

Financial summary - Groups of activities

Long-term financial overview

Forecasts contained in this Annual Plan are developed on a project-by-project basis incorporating the major assumptions as detailed in the individual groups of activities.

- Further details are contained in the individual group of activity summaries on pages 12 to 71 and in the financial statements on pages 81 to 82.

In general, the forecasts contained in the individual group of activity summaries and in the financial statements indicate the following:

- Any deficits will be funded from existing reserves only to the extent that Environment Canterbury's ability to meet its long-term commitments to maintain infrastructural assets and to reasonably provide for contingencies is not compromised.
- A healthy financial position will be maintained with net worth or equity increasing over time.
- Liquidity position will remain stable over time with short-term assets outweighing short-term debt and a healthy cash position.
- Borrowing will be required to fund the Clean Heat Loan Scheme and will be offset by an advance to ratepayers of the same value and term secured by a targeted rate on the individual properties.

- See the Funding Impact Statement for more details.

Rates: figures for general and targeted rates are net of estimated remissions (adjusted annually for inflation). Remissions on Maori land are not significant.

Capital Expenditure: details of capital expenditure including renewals, replacements and maintenance and funding sources are set out in Appendix 1.

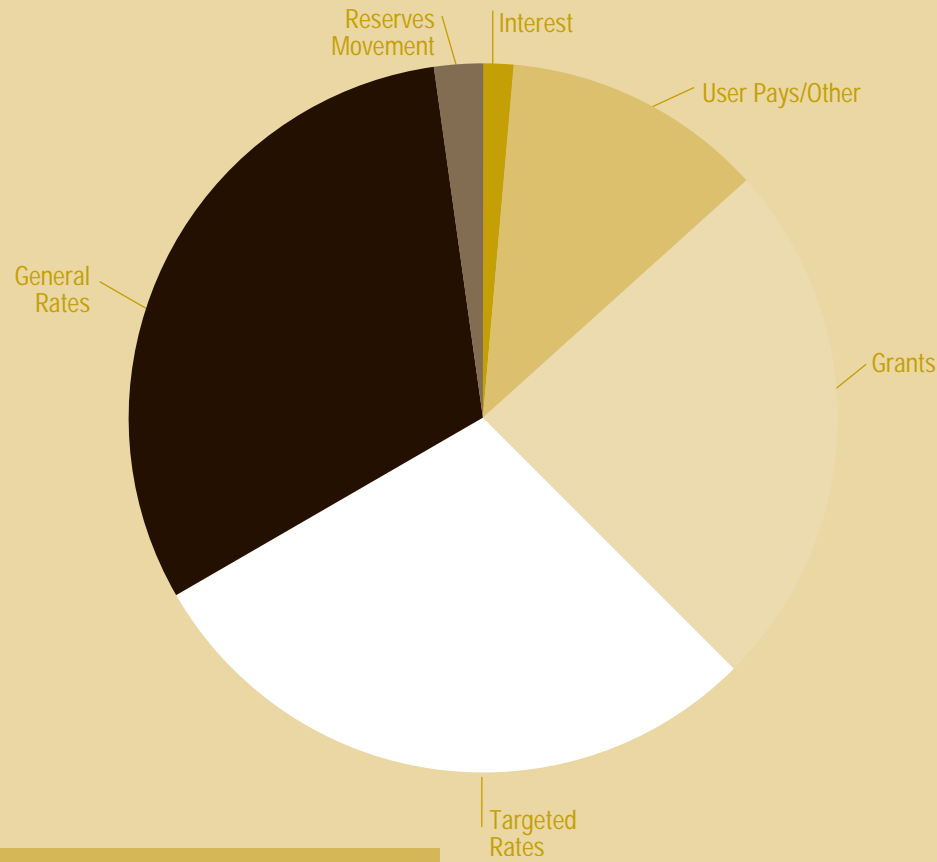
Sources of Funds: the basis for selecting funding sources is detailed in the 2006-16 Long term Community Plan (Part B: Funding and financial policies 2006). This document is available on our website www.ecan.govt.nz, from our Christchurch and Timaru offices or contact Customer Services on 0800 EC INFO.

Operating Surplus/(Deficit) per Financial Statements: the operating surplus/ (deficit) per this Financial Summary does not include income and expenditure for activities that do not form part of the groups of activities. This includes interest on reserves other than general and targeted rate reserves and business unit results that do not relate specifically to a group of activities as set out below:

Reconciliation of Group of activities Activities to Financial Statements	
Operating surplus/(deficit) for groups of activities	(3,140)
Interest on other reserves and business unit results	1,358
Operating surplus/(deficit) per Financial Statements	(1,782)

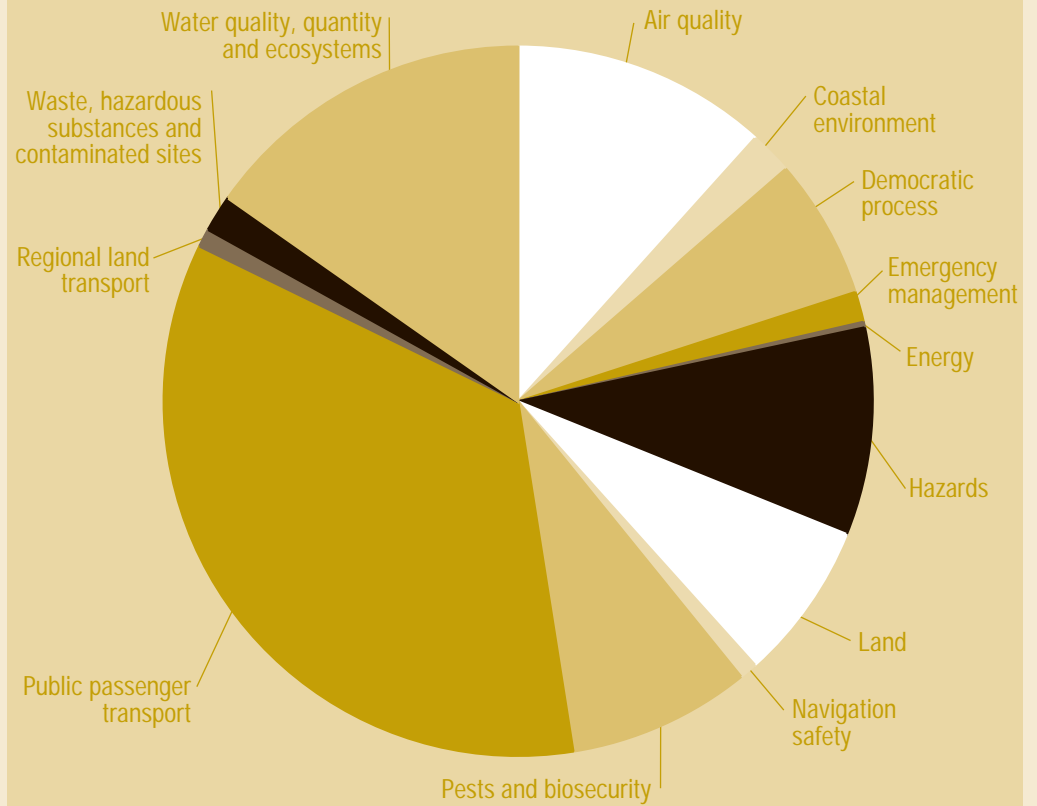
\$ in thousands	Annual Report 2006/07	Annual Plan 2007/08	LTCCP 2008/09	Annual Plan 2008/09
Operating Revenue				
General rates	32,406	34,144	34,876	34,840
Targeted rates	27,900	30,805	29,230	32,945
Statutory charges/User pays	8,888	11,271	10,981	13,681
Grants	23,276	24,209	21,888	22,503
Interest	1,132	1,449	1,791	1,854
Total Operating Revenue	93,602	101,878	98,766	105,823
Operating Expenditure				
Expenditure	91,365	104,158	100,730	108,217
Interest	-	-	-	-
Depreciation	1,037	911	662	746
Total Operating Expenditure	92,402	105,069	101,392	108,963
Operating Surplus/(Deficit)	1,200	(3,191)	(2,626)	(3,140)
Operating Surplus/(Deficit) transferred to/from Reserve	1,200	(3,191)	(2,626)	(3,140)

Sources of Funds 2008/09



Sources of Funds 2008/09	
	\$000
Interest	1,854
User Pays/Other	13,681
Grants	22,503
Targeted Rates	32,945
General Rates	34,840
Reserves Movement	3,140
Total	108,963

Operating expenditure 2008/09



Operating expenditure 2008/09		
	\$000	\$000
Air quality	12,836	696
Coastal environment	2,051	5,319
Democratic process	7,413	38,753
Emergency management	1,385	1,276
Energy	371	1,858
Hazards	11,299	17,698
Land	8,008	696
Navigation safety	696	5,319
Pests and biosecurity	5,319	38,753
Public passenger transport	38,753	1,276
Regional land transport	1,276	1,858
Waste, hazardous substances and contaminated sites	1,858	17,698
Water quality, quantity and ecosystems	17,698	108,963
Total	108,963	