

HUNTERVILLE RURAL WATER SUPPLY FINANCIAL STATEMENTS COMMENTARY UPDATE FOR THE 11 MONTHS ENDING: 22nd May 2019

This commentary provides key areas of note relating to the 11 months Financial Performance of the Hunterville Rural Water Scheme for the period ending 22 May 2019 with the comments being specific to the following area's;

1. **Operational Revenue**
2. **Operational Expenditure**
3. **Net Surplus/(Deficit)**
4. **Net projects**
5. **Working Capital**
6. **Equity**
7. **Net Assets**

1. **Operational Revenue:**

Rates:

Against the year to date (YTD) budget is up by \$101k

This is due to the billing period and the current allocation of the full year budget (FYR divided by 12 months)

Apportioned rates:

Against the YTD budget is up by \$63k

This is also due to the billing period and the current allocation of the full year budget (FYR divided by 12 months)

Total Revenue is up by \$164k on the YTD budget

2. **Expenditure:**

Internal charges against the YTD budget is down by \$13k

Operational Expenditure against the YTD budget is down by \$45k

Total Expenditure is down by \$58k on the YTD budget

For additional details

Please refer to;

- i. The Statement of Operations on [Page # 4](#)

3. **Net Surplus(Deficit):**

The surplus against the YTD budget is up by \$222k

4. Net Projects:

At \$45k against the YTD budget of \$41k is up by \$4k with,

The full year budget is \$45.0k and has been allocated to the following area's;

- i. Water Reticulation Renewals at \$25.0k and,
- ii. Water Treatment Renewals at \$20.0k

5. Working Capital Required:

At- 186k shows an decrease of \$225.3k from the 30th June 2018 working capital of \$39.3k

6. Equity:

For the period has reduced since June 2018 by \$55k

7. Net Assets:

For the period has reduced since June 2018 by 55k

Due to the following;

- Non-Current Assets – provision for depreciation being increased by (\$101k) per and,
- Non-Current Assets – net projects increased by \$46k

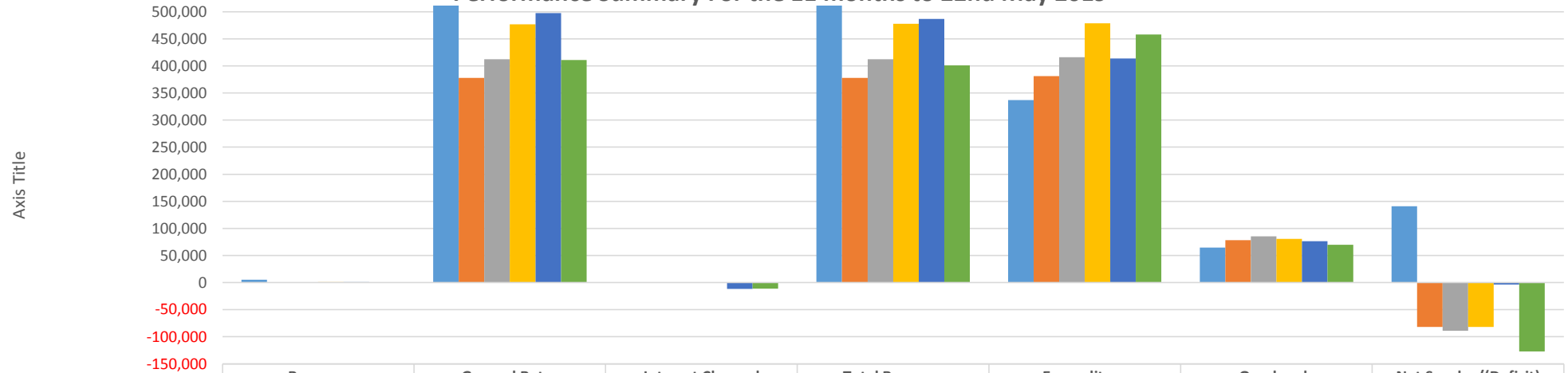
- Non-Current Liabilities no change

HUNTERVILLE RURAL WATER SUPPLY FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL PERFORMANCE SUMMARY
 As at 22nd May 2019

Performance Summary

	Actual YTD 2018/19	Budget YTD 2018/19	Budget FYR 2018/19	Actual FYR 2017/18	Actual FYR 2016/17	Actual FYR 2015/16
Revenue	5,429	0	0	1,126	708	674
General Rates	536,971	377,894	412,253	476,830	497,496	411,102
Interest Charged	0	0	0	0	-11,497	-11,128
Total Revenue	542,400	377,894	412,253	477,956	486,707	400,648
Expenditure	336,721	381,249	415,906	478,867	413,573	457,812
Overheads	64,860	78,331	85,446	80,581	76,585	69,731
Net Surplus/(Deficit)	140,819	-81,686	-89,099	-81,492	-3,451	-126,895

Performance Summary For the 11 months to 22nd May 2019



	Revenue	General Rates	Interest Charged	Total Revenue	Expenditure	Overheads	Net Surplus/(Deficit)
Actual YTD 2018/19	5,429	536,971	0	542,400	336,721	64,860	140,819
Budget YTD 2018/19	0	377,894	0	377,894	381,249	78,331	-81,686
Budget FYR 2018/19	0	412,253	0	412,253	415,906	85,446	-89,099
Actual FYR 2017/18	1,126	476,830	0	477,956	478,867	80,581	-81,492
Actual FYR 2016/17	708	497,496	-11,497	486,707	413,573	76,585	-3,451
Actual FYR 2015/16	674	411,102	-11,128	400,648	457,812	69,731	-126,895

Water Supply Hunterville Rural

Statement of Operations

As at 22nd May 2019

Revenue

Account	Detail	YTD Actual 2018/19	YTD Budget 2018/19	2018/19 Variance to YTD Budget	FYR Budget 2018/19	FYR Actual 2017/18	FYR Actual 2016/17	FYR Actual 2015/16
Rates								
60617018	General Revenue	523	0	523	0	870	435	127
60617123	Penalty	4,906	0	4,906	0	256	273	547
60617142	Metered Supply Charges	476,061	380,325	95,736	414,899	427,932	423,937	344,619
	Total Rates	481,490	380,325	101,165	414,899	429,058	424,644	345,293
Apportioned Rates Revenue								
60617802	Treasury Int Recd	0	0	0	0	0	9,017	8,587
6061780801	General Rates	60,910	0	60,910	0	51,701	76,585	69,731
60617809	Internal Interest Paid	0	-2,431	2,431	-2,646	-2,803	-3,026	-3,248
6061780901	Interest Charged Rate A/C	0	0	0	0	0	-11,497	-11,128
6061780903	Treasury Int Rec'd/Tsf to Rese	0	0	0	0	0	0	0
60617810	Treasury Interest Rec'd	0	0	0	0	0	-9,017	-8,587
60617811	Transfer to Reserves	0	0	0	0	0	0	0
	Total Apportioned Rates Revenue	60,910	-2,431	63,341	-2,646	48,898	62,063	55,355
Internal Charges								
606171791100	Allocated o/heads CEO	12,884	11,836	1,048	12,909	12,466	11,902	10,908
606171791400	Allocated o/heads Cust Service	2,442	2,629	-187	2,872	2,885	2,424	2,107
606171792100	Allocated o/heads Fin Services	18,936	22,484	-3,548	24,522	23,810	22,947	20,621
606171792500	Allocated o/heads Stat Planning	5,722	11,066	-5,344	12,073	9,368	8,830	7,497
606171795100	Allocated o/heads Assets	24,876	30,316	-5,440	33,070	32,051	30,484	28,598
	Total Internal Charges	64,860	78,331	-13,471	85,446	80,581	76,585	69,731
Expenditure								
6061734301	Telephone Costs	2,194	2,288	-94	2,500	2,768	2,463	3,948
6061756208	Depreciation - Infrastructure	112,086	119,922	-7,836	130,822	131,179	130,822	167,778
60617563	Electricity	151,556	165,000	-13,444	180,000	206,945	191,119	179,516
60617565	Insurance	14,401	9,669	4,732	10,549	10,442	10,908	6,536
6061756608	Loss on Sale - Infrastructure	0	0	0	0	0	0	18,957
6061756702	Rates - Utility	12,564	16,907	-4,343	18,444	16,447	5,332	10,066
60617588	Member Remuneration	0	0	0	0	2,860	3,200	3,200
6061763001	Professional Services - MDC	0	39,468	-39,468	43,056	873	1,818	335
6061863002	MDC Charges - PSU	0	0	0	0	0	0	0
6061763003	MDC Charges - Retic	0	0	0	0	0	0	25,868
6061763004	MDC Charges - Treatment	0	0	0	0	0	0	1,498
6061768201	Reticulation Costs - Staff	26,368	0	26,368	0	61,378	34,414	12,093
6061768301	Treatment Costs - Staff Time	1,050	0	1,050	0	4,133	3,936	240
60617692	External Contractors	13,070	19,250	-6,180	21,000	33,207	20,813	20,744
60617697	Resource Consents	0	1,969	-1,969	2,153	1,489	2,060	630
60617698	Chemicals & Consumables	0	1,837	-1,837	2,000	0	1,087	0
60617699	Materials	3,431	4,939	-1,508	5,382	7,146	5,601	6,403
	Total Expenditure	336,721	381,249	-44,529	415,906	478,867	413,573	457,812
	Net Surplus/(Deficit)	140,819	-81,686	222,505	-89,099	-81,492	-3,451	-126,895

Water Supply Hville Rural

As at 22nd May 2019

Account	Detail	YTD Actual 2018/19	YTD Budget 2018/19	FYR Budget 2018/19	FYR Actual 2017/18	FYR Actual 2016/17	FYR Actual 2015/16	YTD 2018/19 less FYR Actual 2017/18
Capital - Renewals Infrastructure								
60617721	Treasury Loans Repaid	0	0	0	0	0	0	0
60617722	Treasury Loans Raised	0	0	0	0	0	0	0
6061776201	HRWS Reticulation - Contractor	25,112	22,920	25,000	46,552	19,216	7,352	-21,440
6061776301	HRWS Treatment - Contractor	0	18,335	20,000	34,864	15,121	52,811	-34,864
	Total Capital - Renewals Infra	25,112	41,255	45,000	81,416	34,337	60,163	-56,304
Capital - Projects								
606177303	HRWS Reticulation - Staff Time	20,550	0	0	1,097	0	2,605	19,453
60617799	Capital Contra	0	0	0	-82,513	-34,337	-62,768	82,513
	Total Capital - Projects	20,550	0	0	-81,416	-34,337	-60,163	101,966
	Net Projects	45,662	41,255	45,000	-0	0	0	45,662
Equity								
60617966	HVL RWS REVAL.RESERVE	2,631,503	0	0	2,631,503	2,631,503	1,351,125	0
60617990	Public Equity H/Ville Rural Wa	3,766,285	0	0	3,960,493	3,963,944	4,090,838	-194,208
6061799401	Water Supply Hunt Rural Surp/Def Reserve	0	0	0	-142,227			142,227
60617995	Hunterville RWS Reserve	198,818	0	0	198,818	189,350	180,334	0
	Net Surplus	140,819	-81,686	-89,099	-81,492	-3,451	-126,895	222,311
	Working Capital	-186,244	122,941	134,099	39,303	-47,123	49,600	-225,547
	Total Equity	6,551,181	41,255	45,000	6,606,397	6,734,223	5,545,002	-55,216
Non Current Assets								
60617886	Water Supply Schemes	7,002,530	0	0	7,002,530	6,921,114	5,989,974	0
60617878	Provision for depeciation	-100,877	0	0	0			-100,877
6061788601	Provision for depeciation	-262,001	0	0	-262,001	-130,822	-384,454	0
	Net Projects	45,662	41,255	45,000	0	0	0	45,661
	Total Non Current Assets	6,685,313	41,255	45,000	6,740,529	6,790,292	5,605,520	-55,216
Non Current Liabilities								
60617950	Internal Loan	134,132	0	0	134,131	56,069	60,518	1
	Total Non Current Liabilities	134,132	0	0	134,131	56,069	60,518	1
	Net Assets	6,551,181	41,255	45,000	6,606,397	6,734,223	5,545,002	-55,217

Hunterville RWS Operating Expenditure Summary	YTD. Actual 2018/19	YTD Budget 2018/19	YTD Expenditure Variance to Budget	Comment	FYR. Budget 2018/19	FYR Budget 2019 less YTD Actual 2019 Variance
Chemicals & Consumables	0	1,837	-1,837	Favourable	2,000	2,000
Depreciation - Infrastructure	112,086	119,922	-7,836	Unfavourable	130,822	18,736
Electricity	151,556	165,000	-13,444	Favourable	180,000	28,444
External Contractors	13,070	19,250	-6,180	Favourable	21,000	7,930
Insurance	14,401	9,669	4,732	Favourable	10,549	-3,852
Materials	3,431	4,939	-1,508	Favourable	5,382	1,951
MDC Charges & Reticulation Costs	27,418	39,468	-12,050	Favourable	43,056	15,638
Member Remuneration	0	0	0	Favourable	0	0
Rates - Utility	12,564	16,907	-4,343	Favourable	18,444	5,880
Resource Consents	0	1,969	-1,969	Favourable	2,153	2,153
Telephone Costs	2,194	2,288	-94	Favourable	2,500	306
Total Variance	336,721	381,249	-44,529	Favourable	415,906	79,186

Overdue Debtors as at 22nd May 2019

Account	Balance	31-60 Days	61-90 Days	91+ Days	Reason
140109000	62.45	0.00	0.00	62.45	Payment Plan
140112000	53.20	0.00	0.00	52.20	Penalty not paid
140112100	33.20	0.00	0.00	33.20	Penalty not paid
140113000	347.20	0.00	0.00	347.90	Property Selling, Contact made and confirmation of sale
140125000/	118.60	118.60	0.00	0.00	Final water reading
140270000	2.00	0.00	0.00	2.00	Underpaid
	<u>616.65</u>	<u>118.60</u>	<u>0.00</u>	<u>497.75</u>	