

REPORT OF THE FINANCE & POLICY MEETING HELD AT 10.24AM ON WEDNESDAY 21 MAY 2014 AT MEMORIAL HALL SUPPER ROOM, ESPLANADE, KAIKOURA.

PRESENT: Councillor J Howden (Chair), Councillors T Blunt, J Diver, G Harmon, C Mackle, D Millton, D Morgan.

IN ATTENDANCE: G Essenberg (Acting Chief Executive Officer), S Syme (Committee Secretary), S Poulsen (Finance Manager), A Limbdiwala (Assistant Accountant).

1. FINANCE REPORTS

The Finance Manager advised the movements in the balance sheet were related to ongoing capital work mainly associated with the Civic Building. Cash had reduced, property assets had increased and the amount of special funds for the project had reduced.

The ten months to the end of April had produced an operational surplus of over \$1.4million which was almost \$1million ahead of budget. \$374 had been received from Marlborough Regional Forestry. Councillor Diver advised payouts were expected to continue at the current level for the next five to seven years. Councillor Millton noted forestry in the Clarence had been established to reduce rates and enquired if it applied to money for Marlborough Regional Forestry as well. The Finance Manager advised any money from forestry would in the first instance be used to offset any costs associated with maintaining the forest. Following that there was the option to set funds aside in forestry to offset the general rate requirement in any given year.

Audit New Zealand was currently on site. A discussion had been held with them regarding development contribution revenue. They had advised that the development contribution revenue could not be displayed as revenue until the Civic building was ready to be used. This would be amended in the next month's financial statements. It would have an effect on the operating surplus but would not affect cash flows.

A discussion was held regarding reporting standards.

Moved by Councillor Howden, seconded by Councillor Millton and resolved that the Finance Reports be received.

There being no further business the meeting closed at 10.49am.