

CS036	FINANCIAL STATEMENTS TO MARCH 2012
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<b>AGENDA REFERENCE:</b>	<b>D-12-16438</b>
<b>AUTHOR:</b>	<b>K Chua, Manager Financial Services</b>
<b>EXECUTIVE:</b>	<b>C Wood, Director Corporate Services</b>
<b>DATE OF REPORT:</b>	<b>9 April 2012</b>
<b>FILE REFERENCE:</b>	<b>FM/3/0003</b>
<b>APPLICANT / PROPONENT:</b>	<b>Corporate Services</b>
<b>ATTACHMENTS:</b>	<b>Yes</b>

**SUMMARY:**

The attached financial reports provide a comprehensive report on the City's finances to 31 March 2012.

**PROPONENT:**

Not applicable.

**BACKGROUND:**

The financial position to the end of March 2012 is detailed in the attached report and summarised as follows post Budget Review.

Operating Income	\$3,779,411	6.6%	Negative Variance
Operating Expenditure	\$5,323,866	10.7%	Positive Variance
Net Operating	\$1,544,455	20.1%	Positive Variance

Capital Expenditure	\$7,950,789	33.2%	Positive Variance
Capital Revenue	\$3,201,231	31.7%	Negative Variance

<b>Closing Surplus / (deficit)</b>	<b>\$1,877,043</b>	<b>24.6%</b>	<b>Positive Variance</b>
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Cash at Bank - Muni	\$8,013,685
Cash at Bank – Reserve	\$20,163,384

Total Funds Invested	\$24,359,103
Net Rates Collected	97.12%

Receivables Outstanding	\$1,854,290
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The attached report provides explanatory notes for items greater than 10% or \$50,000. This commentary provides Council with an overall understanding of how the finances are progressing in relation to the adopted budget.

The financial position represented in the March financials shows a positive variance of \$1,544,455 in the net operating result. The closing funding surplus is over budget by \$1,877,043 due to the under-spend associated with materials and contractors, employee costs and interest payments. Additionally Capital expenditure is understated due to the delay associated with commencing and completing building, parks and road works.

**COMMUNITY CONSULTATION:**

No community consultation was undertaken.

**COUNCILLOR/OFFICER CONSULTATION:**

Consultation with officers occurs when significant variances arise.

**STATUTORY IMPLICATIONS:**

Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996 require that as a minimum Council is to receive a Statement of Financial Activity.

**POLICY IMPLICATIONS:**

The provision of financial reports to Council is governed by statute not policy.

**FINANCIAL AND BUDGET IMPLICATIONS:**

Any issues in relation to expenditure and revenue misallocations and variance trends will be identified and addressed each month.

**STRATEGIC & REGIONAL OUTCOMES:****ECONOMIC, SOCIAL, ENVIRONMENTAL & CULTURAL ISSUES:****Economic:**

There are no economic issues.

**Social:**

There are no relevant social issues.

**Environmental:**

There are no environmental issues.

**Cultural & Heritage:**

There are no cultural or heritage issues.

**RELEVANT PRECEDENTS:**

There are no relevant precedents.

**DELEGATED AUTHORITY:**

There is no delegated authority.

**VOTING REQUIREMENTS:**

Simple Majority is required.

**Recommendation**

Council accepts and adopt the March monthly report as attached.