7,523</b>
<b>Subsidies and grants for capital expenditure</b>	<b>23</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>

**Funding Impact Statement**  
**Whau**  
**For the year ended 31 December 2016**

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
<b>Sources of operating funding:</b>					
General rates, UAGC, rates penalties		12,015	12,018	12,018	11,969
Targeted rates		731	731	731	722
Subsidies and grants for operating purposes		9	16	31	10
Fees and charges		98	80	160	129
Local authorities fuel tax, fines, infringement fees and other receipts		44	44	88	175
<b>Total operating funding</b>		<b>12,897</b>	<b>12,889</b>	<b>13,028</b>	<b>13,005</b>
<b>Applications of operating funding:</b>					
Payment to staff and suppliers	1	4,409	5,022	9,943	9,970
Finance costs		679	679	1,441	1,235
Internal charges and overheads applied		814	814	1,627	1,651
Other operating funding applications		-	-	-	-
<b>Total applications of operating funding</b>		<b>5,902</b>	<b>6,515</b>	<b>13,011</b>	<b>12,856</b>
<b>Surplus (deficit) of operating funding</b>		<b>6,995</b>	<b>6,374</b>	<b>17</b>	<b>149</b>
<b>Sources of capital funding:</b>					
Subsidies and grants for capital expenditure		23	10	20	96
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(5,918)	(4,460)	7,486	2,467
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
<b>Total sources of capital funding</b>		<b>(5,895)</b>	<b>(4,450)</b>	<b>7,506</b>	<b>2,563</b>
<b>Applications of capital funding:</b>					
Capital expenditure:					
- to meet additional demand		364	337	105	-
- to improve the level of service		164	494	3,922	1,083
- to replace existing assets		572	1,093	3,496	1,629
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
<b>Total applications of capital funding</b>	<b>2</b>	<b>1,100</b>	<b>1,924</b>	<b>7,523</b>	<b>2,712</b>
<b>Surplus (deficit) of capital funding</b>		<b>(6,995)</b>	<b>(6,374)</b>	<b>(17)</b>	<b>(149)</b>
<b>Funding balance</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

1. Payment to staff and suppliers was below budget due to lower Parks maintenance due to the very wet conditions in the period.
2. Capital expenditure is below budget due to delays with tendering, design, planning on various projects.