

**REPORT OF THE FINANCE AND POLICY COMMITTEE  
MEETING HELD AT 10.23AM ON WEDNESDAY 19  
OCTOBER 2011 IN MEMORIAL HALL SUPPER ROOM,  
ESPLANADE, KAIKOURA.**

**PRESENT:** Councillor N Pablecheque (Chair), Mayor W Gray, Councillors S Burrows, J Diver, G Harmon, D Holmes, J Macphail, D Morgan.

**IN ATTENDANCE:** S Grant (Chief Executive Officer), S Poulsen (Finance Manager), S Syme (Executive Officer).

**1. MINUTES ACTION LIST UPDATE**

**Clarence Forest**

The Chief Executive Officer advised a report had been received from Merrill and Ring regarding the state of the forest and he would provide a report at the next meeting.

**2. FINANCE REPORTS**

The Finance Manager advised the Annual Report for the financial year ended 30 June 2011 was substantially completed and items in the Statement of Financial Position could now be relied on.

The Chief Executive Officer advised the Statement of Comprehensive Income to the end of September showed a deficit however this was less than had been budgeted. One payment had been received in the current financial year for forestry which would be the last one for this round of logging which had now finished.

There was an expenditure variance in leadership and governance of \$27,073. The Chief Executive Officer advised this was due to the Finance Manager being involved heavily with the new software implementation so Pricewaterhousecoopers had been contracted to assist with the Annual Report. This had cost approximately \$16,000 to date, the other \$10,000 was related to the software change over.

**3. QUARTERLY REPORTS**

The Finance Manager advised there was over \$5million in cash deposits with good returns being generated. Two new term deposits had been set up since the report had been written. All loans were now within the Policy limits and Council was well within the borrowing limits of its Liability Management Policy.

It was noted there was no positive return from the Pynes Building. The Chief Executive Officer advised Council had borrowed all of the money to purchase the building. He advised revenue for the period had been approximately \$6,000 and there had been \$14,000 in loan interest payments. It was noted the property at 25 Beach Road may need to be

used for the Library whilst the new museum/ library building was constructed.

The Chef Executive Officer advised regarding the Airport not currently being self funding that revenue was down in terms of landing fees and the insurance had to be paid in one lump sum. There was a budgeted input of \$8,000 from rates this financial year. A loan had been taken out for the construction of the hangar and the lease had only just been entered into.

***Moved by Mayor Gray, seconded by Councillor Harmon and resolved that the Finance Report, Statement of Financial Position, Statement of Financial Performance, Corporate Services Budget Report, Library Report and Quarterly Reports be received.***

***There being no further business the meeting closed at 10.44am.***