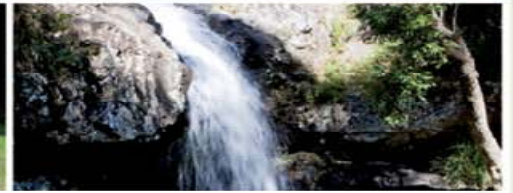


FINANCIAL PERFORMANCE REPORT



August 2011

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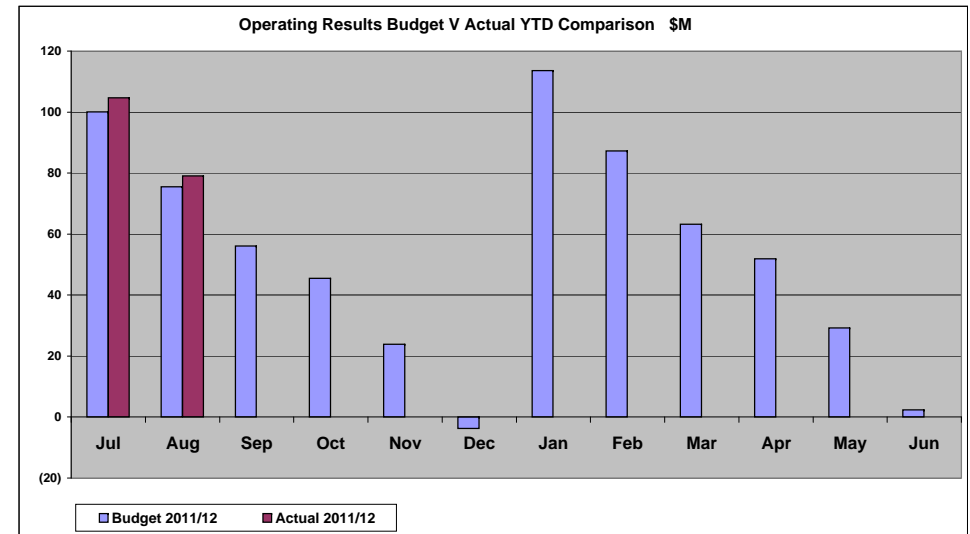
Summary Operating Statement

31 August 2011

SUMMARY OPERATING STATEMENT

For the Period Ending 31 August 2011

	Annual Original Budget \$000s	Annual Current Budget \$000s	YTD Current Budget \$000s	YTD Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	418,968	418,968	140,670	141,298	628	0.4%
Operating Expenses	335,519	335,519	51,553	48,611	(2,942)	(5.7%)
Interest Expense	12,495	12,495	2,225	2,215	9	(0.4%)
Depreciation	68,620	68,620	11,437	11,437	(0)	0.0%
Operating Surplus/(Deficit)	2,334	2,334	75,456	79,035	3,579	4.7%
Transfer from Reserves	18	18	18	18	0	0.0%
Transfer to Reserves	(352)	(352)	(352)	(352)	0	0.0%
Balance	2,000	2,000	75,122	78,701	3,579	4.8%

**Operating Net Result**

As expected, Council's financial results at 31 August 2011 show the organisation tracking closely to budget with a \$3.6m better than forecasted operating position against the year to date budget. This result is in line with our estimated year end surplus of \$2.3 million.

The 31 August 2011 operating surplus variation of \$3.6 million is made up of higher than budgeted operating revenues of \$600,00 and lower than anticipated expenses of \$3.0 million. The lower than anticipated expenditure is mainly linked to lower than anticipated Waste Rates and Utility Charges which in turn are offset by higher than anticipated levels of prepaid rates.

It should be noted that it is difficult to compare year to date budget and actual results with any degree of certainty until:

- 1) 2010/2011 carry-over works are loaded into the 2011/2012 Budget as part of Budget Review 1;
- 2) the impact of accruals from June 2011 are matched to physical payments (\$15.9 million was accrued into June 2011); and
- 3) 2011/2012 budget profiling is finalised.

There are no other operating issues at 31 August 2011.

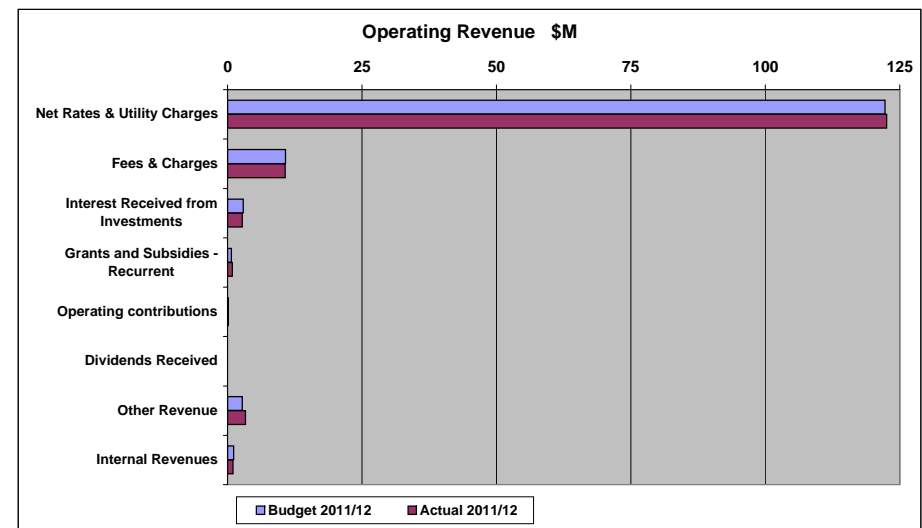
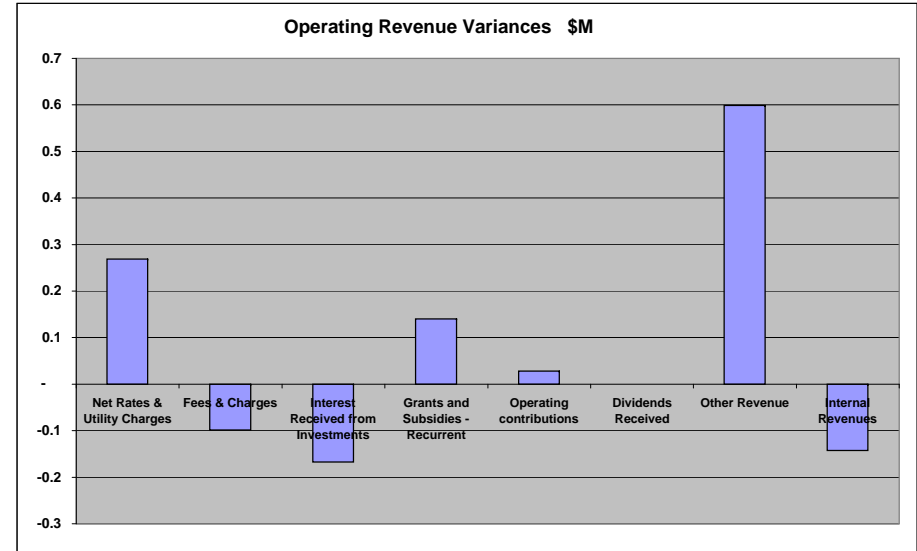
Operating Revenue

At 31 August 2011, operating revenues are very closely aligned to budget being \$628,000 or 0.4% over budget.

This variation is mainly attributable to higher than anticipated other revenue of \$599,000 associated with Unitywater Recoverable Works \$279,000, Main Roads Recoverable Works \$234,000 and miscellaneous revenue within the Community Development and Environmental Operations branches \$262,000.

It should be noted that the recoverable works revenue streams identified above are mostly offset by additional operational expenditure.

Imbedded in the Net Rates and Utility Charges positive budget variation of \$269,000, general rates are over budget by \$628k (prepaid rates) and waste charges are under budget by \$778,000 with this variation within waste charges offset by lower than anticipated expenditure within the unit. This issue relates to actual verses budgeted services and will be rectified in Budget Review 2 with no associated impact on Council's budgeted operating result.



Operating Expenses

31 August 2011

Operating Expenses

At 31 August 2011, operating expenses were \$2.9m or 4% under budget with the main contributing factor being a positive variation within materials and services of \$3.3m.

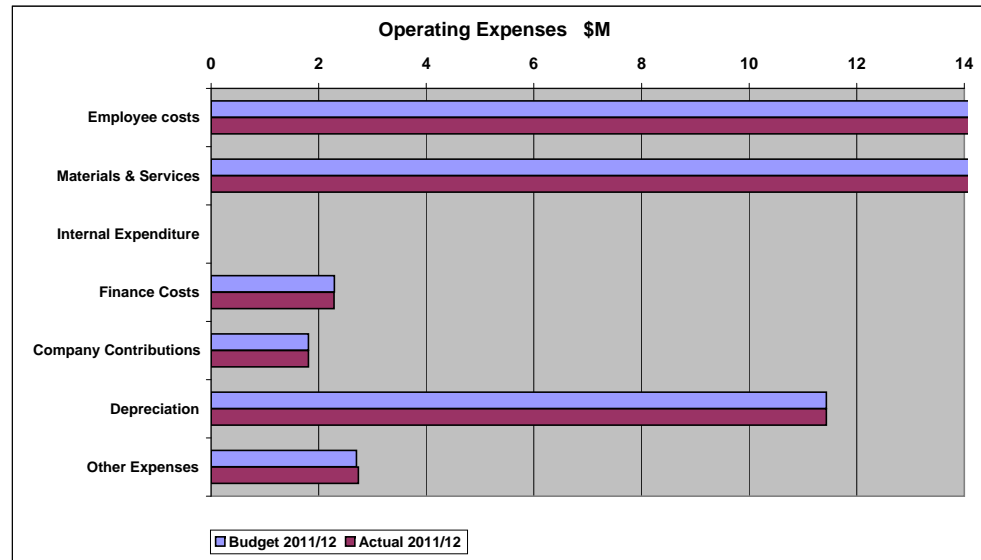
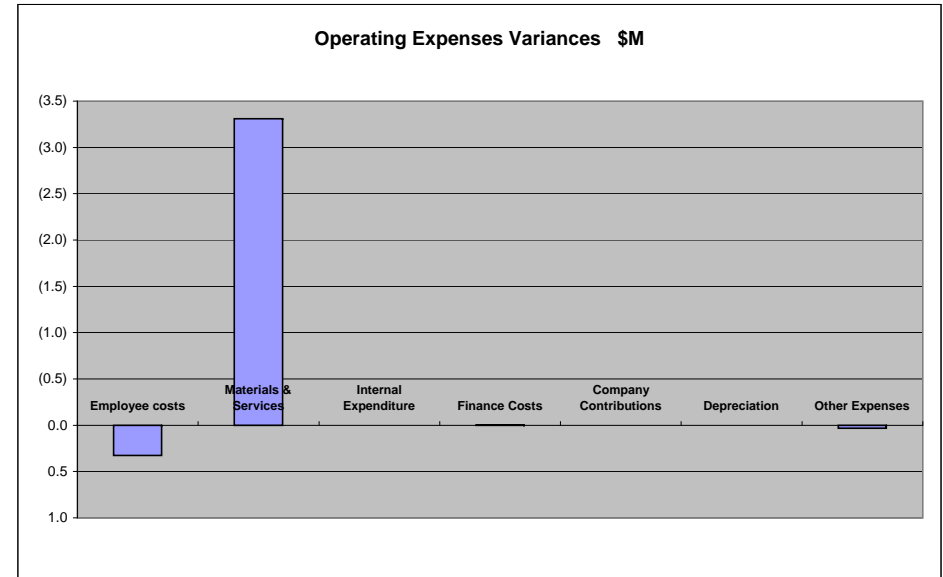
Within materials and services, the Waste Resources Management, Environmental Operations and Community Facilities branches are respectively \$3.1m, \$600,000 and \$536,000 under budget. The variation within waste is linked to the offsetting service issue discussed in operating revenue and the timing of waste provision expenditure.

The unfavourable variation within employee costs of \$326,000 is due to the impacts of budgeted achievement of the Employee Vacancy Management Target and delays to the booking of employee costs to capital which will be finalised as part of Budget review 1.

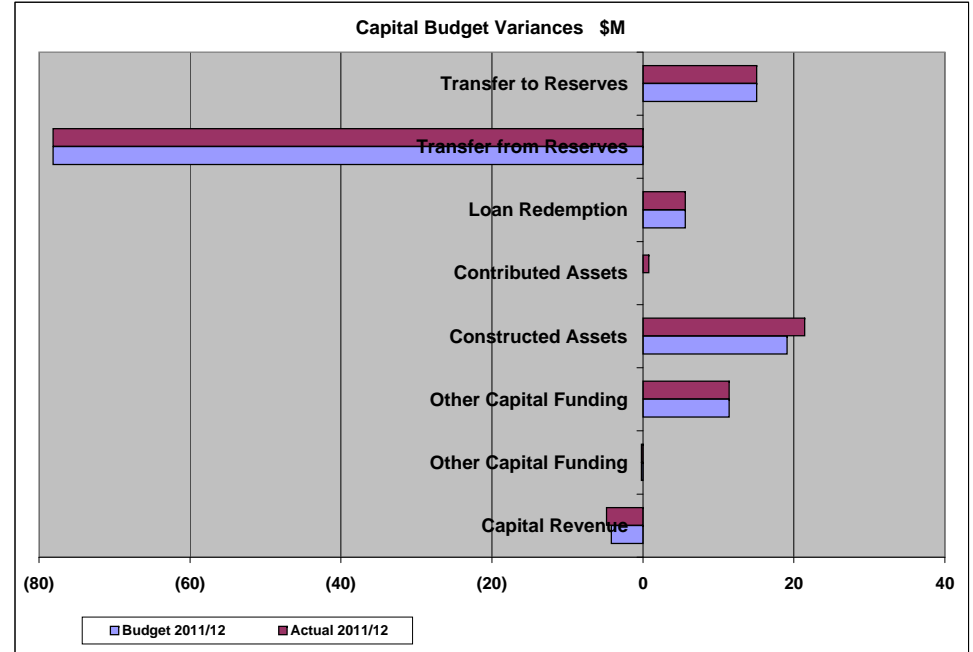
As previously indicated, it is difficult to compare year to date budget and actual materials and services results with any degree of certainty until:

- 1) 2010/2011 carry-over works are loaded into the 2011/2012 Budget as part of Budget Review 1;
- 2) the impact of accruals from June 2011 are matched to physical payments (\$8.9 million was accrued into June 2011); and
- 3) 2011/2012 budget profiling is finalised.

There are no other operating expenditure issues at 31 August 2011.



SUMMARY CAPITAL STATEMENT For the Period Ending 31 August 2011						
	Annual Original Budget \$000s	Annual Current Budget \$000s	YTD Current Budget \$000s	YTD Actuals \$000s	Variance \$000s	Variance %
Operating Contribution / Shortfall	2,000	2,000	75,122	78,701	3,579	4.8%
#	(45,646)	(45,646)	(4,178)		(642)	15.4%
Other Capital Funding	(110,508)	(110,508)	(11,637)	(11,637)	(0)	0.0%
Constructed Assets	189,732	189,732	19,109	21,437	2,327	12.2%
Contributed Assets	20,000	20,000	0	758	758	0.0%
Loan Redemptions	11,473	11,473	5,610	5,610	0	0.0%
Net Capital Result	63,051	63,051	(66,217)	(62,533)	(1,136)	(5.6%)
Transfer from Reserves	(78,130)	(78,130)	(78,130)	(78,130)	0	0.0%
Transfer to Reserves	15,079	15,079	15,079	15,079	0	0.0%
Balance	(0)	0	(129,268)	(125,584)	(1,136)	0.0%

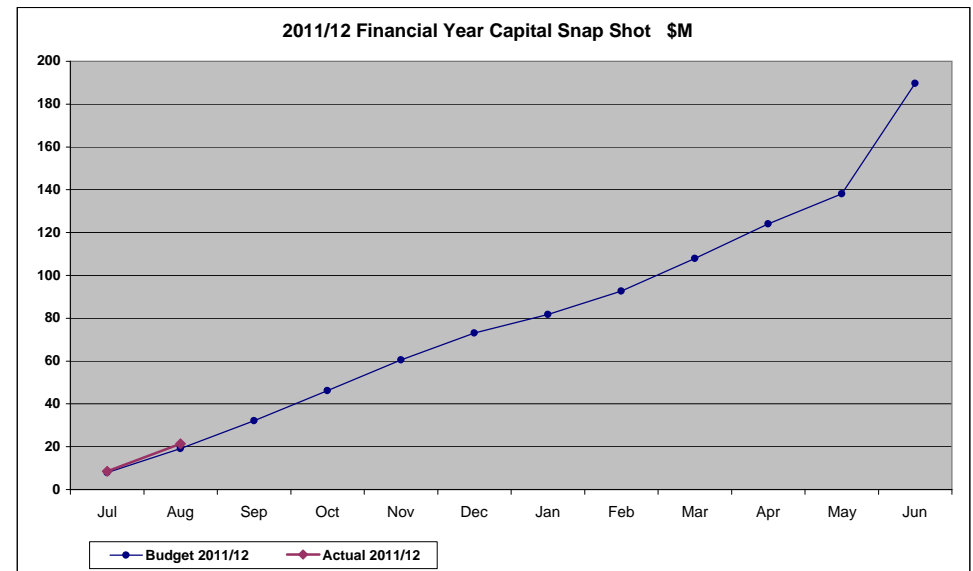


Capital Net Result

As 31 August 2011, \$21.4 million or 11.3% of council's \$189.7 million 2011/2012 capital works program was financially complete.

As previously indicated, it is difficult to compare year to date budget and actual capital results with any degree of certainty until:

- 1) 2010/2011 carry-over works are loaded into the 2011/2012 Budget as part of Budget Review 1;
- 2) the impact of accruals from June 2011 are matched to physical payments (\$6.9 million was accrued into June 2011); and
- 3) 2011/2012 budget profiling is finalised.



Capital Works by Program - August 2011

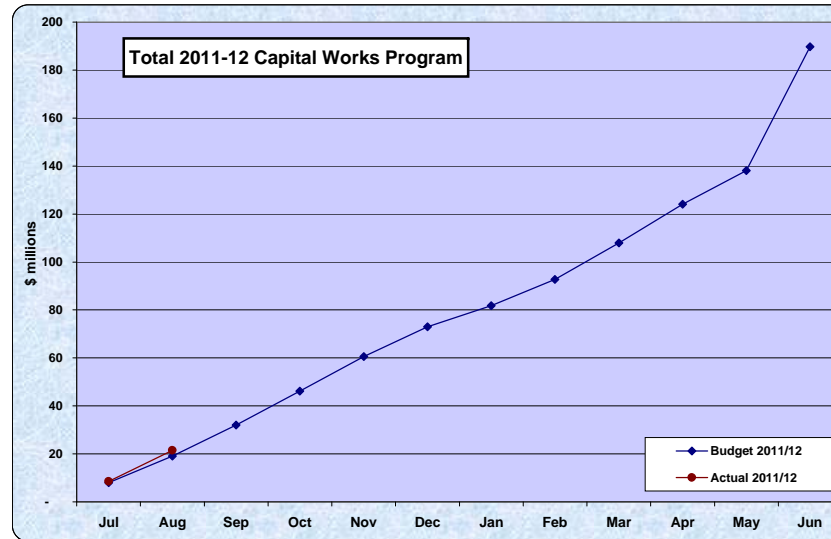
Capital Expenditure

It is difficult to compare year to date budget and actual capital results with any degree of certainty until:

- 1) 2010/2011 carry-over works are loaded into the 2011/2012 Budget as part of Budget Review 1;
- 2) the impact of accruals from June 2011 are matched to physical payments (\$6.9 million was accrued into June 2011); and
- 3) 2011/2012 budget profiling is finalised.

There are no major capital expenditure issues at 31 August 2011.

Program	Original Budget \$000s	Current Budget \$000s	Year to Date Actual \$000s	% of Annual Budget Spent
Transportation	63,797	63,797	10,257	16.1%
Strategic Land & Comm Properties	43,942	43,942	2,279	5.2%
Buildings and Facilities	15,329	15,329	808	5.3%
Parks and Gardens	14,346	14,346	1,210	8.4%
Coast and Canals	5,720	5,720	1,110	19.4%
Stormwater	5,697	5,697	1,815	31.9%
Information Technology	5,455	5,455	1,645	30.2%
Fleet	3,900	3,900	13	0.3%
Divisional Allocations	3,169	3,169	282	8.9%
Environmental Assets	1,274	1,274	566	44.4%
Aerodromes	450	450	0	0.0%
Waste	13,272	13,272	1,214	9.2%
Sunshine Coast Airport	7,211	7,211	196	2.7%
Quarries	3,565	3,565	0	0.0%
SC Holiday Parks	2,605	2,605	42	1.6%
TOTAL	189,732	189,732	21,437	11.3%



Monthly Budget Amendments - Operating	
Month:	August 2011

Reference	Branch	Operation/Job number & Name	Description	Income & Expense Stmt Line	Amount Dr/(Cr)
					\$000
FB02001	49-Economic Development	57947 - Major Events Pool	Re-allocation of Levy sponsorship	Materials and services	(1,050)
FB02001	49-Economic Development	57134 - 2012_03-Mooloolaba Triathlon	Re-allocation of Levy sponsorship	Other Expenses	239
Re-allocation of	49-Economic Development	57137 - 2012_07_Qld Home Garden Expo		Other Expenses	33
FB02001	49-Economic Development	57148 - 2012_05_International Rally of Qld	Re-allocation of Levy sponsorship	Other Expenses	55
FB02001	49-Economic Development	57803 - 2011_12 PGA_Austr. Championships	Re-allocation of Levy sponsorship	Other Expenses	386
FB02001	49-Economic Development	57927 - 2012_10 Noosa Triathlon Multi Sport Fest	Re-allocation of Levy sponsorship	Other Expenses	240
FB02001	49-Economic Development	57929 - 2012_02 Caloundra Triathlon	Re-allocation of Levy sponsorship	Other Expenses	52
FB02001	49-Economic Development	57988 - 2011_07-Caloundra Cup Carnival 2011	Re-allocation of Levy sponsorship	Other Expenses	10
FB02001	49-Economic Development	57989 - 2011_07 and 12 Qld Jnr Surf and RipCurl 2011	Re-allocation of Levy sponsorship	Other Expenses	4
FB02001	49-Economic Development	57990 - 2011_09-Gym Cham.& Sunshine Tm Chall.2011	Re-allocation of Levy sponsorship	Other Expenses	12
FB02001	49-Economic Development	57991 - 2011_08-SC Golf Pro-Am Series 2011	Re-allocation of Levy sponsorship	Other Expenses	5
FB02001	49-Economic Development	57992 - 2011_08 - SC Walks Festival 2011	Re-allocation of Levy sponsorship	Other Expenses	15
FB02002	54-Information Communication Technology Services	29018 - IT Infrastructure Services Management	Re-allocation of Car Leasing cost	Materials and services	(10)
FB02002	54-Information Communication Technology Services	37035 - Business Support	Re-allocation of Car Leasing cost	Materials and services	50
FB02002	54-Information Communication Technology Services	56210 - ICTS Operations	Re-allocation of Car Leasing cost	Materials and services	(13)
FB02002	54-Information Communication Technology Services	29017 - Business Solutions Management	Re-allocation of Car Leasing cost	Other Expenses	(20)
FB02002	54-Information Communication Technology Services	29018 - IT Infrastructure Services Management	Re-allocation of Car Leasing cost	Other Expenses	(20)
FB02002	54-Information Communication Technology Services	51060 - Transition and Consolidation Program	Re-allocation of Car Leasing cost	Other Expenses	13
RSP02001	82-Transport and Eng Services	40931 - Bus Service Landsborough to Beerwah	Reallocate operation from RS&P	Materials and services	135
RSP02001	39-Integrated Transport	40931 - Bus Service Landsborough to Beerwah	Reallocate operation to IS	Materials and services	(135)
Total Increase / Decrease to Operating Program for Period					0