

Sunshine Coast  
Council

**FINANCIAL PERFORMANCE REPORT**  
October 2013

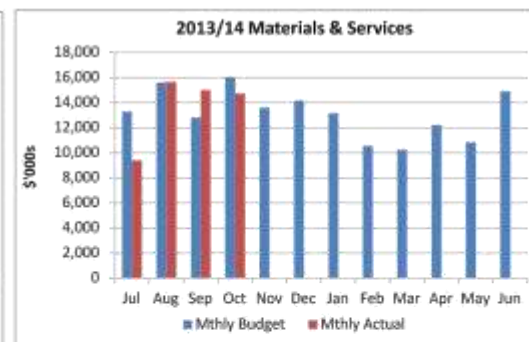
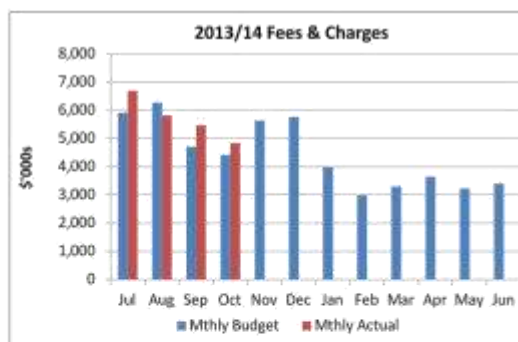
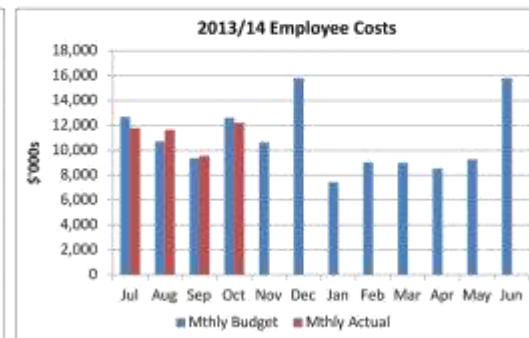
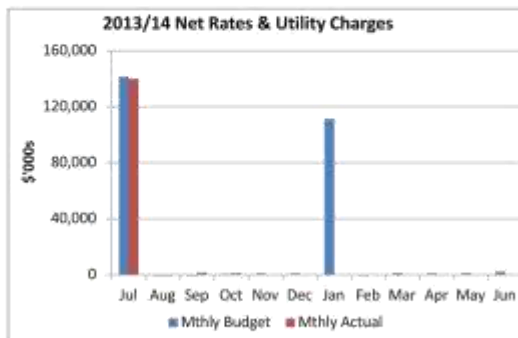
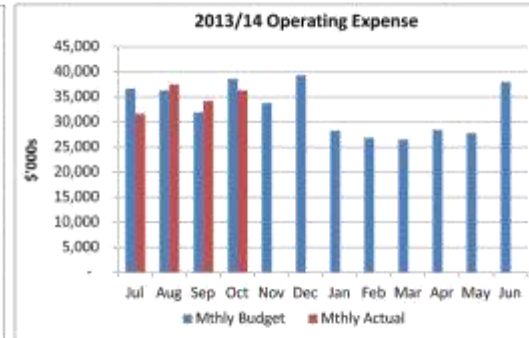
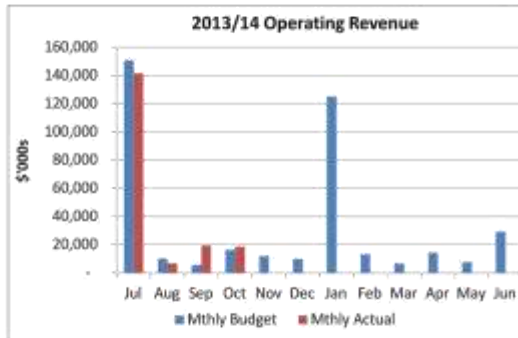


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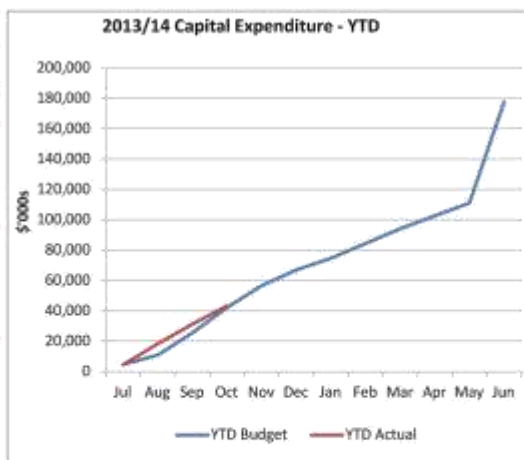
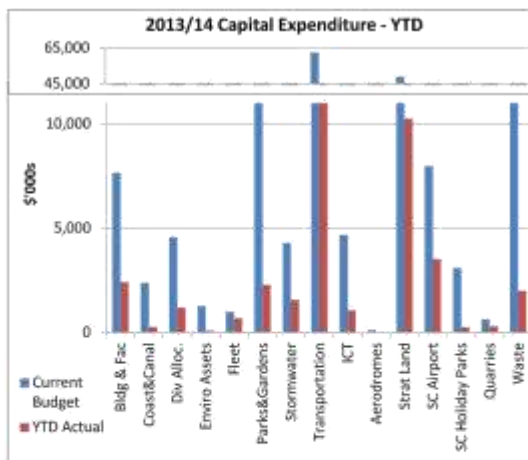
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**FINANCIAL PERFORMANCE REPORT** October 2013  
**HEADLINE - OPERATING**

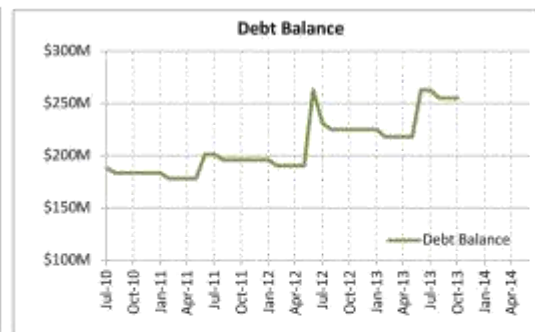
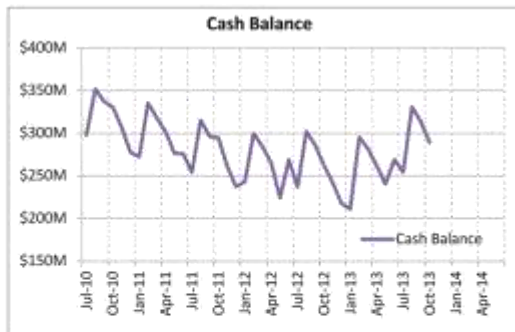
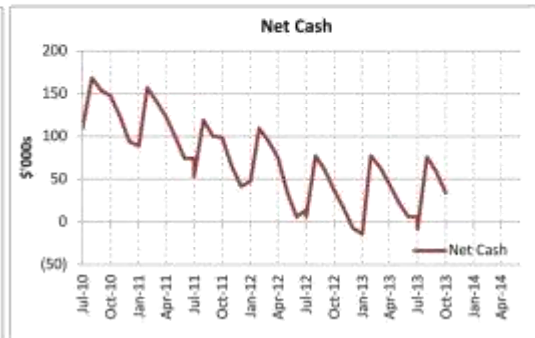
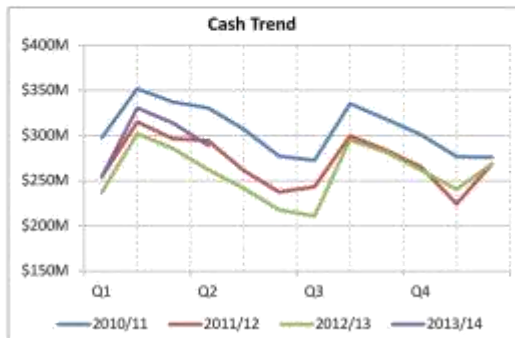
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	400,295	400,285	182,661	185,795	3,135	1.7%
Operating Expenses	387,582	392,514	143,454	139,606	(3,847)	(2.7%)
<b>Operating Result</b>	<b>12,713</b>	<b>7,771</b>	<b>39,207</b>	<b>46,189</b>	<b>6,982</b>	<b>17.8%</b>
<b>NET Result</b>	<b>54,287</b>	<b>46,359</b>	<b>51,978</b>	<b>58,813</b>	<b>6,834</b>	<b>13.1%</b>



FINANCIAL PERFORMANCE REPORT							October 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	34,115	11,682	11,534	(148)		
Other Capital Revenues	86,410	86,409	26,864	27,676	812		
<b>Total Capital Revenues</b>	<b>123,511</b>	<b>120,525</b>	<b>38,546</b>	<b>39,210</b>	<b>664</b>		
Capital Works Expenditure	109,270	177,658	42,036	43,286	1,251	3.0%	
Other capital Expenditure	41,150	33,550	10,085	10,065	(20)		
<b>Total Capital Expenditure</b>	<b>150,420</b>	<b>211,208</b>	<b>52,121</b>	<b>53,351</b>	<b>1,231</b>		
Funds from General Revenue	26,909	90,684	13,574	14,141	567		



FINANCIAL PERFORMANCE REPORT			October 2013
HEADLINE - CASH & BALANCE SHEET			
	Annual		YTD
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s
<b>CASH FLOWS</b>			
Opening Cash	196,241	264,747	261,336
Net Cash Inflow/(Outflows) from:			
Operating Activities	48,186	43,454	63,345
Investing Activities	(93,697)	(157,471)	(32,988)
Financing Activities	476	476	(1,466)
<b>Net Increase/(decrease) in Cash Held</b>	<b>(45,035)</b>	<b>(113,541)</b>	<b>28,891</b>
<b>Cash at year end</b>	<b>151,206</b>	<b>151,206</b>	<b>290,227</b>
<b>BALANCE SHEET</b>			
Total Current Assets	216,289	216,289	330,603
Total Non Current Assets	4,511,393	4,511,393	5,317,360
<b>Total Assets</b>	<b>4,727,682</b>	<b>4,727,682</b>	<b>5,647,963</b>
Total Current Liabilities	70,183	70,183	61,257
Total Non Current Liabilities	240,480	240,480	279,449
<b>Total Liabilities</b>	<b>310,663</b>	<b>310,663</b>	<b>340,706</b>
<b>Net Community Assets/ Total Community Equity</b>	<b>4,417,019</b>	<b>4,417,019</b>	<b>5,307,258</b>



FINANCIAL PERFORMANCE REPORT

October 2013

HEADLINE - COMMENTARY

**Income & Expense Statement**

Council's financial results at 31 October 2013 shows the organisation with a \$7million higher than forecasted operating position against the year to date budget. This operating result variation is made up of operating revenue being \$3.1 million higher than the year to date budget, along with operating expenses being \$3.9 million lower than the year to date budget.

**Operating Revenues**

Of the \$1.5 million favourable variance in fees and charges, \$1million relates to development applications, with the volume being approximately 14% higher in 2013/2014 than compared to same time in 2012/2013.

Of the \$1.3 favourable variance in other revenue, \$700,000 relates to a refund from the Office of State Revenue for over charged payroll tax.

**Operating Expenses**

The favourable variance in operating expenses of \$3.8 million relates to Materials & Services (\$3 million) and Other expenses (\$650,000) .

Materials and Services relates to underspends in the following branches: ICTS (\$720,000), Environmental Operations (\$680,000), Civil Works (\$580,000), Economic Development (\$480,000) and Waste (\$400,000)

Other expenses relates to timing difference on event sponsorships and donations

**Capital Expenditure**

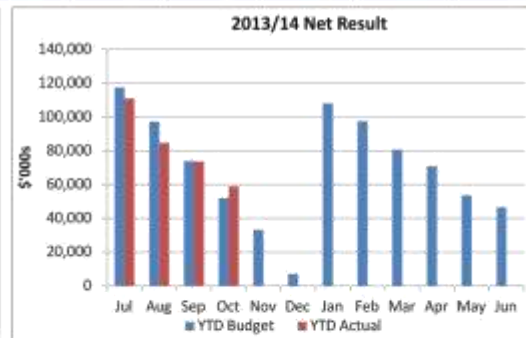
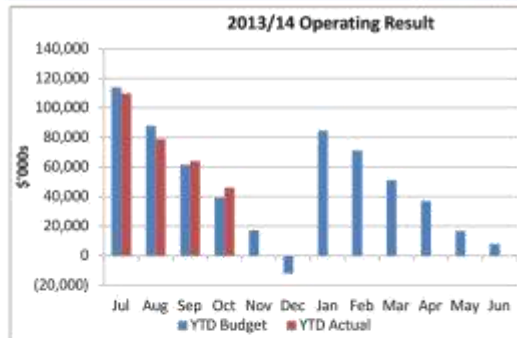
As at 30 October 2013, \$43.3 million (24.4%) of council's \$177.7 million 2013/2014 Capital Works Program was financially expended.

HEADLINE - RISKS

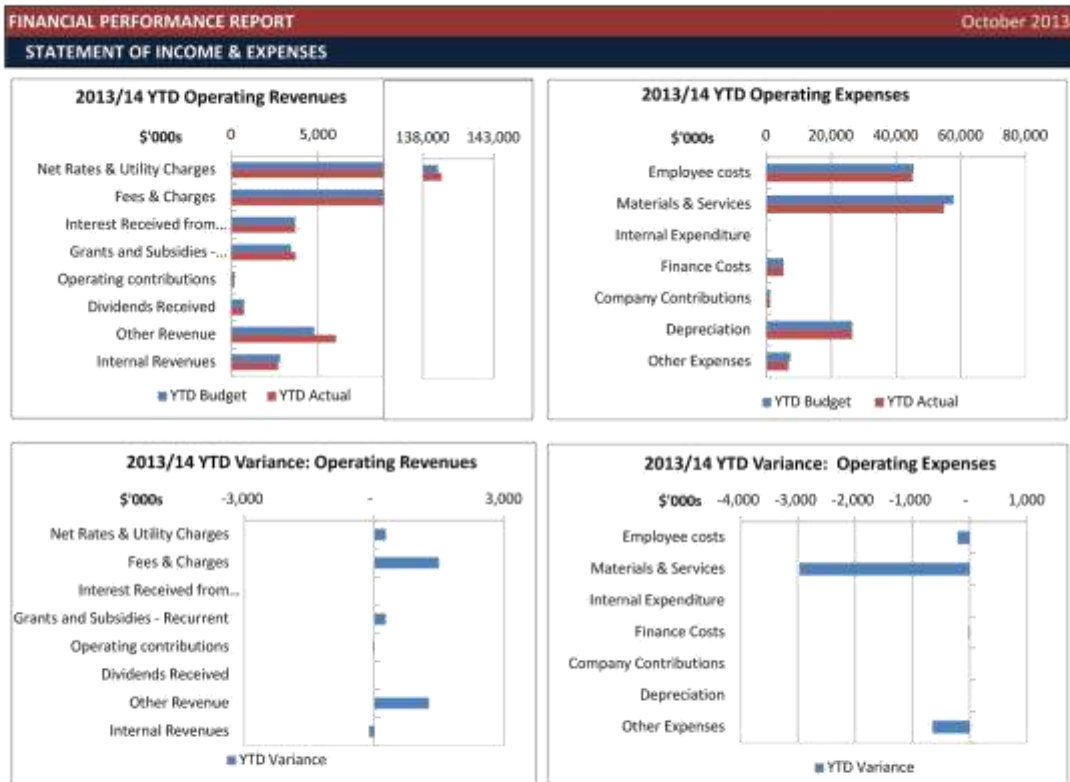
**Income & Expense Statement**

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 of \$1.0 million.
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							October 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
<b>Operating Revenue</b>							
Gross Rates & Utility Charges	262,411	262,411	144,419	144,861	442	0.3%	262,480
Interest from Rates & Utilities	2,053	2,053	918	908	(10)	-1.1%	2,053
Less Discounts, Pensioner Remissions	(11,374)	(11,374)	(6,283)	(6,449)	(165)	2.6%	(11,374)
Net Rates & Utility Charges	253,090	253,090	139,054	139,320	267	0.2%	253,159
Fees & Charges	53,274	53,274	21,317	22,812	1,495	7.0%	51,811
Interest Received from Investments	8,512	8,512	3,675	3,674	(1)	0.0%	8,512
Grants and Subsidies - Recurrent	10,780	10,780	3,434	3,696	261	7.6%	11,091
Operating contributions	570	570	210	181	(28)	-13.6%	570
Interest received from Unitywater	26,205	26,205	6,662	6,662	(1)	0.0%	26,205
Dividends Received	27,001	27,001	735	735	0	0.0%	27,001
Other Revenue	13,249	13,249	4,765	6,027	1,262	26.5%	13,485
Internal Revenues	7,614	7,603	2,809	2,688	(120)	-4.3%	7,603
Community Service Obligations	0	0	0	0	0	0.0%	0
<b>Total Operating Revenue</b>	<b>400,295</b>	<b>400,285</b>	<b>182,661</b>	<b>185,795</b>	<b>3,135</b>	<b>1.7%</b>	<b>399,436</b>
<b>Operating Expenses</b>							
Employee costs	130,879	131,340	45,373	45,163	(210)	-0.5%	130,166
Materials & Services	152,860	157,081	57,737	54,770	(2,966)	-5.1%	157,458
Internal Expenditure	0	0	0	0	0	0.0%	0
Finance Costs	14,197	14,197	5,251	5,230	(21)	-0.4%	14,197
Company Contributions	1,152	1,152	1,152	1,152	0	0.0%	1,152
Depreciation	70,510	70,510	26,531	26,531	0	0.0%	70,510
Other Expenses	17,984	18,234	7,411	6,760	(650)	-8.8%	18,483
Competitive Neutrality Adjustments	0	0	(0)	0	0	-100.0%	0
<b>Total Operating Expenses</b>	<b>387,582</b>	<b>392,514</b>	<b>143,454</b>	<b>139,606</b>	<b>(3,847)</b>	<b>-2.7%</b>	<b>391,966</b>
<b>Operating Result</b>	<b>12,713</b>	<b>7,771</b>	<b>39,207</b>	<b>46,189</b>	<b>6,982</b>	<b>17.8%</b>	<b>7,470</b>
<b>Capital Revenue</b>							
Capital Grants and Subsidies	2,900	7,514	6,593	6,027	(566)	-8.6%	12,047
Capital Contributions	7,201	7,201	2,689	3,127	438	16.3%	7,201
Contributed Assets	27,000	19,400	2,400	2,380	(20)	-0.8%	19,400
Other Capital Revenue	4,472	4,472	1,090	1,090	0	0.0%	4,472
<b>Total Capital Revenue</b>	<b>41,573</b>	<b>38,587</b>	<b>12,772</b>	<b>12,624</b>	<b>(148)</b>	<b>-1.2%</b>	<b>43,120</b>
<b>Net Result</b>	<b>54,287</b>	<b>46,359</b>	<b>51,978</b>	<b>58,813</b>	<b>6,834</b>	<b>13.1%</b>	<b>50,591</b>

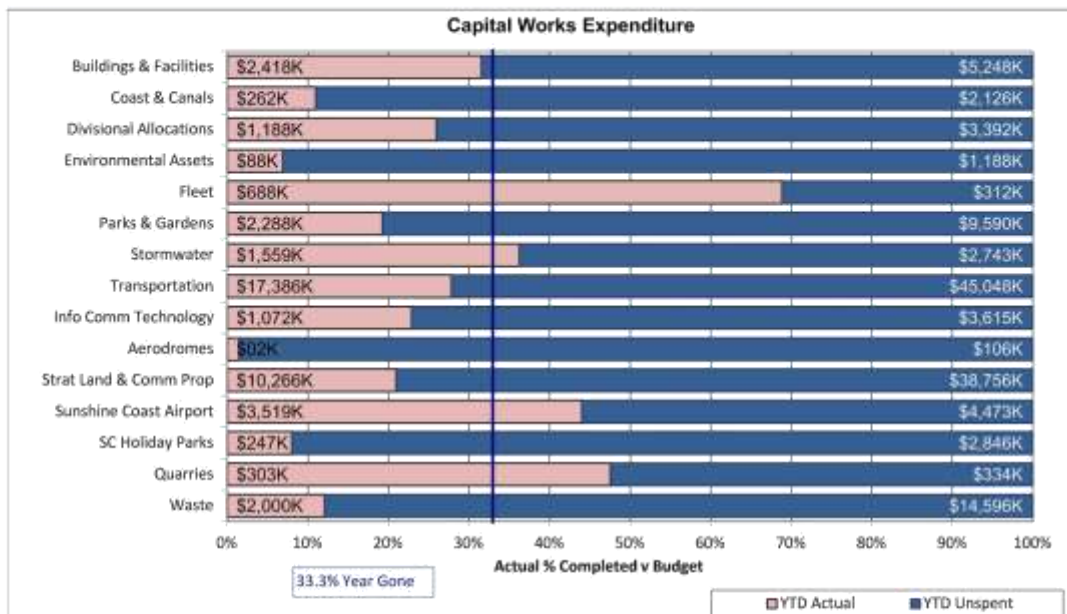








FINANCIAL PERFORMANCE REPORT						October 2013
CAPITAL EXPENDITURE						
Capital Works Program	Annual		YTD			Annual
	Original Budget \$'000s	Current Budget \$'000s	Budget \$'000s	Actual \$'000s	% of Annual Budget Spent	Forecast Budget \$'000s
Buildings and Facilities	6,548	7,666	3,169	2,418	31.5%	7,324
Coast and Canals	1,949	2,388	549	262	11.0%	2,388
Divisional Allocations	3,100	4,948	1,259	1,188	24.0%	4,718
Environmental Assets	1,238	1,276	199	88	6.9%	1,276
Fleet	1,000	1,000	686	688	68.8%	1,000
Parks and Gardens	10,317	11,580	2,619	2,288	19.8%	12,194
Stormwater	4,161	4,309	1,137	1,559	36.2%	4,241
Transportation	52,952	62,411	18,341	17,386	27.9%	65,577
Information Communication Technology	3,927	4,687	1,251	1,072	22.9%	4,871
Strategic Land & Comm Properties	9,422	48,967	6,842	10,266	21.0%	50,034
Aerodromes	-	107	2	2	1.4%	399
Sunshine Coast Airport	3,400	7,992	3,123	3,519	44.0%	8,237
SC Holiday Parks	1,455	3,093	305	247	8.0%	3,093
Quarries	150	637	183	303	47.6%	637
Waste	9,651	16,596	2,371	2,000	12.1%	19,103
<b>TOTAL</b>	<b>109,270</b>	<b>177,658</b>	<b>42,036</b>	<b>43,286</b>	<b>24.4%</b>	<b>185,092</b>



**FINANCIAL PERFORMANCE REPORT** October 2013  
**INVESTEMENT PERFORMANCE**

Liquidity as at:		31/10/2013	
		S'000's	
<b>At-call accounts</b>			
QTC + CBA (exc trust)	\$63,896	22.04%	
<b>Investments Maturing within 7 days</b>			
Westpac	\$15,000	5.18%	
<b>Total at-call</b>	<b>\$78,896</b>	<b>27.22%</b>	
Investment Policy Target		10.00%	

	INVESTMENT SUMMARY AS AT				Investment Policy			
	31/10/2013		30/09/2013		31/10/2012		Individual Limit	Group Limits
A1+ (QTC)	\$63,896	22.0%	\$68,165	21.0%	\$21,290	8.0%	100%	100%
A1+ (Other)	\$110,955	38.3%	\$171,475	52.8%	\$215,347	80.8%	35%	100%
A1	\$60,000	20.7%	\$20,000	6.2%	\$20,000	7.5%	30%	30%
A2	\$55,000	19.0%	\$65,000	20.0%	\$10,000	3.8%	10%	30%
<b>TOTAL</b>	<b>\$289,852</b>		<b>\$324,640</b>		<b>\$266,637</b>			

**Investment Portfolio**

