

Sunshine Coast
Council

FINANCIAL PERFORMANCE REPORT
December 2013



FINANCIAL PERFORMANCE REPORT

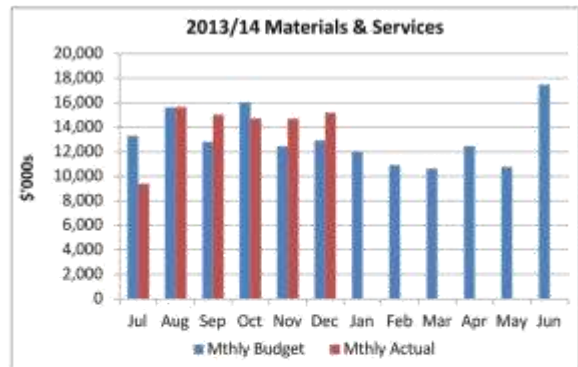
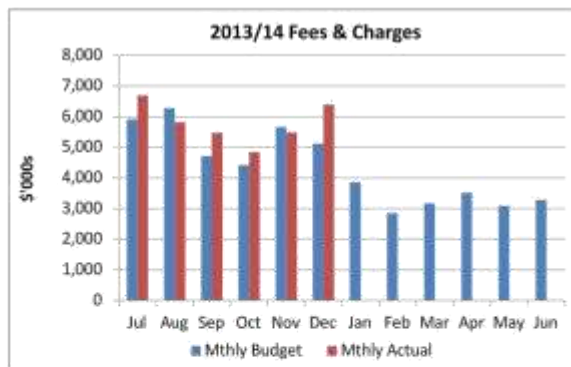
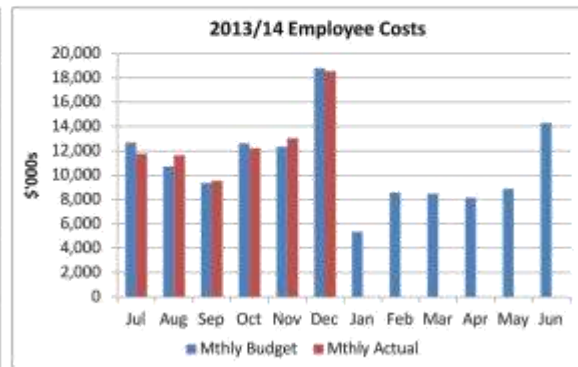
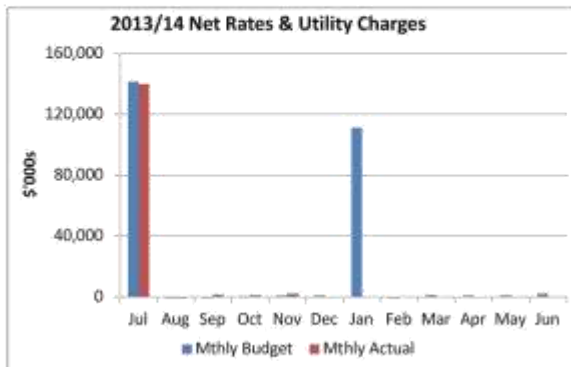
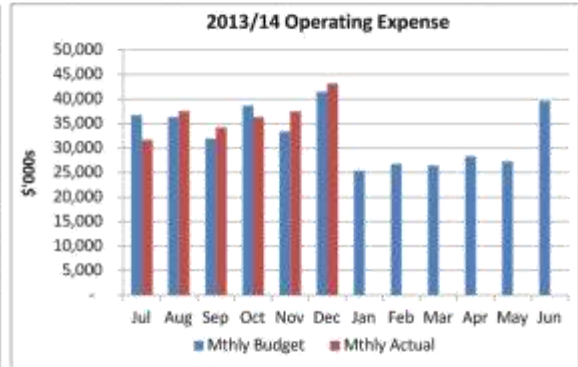
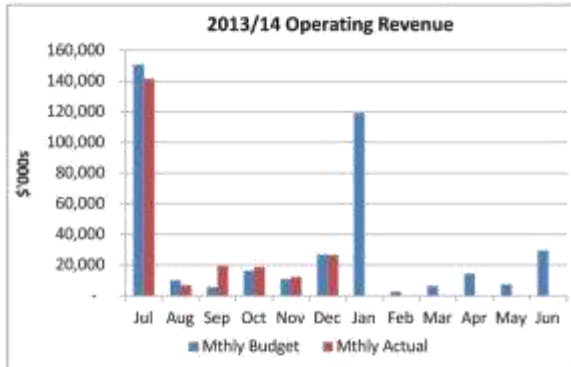
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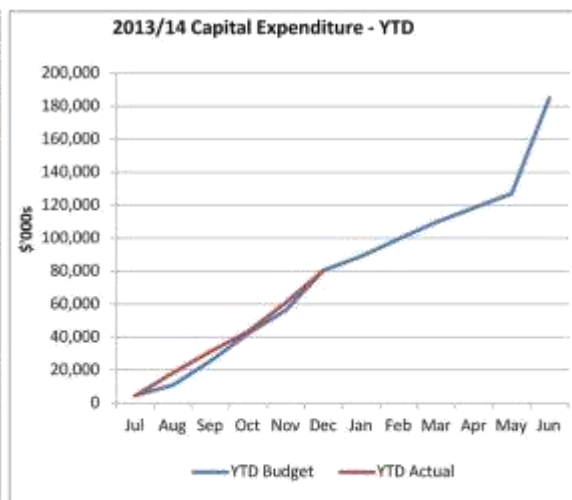
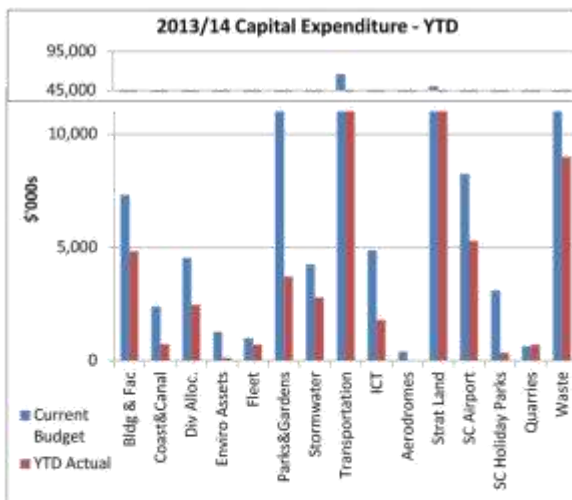
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FINANCIAL PERFORMANCE REPORT December 2013
HEADLINE - OPERATING

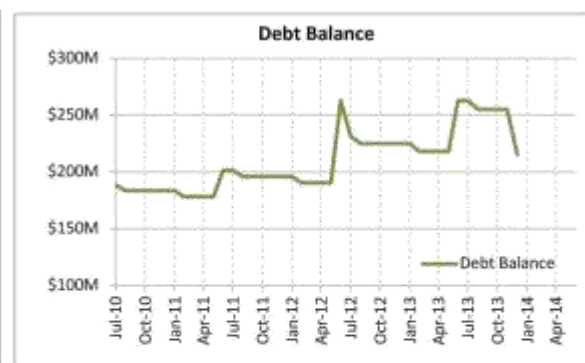
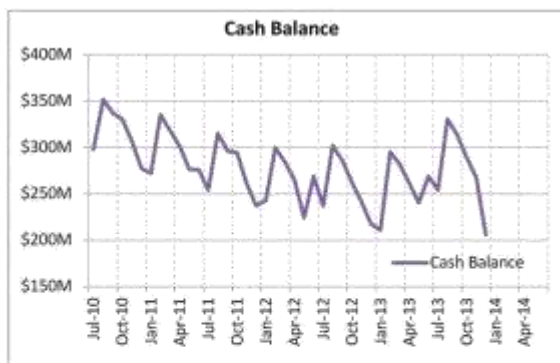
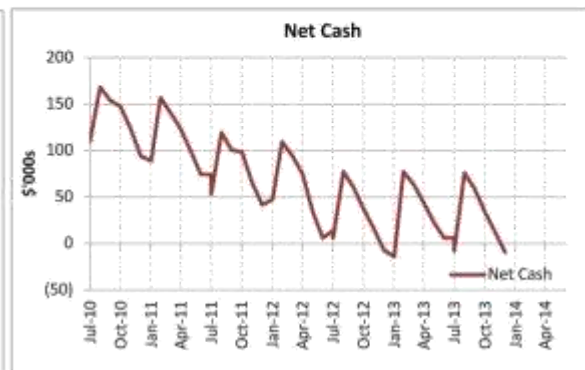
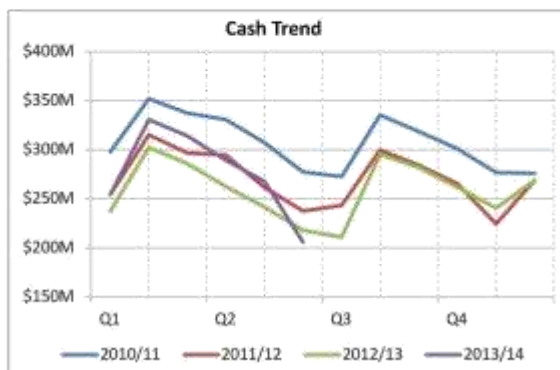
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	400,295	399,438	220,281	224,555	4,274	1.9%
Operating Expenses	387,582	391,938	218,273	220,205	1,933	0.9%
Operating Result	12,713	7,500	2,008	4,350	2,341	116.6%
NET Result	54,287	50,621	22,482	25,699	3,217	14.3%



FINANCIAL PERFORMANCE REPORT							December 2013
HEADLINE - CAPITAL							
	Annual		YTD				
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %	
Capital Revenues (included in NET Result)	37,101	38,648	18,275	19,151	876		
Other Capital Revenues	86,410	86,409	40,797	40,747	(50)		
Total Capital Revenues	123,511	125,057	59,072	59,898	826		
Capital Works Expenditure	109,270	185,003	80,185	80,493	308	0.4%	
Other capital Expenditure	41,150	33,550	16,685	16,115	(570)		
Total Capital Expenditure	150,420	218,553	96,870	96,609	(262)		
Funds from General Revenue	26,909	93,496	37,799	36,711	(1,088)		



FINANCIAL PERFORMANCE REPORT				December 2013
HEADLINE - CASH & BALANCE SHEET				
	Annual		YTD	
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	
CASH FLOWS				
Opening Cash	196,241	264,747	261,336	
Net Cash Inflow/(Outflows) from:				
Operating Activities	48,186	43,454	54,636	
Investing Activities	(93,697)	(157,471)	(67,857)	
Financing Activities	476	476	(40,048)	
Net Increase/(decrease) in Cash Held	(45,035)	(113,541)	(53,269)	
Cash at year end	151,206	151,206	208,067	
BALANCE SHEET				
Total Current Assets	216,289	216,289	249,412	
Total Non Current Assets	4,511,393	4,511,393	5,301,261	
Total Assets	4,727,682	4,727,682	5,550,673	
Total Current Liabilities	70,183	70,183	83,064	
Total Non Current Liabilities	240,480	240,480	239,127	
Total Liabilities	310,663	310,663	322,191	
Net Community Assets/ Total Community Equity	4,417,019	4,417,019	5,228,482	



* In December 2013 \$32 million in cash and \$40 million in debt were transferred to Noosa. Final cash and debt figures are still being calculated and are expected to be transferred by the end of February 2014

FINANCIAL PERFORMANCE REPORT

December 2013

HEADLINE - COMMENTARY

Income & Expense Statement

Council's financial results at 31 December 2013 shows the organisation with a \$2.3 million higher than forecasted operating position against the year to date budget. This operating result variation is made up of operating revenue being \$4.3 million higher than the year to date budget, along with operating expenses being \$1.9 higher than the year to date budget.

Operating Revenues

Of the \$2.6 million favourable variance in fees and charges, \$2 million relates to development applications, with the volume being approximately 20% higher in 2013/2014 than compared to same time in 2012/2013.

Of the \$1.2 favourable variance in other revenue, \$800,000 relates to a refund from the Office of State Revenue for over charged payroll tax.

Operating Expenses

The unfavourable variance in operating expenses of \$1.9 million relates to Materials & Services of \$1.5 million.

Materials and Services relates to an overspend on legal fees of \$1.6 million. This overspend is due to a \$2.1 million spend on the Settler's Cove case, which was transferred to Noosa shire Council as at 1 January 2014

Capital Expenditure

As at 31 December 2013, \$80.5 million (43.5%) of council's \$185 million 2013/2014 Capital Works Program was financially expended.

Cash Flows & Balance Sheet

As at 31 December 2013, \$32 million in cash and \$40 million in debt was transferred to Noosa Shire Council. The remaining balance sheet transfers will occur over the coming months.

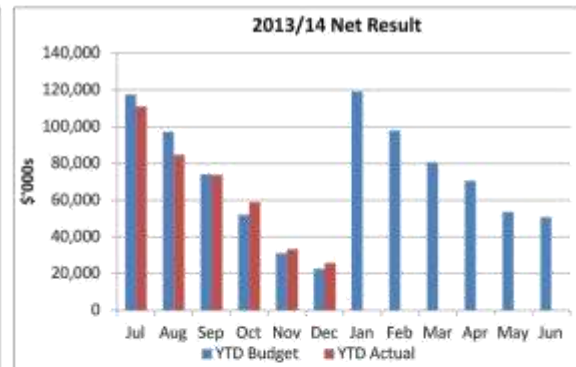
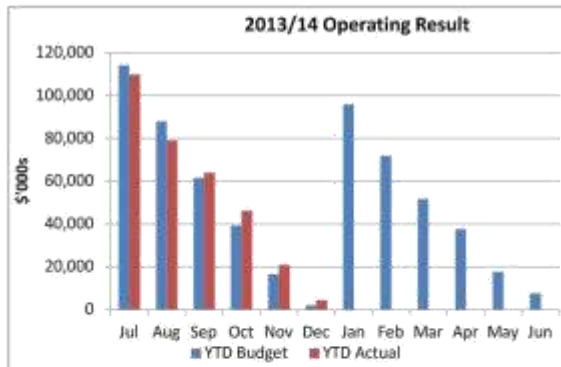
Investing activities are tracking \$90 million behind the full year budget. Investing activities follows the trend of capital spend. This variance will decrease as the remaining \$100 million is spent on fulfilling the capital program

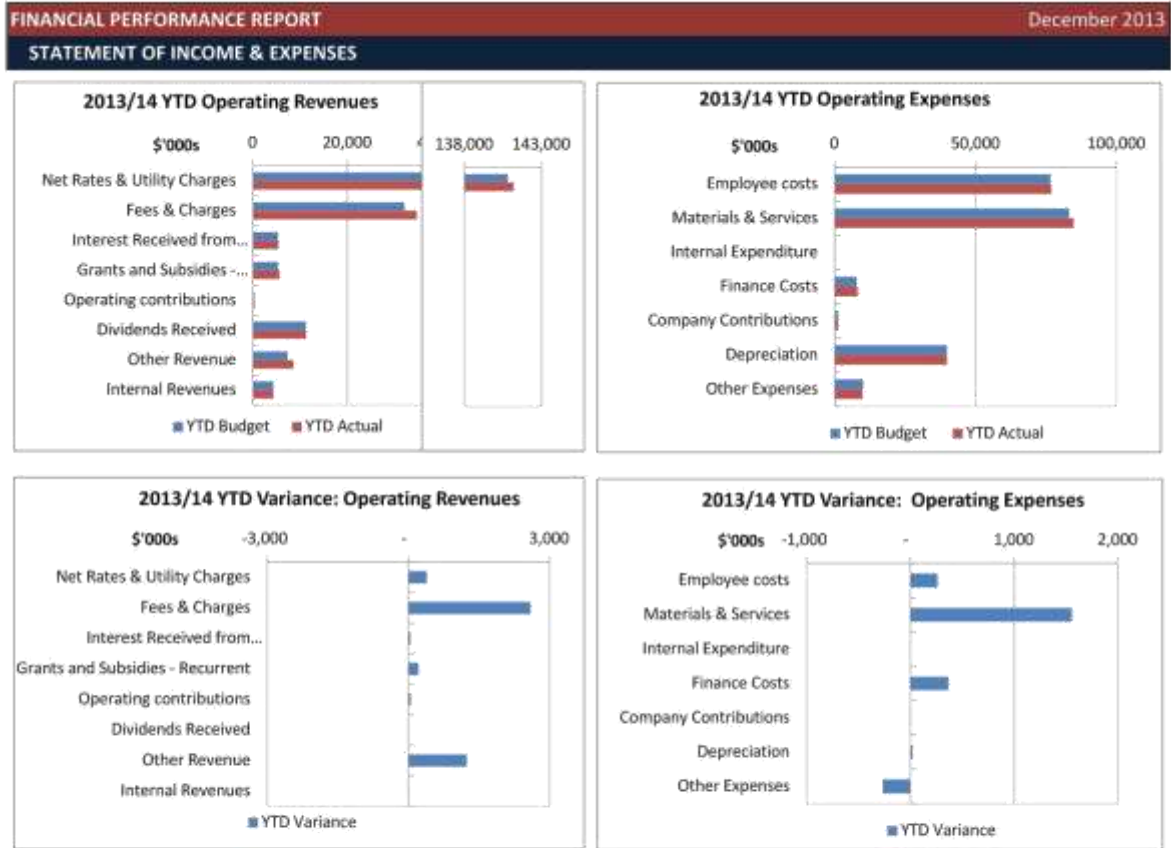
HEADLINE - RISKS

Income & Expense Statement

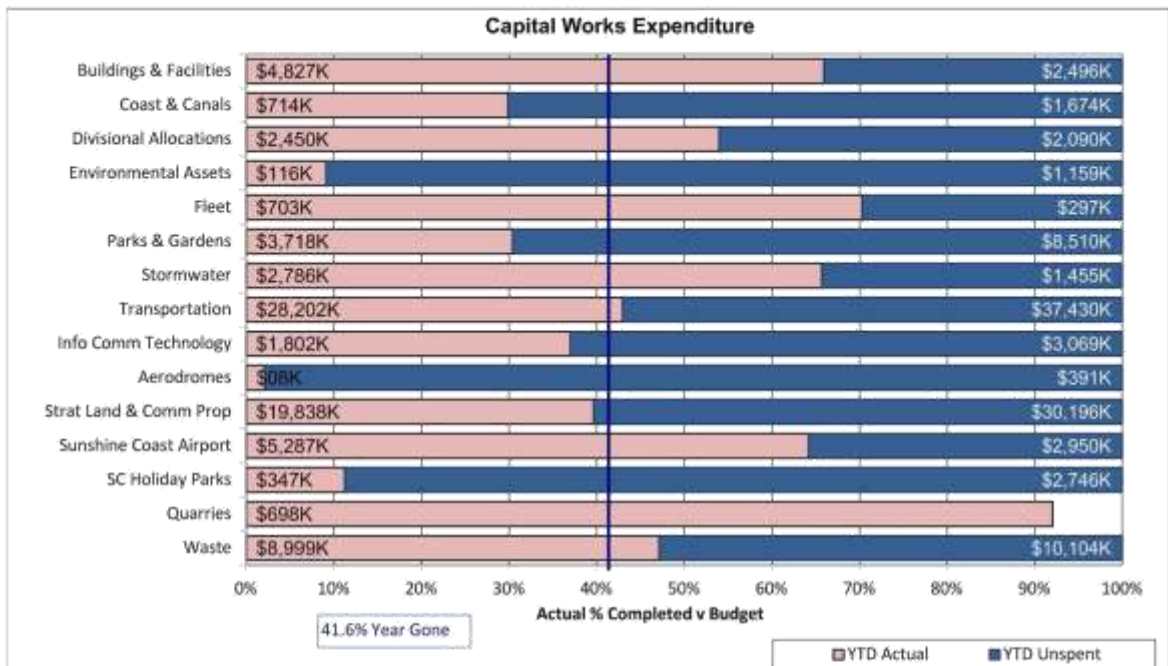
1. General Rates growth - lower than anticipated growth of rateable properties of 1.0% against forecast of 1.5%. This approximately equates to lower revenue than budgeted
2. Financial Assistance Grant - during 2012/2013 more than one half of the grant (\$6.3 million) was paid early into June 2012. This prepayment has created a budget impact of \$2.1 million in the current 2013/2014 budget.
3. Organisation Review - \$4.7 million net savings loaded into the budget.
4. De-amalgamation - risk that not all costs associated with the de-amalgamation are being charged to Noosa Shire Council.
5. Employee Vacancy Factor - \$4.4 million loaded in the budget. May be difficult to achieve this saving along with Organisation Review.

FINANCIAL PERFORMANCE REPORT							December 2013
STATEMENT OF INCOME & EXPENSES							
	Annual		YTD				Annual
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %	Forecast Budget \$000s
Operating Revenue							
Gross Rates & Utility Charges	262,411	262,480	145,788	147,573	1,785	1.2%	262,480
Interest from Rates & Utilities	2,053	2,053	1,300	1,207	(93)	-7.1%	2,053
Less Discounts, Pensioner Remissions	(11,374)	(11,374)	(6,283)	(7,587)	(1,304)	-20.8%	(11,374)
Net Rates & Utility Charges	253,090	253,159	140,804	141,192	388	0.3%	253,159
Fees & Charges	53,274	51,841	32,086	34,679	2,592	8.1%	51,841
Interest Received from Investments	8,512	8,512	5,316	5,362	46	0.9%	8,512
Grants and Subsidies - Recurrent	10,780	11,091	5,365	5,575	210	3.9%	11,091
Operating contributions	570	570	315	367	52	16.4%	570
Interest received from Unitywater	26,205	26,205	13,565	13,305	(260)	-1.9%	26,205
Dividends Received	27,001	27,001	11,215	11,215	(0)	0.0%	27,001
Other Revenue	13,249	13,485	7,309	8,546	1,236	16.9%	13,485
Internal Revenues	7,614	7,575	4,306	4,316	10	0.2%	7,575
Community Service Obligations	0	0	0	0	0	0.0%	0
Total Operating Revenue	400,295	399,438	220,281	224,555	4,274	1.9%	399,438
Operating Expenses							
Employee costs	130,879	130,235	76,495	76,756	261	0.3%	130,235
Materials & Services	152,860	157,321	83,087	84,641	1,554	1.9%	157,321
Internal Expenditure	0	0	0	0	0	0.0%	0
Finance Costs	14,197	14,197	7,747	8,112	365	4.7%	14,197
Company Contributions	1,152	1,152	1,152	1,152	0	0.0%	1,152
Depreciation	70,510	70,510	39,797	39,816	20	0.0%	70,510
Other Expenses	17,984	18,522	9,996	9,729	(267)	-2.7%	18,522
Competitive Neutrality Adjustments	0	0	(0)	0	0	-100.0%	0
Total Operating Expenses	387,582	391,938	218,273	220,205	1,933	0.9%	391,938
Operating Result	12,713	7,500	2,008	4,350	2,341	116.6%	7,500
Capital Revenue							
Capital Grants and Subsidies	2,900	12,042	5,237	5,974	736	14.1%	12,042
Capital Contributions	7,201	7,206	4,038	4,223	186	4.6%	7,206
Contributed Assets	27,000	19,400	9,000	8,954	(46)	-0.5%	19,400
Other Capital Revenue	4,472	4,472	2,198	2,198	0	0.0%	4,472
Total Capital Revenue	41,573	43,120	20,473	21,349	876	4.3%	43,120
Net Result	54,287	50,621	22,482	25,699	3,217	14.3%	50,621





FINANCIAL PERFORMANCE REPORT							December 2013
CAPITAL EXPENDITURE							
Capital Works Program	Annual		YTD			Annual	
	Original Budget \$000s	Current Budget \$000s	Budget \$'000s	Actual \$000s	% of Annual Budget Spent	Forecast Budget \$000s	
Buildings and Facilities	6,548	7,324	5,498	4,813	65.7%	7,324	
Coast and Canals	1,949	2,388	1,040	714	29.9%	2,388	
Divisional Allocations	3,100	4,540	2,420	2,450	54.0%	4,540	
Environmental Assets	1,238	1,276	204	116	9.1%	1,276	
Fleet	1,000	1,000	934	703	70.3%	1,000	
Parks and Gardens	10,317	12,228	4,975	3,718	30.4%	12,228	
Stormwater	4,161	4,241	1,956	2,786	65.7%	4,241	
Transportation	52,952	65,632	29,347	28,202	43.0%	65,632	
Information Communication Technology	3,927	4,871	2,610	1,802	37.0%	4,871	
Strategic Land & Comm Properties	9,422	50,034	19,796	19,838	39.6%	50,034	
Aerodromes	-	399	7	8	2.1%	399	
Sunshine Coast Airport	3,400	8,237	5,359	5,287	64.2%	8,237	
SC Holiday Parks	1,455	3,093	913	347	11.2%	3,093	
Quarries	150	637	184	698	109.4%	637	
Waste	9,651	19,103	4,943	9,014	47.2%	19,103	
TOTAL	109,270	185,003	80,185	80,493	43.5%	185,003	

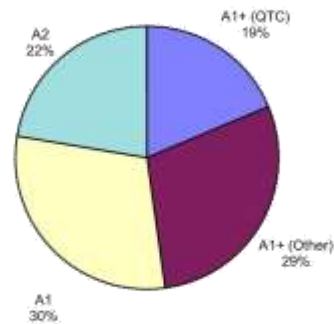
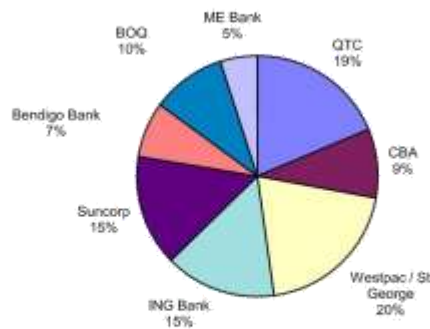


FINANCIAL PERFORMANCE REPORT December 2013
INVESTMENT PERFORMANCE

Liquidity as at:		31/12/2013	
		\$'000's	
At-call accounts			
QTC + CBA (exc trust)		\$37,539	18.66%
Investments Maturing within 7 days		\$0	0.00%
Total at-call		\$37,539	18.66%
Investment Policy Target			10.00%

	INVESTMENT SUMMARY AS AT			Investment Policy				
	31/12/2013		30/11/2013		31/12/2012		Individual Limit	Group Limits
A1+ (QTC)	\$37,539	18.7%	\$66,262	24.7%	\$13,884	6.7%	100%	100%
A1+ (Other)	\$58,599	29.1%	\$126,943	47.3%	\$134,146	64.5%	35%	100%
A1	\$60,000	29.8%	\$30,000	11.2%	\$30,000	14.4%	30%	30%
A2	\$45,000	22.4%	\$45,000	16.8%	\$30,000	14.4%	10%	30%
TOTAL	\$201,138		\$268,205		\$208,030			

Investment Portfolio



Investment Performance

