



Financial Performance Report

May 2014

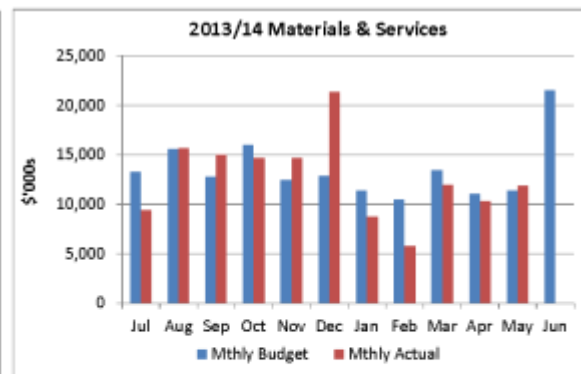
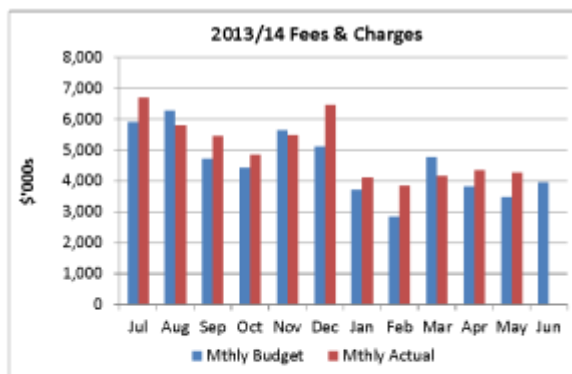
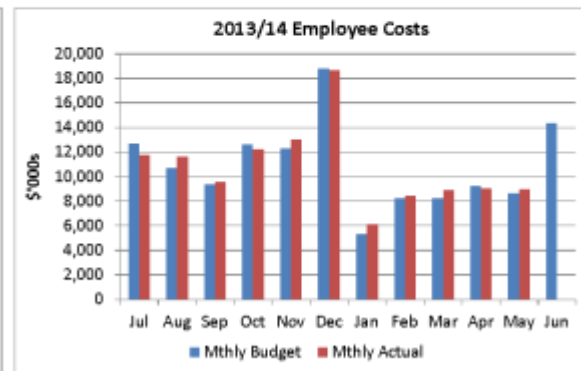
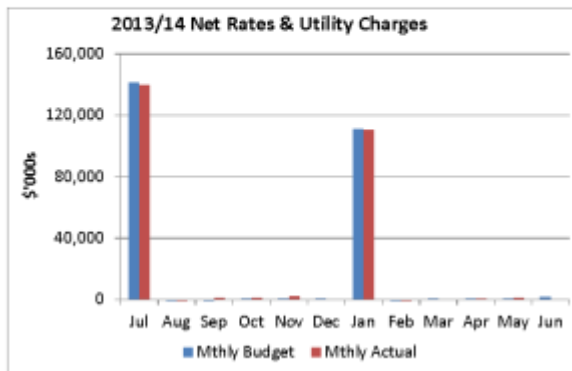
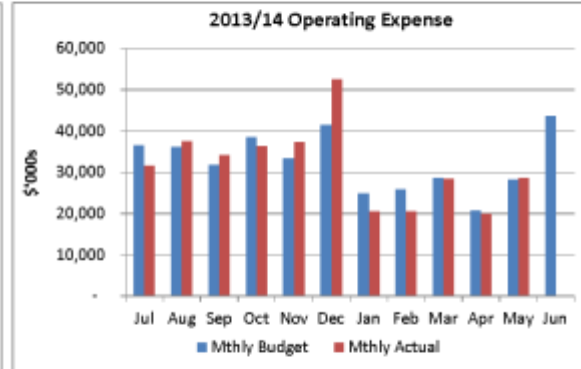
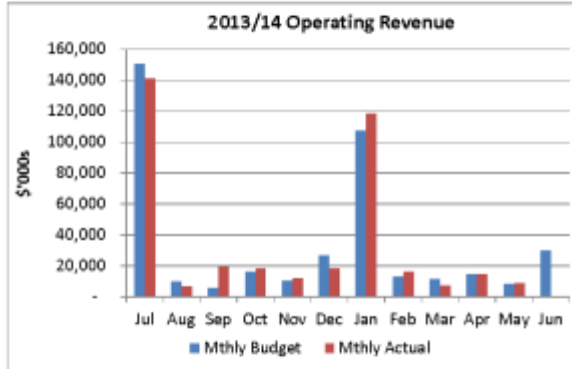


FINANCIAL PERFORMANCE REPORT May 2014
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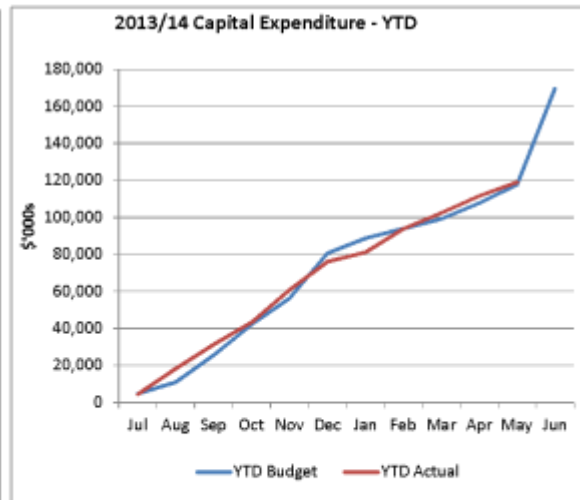
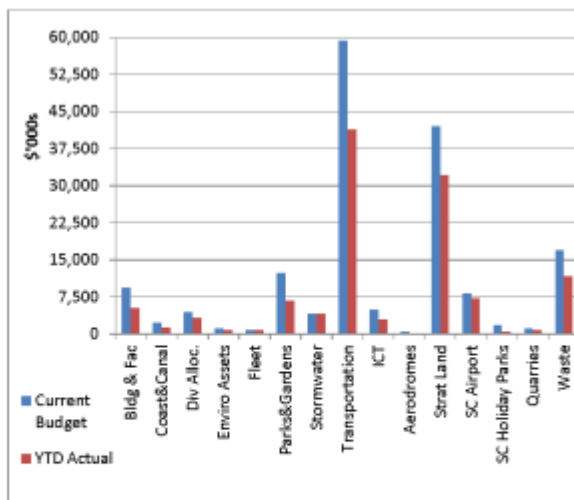
FINANCIAL PERFORMANCE REPORT May 2014
HEADLINE - OPERATING

	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	400,295	405,457	375,344	381,931	6,587	1.8%
Operating Expenses	387,582	390,434	346,836	347,948	1,112	0.3%
Operating Result	12,713	15,024	28,508	33,983	5,475	19.2%
NET Result	54,287	58,763	64,833	78,413	13,581	20.9%

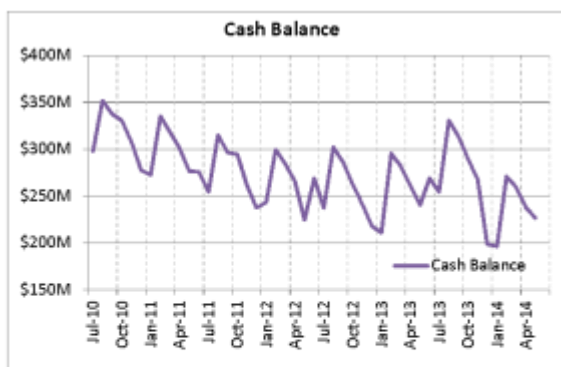
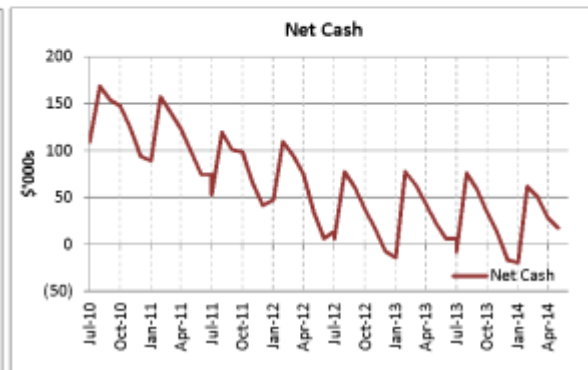
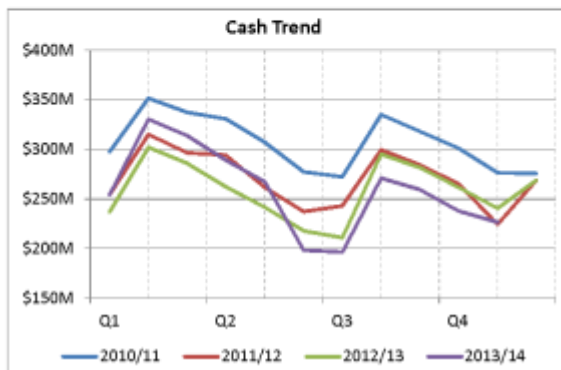


FINANCIAL PERFORMANCE REPORT May 2014

	Annual		YTD			
	Original Budget	Current Budget	Current Budget	Actuals	Variance	Variance
	\$000s	\$000s	\$000s	\$000s	\$000s	%
Capital Revenues (included in NET Result)	37,101	39,268	32,999	41,105	8,106	
Other Capital Revenues	86,410	79,018	63,361	62,031	(1,330)	
Total Capital Revenues	123,511	118,285	96,360	103,136	6,776	
Capital Works Expenditure	109,270	169,569	117,728	119,007	1,279	1.1%
Other Capital Expenditure	41,150	32,916	32,205	34,730	2,526	
Total Capital Expenditure	150,420	202,485	149,933	153,737	3,805	
Funds from General Revenue	26,909	84,200	53,573	50,602	(2,971)	



FINANCIAL PERFORMANCE REPORT			
HEADLINE - CASH & BALANCE SHEET			
	Annual		YTD
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s
CASH FLOWS			
Opening Cash	196,241	261,865	261,336
Net Cash Inflow/(Outflows) from:			
Operating Activities	48,186	50,579	55,062
Investing Activities	(93,697)	(144,352)	(52,815)
Financing Activities	476	1,484	(41,016)
Net Increase/(decrease) in Cash Held	(45,035)	(92,289)	(38,769)
Cash at year end	151,206	169,576	222,567
BALANCE SHEET			
Total Current Assets	216,289	234,659	252,501
Total Non Current Assets	4,511,393	4,489,306	4,303,637
Total Assets	4,727,682	4,723,965	4,556,138
Total Current Liabilities	70,183	70,183	983,326
Total Non Current Liabilities	240,480	240,480	234,804
Total Liabilities	310,663	310,663	748,522
Net Community Assets/ Total Community Equity	4,417,019	4,413,302	5,304,660



FINANCIAL PERFORMANCE REPORT

May 2014

HEADLINE - COMMENTARY

Income & Expense Statement

The operating result at 31 May 2014 shows a positive variance of \$5.5 million compared to the forecast position. This operating result variation is made up of higher than expected revenue of \$6.6 million and higher than expected operating expenses of \$1.1 million.

Operating Revenues

Of the \$4.8 million favourable variance in fees and charges, \$2.1 million relates to development applications revenue, across all application types. Other Fees and Charges that are showing favourable variances to budget include;

- Holiday Parks \$865,000 (offset by \$380,000 of costs)
- Change in Ownership/Search Fees \$402,000
- Quarries external sales \$455,000
- Health Licenses \$258,000
- Cemetery Fees \$257,000

Other Revenue - A number of activities are contributing to the \$2 million favourable variance in other revenue. These activities are Major venues (Quad Park) – increase in revenue \$300,000, Lease/rental income over budget \$253,000, Waste – sale of recoverable materials \$215,000

Operating Expenses

As at May 2014 month end employee costs were over budget by \$2.1 million. For the 2013/2014 budget \$9.1 million in operational labour savings were built into the budget process:

- Vacancy target of \$4.4 million
- Organisational Review target of \$4.7 million

In addition, \$16 million was excluded from the operational employee costs for the January to June 2014 period as an estimate of the impact of de-amalgamation.

Whilst all labour savings related to the Organisational Review were budgeted as operating, \$1.2 million of the actual savings were related to capital labour. The capital program was not reduced in line with the positions being made redundant.

Similarly, while all de-amalgamation employee cost reductions were made to operational budgets, \$1.5 million of transferred employee costs related to capitalised labour.

Material and Service spend related to the transport, environment and heritage levy were underspent by \$1.2 million at the end of May, all of which will be returned to restricted cash if still unspent at financial year end.

Capital Expenditure

As at 31 May 2014, \$119 million (70.2%) of council's \$169.6 million 2013/2014 Capital Works Program was financially expended.

HEADLINE - RISKS

Income & Expense Statement

1. 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.

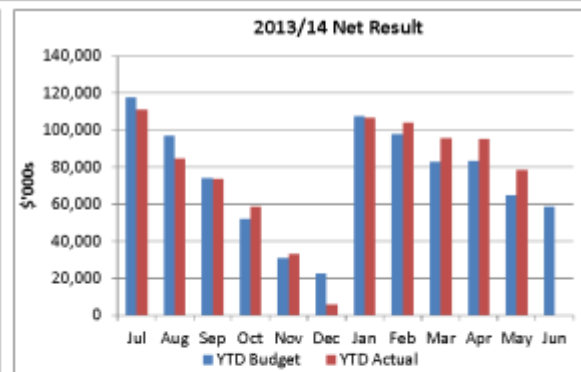
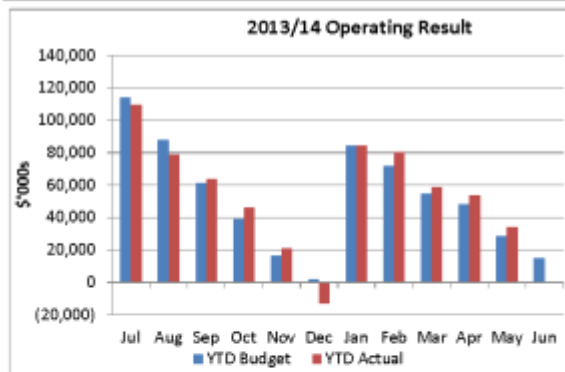
2. Organisational Review - \$4.7 million net savings loaded into the budget.

3. De-amalgamation - risk that not all costs associated with the de-amalgamation are being charged to Noosa Shire Council.

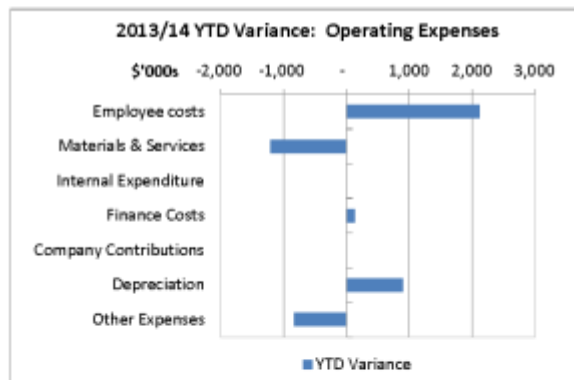
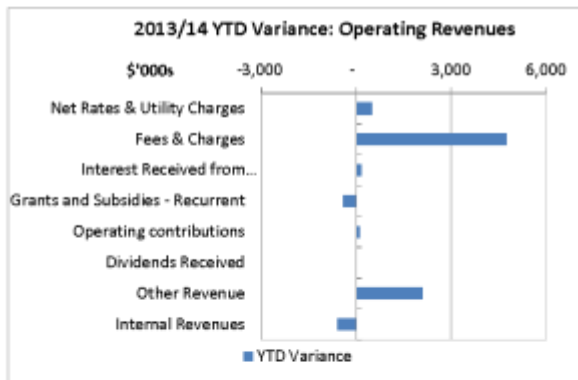
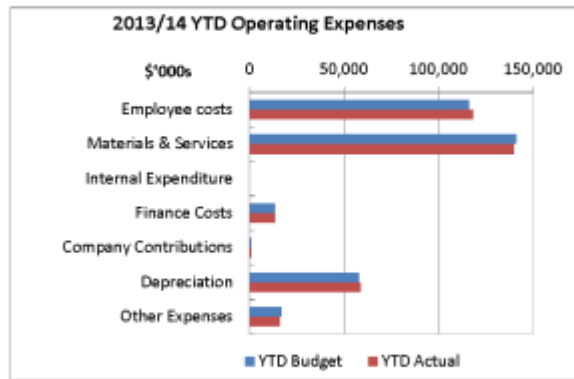
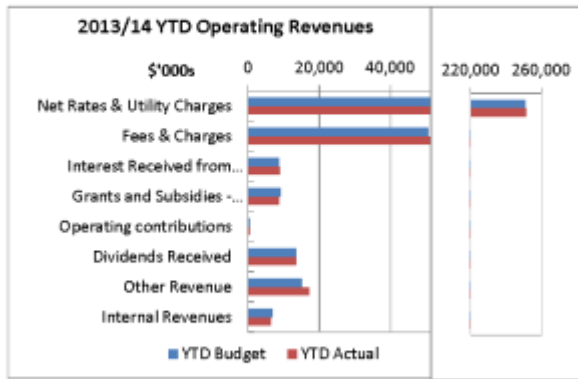
4. Employee Vacancy Factor - \$4.4 million loaded in the budget. May be difficult to achieve this saving along with the Organisational Review.

5. the risk that the State Government will transfer SPER debt back to local councils, who will then have to manage their own debt collection

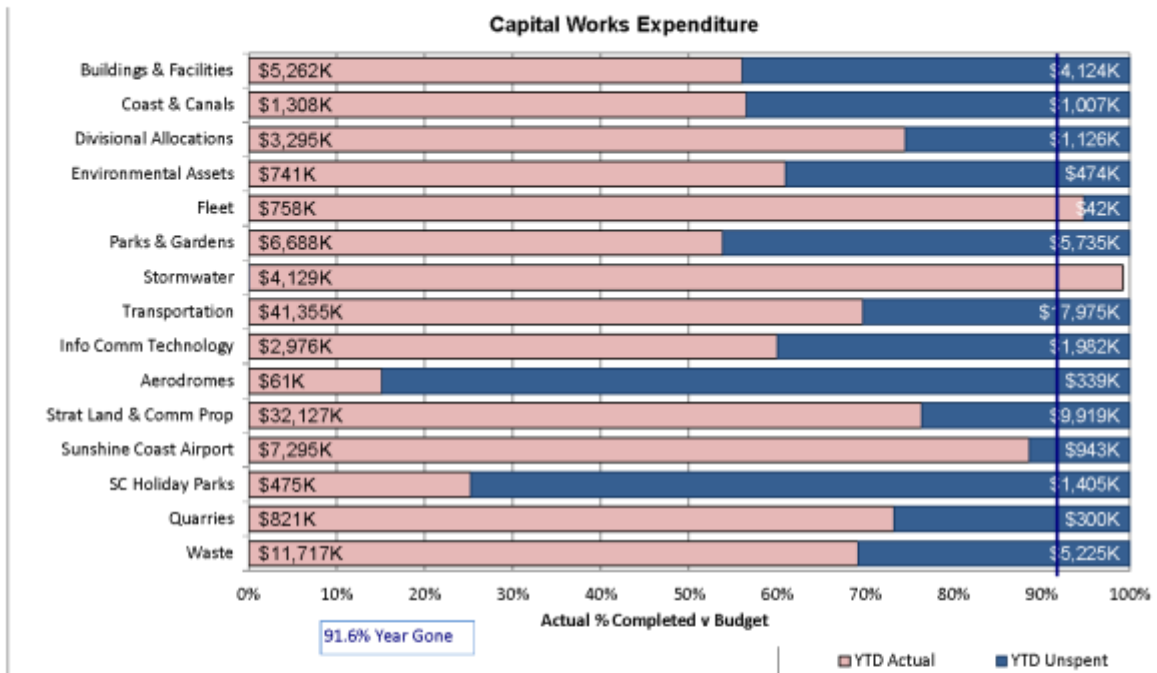
FINANCIAL PERFORMANCE REPORT							May 2014
STATEMENT OF INCOME & EXPENSES							
	Annual		YTD				Annual
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %	Forecast Budget \$000s
Operating Revenue							
Gross Rates & Utility Charges	262,411	262,008	260,451	261,318	867	0.3%	262,008
Interest from Rates & Utilities	2,053	2,053	1,902	1,896	(5)	-0.3%	2,053
Less Discounts, Pensioner Remissions	(11,374)	(11,374)	(11,336)	(11,706)	(370)	3.3%	(11,374)
Net Rates & Utility Charges	253,090	252,687	251,017	251,508	491	0.2%	252,687
Fees & Charges	53,274	54,684	50,738	55,489	4,752	9.4%	54,684
Interest Received from Investments	8,512	9,012	8,859	9,031	172	1.9%	9,012
Grants and Subsidies - Recurrent	10,780	11,391	9,169	8,748	(421)	-4.6%	11,391
Operating contributions	570	570	527	636	108	20.5%	570
Interest received from Unitywater	26,205	25,205	19,271	19,268	(3)	0.0%	25,205
Dividends Received	27,001	28,001	13,532	13,532	(0)	0.0%	28,001
Other Revenue	13,249	16,333	15,222	17,313	2,092	13.7%	16,333
Internal Revenues	7,614	7,575	7,010	6,408	(602)	-8.6%	7,575
Community Service Obligations	0	0	0	0	0	0.0%	0
Total Operating Revenue	400,295	405,457	375,344	381,931	6,587	1.8%	405,457
Operating Expenses							
Employee costs	130,879	130,597	116,239	118,365	2,127	1.8%	130,596
Materials & Services	152,860	162,428	140,875	139,658	(1,218)	-0.9%	162,428
Internal Expenditure	0	0	0	0	0	0.0%	0
Finance Costs	14,197	14,564	13,505	13,644	139	1.0%	14,564
Company Contributions	1,152	1,152	1,152	1,152	0	0.0%	1,152
Depreciation	70,510	63,118	57,859	58,762	903	1.6%	63,118
Other Expenses	17,984	18,575	17,207	16,368	(839)	-4.9%	18,575
Competitive Neutrality Adjustments	0	0	(0)	0	0	-100.0%	0
Total Operating Expenses	387,582	390,434	346,836	347,948	1,112	0.3%	390,433
Operating Result	12,713	15,024	28,508	33,983	5,475	19.2%	15,024
Capital Revenue							
Capital Grants and Subsidies	2,900	12,662	7,244	9,109	1,866	25.8%	12,662
Capital Contributions	7,201	7,206	7,067	10,781	3,714	52.6%	7,206
Contributed Assets	27,000	19,400	18,688	21,214	2,526	13.5%	19,400
Other Capital Revenue	4,472	4,472	3,326	3,326	0	0.0%	4,472
Total Capital Revenue	41,573	43,740	36,325	44,430	8,106	22.3%	43,740
Net Result	54,287	58,763	64,833	78,413	13,581	20.9%	58,764



FINANCIAL PERFORMANCE REPORT May 2014
STATEMENT OF INCOME & EXPENSES



FINANCIAL PERFORMANCE REPORT							May 2014
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	9,386	5,789	5,262	56.1%	9,386	
Coast and Canals	1,949	2,315	1,822	1,308	56.5%	2,315	
Divisional Allocations	3,100	4,418	2,803	3,295	74.6%	4,421	
Environmental Assets	1,238	1,215	865	741	61.0%	1,215	
Fleet	1,000	800	734	758	94.8%	800	
Parks and Gardens	10,317	12,424	8,642	6,688	53.8%	12,424	
Stormwater	4,161	4,094	3,311	4,129	100.8%	4,094	
Transportation	52,952	59,334	52,241	41,355	69.7%	59,330	
Information Communication Technology	3,927	4,958	3,187	2,976	60.0%	4,958	
Strategic Land & Comm Properties	9,422	42,046	20,691	32,127	76.4%	42,046	
Aerodromes	-	399	31	61	15.2%	399	
Sunshine Coast Airport	3,400	8,237	7,072	7,295	88.6%	8,237	
SC Holiday Parks	1,455	1,880	1,268	475	25.3%	1,880	
Quarries	150	1,121	183	821	73.2%	1,121	
Waste	9,651	16,942	9,089	11,717	69.2%	16,942	
TOTAL	109,270	169,569	117,728	119,007	70.2%	169,569	



FINANCIAL PERFORMANCE REPORT May 2014
INVESTMENT PERFORMANCE

Liquidity as at: 31/05/2014		
\$'000's		
At-call accounts		
QTC + CBA (exc trust)	\$85,228	37.17%
Maturities within 7 days	\$10,000	4.36%
Total at-call	\$95,228	41.53%
Investment Policy Target		10.00%

	INVESTMENT SUMMARY AS AT (including Trust)				Investment Policy			
	31/05/2014		30/04/2014		31/05/2013		Individual Limit	Group Limits
A1+ (QTC)	\$68,263	29.8%	\$68,083	28.1%	\$34,212	14.3%	100%	100%
A1+ (Other)	\$111,036	48.4%	\$133,980	55.3%	\$140,333	58.6%	35%	100%
A1	\$10,000	4.4%	\$10,000	4.1%	\$20,000	8.3%	30%	30%
A2	\$40,000	17.4%	\$30,000	12.4%	\$45,000	18.8%	10%	30%
TOTAL	\$229,299		\$242,062		\$239,546			

Investment Portfolio

