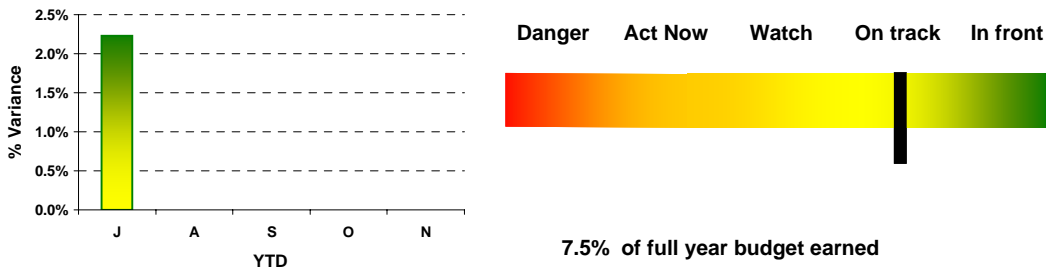


# REDLAND SHIRE COUNCIL CORPORATE FINANCIAL REPORT CARD July 2005

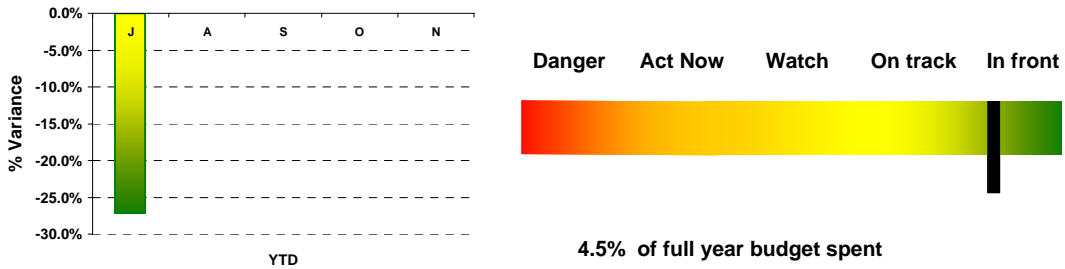


## TOTAL COUNCIL

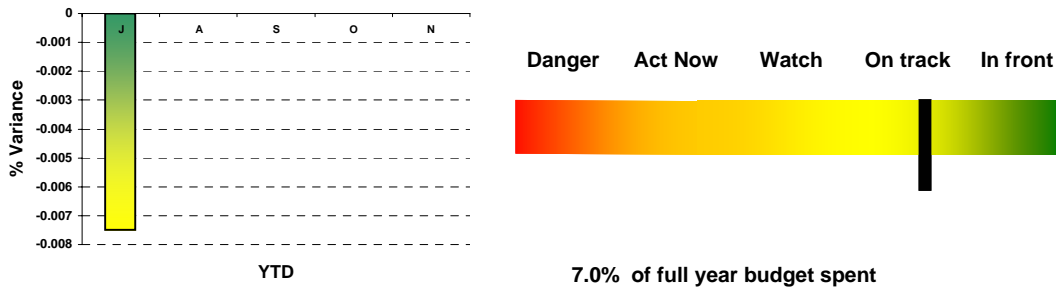
### Operating Revenue vs Budget % Variance



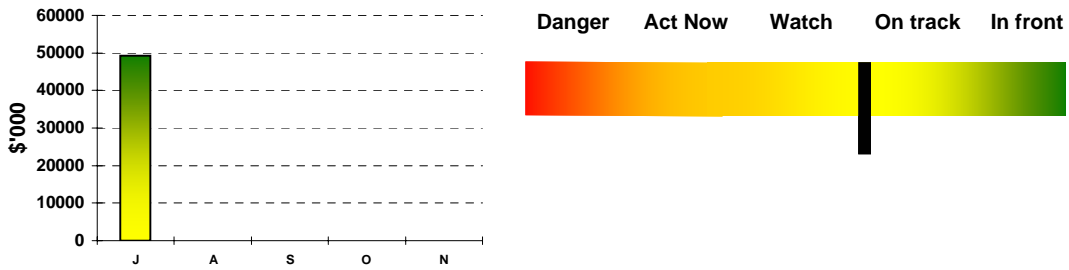
### General Operating Costs vs Budget % Variance (Incl Finance Costs)



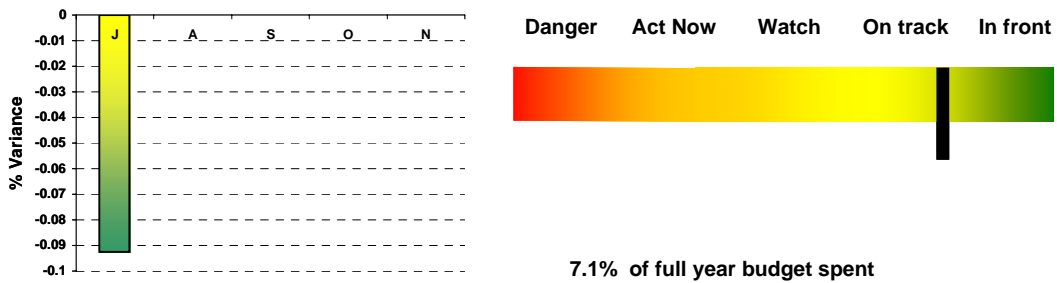
### Capital Expenditure vs Budget % Variance



### Cash Position



### Employee Costs vs Budget % Variance



**SCHEDULE B**

<b>JULY 2005</b>	<b>FINANCIALS - REPORT CARD ANALYSIS</b>
Variance refers to Year to Date Budget to Year to Date Actuals	

<b>Operating Revenue vs Budget \$000s</b>				
Variance	(Un)/Favourable	Annual Budget	Actual to Date	Budget to Date
\$0.22M	2.2%	\$136.74M	\$10.27M	\$10.05M
<b>Timing Differences</b>		<b>Permanent Differences</b>		
<b>Favourable Variances</b>		<b>Favourable Variances</b>		
*Cust. Serv. - . Assess Serv applications \$131K. Barro group contribution \$105K received early. Funds also received early from outside bodies in Community Services.				
<b>Unfavourable Variances</b>		<b>Unfavourable Variances</b>		
*RWW - Sewerage rates down \$45K, mainland water access charges \$24K.				
*Corp. Serv. - \$537K rates				
*Cust Serv - \$66K caravan park fees				

<b>General Operating Costs vs Budget \$000s</b>				
Variance	(Un)/Favourable	Annual Budget	Actual to Date	Budget to Date
\$0.92M	27.1%	\$54.54M	\$2.46M	\$3.38M
<b>Timing Differences</b>		<b>Permanent Differences</b>		
<b>Favourable Variances</b>		<b>Favourable Variances</b>		
*Cust. Serv. - Disaster Mgt project budgets in incorrect months \$66K. Ops & Maintnce contractor invoices not submitted \$128K.				
*RWW - \$275K across department including Biosolids treatment \$50K, digester cleanout \$33K, Capalaba WWTP decrease in breakdowns \$23K.				
*Corp. Serv - CAFF: \$115K cleaning, leasing, telephone/fax and various goods and services accounts. Legal Services: \$65K awaiting invoices, Information Mgt: \$98K contractors software mtce, phone and equip lease costs. Corp Pln'g Perf & Risk:\$47K transition period till transferred to Policy and Planning in Q1 review.				
*Plan. & Pol. - \$48K under across many projects in department.				
<b>Unfavourable Variances</b>		<b>Unfavourable Variances</b>		
*Cust. Serv - PDG Weinam Ck. Carpark budget \$48K to be carried forward from 04/05				

<b>Capital Expenditure vs Budget \$000s</b>				
Variance	(Un)/Favourable	Annual Budget	Actual to Date	Budget to Date
\$0.04M	0.7%	\$70.14M	\$4.91M	\$4.94M
<b>Timing Differences</b>		<b>Permanent Differences</b>		
<b>Favourable Variances</b>		<b>Favourable Variances</b>		
*Cust. Serv. - Delay in commencing projects in Ops & Maint \$139K such as Russel Island water mains.				
*RWW - Capalaba WTP High Lift Pump replacement \$128K. Major Breakdown & Replacement in Treatment Ops. \$116K - currently in tender process for 20+ pumps.				
<b>Unfavourable Variances</b>		<b>Unfavourable Variances</b>		
*Cust. Serv. - PDG projects carried forward from 04/05.				
*Corp. Serv - Stamp Duty on Depot site \$137K.				








**SCHEDULE B**

<b>JULY 2005</b>	<b>FINANCIALS - REPORT CARD ANALYSIS</b>
Variance refers to Year to Date Budget to Year to Date Actuals	

<b>Employee Costs vs Budget \$000s</b>				
Variance	(Un)/Favourable	Annual Budget	Actual to Date	Budget to Date
\$0.42M	9.2%	\$57.80M	\$4.11M	\$4.53M
<b>Timing Differences</b>		<b>Permanent Differences</b>		
<b>Favourable Variances</b>		<b>Favourable Variances</b>		
*Cust. Serv. - \$184K due to vacancies for all new budgeted staff. Capital wages \$26K under budget.				
*RWW - Position vacancies \$105K across department.				
*Corp. Serv. - Position vacancies \$97K across department.				
<b>Unfavourable Variances</b>		<b>Unfavourable Variances</b>		

<b>Capital Revenue vs Budget \$000s</b>				
Variance	(Un)/Favourable	Annual Budget	Actual to Date	Budget to Date
\$0.19M	3,230.8%	\$23.25M	\$0.19M	\$0.01M
<b>Timing Differences</b>		<b>Permanent Differences</b>		
<b>Favourable Variances</b>		<b>Favourable Variances</b>		
*Cust. Serv. - Assess Serv overpayment to be refunded \$41K.				
*Plan. & Pol. - Increase in developer contributions \$35K. Performing Arts Complex subsidy received \$112K.				
<b>Unfavourable Variances</b>		<b>Unfavourable Variances</b>		






































SCHEDULE C

	Extremely favourable	>10%
	Very Favourable	5% to 10%
	Favourable	1% to 5%
	On budget	
	Unfavourable	-1% to -5%
	Very Unfavourable	-5% to -10%
	Extremely Unfavourable	>-10%



Redland Shire Council

For the Period Ended 31 July 2005

	\$ '000 Annual Original Budget	\$ '000 YTD Revised Budget (July)	\$ '000 YTD Actuals	\$'000 YTD Variations	
<b>Operating Revenue</b>					
Rates and Utility Charges	106,919	8,687	8,078	(609)	
Less: Discounts & Pensioner Remissions	(1,406)	(352)	(347)	5	
Fees and Charges	15,829	1,111	1,484	373	
Operating Grants and Subsidies	6,625	192	456	264	
Operating Contributions and Donations	2,717	0	139	139	
Interest External	3,691	239	272	33	
Gain on Sale of Developed Land	0	0	0	0	
Other Revenue	2,377	171	190	19	
<b>Total Operating Revenue</b>	<b>136,752</b>	<b>10,048</b>	<b>10,272</b>	<b>224</b>	
<b>Operating Expenditure</b>					
Employee Costs	53,130	4,300	3,907	(393)	
Goods and Services	52,870	3,272	2,357	(915)	
Finance Costs Other	568	23	28	5	
Other Expenditure	1,085	81	75	(6)	
Net Internal Costs	(1,294)	9	51	42	
<b>Total Operating Expenditure</b>	<b>106,359</b>	<b>7,685</b>	<b>6,419</b>	<b>(1,267)</b>	
<b>Earnings before Interest, tax and depreciation (EBITD)</b>					
	<b>30,393</b>	<b>2,363</b>	<b>3,854</b>	<b>1,491</b>	
Interest expense	6,666	418	575	157	
Depreciation	38,694	3,223	3,223	0	
<b>Operating Surplus/(Deficit)</b>	<b>(14,967)</b>	<b>(1,279)</b>	<b>55</b>	<b>1,334</b>	
<b>Sources of Capital Funding</b>					
Capital Contributions and Donations	6,699	2	81	79	
Capital Grants and Subsidies	8,838	0	112	112	
Proceeds on Disposal of Non Current Assets	2,007	143	1	(142)	
Net Transfer (to)/from Constrained Capital Reserves	5,114	213	134	(79)	
Non Cash Contributions	7,520	0	0	0	
New Loans	23,249	15,000	0	(15,000)	
Funding from General Revenue	38,408	(9,138)	5,775	14,912	
<b>Total Sources of Capital Funding</b>	<b>91,835</b>	<b>6,220</b>	<b>6,102</b>	<b>(118)</b>	
<b>Application of Capital Funds</b>					
Contributed Assets	7,520	97	0	(97)	
Capitalised Goods & Services	65,482	4,716	4,705	(11)	
Capitalised Employee Costs	4,658	226	200	(25)	
Loan Redemption	14,175	1,181	1,197	16	
<b>Total Application of Capital Funds</b>	<b>91,835</b>	<b>6,220</b>	<b>6,102</b>	<b>(118)</b>	
<b>Other Budgeted Items</b>					
Transfers to Reserve	(16,205)	(769)	(677)	92	
Transfer from Operating Reserves	6,650	371	298	(73)	
WDV of Assets Disposed	(1,810)	(138)	0	138	
Tax and Dividends	0	0	0	0	
Internal Capital Structure Financing	0	0	0	0	



**Redland Shire Council  
Financial Report  
For the period ending 31 July 2005**

	\$ '000 Annual Original Budget	\$ '000 YTD Revised Budget (July)	\$ '000 YTD Actuals	\$'000 YTD Variations	Comments on Variations
<b>Operating Revenue</b>					
Rates and Utility Charges	106,919	8,687	8,078	(609)	<b>RW&amp;W</b> - under budget by \$72K. Sewerage rates down \$45K. Mainland water access charges down \$24K. <b>Corp. Serv.</b> - under budget by \$537K.
Less: Discounts & Pensioner Remissions	(1,406)	(352)	(347)	5	
Fees and Charges	15,829	1,111	1,484	373	<b>Cust. Serv.</b> - over budget by \$382K. Customer & Community Services - Over Budget by \$251K. \$188K Home Assist Secure coding error, \$131K due to early arrival of funding from outside bodies. Some revenue higher due to strong usage of Degen Road CCC. Under \$66 in Caravan Parks due to redevelopment of the parks and removal of storage vans in some of the parks. Assessment Services - Over budget by \$131K due to higher levels of applications received in July. <b>Plan. &amp; Pol.</b> - over budget by \$4K. Economic Development - \$5K over budget due to sponsorship from Moreton TAFE for the Redlands Signature Dish Competition to be passed on to Kija Communications.
Operating Grants and Subsidies	6,625	192	456	264	<b>Cust. Serv.</b> - over budget by \$270K. General Manager - Under budget by \$30K as grants for 3 Disaster Mgt projects not allocated to the correct months. Will be corrected during August. Customer and Community Services - Over budget by \$289K. \$320K due to various funding from outside bodies being paid early. Under \$31K due to delay in receiving trainee grants.
Operating Contributions and Donations	2,717	0	139	139	<b>Cust. Serv.</b> - over budget by \$105K. Barro Group contribution received. To be transferred to reserves.
Interest External	3,691	239	272	33	<b>RW&amp;W</b> - over budget by \$42K.
Gain on Sale of Developed Land	0	0	0	0	
Other Revenue	2,377	171	190	19	
<b>Total Operating Revenue</b>	<b>136,752</b>	<b>10,048</b>	<b>10,272</b>	<b>224</b>	
<b>Operating Expenditure</b>					
Employee Costs	53,130	4,300	3,907	(393)	<b>Cust. Serv.</b> - under budget by \$184K. Staff vacancies for all new staff approved in budget. These will be recruited as soon as possible. <b>RW&amp;W</b> - under budget by \$105K. Due to vacant positions in Customer Services & Business Performance and Treatment Operations. Corporate Planning Performance & Risk - \$19K over due as budget still resides with Corporate Services Department, but accruals being posted to Planning and Policy. <b>Corp. Serv.</b> - under budget by \$97K. Vacant positions IM (\$41K), Corporate Planning & Performance (\$50K) transition period till transferred to Policy and Planning in Q1 review. Corporate Communication (\$5K) Temp Personnel
Goods and Services	52,870	3,272	2,357	(915)	<b>CEO</b> - under budget by \$40K. Add back CBF internal expenditure \$2K, CBF budget not allocated in Finance One is \$32K. Balance of \$6K represents the variance of Goods and Services. <b>Cust. Serv.</b> - under budget by \$211K. General Manager - Under by \$66K as budget for 3 Disaster Mgt projects not allocated to the correct months. Will be corrected during August. Customer and Community Services - Under by \$50K. Under by \$25K across the group due to corporate invoices yet to be invoiced for items such as gas, electricity and phone. Remainder due to the timing of various account expenses across the group. Operations and Maintenance - Under by \$128K due to timing issues. Several contractors have not submitted invoices. Assessment Services - under by \$15K due to corporate invoices yet to be charged. Project Delivery Group - Over by \$48K for Weinam Creek Car Park budget to be carried forward from 04/05.



**Redland Shire Council  
Financial Report  
For the period ending 31 July 2005**

	\$ '000 Annual Original Budget	\$ '000 YTD Revised Budget (July)	\$ '000 YTD Actuals	\$'000 YTD Variations	Comments on Variations
Goods and Services (continued)					<p><b>RW&amp;W</b> - under budget by \$275K. The most significant underspends (more than \$20K) by job are:  Biosolids Treatment \$50K. Accrual for \$45K missed - invoice processed after month end closed. Digester Cleanout \$33K. Did not accrue for temp labour &amp; some sludge removal works.  Pump Stations (consolidated position) \$32K. Will catch up next month.  Capalaba WWTP \$23K - favourable underspend due to reactive works &amp; not as many breakdowns.  Redland Bay Sanitary Landfill \$22K. Overestimated removal of greenwaste in first period.  <b>Plan. &amp; Pol.</b> - under budget by \$48K. Land Use Planning - \$15K under YTD budget due to under expenditure on consultants in the Redland Planning Scheme project.  Environmental Management - \$12K under YTD budget due to under expenditure on Land Management Plans \$4K, and Urban Parkland planning costs \$8K.  Economic Development - \$31K under YTD budget mainly due to under expenditure on Business Grow \$6K, Investment Attraction \$3K, Tourism Development and Marketing \$14K and Visitor Information Centre \$6K.  Infrastructure Development - \$27K under YTD budget due to under expenditure on Flood Studies \$15K and Streetlighting \$10K.  Corporate Planning Performance &amp; Risk - \$35K over budget because the Groups budget still resides with Corporate Services Department, but accruals being posted to Planning and Policy.  <b>Corp. Serv.</b> - under budget by \$340K. CAFF: (\$115) bulk is Cleaning, leasing, telephone/fax and various goods and Services accounts. Legal Services: (\$65) Awaiting invoices for services provided. Information Mgt: (\$98) Bulk relates to contractors Software Mtce, Telephone and Equip lease costs. Corp Pln'g Perf &amp; Risk: (\$47) transition period till transferred to Policy and Planning in Q1 review.</p>
Finance Costs Other	568	23	28	5	<b>Corp. Serv.</b> - under budget by \$2K.
Other Expenditure	1,085	81	75	(6)	<b>CEO</b> - under budget by \$6K. Councillor remuneration & expenses.
Net Internal Costs	(1,294)	9	51	42	<p><b>Cust. Serv.</b> - under budget by \$31K. Under budget in internal fleet and Redland Waste and no charged received in July for internal plant hire.  <b>RW&amp;W</b> - over budget by \$63K. Internal water consumption for July not accrued. Will be corrected next month.  <b>Corp. Serv.</b> - under budget by \$6K. Less than 1%.</p>
<b>Total Operating Expenditure</b>	<b>106,359</b>	<b>7,685</b>	<b>6,419</b>	<b>(1,267)</b>	
<b>Earnings before Interest, tax and depreciation (EBITD)</b>	<b>30,393</b>	<b>2,363</b>	<b>3,854</b>	<b>1,491</b>	
Interest expense	6,666	418	575	157	<p><b>RW&amp;W</b> - over budget by \$160K.  <b>Corp. Serv.</b> - under budget by \$3K.</p>
Depreciation	38,694	3,223	3,223	0	
<b>Operating Surplus/(Deficit)</b>	<b>(14,967)</b>	<b>(1,279)</b>	<b>55</b>	<b>1,334</b>	



**Redland Shire Council  
Financial Report  
For the period ending 31 July 2005**

	\$ '000 Annual Original Budget	\$ '000 YTD Revised Budget (July)	\$ '000 YTD Actuals	\$'000 YTD Variations	Comments on Variations
<b>Sources of Capital Funding</b>					
Capital Contributions and Donations	6,699	2	81	79	<b>Cust. Serv.</b> - over budget by \$44K. Assessment Services - Over by \$41K due to overpayment to be refunded in August. <b>Plan. &amp; Pol.</b> - over budget by \$35K. Environmental Management - \$23K over YTD budget due to better than expected developer contributions for parks. Infrastructure Development - \$12K over YTD budget due to earlier than expected developer payment.
Capital Grants and Subsidies	8,838	0	112	112	<b>Plan. &amp; Pol.</b> - over budget by \$112K. Community & Social Planning - \$112K over YTD budget due to part subsidy for the Redlands Performing Arts Centre being received in July when expected to be received in June.
Proceeds on Disposal of Non Current Assets	2,007	143	1	(142)	<b>Corp. Serv.</b> - under budget by \$142K. Fleet Leasing Operations: Nil proceeds recorded in period, cheques totalling \$190K received August.
Hidden	11,813	215	215		
Net Transfer (to)/from Constrained Capital Reserves	5,114	213	134	(79)	<b>Cust. Serv.</b> - Assessment Services - \$41K due to overpayment to be refunded in August. <b>Plan. &amp; Pol.</b> - \$35K.
Non Cash Contributions	7,520	0	0	0	
New Loans	23,249	0	0	0	
Funding from General Revenue	38,408	5,862	5,775	(88)	
<b>Total Sources of Capital Funding</b>	<b>91,835</b>	<b>6,220</b>	<b>6,102</b>	<b>(118)</b>	
<b>Application of Capital Funds</b>					
Contributed Assets	7,520	97	0	(97)	<b>RW&amp;W</b> - under budget by \$97K. Customer driven
Capitalised Goods & Services	65,482	4,716	4,705	(11)	<b>Cust. Serv.</b> - over budget by \$79K. Customer and Community Services - Over by \$16K due to over expenditure in Library books by \$8K due to availability of books and \$10K in Caravan Parks due to ongoing redevelopment and budget held by Project Delivery Group. Operations and Maintenance - Under by \$139K due to delays in projects starting such as Russell Island Water Mains. Project Delivery Group - Over budget due to projects being carried forward from 04/05. <b>RW&amp;W</b> - under budget by \$218K. Most significant variances (over \$100K) are; - Capalaba WTP High Lift Pump Replacement \$128K underspent. Installation requires 4 day shutdown of Capalaba - shutdown delayed due to reliability issue of water supply from NSI. - Treatment Operations - Major Breakdown and Replacement (consolidated position) underspent \$116K. Currently in tender process for 20+ replacement pumps.
Capitalised Goods & Services (continued)					<b>Plan. &amp; Pol.</b> - under budget by \$9K. Land Use Planning - \$28K under YTD budget due an accrual reversal in July for the Capalaba Streetscape Project. Variance to be cleared in August. Infrastructure Development - \$19K under YTD budget due to timing in payments for land under roads. <b>Corp. Serv.</b> - under budget by \$137K. Property Services: Stamp duty purchase of Depot Site will be addressed in Q1 budget review.
Capitalised Employee Costs	4,658	226	200	(25)	<b>Cust. Serv.</b> - under budget by \$22K. Operations and Maintenance - Under by \$26K due to delays in projects starting such as Russell Island Water Mains.
Loan Redemption	14,175	1,181	1,197	16	



**Redland Shire Council  
Financial Report  
For the period ending 31 July 2005**

	\$ '000 Annual Original Budget	\$ '000 YTD Revised Budget (July)	\$ '000 YTD Actuals	\$'000 YTD Variations	Comments on Variations
<b>Total Application of Capital Funds</b>	91,835	6,220	6,102	(118)	
<b>Other Budgeted Items</b>					
Transfers to Reserve	(16,205)	(769)	(677)	92	<b>Cust. Serv.</b> - under budget by \$69K. Transfers to reserves in Assessment Services for Weinam Creek Mooring and Parking fees not processed in July. <b>Corp. Serv.</b> - under budget by \$46K.
Transfer from Operating Reserves	6,650	371	298	(73)	<b>Corp. Serv.</b> - under budget by \$61K. Fin Serv: (\$56K), Corp Pln'g Perf & Risk: (\$15K)
WDV of Assets Disposed	(1,810)	(139)	0	139	<b>Corp. Serv.</b> - over budget by \$139K. Fleet: Nil disposals for month.
Tax and Dividends	0	0	0	0	
Internal Capital Structure Financing	0	0	0	0	

# Statement of Financial Position

As at end of July 2005



	Opening Balance 1 July (\$000's)	Revised Budget (July) Financial Year 2004/05 Movement (\$000's)	Revised Budget (July) Closing Balance (\$000's)	Actual Movement to end of July (\$000's)	Actual Closing Balance to end of July (\$000's)
<b>CURRENT ASSETS</b>					
Cash & Investments	61,302	(19,462)	41,839	(12,011)	49,291
Accounts Receivable	11,223	-	11,223	16,724	27,946
Inventories	658	-	658	30	689
Land Held for Resale	-	-	-	-	-
Prepaid Expenses	819	-	819	3,308	4,127
	<b>74,001</b>	<b>(19,462)</b>	<b>54,539</b>	<b>8,051</b>	<b>82,052</b>
<b>NON-CURRENT ASSETS</b>					
WIP Assets	43,638	68,470	112,109	4,870	48,508
Corporate Assets	62,138	(8,146)	53,992	(634)	61,504
Infrastructure Assets	958,199	(23,025)	935,174	(2,555)	955,645
Land & Land Improvements	173,637	(140)	173,498	-	173,637
	<b>1,237,613</b>	<b>37,160</b>	<b>1,274,773</b>	<b>1,681</b>	<b>1,239,294</b>
<b>Total Assets</b>	<b>1,311,614</b>	<b>17,698</b>	<b>1,329,312</b>	<b>9,733</b>	<b>1,321,347</b>
<b>CURRENT LIABILITIES</b>					
31 - Accounts Payable	(13,090)	-	(13,090)	4,939	(8,151)
32 - Current Employee Provisions	(3,813)	(264)	(4,077)	(20)	(3,833)
33 - Current Loans	(13,446)	(546)	(13,992)	-	(13,446)
39 - Other Liabilities	(1,378)	-	(1,378)	(15,549)	(16,927)
	<b>(31,727)</b>	<b>(810)</b>	<b>(32,537)</b>	<b>(10,630)</b>	<b>(42,357)</b>
<b>NON-CURRENT LIABILITIES</b>					
41 - Non-Current Loans	(99,355)	(8,528)	(107,883)	1,197	(98,158)
42 - Non-Current Employee Provisions	(8,359)	(107)	(8,467)	-	(8,359)
	<b>(107,714)</b>	<b>(8,636)</b>	<b>(116,350)</b>	<b>1,197</b>	<b>(106,517)</b>
<b>Total Liabilities</b>	<b>(139,442)</b>	<b>(9,446)</b>	<b>(148,887)</b>	<b>(9,433)</b>	<b>(148,874)</b>
<b>NET COMMUNITY ASSETS</b>	<b>1,172,172</b>	<b>8,252</b>	<b>1,180,424</b>	<b>300</b>	<b>1,172,472</b>
<b>COMMUNITY EQUITY</b>					
Retained Earnings Account	(1,143,457)	(10,511)	(1,153,967)	(116)	(1,143,573)
Cash Reserves	(28,715)	2,259	(26,457)	(184)	(28,900)
<b>TOTAL COMMUNITY EQUITY</b>	<b>(1,172,172)</b>	<b>(8,252)</b>	<b>(1,180,424)</b>	<b>(300)</b>	<b>(1,172,472)</b>

## **Comments on Interim Statement of Financial Position (Balance Sheet) for the period ended 31 July 2005**

### **Current Assets**

Cash holdings are usually at their peak during August, November, February and May when rates are due for payment. The Accounts Receivable is at its peak during January, April, July and October after the rates notices are issued. The increase in prepaid expenses this month relates to the quarterly loan payment to Queensland Treasury Corporation made in the first month of the quarter.

### **Non Current Assets**

Expenditure on newly constructed infrastructure assets is initially recorded as Work In Progress (WIP Assets) and then transferred to Infrastructure Assets upon completion of the jobs. Disposal of assets and depreciation charges reduce the carrying value. The high opening balance of WIP at 1 July 2005 is due to the interim status of these statements and is subject to finalisation of year end accounts to 30 June 2005. The final transfer from WIP to infrastructure assets will be made by 31 August 2005.

### **Current Liabilities**

The increase in current liabilities reflects the rates levied at the beginning of each quarter. The rate revenue is accrued for each month as the revenue is earned.

### **Non Current Liabilities**

Quarterly loan instalments are made to Queensland Treasury Corporation in July, October, January and April. This prepayment for each quarter is accrued on a monthly basis.

### **Community Equity**

The total community equity represents the net worth of the community assets vested to Council.

**% Returns and Value of Investments****Operating Fund (Excluding the Trust Fund).****Three Months Ending July 2005**

	<b>Weighted Average Council Return Effective Interest Rate</b>	<b>Weighted Average QTC Fund Return Effective Interest Rate</b>	<b>Balance of Investments End of Month</b>	<b>Range of Daily Investments Balance during Month</b>	<b>UBSWA Bank Bill Index</b>
<b>May.05</b>	<b>5.97%</b>	<b>5.97%</b>	<b>\$63,390,130</b>	<b>\$31.7-63.7m</b>	<b>5.86%</b>
<b>June.05</b>	<b>5.91%</b>	<b>5.91%</b>	<b>\$59,028,698</b>	<b>\$55.1-63.8m</b>	<b>5.79%</b>
<b>July.05</b>	<b>5.93%</b>	<b>5.93%</b>	<b>\$49,170,964</b>	<b>\$46.1-61.5m</b>	<b>5.80%</b>

Investment of Surplus Funds can only be made with Treasury approved Financial Institutions or Cash Funds in accordance with the Statutory Bodies Financial Arrangements Act.

Council invests in the QTC Capital Guaranteed Cash Fund (QTC Fund), which is a fund operated by the Queensland Treasury Corporation, on behalf of Government and Statutory Bodies. The QTC Fund, invest, or hold a majority of Securities, with maturity dates ranging from 11.00am call to 90 days. This means the fund has an extremely strong capacity to redeem investments at face value and to distribute income on a variable basis reflecting the earnings of the Funds Assets on the daily cash needs of Council.

These returns are reported on a monthly weighted average return. In turn Council benchmarks the funds against the UBSWA Bank Bill Index. Interest return is now being reported on an annual effective interest rate (%) as against a nominal effective interest rate(%) and this is in line with the way the fund managers report and benchmark their returns. Council returns are out performing the benchmark figures. Performance is being measured before fees.

**The QTC Borrowing Rate as at 31st July 2005 was as follows: 15 Years 5.473% & 20 Years 5.503%**

## Statement of Cash Flows



As at end of July 2005

	Original Budget  to 30/6/2006 (\$000's)	Revised Budget (July) to 31/07/2005 (\$000's)	Actual  to 31/07/2005 (\$000's)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rate and utility charges	105,513	8,335	7,117
Fees and charges	15,829	1,111	1,829
Operating grants and subsidies	6,625	192	456
Cash contributions	2,717	0	139
Sale of developed land	0	0	0
Other revenue	2,377	171	190
<b>Receipts from customers</b>	<b>133,061</b>	<b>9,809</b>	<b>9,731</b>
Employee costs	(52,758 )	(4,268 )	(3,178 )
Materials and services	(51,576 )	(3,281 )	(8,644 )
Other expenses	(1,653 )	(104 )	(162 )
<b>Payments to Suppliers and Employees</b>	<b>(105,987)</b>	<b>(7,653)</b>	<b>(11,984)</b>
Interest Received	3,691	239	272
Borrowing Costs	(6,666)	(418)	(1,726)
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>24,099</b>	<b>1,977</b>	<b>(3,708)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Land and improvements	0	0	0
Buildings	0	0	0
Plant, equipment and office furniture	(856)	(33)	(3)
Infrastructure	(68,576)	(4,881)	(4,870)
Other assets	(708)	(27)	(32)
<b>Payment for Property, Plant and Equipment</b>	<b>(70,141)</b>	<b>(4,941)</b>	<b>(4,905)</b>
<b>Capital grants and subsidies</b>	<b>15,537</b>	<b>2</b>	<b>194</b>
<b>Proceeds from sale of Property, Plant &amp; Equipment</b>	<b>2,007</b>	<b>143</b>	<b>1</b>
<b>Net Cash Outflow from Investing Activities</b>	<b>(52,597)</b>	<b>(4,796)</b>	<b>(4,711)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds of Borrowings	23,249	0	0
Repayment of Borrowings	(14,175)	(1,181)	(3,592)
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>	<b>9,074</b>	<b>(1,181)</b>	<b>(3,592)</b>
<b>Net Decrease in Cash Held</b>	<b>(19,423)</b>	<b>(4,001)</b>	<b>(12,010)</b>
Cash at End of Year	55,225	61,302	61,302
<b>Cash at Period End</b>	<b>35,802</b>	<b>57,301</b>	<b>49,291</b>

## **Comments on Statement of Cash Flows for the period ended 31 July 2005**

### **Net Decrease in Cash Held**

The decrease in cash held year to date was \$12.0M. Cash was forecast in the budget to decrease by \$4.0M at the end of July 2005. The difference of \$8.0M is due to the following reasons:-

### **Net Cash Inflow from Operating Activities**

Received \$5.7M less from operating activities than anticipated in the budget cash flow. Lower receipts were received for rates \$1.2M, offset by higher than anticipated receipts for fees and charges \$0.7M, operating grants and subsidies \$0.26M and cash contributions \$0.14M. Materials and services expenses were \$5.36M over budget principally due to the payment of seasonally high creditors balances accrued in June. This is offset by lower than forecast employee costs \$1.1M. Actual borrowing costs are reported as \$1.3M higher than forecast - this is actually due to the planned prepayment of the September quarterly QTC loan instalment in July.

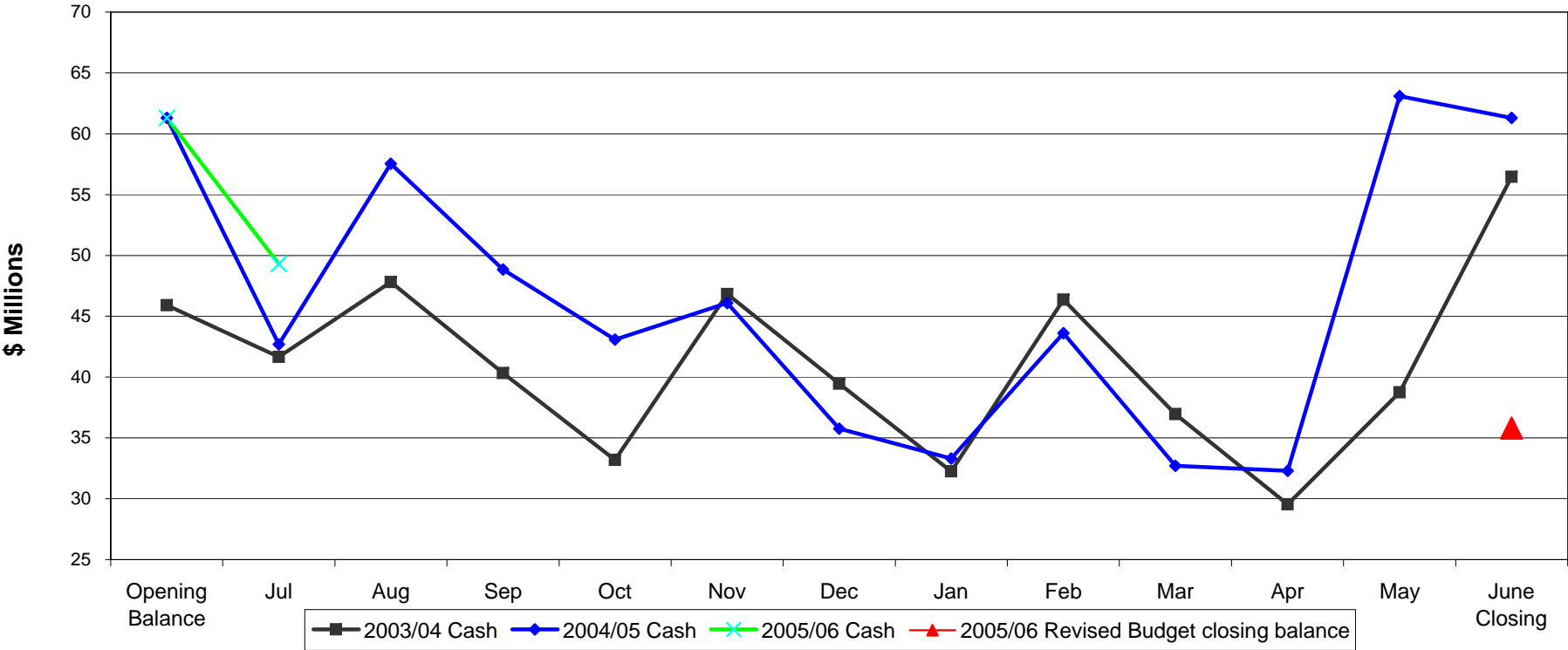
### **Net Cash Outflow from Investing Activities**

Net cash outflow from investing activities was under budget by \$0.08M. Net investment in assets was \$0.04M under the revised budget cash flow. Higher receipts were received for capital contributions, grants & subsidies \$0.19M offset by lower proceeds from property plant & equipment \$0.14M

### **Net Cash Outflow from Financing Activities**

Net cash outflow from financing activities was \$2.4M more than budgeted due to the September loan instalment to QTC being prepaid in July.

# Comparison of Monthly Cash Balances for the Year Ended 30 June 2006



**Financial Stability Ratios - as at 31 July 2005**

Ratio	Target	Original	YTD	YTD
		Budget	Budget	Actual
Level of dependence on rate revenue	< 80%	77.2%	83.0%	75.3%
Ability to pay our bills - current ratio	≥ 1.1	1.37	2.55	1.94
Ability to repay our debt - debt servicing ratio *	≤ 17%	15.2%	15.9%	40.6%
Cash Balance	\$28m to \$37m	35.8	57.3	49.3
Cash balances - cash capacity in months	3 to 4 months	4.1	7.5	4.1
Longer term financial stability - debt to assets ratio	≤ 15%	8.2%	9.5%	8.4%
Operating performance #	≥ 15%	19.8%	21.5%	-22.5%

\* The QTC instalment for September was prepaid in July for the 3 months.  
 # This KPI is impacted by the seasonally high level of accounts payable accrued from June 2005 and paid in July.

SCHEDULE I

REDLAND SHIRE COUNCIL										
2005-06 Councillor Community Benefit Fund - Actual to Budget Comparison										
As at 31 July 2005										
Job	Job Description	Original Budget	Carry Over Budget 04/05	Total Budget	Budget YTD	Actuals YTD	CBF Database Commitments	Total Commitments	% Budget	Unallocated Budget
<b>Office of CEO</b>										
10301	Division 1 Community Benefit Fund	50,000	74	50,074	4,173	-	3,000	3,000	6%	47,074
10302	Division 2 Community Benefit Fund	50,000	22,955	72,955	6,080	-	8,070	8,070	11%	64,885
10303	Division 3 Community Benefit Fund	50,000	4,986	54,986	4,582	-	-	-	0%	54,986
10304	Division 4 Community Benefit Fund	50,000	1,295	51,295	4,275	-	1,933	1,933	4%	49,362
10305	Division 5 Community Benefit Fund	50,000	16,697	66,697	5,558	5,818	6,267	12,085	18%	54,612
10306	Division 6 Community Benefit Fund	50,000	12,360	62,360	5,197	1,640	10,938	12,578	20%	49,782
10307	Division 7 Community Benefit Fund	50,000	2,785	52,785	4,399	-	2,605	2,605	5%	50,180
10308	Division 8 Community Benefit Fund	50,000	11,814	61,814	5,151	-	11,814	11,814	19%	50,000
10309	Division 9 Community Benefit Fund	50,000	13,647	63,647	5,304	-	1,300	1,300	2%	62,347
10310	Division 10 Community Benefit Fund	50,000	6,930	56,930	4,744	-	-	-	0%	56,930
<b>Total for Office of CEO</b>		<b>500,000</b>	<b>93,543</b>	<b>593,543</b>	<b>49,462</b>	<b>7,458</b>	<b>45,927</b>	<b>53,385</b>	<b>9%</b>	<b>540,158</b>
<b>Mayor's Office</b>										
10141	Mayor Community Benefit Fund	75,000	5,418	80,418	6,702	-	70,986	70,986	88%	9,432
<b>Total for Mayors Office</b>		<b>75,000</b>	<b>5,418</b>	<b>80,418</b>	<b>6,702</b>	<b>-</b>	<b>70,986</b>	<b>70,986</b>	<b>1310%</b>	<b>9,432</b>

### MAYOR'S COMMUNITY FUND July 2005 - DONATIONS

REFERENCE	INDIVIDUAL / ORGANISATION	DESCRIPTION	COMMITTED	EXPENDED / RECONCILED
	Brooke Page, Alex Hills (see May 05 donation ltr)	2005 Challenge for Cancer - Qld Cancer Fund	\$ 100.00	
279230	Capalaba Ladies Bowling Club	Annual Charity Day for Qld Cancer Fund - 21 October 05		\$227.27
	Redlands Sporting Club Pipe Band	Voluntary contribution - \$200	\$ 200.00	
279260	Mater Ladies Auxiliary meeting (13July 05)			\$140.00
279244	Redlands RSL Snooker Club	Trophies ordered from Pacific Trophies for Mayor's Cup 16 July 05		\$90.91
279237	Redland Shire Bands	Ferry costs for concert at Russell Island State School 10 July 05		\$300.00
279078	Sports Karate Australia	Bayside Karate & Koshiki State Championships - 31 July 05		\$100.00
	Victoria Point Sharks Sporting Club	Smile for a Child Charity Golf - Donation in lieu of attendance		\$200.00
279160	Amanda Elisaia	Tyson Elisaia - U12 Qld Rugby League Nationals Trip to Adelaide		\$200.00
NINV/095264	Queensland Cancer Fund	Run for a Cure - R Skelly		\$127.27
279265	Qld Police Service - Cleveland Police Station	Wynnum District Policy Legacy Charity Golf Day 2 Sept 05		\$380.00
	Max Bissett	World Town Crier Championships - Joint Fees (Bris Sunshine Wanderers)	\$ 50.00	
279335	Russell Island Bowls Club	Annual Sponsors Day		\$227.27
279310	Margaret Pantic	Ryan Pantic - U15 State AFL Championships - Canberra		\$150.00
279351	Taniel Davidson	Qld Primary Schools Cross Country Team - trip to Adelaide		\$150.00
279413	Cleveland Bowls Club	Annual Strawberry Carnival	\$ 300.00	
	Redlands Lawn Tennis Association	Arthur Hart's Seniors Week	\$ 75.00	
	136 Army Cadet Unit (Redlands)	Trophy for Shooting Camp Competition	\$ 250.00	
279422	Belinda Shelley	Matthew Shelley - Australian Karate Championships, Cairns	\$ 100.00	
	Easter Festival 06	Budget Allocation	\$ 10,000.00	
279089	Spring Festival 05	Budget Allocation - Council Res.-GM of 22.06.05 Item 12.1.2		\$20,000.00
	Green & Grow 05	Budget Allocation	\$ 2,500.00	
	Yurara Arts Festival 06	Budget Allocation	\$ 7,000.00	
	Redland Shire Bands	Budget Allocation	\$ 2,000.00	
	Bay FM	Council Round Up - 2005/06	\$ 2,600.00	
	Logan Office of Economic Development	2005 Logan Redland Export Awards	\$ 1,500.00	
	Redlands Bowls Club	2006 Summer Carnival	\$ 1,000.00	
	Women's Golf Queensland	Junior Amateur Golf Championships 2005	\$ 1,500.00	
	Redland Highland Gathering Committee	4th Eddie Santaguiliana Memorial Highland Gathering - Oct 205	\$ 2,500.00	
	Sirromet Wines	Gold Sponsorship	\$ 1,000.00	
	Brisbane Rock n Beat n Boogie Academy	2006 World Freestyle Rock n Roll Championships	\$ 1,000.00	
	Grandview Hotel	New Year's Eve Fireworks	\$ 1,000.00	
	Sirromet Wines	2006 Wine and Food Festival	\$ 1,000.00	
	Redlands Eisteddfod	2006 Redlands Eisteddfod	\$ 2,000.00	
	Rotary Club Redlands Sunrise	2006 Youth Day Out	\$ 600.00	
	RD Cota Senior's Week	Budget Allocation	\$ 5,000.00	
	Careflight	Annual Funding Contribution	\$ 5,000.00	
	4KQ Variety Club	2006 Special Children's Christmas Party	\$ 600.00	
	Point Lookout Surf Life Saving Club Inc	Sponsor Charity Golf Day - March 06	\$ 450.00	
	Coochie 1000 Golf Tournament	Budget Allocation	\$ 200.00	

**MAYOR'S COMMUNITY FUND July 2005 - DONATIONS**

<b>REFERENCE</b>	<b>INDIVIDUAL / ORGANISATION</b>	<b>DESCRIPTION</b>	<b>COMMITTED</b>	<b>EXPENDED / RECONCILED</b>
	Redlands Remax Bombers Aust Football	Sponsor East Coast Golf Challenge - March 06	\$ 500.00	
	Queensland Cancer Fund	Showground Hire for 2006 Relay for Life	\$ 600.00	
	Capalaba Soccer Club	U-16 State Championships	\$ 400.00	
	Redland Bay Golf Club Inc.	Mayoral Charity Golf Day 2006	\$ 1,036.36	
			<b>\$ 52,061.36</b>	<b>\$22,292.72</b>

## Councillor Community Benefit Fund - July 2005 Details

GRANT	DIVISION	COUNCILLOR	ORGANISATION	DESCRIPTION	COMMITTED	EXPENDED
831	1	Cr Alan Barker	Wellington Point State School	Contribution from Division 1 portion of the CCBF fund to assist towards the cost of construction of two multi purpose courts.	3,000.00	
815	2	Cr Craig Ogilvie	Redlands United Soccer & Sporting Club Inc	Contribution from Division 2 portion of the CCBF to assist with the purchase of 2 sets of Rooball soccer goals	3,245.00	
819	2	Cr Craig Ogilvie	Cleveland Bowls Club	Contribution from Division 2 portion of the CCBF to assist with cost to replace greens rollers	4,545.46	
828	2	Cr Craig Ogilvie	Cleveland High School	Contribution from Division 2 portion of the CCBF fund to assist with the cost of materials to construct nestboxes for native wildlife. Cr Henry contributing half also.	279.65	
822	4	Cr Peter Dowling	Redland Shire Council	Purchase of free standing gazebo & 1 mesh & 1 material side wall kit to be used by the Coochiemudlo Island Bushcare Group to promote bushcare activities to residents.	253.45	
832	4	Cr Peter Dowling	Redlands Art Council	Contribution from Division 4 portion of the CCBF fund to assist with the purchase of a Gazebo, music score and stand banners.	440.00	
833	4	Cr Peter Dowling	Redlands United Soccer & Sporting Club Inc	Contribution from Division 4 portion of the CCBF fund to assist with the cost of upgrading the field lighting on the club's 3 fields.	1,300.00	
817	5	Cr John Burns	Southern Bay Rugby Union Club	Contribution from Division 5 portion of the CCBF fund to assist with the cost of shade shelter, fridge and a washing machine.	4,058.19	
818	5	Cr John Burns	Southern Bay Rugby Union Club	Contribution from Division 5 portion of the CCBF fund to assist with the purchase of linemarking equipment.	1,146.00	
820	5	Cr John Burns	Redland Bay State Primary School	Contribution from Division 5 portion of the CCBF fund to assist with the cost of removal and disposal of an existing basketball structure and also the supply and installation of a new structure.		2,398.50
821	5	Cr John Burns	Redland Bay Tennis Club	Provision of Security Screens and roller door for Club House.		3,419.00
825	5	Cr John Burns	Redland Bay State Primary School	Contribution from Division 5 portion of the CCBF fund to assist with the purchase of musical equipment.	1,063.66	
823	6	Cr Toni Bowler	Queensland Police - Citizens Youth Welfare	Contribution from Division 6 portion of the CCBF fund to assist with the cost of cabinetry to the office and canteen		1,640.00
830	6	Cr Toni Bowler	Scouts Australia Qld Branch Inc	Contribution from Division 6 portion of the CCBF fund to assist with repair and upgrade of access roads to various campsites.	7,700.00	
834	6	Cr Toni Bowler	Redlands BMX	Contribution from Division 6 portion of the CCBF fund to assist with the supply of crusher dust for repairs to the BMX track.	775.40	
835	6	Cr Toni Bowler	Koala Action Group Qld Inc	Contribution from Division 6 portion of the CCBF to assist with the purchase of a photocopier, toner and document feeder.	2,462.73	

## Councillor Community Benefit Fund - July 2005 Details

GRANT	DIVISION	COUNCILLOR	ORGANISATION	DESCRIPTION	COMMITTED	EXPENDED
802	7	Cr Murray Elliott	Redland Shire Council	Contribution from Division 7 portion of the CCBF fund to assist towards supporting a video surveillance trial at key intersections within Division 8. Cr Beard also contributing.	1,700.00	
829	7	Cr Murray Elliott	Alexandra Hills Sporting Club Inc.	Contribution from Division 7 portion of the CCBF fund to assist with the extension of the concrete floor for shed extension.	905.45	
802	8	Cr Alan Beard	Redland Shire Council	Contribution from Division 8 portion of the CCBF fund to assist towards the cost of supporting a video surveillance trial at key intersections within Division 8. Cr Elliott also contributing \$1700.00.	11,814.00	
826	9	Cr Karen Williams	Redland Shire Council	Contribution from Division 9 portion of the CCBF fund to assist with the supply & installation of a shelter for John Fredericks Park Capalaba.	1,300.00	
					<b>\$ 42,988.99</b>	<b>\$ 7,457.50</b>