



Monthly Financial Report

April 2015

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1. INTRODUCTION AND OVERVIEW

This monthly report is designed to illustrate the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the period ended 30 April 2015. The annual budget referred to in this report reflects the Revised Budget as adopted by Council on 06 May 2015. Note: all amounts are rounded to the nearest thousand dollars.

Key financial highlights and overview

Key Financial Results	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000	YTD Variance %	Status
Operating Surplus/(Deficit)	8,671	19,138	21,723	2,585	14%	✓
Recurrent Revenue	237,607	211,275	212,381	1,106	1%	✓
Recurrent Expenditure	228,936	192,137	190,658	(1,479)	-1%	✓
Capital Works Expenditure	63,942	44,787	35,464	(9,323)	-21%	✓
Closing Cash & Investments	74,197	100,788	117,640	16,852	17%	✓

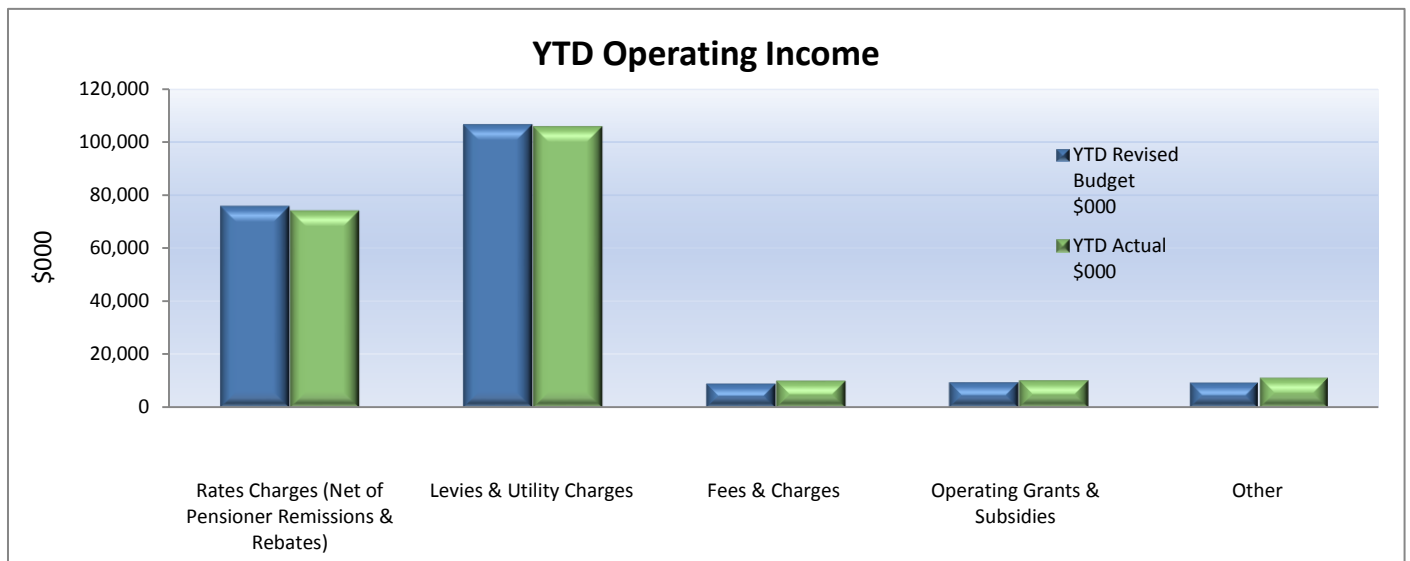
Status Legend:

Above budgeted revenue or under budgeted expenditure	✓
Below budgeted revenue or over budgeted expenditure <10%	🔔
Below budgeted revenue or over budgeted expenditure >10%	✘

Operating results (p.7)

The year to date operating surplus exceeded the year to date revised budget by \$2.59M. Increased development activity in the Redlands area, both residential and commercial, resulted in increased revenue from fees and charges. The higher fees and charges revenue, as well as the additional revenue from recoverable works and the favourable variance in employee costs contributed to the overall favourable variance at the end of April 2015.

The graph below depicts the actual results compared to the revised budget for each of the five main income categories. Council monitors its reliance on general rates revenue through a key performance indicator to gauge the need to generate income from other sources. Refer to Key Performance Indicators (p.5).

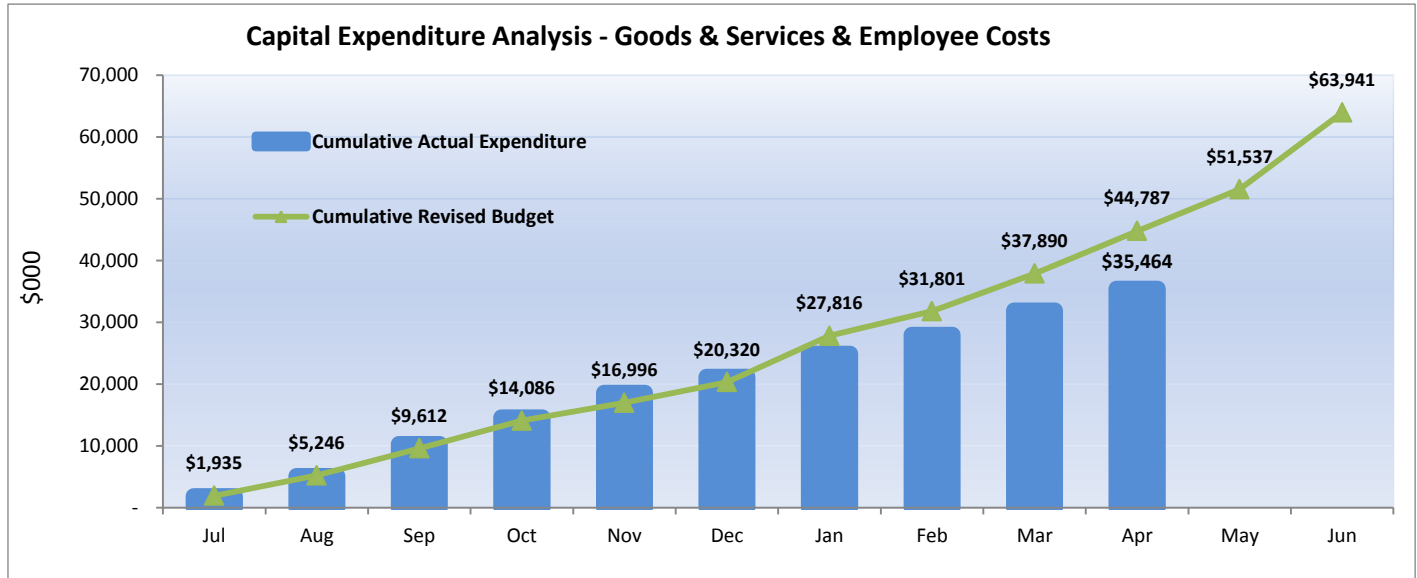


1. INTRODUCTION AND OVERVIEW (cont.)

Capital works

Council's capital works expenditure is underspent by \$9.32M with year to date actual expenditure of \$35.46M which is below year to date budget of \$44.79M. Council's capital works is underpinned by a recently approved Capital Works Prioritisation Policy.

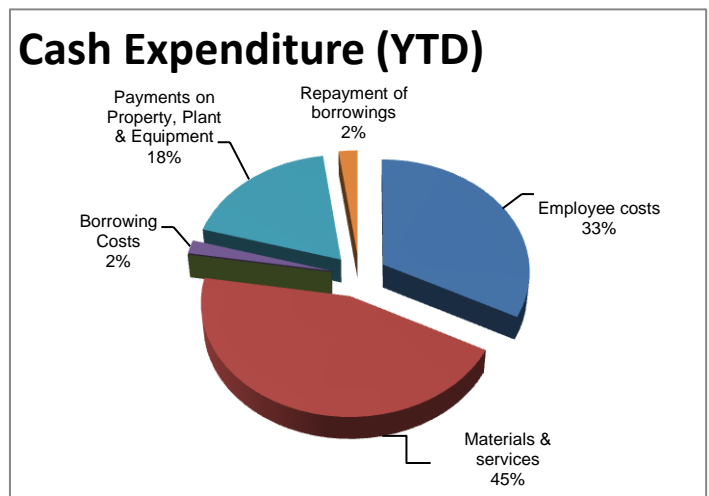
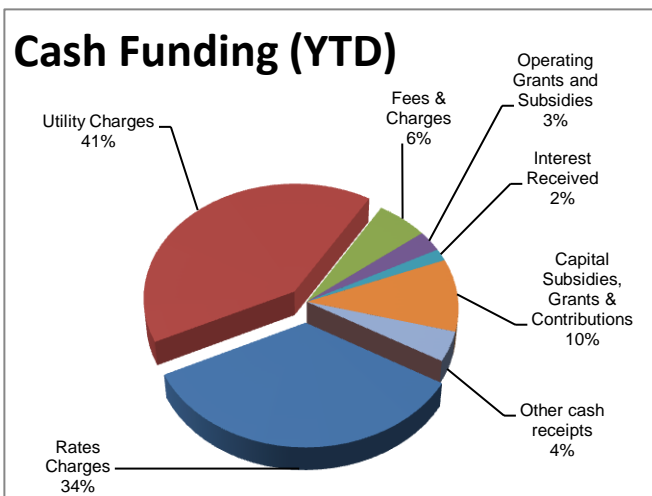
Total capital commitments at the end of April 2015 (where budget is approved) was \$2.63M.



Financial position and cash flow results

Council's Balance Sheet depicts a sustainable result with total current assets of \$179.23M and total current liabilities of \$52.26M (current ratio of 3.43).

The property, plant and equipment balance is impacted by the capital works as illustrated above. Council's cash balance at the end of April 2015 exceeded the year to date budgeted cash balance (refer p.3). This result is attributable mainly to lower than expected payments to employees, lower than expected payment for property, plant and equipment and higher than expected capital contributions received during the year to date. Of the \$117.64M cash balance at the end of the period, \$90.21M is held as constrained cash reserves. On 10 December 2014 Council resolved to close four reserves and utilise a further three reserves on or before 30 June 2015 (refer p.13). \$115.02M of the total cash balance was invested with Queensland Treasury Corporation (QTC) at the end of the period. The two graphs below depict the various range of sources of Council's cash funding, as well as the allocation of funding to services and activities needed to support the Redlands community, capital programs and other activities at Council.



Total Cash Funding (Actual YTD)	214,961
Total Cash Funding (Annual Revised Budget)	239,490
% of Budget Achieved YTD	90%

Total Cash Expenditure (Actual YTD)	193,556
Total Cash Expenditure (Annual Revised Budget)	261,529
% of Budget Achieved YTD	74%



2. KEY PERFORMANCE INDICATORS

Financial Stability Ratios	Target	Annual Revised Budget 2014/2015	April 2015	Status
Level of Dependence on General Rate Revenue (%)	Target less than 37.5%	31.78%	34.99%	✓
Ability to Pay Our Bills - Current Ratio	Target between 1.1 and 4.1	3.26	3.43	✓
Ability to Repay Our Debt - Debt Servicing Ratio (%)	Target less than or equal to 10%	3.35%	2.99%	✓
Cash Balance \$M	Target greater than or equal to \$40M	\$74.197M	\$117.640M	✓
Cash Balances - Cash Capacity in Months	Target 3 to 4 months	4.61	7.65	✓
Longer Term Financial Stability - Debt to Asset Ratio (%)	Target less than or equal to 10%	2.45%	2.45%	✓
Operating Performance (%)	Target greater than or equal to 20%	12.17%	19.82%	✗

Financial Sustainability Ratios	Target	Annual Revised Budget 2014/2015	April 2015	Status
Operating Surplus Ratio (%)	Target between 0% and 10% (on average over the long-term)	3.65%	10.23%	✓
Net Financial Liabilities (%)	Target less than 60% (on average over the long-term)	-11.43%	-25.76%	✓
Interest Cover Ratio (%)	Target between 0% and 5%	-0.27%	-0.37%	✓
Asset Sustainability Ratio (%)	Target greater than 90% (on average over the long-term)	38.48%	29.46%	✗
Asset Consumption Ratio (%)	Target between 40% and 80%	66.90%	67.48%	✓

Status Legend

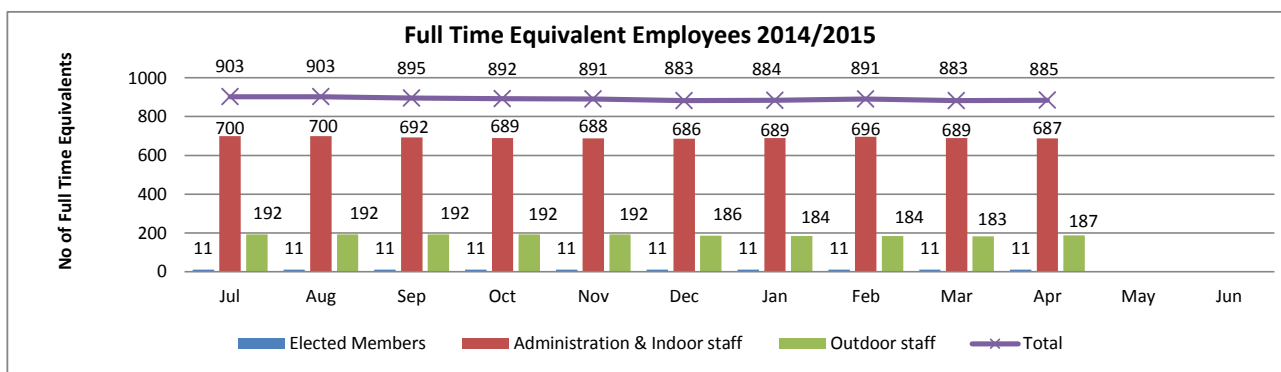
KPI target achieved or exceeded



KPI target not achieved



3. KEY NON-FINANCIAL INFORMATION



Workforce reporting - April 2015: Headcount	Employee Type						
	Casual	Contract of Service	Perm Full	Perm Part	Temp Full	Temp Part	Grand Total
Office of CEO	14	3	79	10	7	3	116
Organisational Services	5	5	102	10	9	3	134
Community and Customer Service	31	5	244	52	24	7	363
Infrastructure and Operations	14	6	312	10	16	3	361
Total	64	19	737	82	56	16	974

Note: Full Time Equivalent Employees includes all full time employees at a value of 1 and all other employees, at a value less than 1. The table above demonstrates the headcount by department (excluding agency staff) and does not include a workload weighting. It includes casual staff in their non-substantive roles as at the end of the period where relevant.



4. STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME

For the period ending 30 April 2015

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Revised Budget \$000	YTD Actual \$000	YTD Variance \$000
Recurrent Revenue					
Rates Charges	81,366	81,366	81,364	80,047	(1,317)
Levies & Utility Charges	124,757	126,689	106,832	106,002	(830)
<i>Less: Pensioner Remissions & Rebates</i>	(2,743)	(5,842)	(5,197)	(5,730)	(533)
Fees & Charges	10,629	11,108	9,098	10,261	1,163
Operating Grants & Subsidies	3,983	12,248	9,663	10,414	751
Operating Contributions & Donations	260	547	227	357	130
Interest External	3,872	4,012	3,227	3,598	371
Other Revenue	4,021	7,479	6,061	7,432	1,371
Total Recurrent Revenue	226,144	237,607	211,275	212,381	1,106
Capital revenue					
Grants, Subsidies & Contributions	15,050	18,586	13,368	21,821	8,453
Non-Cash Contributions	3,146	3,226	2,185	3,709	1,524
Total Capital Revenue	18,196	21,812	15,553	25,530	9,977
TOTAL REVENUE	244,340	259,419	226,828	237,911	11,083
Recurrent Expenses					
Employee Costs	76,094	76,925	64,589	62,902	(1,687)
Goods & Services	106,425	99,174	84,569	84,205	(364)
Finance Costs	3,643	4,003	3,106	3,120	14
Depreciation & Amortisation	51,209	48,834	39,873	40,431	558
Total Recurrent Expenses	237,370	228,936	192,137	190,658	(1,479)
Capital Expenses					
(Gain)/Loss on Disposal of Non-Current Assets	(3,192)	(842)	(2,536)	769	3,305
Total Capital Expenses	(3,192)	(842)	(2,536)	769	3,305
TOTAL EXPENSES	234,178	228,094	189,601	191,427	1,826
NET RESULT	10,161	31,325	37,227	46,484	9,257
Other Comprehensive Income					
Increase/(Decrease) in Asset Revaluation Surplus	-	-	-	107	107
TOTAL COMPREHENSIVE INCOME	10,161	31,325	37,227	46,591	9,364



5. OPERATING STATEMENT

OPERATING STATEMENT For the period ending 30 April 2015

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
Revenue					
Rates Charges	81,366	81,366	81,364	80,047	(1,317)
Levies & Utility Charges	124,757	126,689	106,832	106,002	(830)
<i>Less: Pensioner Remissions & Rebates</i>	(2,743)	(5,842)	(5,197)	(5,730)	(533)
Fees & Charges	10,629	11,108	9,098	10,261	1,163
Operating Grants & Subsidies	3,983	12,248	9,663	10,414	751
Operating Contributions & Donations	260	547	227	357	130
Interest External	3,872	4,012	3,227	3,598	371
Other Revenue	4,021	7,479	6,061	7,432	1,371
Total Revenue	226,144	237,607	211,275	212,381	1,106
Expenses					
Employee Costs	76,094	76,925	64,589	62,902	(1,687)
Goods & Services	107,098	99,847	85,127	84,818	(309)
Finance Costs Other	281	623	292	305	13
Other Expenditure	315	315	265	205	(60)
Net Internal Costs	(988)	(988)	(823)	(818)	5
Total Expenses	182,799	176,722	149,450	147,412	(2,038)
Earnings Before Interest, Tax & Depreciation (EBITD)	43,345	60,885	61,825	64,969	3,144
Interest Expense	3,362	3,380	2,814	2,815	1
Depreciation	51,209	48,834	39,873	40,431	558
Operating Surplus/(Deficit)	(11,226)	8,671	19,138	21,723	2,585

Utility Charges Breakup For the period ending 30 April 2015

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
Utility Charges					
Refuse Charges	18,797	18,934	15,681	15,823	142
Special Charges	3,795	3,795	3,795	3,800	5
Environment Levy	5,637	5,637	5,637	5,688	51
Landfill Remediation Charge	4,102	4,102	3,418	3,456	38
Wastewater Charges	38,161	39,547	32,629	33,635	1,006
Water Access Charges	17,592	17,592	14,660	14,379	(281)
Water Consumption Charges	36,673	37,083	31,012	29,221	(1,791)
Total Utility Charges	124,757	126,689	106,832	106,002	(830)



5. OPERATING STATEMENT (cont.)

REDLAND WATER SUMMARY OPERATING STATEMENT For the period ending 30 April 2015

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Total Revenue	94,706	96,482	80,494	79,539	(955)
Total Expenses	49,157	48,816	41,174	41,548	374
Earnings Before Interest, Tax & Depreciation (EBITD)	45,550	47,666	39,320	37,991	(1,329)
Depreciation	16,987	16,585	13,787	13,758	(29)
Operating Surplus/(Deficit)	28,562	31,080	25,533	24,233	(1,300)

REDWASTE OPERATING STATEMENT For the period ending 30 April 2015

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Total Revenue	19,967	20,350	16,743	17,054	311
Total Expenses	16,200	14,871	12,682	12,669	(13)
Earnings Before Interest, Tax & Depreciation (EBITD)	3,767	5,479	4,061	4,385	324
Interest Expense External	42	42	35	33	(2)
Depreciation	556	541	455	424	(31)
Operating Surplus/(Deficit)	3,169	4,896	3,571	3,928	357



6. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION As at 30 April 2015

	Annual	Annual	YTD
	Original Budget \$000	Revised Budget \$000	Actual Balance \$000
CURRENT ASSETS			
Cash & Investments	49,157	74,197	117,640
Accounts Receivable	34,311	39,606	57,425
Inventories	943	845	831
Prepaid Expenses	1,320	1,155	2,977
Non-Current Assets - Held for Sale	467	9,257	354
Total Current Assets	86,199	125,059	179,227
NON-CURRENT ASSETS			
Property, Plant & Equipment	2,021,416	2,092,699	2,080,402
Total Non-Current Assets	2,021,416	2,092,699	2,080,402
TOTAL ASSETS	2,107,615	2,217,758	2,259,629
CURRENT LIABILITIES			
Accounts Payable	17,301	19,033	15,335
Current Employee Provisions	2,468	9,493	12,384
Current Loans	5,247	5,498	4,375
Current Landfill Rehabilitation Provisions	1,144	3,084	4,762
Other Liabilities	3,201	1,283	15,402
Total Current Liabilities	29,361	38,390	52,258
NON-CURRENT LIABILITIES			
Non-Current Loans	49,149	48,897	51,080
Non-Current Employee Provisions	10,998	2,013	3,118
Non-Current Landfill Rehabilitation Provisions	28,189	8,130	17,578
Non-Current Trade & Other Payables	693	478	478
Total Non-Current Liabilities	89,029	59,517	72,254
TOTAL LIABILITIES	118,390	97,908	124,512
NET ASSETS	1,989,225	2,119,851	2,135,117
COMMUNITY EQUITY			
Retained Earnings	1,943,302	2,054,103	2,044,912
Cash Constrained Reserves	45,923	65,747	90,205
TOTAL COMMUNITY EQUITY	1,989,225	2,119,851	2,135,117



7. CAPITAL FUNDING STATEMENT

CAPITAL FUNDING STATEMENT For the period ending 30 April 2015

	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Revised Budget \$000	Actual \$000	Variance \$000
Sources of Capital Funding					
Capital Contributions & Donations	6,188	12,756	8,717	18,419	9,702
Capital Grants & Subsidies	8,862	5,830	4,652	3,402	(1,250)
Proceeds on Disposal of Non-current Assets	4,049	1,154	3,502	1,260	(2,242)
Capital Transfers (To)/From Reserves	4,602	5,703	3,208	(11,182)	(14,390)
Non-Cash Contributions	3,146	3,226	2,185	3,709	1,524
New Loans	-	-	-	-	-
Funding from General Revenue	42,787	43,088	28,532	27,093	(1,439)
Total Sources of Capital Funding	69,633	71,756	50,796	42,701	(8,095)
Applications of Capital Funds					
Contributed Assets	3,146	3,226	2,185	3,709	1,524
Capitalised Goods & Services	56,263	58,646	41,359	31,480	(9,879)
Capitalised Employee Costs	5,636	5,295	3,428	3,984	556
Loan Redemption	4,589	4,589	3,824	3,528	(296)
Total Applications of Capital Funds	69,633	71,756	50,796	42,701	(8,095)
Other Budgeted Items					
WDV of Assets Disposed	(857)	(311)	(966)	(2,029)	(1,063)
Transfers to Constrained Operating Reserves	(13,124)	(18,065)	(11,541)	(12,875)	(1,334)
Transfer from Constrained Operating Reserves	12,180	19,296	8,960	6,533	(2,427)



8. STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS For the period ending 30 April 2015

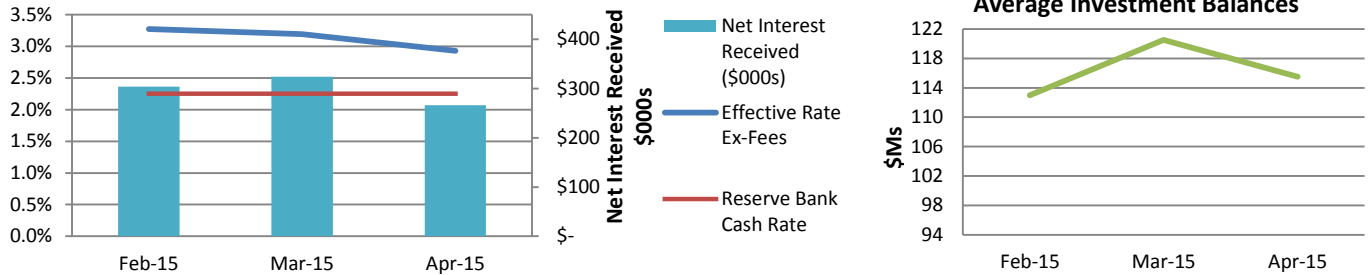
	Annual	Annual	YTD
	Original Budget \$000	Revised Budget \$000	Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates Charges (net)	78,623	75,523	74,315
Utility Charges	111,427	113,359	87,544
Fees & Charges	10,879	11,358	12,447
Operating Grants & Subsidies	3,983	7,472	6,187
Cash Contributions	260	547	357
Other Revenue	4,021	7,479	7,432
Receipts from Customers	209,192	215,739	188,282
Employee costs	(79,473)	(80,305)	(63,130)
Materials & services	(109,237)	(108,376)	(86,478)
Other expenses	(596)	(938)	(531)
Payments to Suppliers & Employees	(189,306)	(189,618)	(150,139)
Interest Received	3,872	4,012	3,598
Borrowing Costs	(3,362)	(3,380)	(3,719)
Net Cash Inflow / (Outflow) from Operating Activities	20,396	26,753	38,022
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments - Property, Plant & Equipment	(61,899)	(63,942)	(35,464)
Proceeds - Capital Subsidies, Grants & Contributions	15,050	18,586	21,821
Proceeds - Sale of Property, Plant & Equipment	4,049	1,154	1,260
Net Cash Inflow / (Outflow) from Investing Activities	(42,800)	(44,202)	(12,383)
Proceeds of Borrowings	-	-	-
Repayment of borrowings	(4,589)	(4,589)	(4,234)
Net Cash Inflow / (Outflow) from Financing Activities	(4,589)	(4,589)	(4,234)
Net Increase / (Decrease) in Cash Held	(26,993)	(22,037)	21,405
Cash at Beginning of Year	76,150	96,235	96,235
Cash at End of Financial Period	49,157	74,197	117,640



9. INVESTMENT & BORROWINGS REPORT

For the Period Ending 30 April 2015

INVESTMENT RETURNS



Total Investment at End of Month was \$115.02M

Current Position

All Council investments are currently held in the Capital Guaranteed Cash Fund which is a fund operated by the Queensland Treasury Corporation (QTC).

The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis. The increasing investment balances are reflective of the rating cycle as well as irregular receipts in February and March re grant funding and tax refunds.

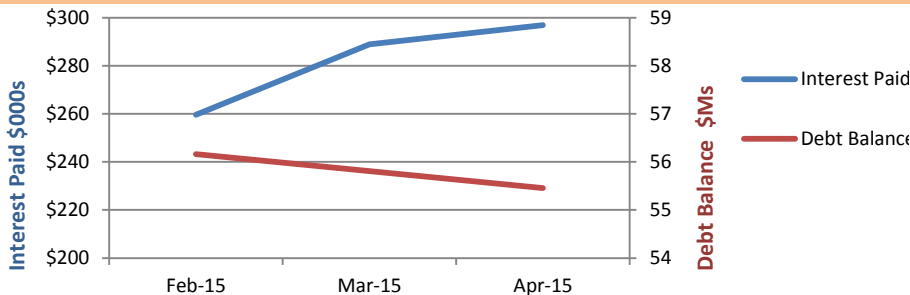
Note: the Reserve Bank reduced the cash rate down to 2% in its May sitting.

Future Strategy

The Tax and Treasury Team's recommendation that Council diversify its investments outside of QTC to maximise returns has received approval from management. The Team has now completed procurement procedures to achieve this outcome. Council adopted its revised Investment Policy in April 2015 for the 2015-16 financial year. In the meantime the Team ensures Council maximises its interest on a *daily* basis by depositing surplus funds at QTC for a higher rate than is achieved from the bank transaction account.

Council adopted its revised Investment Policy in April 2014 for the 2014-15 financial year

BORROWING COSTS

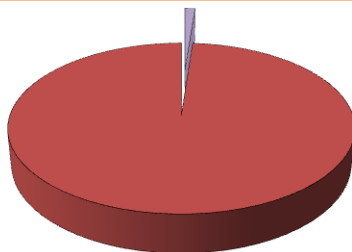


Current Position

Debt is split into 6, 9 and 12 year pools with repayment made *annually* in advance for 2014-15.

The movement in interest expense is reflective of the capitalisation of the interest each month.

Total Borrowings at End of Month was \$55.46M



- RedWaste 1.18%
- General Pool allocated to capital works 98.82%

Future Strategy

Future strategy is to review the implications of continuing to repay debt annually in advance to ensure that there is no market value realisation adjustments under the accounting standards in order to minimise interest expenses. Further analysis will also be undertaken as to the potential to better allocate the debt across Council business in order to appreciate the true cost of capital projects undertaken.

Council adopted its revised Debt Policy in June 2014 for the 2014-15 financial year

10. CONSTRAINED CASH RESERVES

Reserves as at 30 April 2015	Opening Balance	To Reserve	From Reserve	Closing Balance
	\$000	\$000	\$000	\$000
Special Projects Reserve:				
Weinam Creek Reserve	2,782	398	(206)	2,974
Redland Work Cover Reserve *	4,965	91	(482)	4,574
Red Art Gallery Commissions & Donations Res	17	-	(15)	2
SMBI Capital Reserve *	3,894	1,158	(201)	4,851
	11,658	1,647	(904)	12,401
Utilities Reserve:				
RedWaste Reserve *	3,118	830	-	3,948
Redland Water Reserve	8,300	-	-	8,300
Redland WasteWater Reserve	1,600	-	-	1,600
	13,018	830	-	13,848
Constrained Works Reserve:				
Tree Planting Reserve **	70	23	-	93
Parks Reserve	2,408	2,477	(22)	4,863
SP1 Wellington Pt Rd Infra Reserve **	463	-	-	463
Redland Bay Sth Rd Infra Reserve **	647	-	-	647
East Thornlands Road Infra Reserve	674	-	-	674
Contributions to Car Parking Reserve *	340	-	-	340
Community Facility Infrastructure Reserve	441	373	-	814
Retail Water Renewal & Purchase Reserve	5,505	2,411	(681)	7,235
Sewerage Renewal & Purchase Reserve	7,384	4,364	(1,483)	10,265
Constrained Works Res-Cap Grants & Contribs	4,389	-	(3,359)	1,030
Transport Trunk Infrastructure Reserve	5,846	5,719	-	11,565
Cycling Trunk Infrastructure Reserve	706	1,639	-	2,345
Stormwater Infrastructure Reserve	1,938	1,143	-	3,081
Constrained Works Res-Opr Grants & Contribs	919	-	(205)	714
	31,730	18,149	(5,750)	44,129
Separate Charge Reserve - Environment:				
Environment Charge Acquisition Reserve	6,936	-	(10)	6,926
Environment Charge Maintenance Reserve	1,505	5,688	(4,236)	2,957
	8,441	5,688	(4,246)	9,883
Special Charge Reserve - Other:				
Bay Island Rural Fire Levy Reserve	-	136	(124)	12
SMBI Translink Reserve	3	947	(711)	239
	3	1,083	(835)	251
Special Charge Reserve - Canals:				
Raby Bay Canal Reserve	5,187	2,679	(1,562)	6,304
Aquatic Paradise Canal Reserve	2,163	890	(168)	2,885
Sovereign Waters Lake Reserve	480	57	(33)	504
	7,830	3,626	(1,763)	9,693
TOTALS	72,680	31,023	(13,498)	90,205

* On 10 December 2014 Council resolved to close these reserves in the 2014-15 financial year. Department support officers are currently liaising with the reserve users as to the timing of the closure.

** On 10 December 2014 Council resolved to utilise these reserves in the 2014-15 financial year. The reserves will be retained for possible future use and department support officers are currently liaising with reserve users as to the timing of utilisation.



11. OVERDUE RATES DEBTORS

Comparison April 2014 to April 2015

The April 2015 overdue percentage shows a marginal increase of 0.06% on the April 2014 position.

The percentage overdue for the Southern Moreton Bay Islands continues to show improvement, however in contrast to this the Mainland is showing deterioration in the overdue percentage for >180 days.

Payments

The number of payments received in April 2015 was considerably less than that received in April 2014 – \$3.4m less. The majority of payments received were in payment of the April rate notice.

Month/Year	AustPost		Bpay		IVR		Direct Debit		Receipt		Internet		Total	
	Count of Transactions	Sum of Amount	Count of Transactions	Sum of Amount	Count of Transactions	Sum of Amount	Count of Transactions	Sum of Amount	Count of Transactions	Sum of Amount	Count of Transactions	Sum of Amount	Count of Transactions	Sum of Amount
Apr-14	3,971	\$2,310,742	18,796	\$8,535,530	1,892	\$1,343,848	2,125	\$178,715	3,283	\$2,762,683	1,406	\$1,029,013	31,473	\$16,160,530
Apr-15	2,898	\$1,633,711	16,933	\$6,699,693	1,250	\$836,532	3,326	\$276,547	2,657	\$2,409,966	1,200	\$898,127	28,264	\$12,754,575
Variance	-1,073	-\$677,031	-1,863	-\$1,835,838	-642	-\$507,316	1,201	\$97,832	-626	-\$352,717	-206	-\$130,885	-3,209	-\$3,405,955
% Variance	-27%	-29%	-10%	-22%	-34%	-38%	57%	55%	-19%	-13%	-15%	-13%	-10%	-21%

Overall March 2015 to April 2015

The overdue percentage for Rates and Charges reduced by 1.4% during the month of April ending the month on 2.5%. At this time of the year that is on trend with prior years.

Comparison April 2014 to April 2015

Days Overdue	Total						Mainland					
	Apr-14	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance	Apr-14	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance
<90	\$2,324,316	1.1%	\$2,227,009	1.0%	-\$97,307	-0.11%	\$1,657,697	0.8%	\$1,594,233	0.7%	-\$63,464	-0.08%
90 - 180 days	\$1,001,720	0.5%	\$1,050,998	0.5%	\$49,277	-0.01%	\$655,361	0.3%	\$712,037	0.3%	\$56,676	0.01%
>180 days	\$1,961,962	0.9%	\$2,500,700	1.1%	\$538,737	0.18%	\$810,264	0.4%	\$1,257,110	0.5%	\$446,845	0.17%
Total	\$5,287,998	2.46%	\$5,778,706	2.53%	\$490,708	0.06%	\$3,123,322	1.46%	\$3,563,379	1.56%	\$440,057	0.10%

Days Overdue	Nth Stradbroke Is / Coochiemudlo Is / Garden Is						SMBI					
	Apr-14	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance	Apr-14	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance
<90	\$64,643	0.0%	\$76,983	0.0%	\$12,340	0.00%	\$601,976	0.3%	\$555,793	0.2%	-\$46,183	-0.04%
90 - 180 days	\$22,074	0.0%	\$46,252	0.0%	\$24,178	0.01%	\$324,285	0.2%	\$292,709	0.1%	-\$31,576	-0.02%
>180 days	\$31,308	0.0%	\$66,068	0.0%	\$34,760	0.01%	\$1,120,390	0.5%	\$1,177,522	0.5%	\$57,132	-0.01%
Total	\$118,025	0.06%	\$189,303	0.08%	\$71,278	0.03%	\$2,046,651	0.95%	\$2,026,024	0.89%	-\$20,627	-0.07%

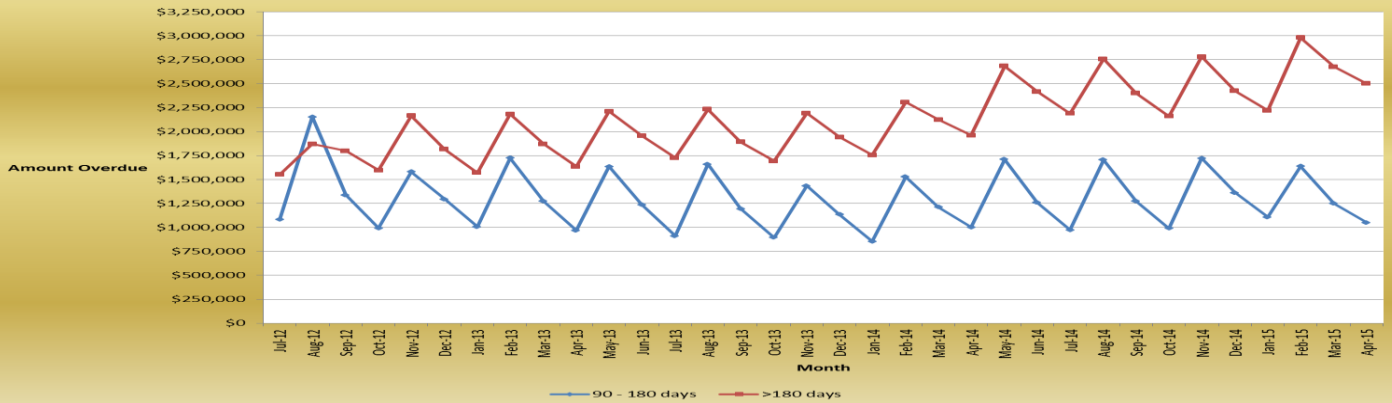
Trend - March 2015 to April 2015

Days Overdue	Total						Mainland					
	Mar-15	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance	Mar-15	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance
<90	\$2,841,796	1.65%	\$2,227,009	1.0%	-\$614,787	-0.68%	\$2,101,044	1.22%	\$1,594,233	0.7%	-\$506,811	-0.52%
90 - 180 days	\$1,250,254	0.73%	\$1,050,998	0.5%	-\$199,256	-0.27%	\$864,312	0.50%	\$712,037	0.3%	-\$152,275	-0.19%
>180 days	\$2,676,564	1.56%	\$2,500,700	1.1%	-\$175,865	-0.46%	\$1,393,526	0.81%	\$1,257,110	0.5%	-\$136,416	-0.26%
Total	\$6,768,614	3.94%	\$5,778,706	2.53%	-\$989,908	-1.41%	\$4,358,882	2.53%	\$3,563,379	1.56%	-\$795,503	-0.98%

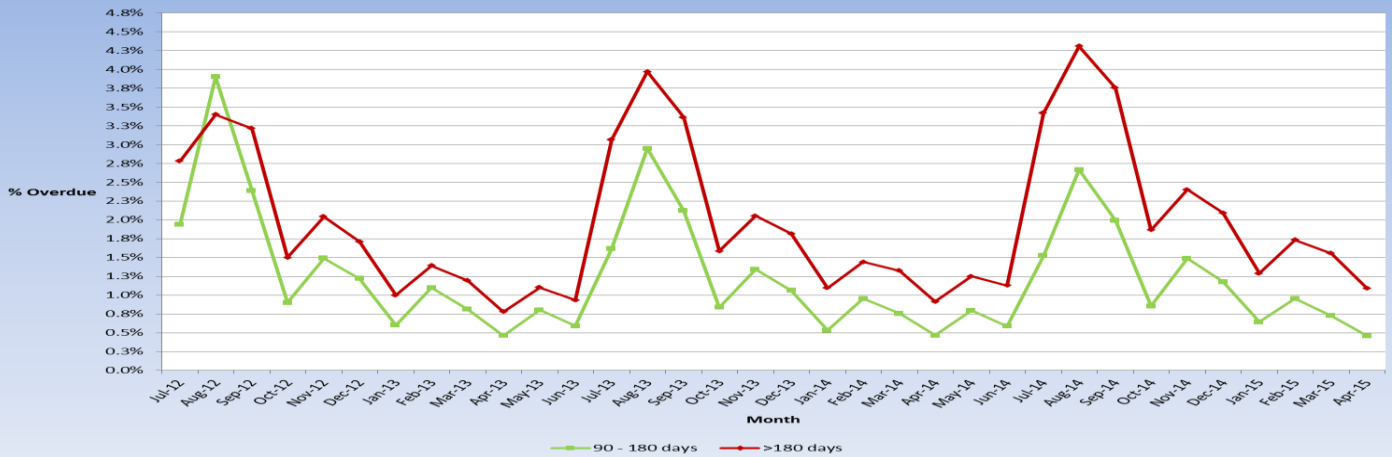
Days Overdue	Nth Stradbroke Is / Coochiemudlo Is / Garden Is						SMBI					
	Mar-15	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance	Mar-15	% Overdue	Apr-15	% Overdue	\$ Variance	% Variance
<90	\$79,215	0.05%	\$76,983	0.0%	-\$2,232	-0.01%	\$661,537	0.38%	\$555,793	0.2%	-\$105,744	-0.14%
90 - 180 days	\$44,339	0.03%	\$46,252	0.0%	\$1,913	-0.01%	\$341,603	0.20%	\$292,709	0.1%	-\$48,894	-0.07%
>180 days	\$58,858	0.03%	\$66,068	0.0%	\$7,209	-0.01%	\$1,224,180	0.71%	\$1,177,522	0.5%	-\$46,657	-0.20%
Total	\$182,412	0.11%	\$189,303	0.08%	\$6,890	-0.02%	\$2,227,320	1.29%	\$2,026,024	0.89%	-\$201,295	-0.41%



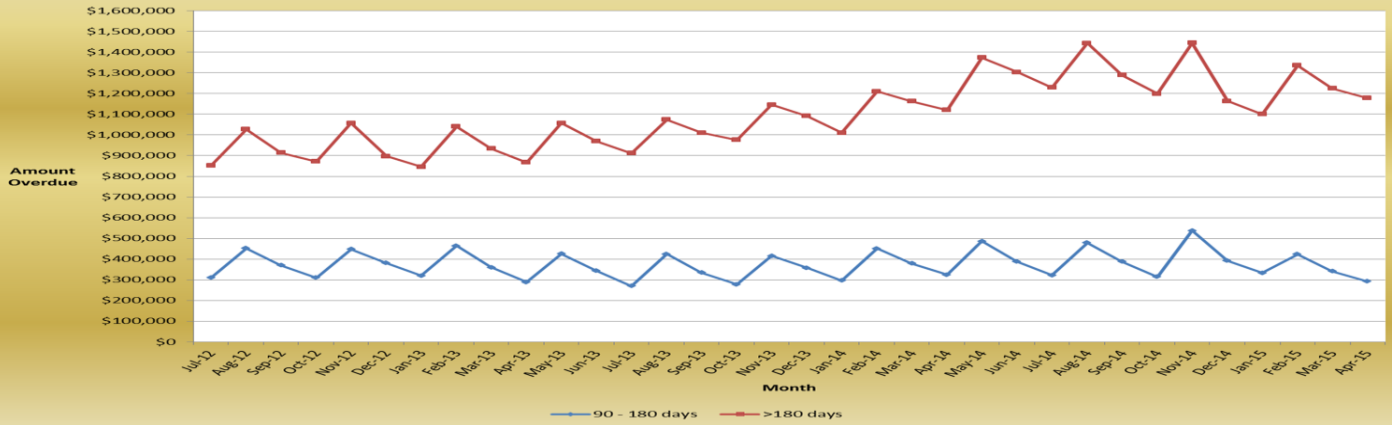
Rates & Charges Arrears (\$) Long Term Trend - 90+ Days Overdue



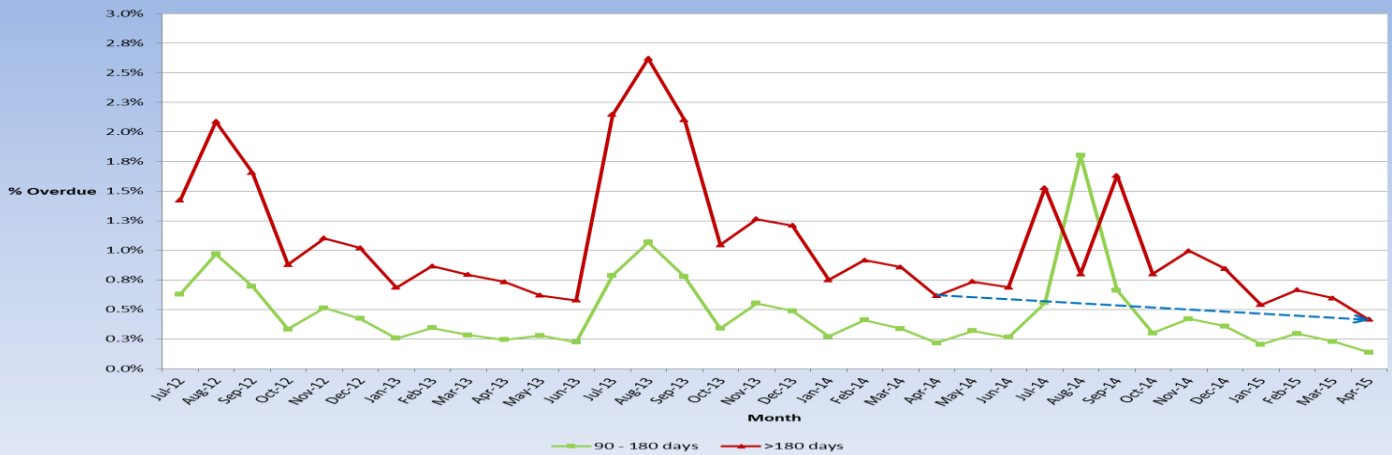
Rates & Charges Monthly Overdue Percentage (%) - Long Term Trend



SMBI Long Term Trend Rates & Charges Arrears (\$) - 90+ Days Overdue



SMBI Rates & Charges Monthly Overdue Percentage (%) - Long Term Trend



12. GLOSSARY

Definition of Ratios

Level of Dependence on General Rate Revenue: <i>This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)</i>	$\frac{\text{General Rates - Pensioner Remissions}}{\text{Total Operating Revenue - Gain on Sale of Developed Land}}$
Current Ratio: <i>This measures the extent to which Council has liquid assets available to meet short term financial obligations</i>	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt Servicing Ratio: <i>This indicates Council's ability to meet current debt instalments with recurrent revenue</i>	$\frac{\text{Interest Expense + Loan Redemption}}{\text{Total Operating Revenue - Gain on Sale of Developed Land}}$
Cash Balance - \$M:	Cash Held at Period End
Cash Capacity in Months: <i>This provides an indication as to the number of months cash held at period end would cover operating cash outflows</i>	$\frac{\text{Cash Held at Period End}}{[(\text{Cash Operating Costs} + \text{Interest Expense}) / \text{Period in Year}]}$
Debt to Asset Ratio: <i>This is total debt as a percentage of total assets, i.e. to what extent will our long term debt be covered by total assets</i>	$\frac{\text{Current and Non-current loans}}{\text{Total Assets}}$
Operating Performance: <i>This ratio provides an indication of Redland City Council's cash flow capabilities</i>	$\frac{\text{Net Cash from Operations + Interest Revenue and Expense}}{\text{Cash Operating Revenue + Interest Revenue}}$
Operating Surplus Ratio*: <i>This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes</i>	$\frac{\text{Net Operating Surplus}}{\text{Total Operating Revenue}}$
Net Financial Liabilities*: <i>This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues</i>	$\frac{\text{Total Liabilities - Current Assets}}{\text{Total Operating Revenue}}$
Interest Cover Ratio: <i>This ratio demonstrates the extent which operating revenues are being used to meet the financing charges</i>	$\frac{\text{Net Interest Expense on Debt Service}}{\text{Total Operating Revenue}}$
Asset Sustainability Ratio*: <i>This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out</i>	$\frac{\text{Capital Expenditure on Replacement of Assets (Renewals)}}{\text{Depreciation Expenditure}}$
Asset Consumption Ratio: <i>The average proportion of 'as new' value remaining in the infrastructure assets. This ratio seeks to highlight the aged condition of our physical assets</i>	$\frac{\text{WDV of Infrastructure Assets}}{\text{Gross Current Replacement Cost of Infrastructure Assets}}$

* These targets are set to be achieved on average over the longer term and therefore are not necessarily expected to be met on a monthly basis.