

STATEMENT OF INCOME AND EXPENSES

For the period ending 30 June 2018

SUNSHINE COAST COUNCIL TOTAL

	Original Budget 2017/18 \$000	Revised Budget 2017/18 \$000	Forward Estimate								
			2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000
Operating Revenue											
Gross Rates & Utility Charges	287,118	287,118	299,468	312,350	327,401	343,177	359,711	377,040	395,202	414,238	434,850
Interest from Rates & Utilities	1,408	1,408	1,415	1,422	1,429	1,436	1,443	1,450	1,458	1,465	1,472
Less Discounts, Pensioner Remissions	(13,336)	(13,336)	(13,843)	(14,424)	(15,032)	(15,667)	(16,332)	(17,028)	(17,755)	(18,514)	(19,305)
Net Rates & Utility Charges	275,190	275,190	287,040	299,348	313,799	328,946	344,822	361,463	378,905	397,189	417,017
Fees & Charges	57,183	57,183	53,310	54,829	56,721	58,678	60,702	62,796	64,963	67,204	69,522
Interest Received from Investments	9,374	9,374	9,101	9,503	9,964	10,344	10,842	11,745	12,655	13,565	14,515
Grants and Subsidies - Recurrent	12,007	7,104	12,007	12,007	12,007	12,007	12,007	12,007	12,007	12,007	12,007
Operating contributions	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301	1,301
Interest Received from Unitywater	23,933	23,933	23,933	23,933	23,933	23,933	23,933	23,933	23,933	23,933	23,933
Dividends Received	26,162	26,162	26,162	26,162	26,162	26,162	26,162	26,162	26,162	26,162	26,162
Other Revenue	28,381	28,763	20,836	42,579	32,712	49,931	57,189	21,700	29,101	31,710	17,305
Internal Revenues	5,812	5,812	5,978	6,148	6,360	6,579	6,806	7,041	7,284	7,535	7,795
Community Service Obligations	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	439,342	434,821	439,667	475,809	482,958	517,881	543,763	528,148	556,310	580,607	589,558
Operating Expenses											
Employee costs	135,509	135,894	136,310	138,138	142,904	147,834	152,934	158,210	163,668	169,315	175,156
Materials & Services	175,003	179,360	173,823	188,077	191,750	206,446	216,428	212,305	225,483	235,578	240,428
Internal Expenditure	-	-	-	-	-	-	-	-	-	-	-
Finance Costs	9,410	9,410	9,383	9,187	14,632	14,244	7,940	7,271	6,891	6,204	5,443
Company Contributions	1,464	1,464	1,492	1,520	1,558	1,597	1,637	1,678	1,720	1,763	1,807
Depreciation	71,643	71,643	74,356	77,154	79,087	80,033	82,224	84,388	85,661	86,738	87,829
Other Expenses	21,451	22,344	21,705	22,118	22,671	23,238	23,818	24,414	25,024	25,650	26,291
Competitive Neutrality Adjustments	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	414,480	420,115	417,069	436,194	452,603	473,391	484,982	488,266	508,448	525,248	536,956
Operating Result	24,862	14,706	22,598	39,615	30,355	44,489	58,781	39,882	47,862	55,359	52,602
Capital Revenue											
Capital Grants and Subsidies	4,912	8,598	7,505	7,648	7,839	8,035	8,236	8,442	8,653	8,869	9,091
Capital Contributions	32,274	32,399	32,274	32,274	29,074	30,153	30,153	30,153	30,153	30,153	24,000
Contributed Assets	60,000	60,000	60,000	55,000	50,000	45,000	46,125	47,278	48,460	49,672	50,913
Other Capital Revenue	-	-	-	-	-	-	-	-	-	-	-
Net Result	122,048	115,703	122,377	134,537	117,268	127,677	143,295	125,755	135,127	144,052	136,606

STATEMENT OF FINANCIAL POSITION

For the period ending 30 June 2018

SUNSHINE COAST COUNCIL TOTAL

	Original Budget 2017/18 \$000	Revised Budget 2017/18 \$000	Forward Estimate								
			2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000
CURRENT ASSETS											
Cash & Investments	209,242	218,007	205,110	221,424	219,749	322,150	337,210	338,765	335,584	329,279	285,089
Trade and other receivables	15,599	14,452	15,488	17,301	17,398	19,085	20,230	18,951	20,175	21,160	21,233
Inventories	19,490	19,490	22,032	16,846	17,122	11,286	5,783	7,337	5,726	9,786	19,611
Other Financial Assets	26,424	26,424	26,926	27,438	28,124	28,827	29,548	30,286	31,044	31,820	32,615
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	1
	270,756	278,373	269,557	283,009	282,393	381,347	392,771	395,339	392,528	392,045	358,550
NON CURRENT ASSETS											
Trade and other receivables	449,394	449,394	449,394	449,394	449,394	434,394	434,394	434,394	434,394	434,394	434,395
Property, plant & equipment	4,103,360	4,100,375	4,400,641	4,752,500	4,973,539	4,898,606	5,129,206	5,358,917	5,602,209	5,859,394	6,140,526
Investment in associates	538,713	538,713	538,713	538,713	538,713	538,713	538,713	538,713	538,713	538,713	538,713
Capital works in progress	86,931	86,931	87,467	85,201	84,928	82,128	79,469	80,619	78,552	76,653	76,276
Intangible assets	16,491	16,491	16,491	16,491	16,491	16,491	16,491	16,491	16,491	16,491	16,491
	5,194,889	5,191,904	5,492,706	5,842,298	6,063,065	5,970,332	6,198,274	6,429,134	6,670,358	6,925,644	7,206,401
TOTAL ASSETS	5,465,644	5,470,277	5,762,263	6,125,307	6,345,457	6,351,679	6,591,045	6,824,474	7,062,887	7,317,690	7,564,950
CURRENT LIABILITIES											
Trade and other payables	58,261	59,239	58,832	60,420	62,749	65,176	67,704	70,338	73,082	75,941	78,922
Borrowings	17,833	17,833	20,008	21,997	24,210	26,172	28,074	30,773	33,181	35,991	38,804
Provisions	15,172	15,172	15,604	16,049	16,603	17,176	17,768	18,381	19,015	19,671	20,350
Other	20,469	20,469	20,858	21,255	21,786	22,331	22,889	23,461	24,048	24,649	25,265
	111,736	112,713	115,302	119,720	125,348	130,854	136,435	142,953	149,326	156,252	163,341
NON CURRENT LIABILITIES											
Borrowings	278,177	278,177	353,949	483,608	482,845	256,344	241,783	234,006	217,815	204,433	186,178
Provisions	33,213	33,213	34,159	35,133	36,345	37,599	38,896	40,238	41,626	43,062	44,548
	311,390	311,390	388,109	518,741	519,190	293,943	280,679	274,244	259,442	247,496	230,727
TOTAL LIABILITIES	423,125	424,103	503,411	638,461	644,538	424,797	417,114	417,197	408,768	403,748	394,067
NET COMMUNITY ASSETS	5,042,519	5,046,175	5,258,851	5,486,846	5,700,919	5,926,882	6,173,931	6,407,277	6,654,119	6,913,942	7,170,883
COMMUNITY EQUITY											
Asset revaluation surplus	1,050,816	1,050,816	1,146,026	1,244,460	1,346,334	1,449,780	1,558,781	1,671,696	1,788,807	1,910,034	2,035,877
Retained Earnings	589,378	593,033	710,499	840,060	952,258	1,074,775	1,212,824	1,333,255	1,462,987	1,601,581	1,732,680
Capital	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327
TOTAL COMMUNITY EQUITY	5,042,520	5,046,175	5,258,851	5,486,846	5,700,919	5,926,882	6,173,932	6,407,277	6,654,120	6,913,942	7,170,883

STATEMENT OF CHANGES IN EQUITY

For the period ending 30 June 2018

SUNSHINE COAST COUNCIL TOTAL

	Original Budget 2017/18 \$000	Revised Budget 2017/18 \$000	Forward Estimate								
			2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000
Capital Accounts											
Balance at beginning of period	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327
Transfers to capital, reserves and shareholdings	-	-	-	-	-	-	-	-	-	-	-
Balance at end of period	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327	3,402,327
Asset Revaluation Reserve											
Balance at beginning of period	990,718	990,718	1,050,816	1,146,026	1,244,460	1,346,334	1,449,780	1,558,781	1,671,696	1,788,807	1,910,034
Asset revaluation adjustments	60,097	60,097	95,210	98,434	101,875	103,446	109,000	112,915	117,111	121,227	125,843
Balance at end of period	1,050,816	1,050,816	1,146,026	1,244,460	1,346,334	1,449,780	1,558,781	1,671,696	1,788,807	1,910,034	2,035,877
Retained Earnings											
Balance at beginning of period	472,172	482,172	593,033	710,499	840,060	952,258	1,074,775	1,212,824	1,333,255	1,462,987	1,601,581
Net result for the period	122,048	115,703	122,377	134,537	117,268	127,677	143,295	125,755	135,127	144,052	136,606
Transfers from capital, reserves and shareholdings	(4,842)	(4,842)	(4,912)	(4,975)	(5,070)	(5,161)	(5,246)	(5,324)	(5,396)	(5,458)	(5,507)
Balance at end of period	589,378	593,033	710,499	840,060	952,258	1,074,775	1,212,824	1,333,255	1,462,987	1,601,581	1,732,680
TOTAL											
Balance at beginning of period	4,865,217	4,875,217	5,046,175	5,258,851	5,486,846	5,700,919	5,926,882	6,173,932	6,407,277	6,654,120	6,913,942
Net result for the period	122,048	115,703	122,377	134,537	117,268	127,677	143,295	125,755	135,127	144,052	136,606
Transfers to capital, reserves and shareholdings	-	-	-	-	-	-	-	-	-	-	-
Transfers from capital, reserves and shareholdings	(4,842)	(4,842)	(4,912)	(4,975)	(5,070)	(5,161)	(5,246)	(5,324)	(5,396)	(5,458)	(5,508)
Asset revaluation adjustments	60,097	60,097	95,210	98,434	101,875	103,446	109,000	112,915	117,111	121,227	125,843
Balance at end of period	5,042,520	5,046,175	5,258,851	5,486,846	5,700,919	5,926,882	6,173,932	6,407,277	6,654,120	6,913,942	7,170,882

STATEMENT OF CASH FLOWS

For the period ending 30 June 2018

SUNSHINE COAST COUNCIL TOTAL

	Original Budget 2017/18 \$000	Revised Budget 2017/18 \$000	Forward Estimate								
			2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000
Cash flows from operating activities											
Receipts from customers	372,041	368,667	371,051	407,510	413,685	447,951	473,050	456,234	483,180	506,249	513,895
Payments to suppliers and employees	(328,670)	(333,327)	(334,174)	(340,158)	(353,822)	(367,102)	(382,807)	(392,780)	(408,318)	(430,163)	(447,636)
Interest and dividends received	60,877	60,877	60,611	61,020	61,488	61,875	62,380	63,290	64,208	65,125	66,082
Finance costs	(10,753)	(10,753)	(10,615)	(10,267)	(15,633)	(15,061)	(8,547)	(7,876)	(7,424)	(6,734)	(6,026)
Net cash inflow (outflow) from operating activities	93,495	85,463	86,873	118,105	105,717	127,663	144,075	118,869	131,646	134,478	126,316
Cash flows from investing activities											
Payments for property, plant and equipment	(235,182)	(261,016)	(218,562)	(274,534)	(147,045)	(145,330)	(156,306)	(152,547)	(161,738)	(171,309)	(190,440)
Proceeds from disposal non current assets	67,969	67,969	1,066	1,173	1,290	306,419	1,561	1,717	1,889	2,077	2,285
Capital grants, subsidies, contributions, donations	37,186	40,997	39,779	39,922	36,913	38,188	38,389	38,595	38,806	39,022	33,091
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from investing activities	(130,027)	(152,050)	(177,717)	(233,439)	(108,842)	199,277	(116,356)	(112,236)	(121,044)	(130,210)	(155,064)
Cash flows from financing activities											
Proceeds from borrowings	18,130	18,130	95,780	151,655	23,447	15,699	13,513	22,996	16,990	22,608	20,549
Repayment of borrowing	(15,912)	(15,912)	(17,833)	(20,008)	(21,997)	(240,239)	(26,172)	(28,074)	(30,773)	(33,181)	(35,991)
Net cash inflow (outflow) from financing activities	2,218	2,218	77,948	131,648	1,450	(224,539)	(12,659)	(5,078)	(13,783)	(10,573)	(15,442)
Net increase (decrease) in cash held	(34,314)	(64,368)	(12,896)	16,314	(1,675)	102,401	15,060	1,555	(3,181)	(6,305)	(44,190)
Cash at beginning of reporting period	243,557	282,375	218,007	205,110	221,424	219,749	322,150	337,210	338,765	335,584	329,279
Cash at end of reporting period	209,242	218,007	205,110	221,424	219,749	322,150	337,210	338,765	335,584	329,279	285,089

MEASURES OF FINANCIAL SUSTAINABILITY

For the period ending 30 June 2018

SUNSHINE COAST COUNCIL TOTAL

	Original Budget 2017/18 \$000	Revised Budget 2017/18 \$000	Forward Estimate									
			2018/19 \$000	2019/20 \$000	2020/21 \$000	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	
Operating Performance												
Operating Surplus Ratio (%)	5.7%	3.4%	5.1%	8.3%	6.3%	8.6%	10.8%	7.6%	8.6%	9.5%	8.9%	
Fiscal Flexibility												
Council controlled revenue (%)	75.7%	76.4%	77.4%	74.4%	76.7%	74.8%	74.6%	80.3%	79.8%	80.0%	82.5%	
Total debt service cover ratio (times)	4.0	3.6	4.0	4.4	3.9	4.2	4.5	3.8	3.8	3.8	3.6	
Net Financial Liabilities Ratio (%)	34.7%	33.5%	53.2%	74.7%	75.0%	8.4%	4.5%	4.1%	2.9%	2.0%	6.0%	
Liquidity												
Cash expense cover ratio (months)	7.5	7.7	7.4	7.6	7.2	10.0	10.2	10.2	9.7	9.1	7.7	
Asset Sustainability												
Asset Sustainability Ratio (%)	83.0%	83.0%	79.4%	73.6%	79.9%	72.6%	74.9%	69.8%	73.6%	73.1%	77.0%	

Operating Surplus Ratio

Measures the extent to which operating revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.

Calculation: Operating Result (excluding capital items) as a percentage of operating revenue.

Target: between 0% and 10%

Council Controlled Revenue Ratio

Indicates the degree of reliance on external funding sources such as operating subsidies, donations and contributions. Council's financial flexibility improves the higher the level of its own source revenue.

Calculation: Net rates, levies and charges & fees and charges / total operating revenue.

Target: Greater than 60%

Total Debt Service Cover Ratio

Indicates the ability to repay loan funds. A low cover indicates constrained financial flexibility and limited capacity to manage unforeseen financial shocks.

Calculation: (Operating result (excluding capital items) + depreciation and amortisation + gross interest expense) / (gross interest expense + prior year current interest bearing liabilities)

Target: Greater than 2 times

Debt service cover ratio adjusted in 2021/22 to account for one year impact of settling the Sunshine Coast Airport Runway Debt

Net Financial Liabilities Ratio

Measures the extent to which the net financial liabilities of Council can be repaid from operating revenues.

Calculation: (Total liabilities - current assets) / total operating revenue (excluding capital items)

Target: not greater than 60%.

Cash Expense Cover Ratio

Indicates the number of months council can continue paying its immediate expenses without additional cash loans.

Calculation: (Current year's cash and cash equivalents balance / (total operating expenses - depreciation and amortisation - finance costs charged by QTC - interest paid on overdraft) * 12

Target: Greater than 3 months.

Asset Sustainability Ratio

This ratio reflects the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.

Calculation: Capital expenditure on replacement assets (renewals) / depreciation expense

Target: greater than 90%.

CAPITAL WORKS PROGRAM			
For the period ending 30 June 2018			
	Original Budget 2017/18 \$000	BR1 Request 2017/18 \$000	Revised Budget 2017/18 \$000
Sunshine Coast Council Core Capital Program			
Aerodromes	470	27	497
Buidlings & Facilities	9,933	3,041	12,974
Coast & Canals	2,200	163	2,363
Divisional Allocations	4,475	763	5,238
Environmental Assets	770	(100)	670
Fleet	3,000	-	3,000
Holiday Parks	1,337	96	1,433
Information Communication Technology	3,695	288	3,983
Parks & Gardens	12,970	2,302	15,272
Quarries	1,210	98	1,308
Stormwater	6,816	734	7,549
Strategic Land & Commercial Properties	-	8,633	8,633
Sunshine Coast Airport	-	1,123	1,123
Transportation	52,726	5,997	58,723
Waste	16,570	582	17,152
Total Sunshine Coast Council Core Capital Program	116,172	23,746	139,919
Corporate Major Projects Capital Program			
Corporate Major Projects	14,402	(4,856)	9,546
Total Corporate Major Projects Capital Program	14,402	(4,856)	9,546
Region Making Capital Program			
Maroochydore City Centre	44,198	2,964	47,162
Solar Farm	-	-	-
Sunshine Coast Airport Runway Project	62,062	5,439	67,501
Total Region Making Capital Program	106,259	8,403	114,662
SCC Total Capital Works Program	236,833	27,293	264,127