

# Monthly Financial Report

## July 2020



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## 1. EXECUTIVE SUMMARY

This monthly report illustrates the financial performance and position of Redland City Council compared to its adopted budget at an organisational level for the period ended 31 July 2020. The year to date annual budget referred to in this report reflects the 2020/2021 annual budget as adopted by Council on 25 June 2020.

The opening balances for the current year are still to be finalised and audited. As such, the financial position for the month of July may adjust over the coming months until Council receives Queensland Audit Office (QAO) certification in September 2020.

### Key Financial Highlights and Overview

Key Financial Results (\$000)	Annual Original Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	(1,473)	20,554	<b>20,080</b>	(474)	-2%	✗
Recurrent Revenue	302,146	44,160	<b>42,160</b>	(2,000)	-5%	✗
Recurrent Expenditure	303,619	23,606	<b>22,080</b>	(1,526)	-6%	✓
Capital Works Expenditure	77,614	2,484	<b>2,239</b>	(245)	-10%	✓
Closing Cash & Cash Equivalents	169,264	168,865	<b>151,089</b>	(17,776)	-11%	✗

Council reported a year to date operating surplus of \$20.08M which is unfavourable to budget by \$474K mainly due to an unfavourable variance in recurrent revenue. The first quarter rate notices were issued in July 2020. Operating grants and subsidies income is below budget by \$1.24M mainly due to timing of grant monies of \$1.08M to be received for first quarter waste levy.

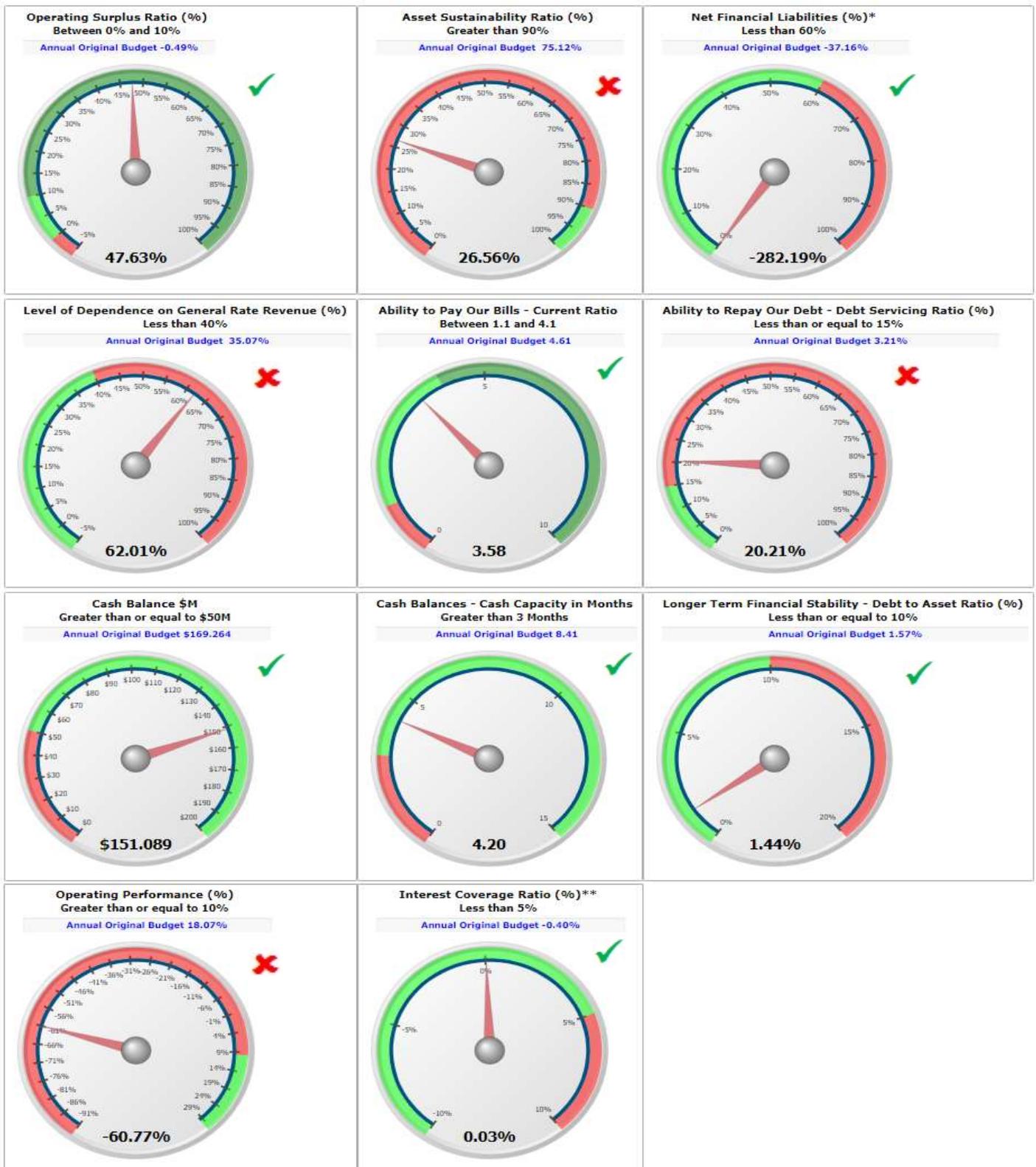
During the month, debt repayment of \$8.42M, being \$6.37M principal and \$2.05M interest has been made.

Capital grants, subsidies and contributions are below budget due to timing of developer cash and non-cash contributions.

Council's cash balance is behind budget due to higher than anticipated payments to suppliers. Constrained cash reserves represent 67% of the cash balance.

## 2. KEY PERFORMANCE INDICATORS

■ Target met 
 ■ Target exceeded 
 ■ Target not met



\* The net financial liabilities ratio exceeds the target range when current assets are greater than total liabilities (and the ratio is negative)

\*\* The interest coverage ratio exceeds the target range when interest revenue is greater than interest expense (and the ratio is negative)

### 3. STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME				
For the period ending 31 July 2020				
	Annual	YTD	YTD	YTD
	Original Budget \$000	Budget \$000	Actual \$000	Variance \$000
<b>Recurrent revenue</b>				
Rates charges	108,926	27,033	<b>26,881</b>	(152)
Levies and utility charges	160,082	14,406	<b>14,311</b>	(95)
Less: Pensioner remissions and rebates	(3,430)	(766)	<b>(835)</b>	(69)
Fees	13,554	1,777	<b>1,131</b>	(646)
Rental income	956	47	<b>64</b>	17
Interest received	2,999	250	<b>168</b>	(82)
Sales revenue	3,630	96	<b>328</b>	232
Other income	533	5	<b>36</b>	31
Grants, subsidies and contributions	14,896	1,312	<b>76</b>	(1,236)
<b>Total recurrent revenue</b>	<b>302,146</b>	<b>44,160</b>	<b>42,160</b>	<b>(2,000)</b>
<b>Recurrent expenses</b>				
Employee benefits	91,988	8,079	<b>7,816</b>	(263)
Materials and services	145,591	10,035	<b>8,956</b>	(1,079)
Finance costs	2,382	196	<b>202</b>	6
Depreciation and amortisation	64,938	5,412	<b>5,341</b>	(71)
Other expenditure	520	20	<b>12</b>	(8)
Net internal costs	(1,800)	(136)	<b>(247)</b>	(111)
<b>Total recurrent expenses</b>	<b>303,619</b>	<b>23,606</b>	<b>22,080</b>	<b>(1,526)</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>(1,473)</b>	<b>20,554</b>	<b>20,080</b>	<b>(474)</b>
<b>Capital revenue</b>				
Grants, subsidies and contributions	25,922	3,893	<b>1,529</b>	(2,364)
Non-cash contributions	3,480	290	-	(290)
<b>Total capital revenue</b>	<b>29,402</b>	<b>4,183</b>	<b>1,529</b>	<b>(2,654)</b>
<b>Capital expenses</b>				
(Gain) / loss on disposal of non-current assets	289	24	<b>(198)</b>	(222)
<b>Total capital expenses</b>	<b>289</b>	<b>24</b>	<b>(198)</b>	<b>(222)</b>
<b>TOTAL INCOME</b>	<b>331,548</b>	<b>48,343</b>	<b>43,689</b>	<b>(4,654)</b>
<b>TOTAL EXPENSES</b>	<b>303,908</b>	<b>23,630</b>	<b>21,882</b>	<b>(1,748)</b>
<b>NET RESULT</b>	<b>27,641</b>	<b>24,713</b>	<b>21,807</b>	<b>(2,906)</b>
<b>Other comprehensive income / (loss)</b>				
<b>Items that will not be reclassified to a net result</b>				
Revaluation of property, plant and equipment	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>27,641</b>	<b>24,713</b>	<b>21,807</b>	<b>(2,906)</b>

### 3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

#### LEVIES AND UTILITY CHARGES ANALYSIS For the period ending 31 July 2020

	Annual	YTD	YTD	YTD
	Original Budget \$000	Budget \$000	Actual \$000	Variance \$000
<b>Levies and utility charges</b>				
Refuse collection rate charge	29,127	2,394	<b>2,426</b>	32
SES separate charge	497	123	<b>124</b>	1
Environment separate charge	8,387	2,097	<b>2,085</b>	(12)
Separate charge landfill remediation	2,163	179	<b>179</b>	-
Wastewater charges	47,842	3,940	<b>3,947</b>	7
Water access charges	20,120	1,660	<b>1,673</b>	13
Water consumption charges	51,945	4,013	<b>3,877</b>	(136)
<b>Total levies and utility charges</b>	<b>160,082</b>	<b>14,406</b>	<b>14,311</b>	<b>(95)</b>

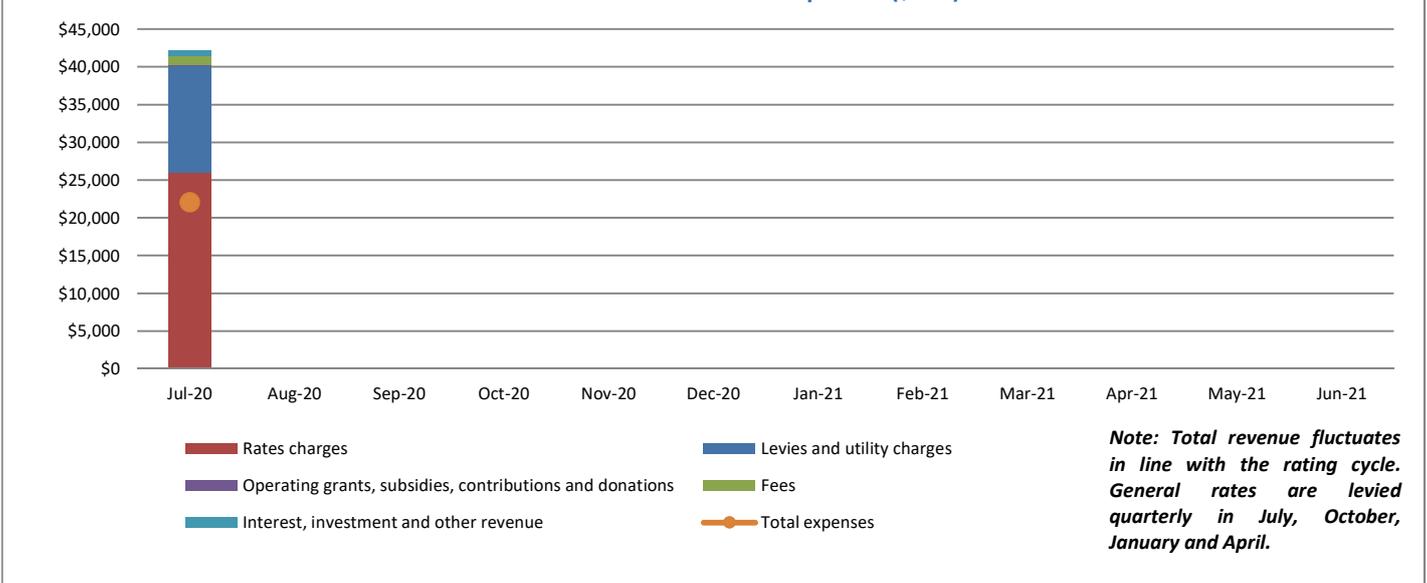
#### MATERIALS AND SERVICES ANALYSIS For the period ending 31 July 2020

	Annual	YTD	YTD	YTD
	Original Budget \$000	Budget \$000	Actual \$000	Variance \$000
<b>Materials and services</b>				
Contractors	38,548	1,646	<b>1,542</b>	(104)
Consultants	2,813	166	<b>65</b>	(101)
Other Council outsourcing costs*	23,063	1,591	<b>1,506</b>	(85)
Purchase of materials	53,059	4,277	<b>3,767</b>	(510)
Office administration costs	11,685	946	<b>809</b>	(137)
Electricity charges	5,748	483	<b>417</b>	(66)
Plant operations	3,548	266	<b>171</b>	(95)
Information technology resources	3,067	263	<b>223</b>	(40)
General insurance	1,646	136	<b>137</b>	1
Community assistance**	1,777	176	<b>248</b>	72
Other material and service expenses	636	85	<b>71</b>	(14)
<b>Total materials and services</b>	<b>145,591</b>	<b>10,035</b>	<b>8,956</b>	<b>(1,079)</b>

\* Other Council outsourcing costs are various outsourced costs including refuse collection and disposal, waste disposal, legal services, traffic control, external training, valuation fees, etc.

\*\* Community assistance costs represent community related costs including community grants, exhibitions and awards, donations and sponsorships.

Actuals - Total Revenue and Expenses (\$000)

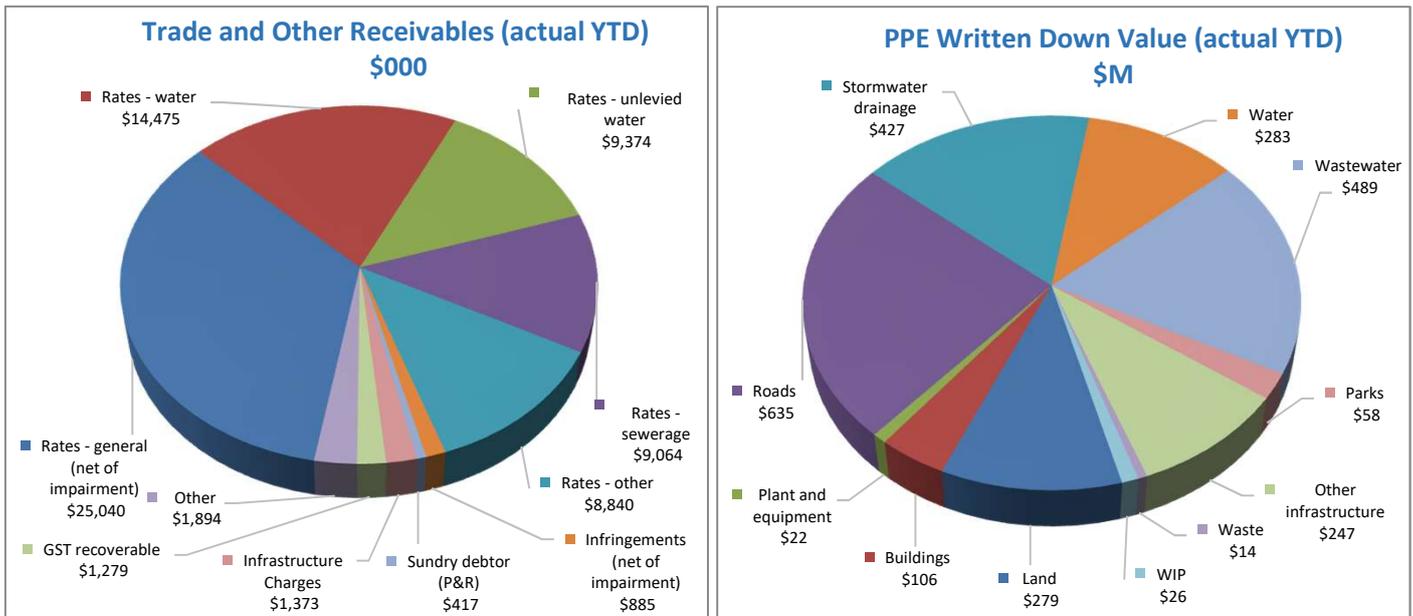


## 4. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION  
As at 31 July 2020

	Annual	YTD	YTD
	Original Budget \$000	Budget \$000	Actual \$000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	169,264	168,865	<b>151,089</b>
Trade and other receivables	45,924	81,933	<b>72,641</b>
Inventories	918	880	<b>915</b>
Non-current assets held for sale	-	118	<b>118</b>
Other current assets	1,955	2,956	<b>3,354</b>
<b>Total current assets</b>	<b>218,061</b>	<b>254,752</b>	<b>228,117</b>
<b>NON-CURRENT ASSETS</b>			
Investment property	1,091	1,225	<b>1,225</b>
Property, plant and equipment	2,572,288	2,585,934	<b>2,585,524</b>
Intangible assets	486	2,086	<b>2,073</b>
Right-of-use assets	5,919	7,008	<b>7,008</b>
Other financial assets	73	73	<b>73</b>
Investment in other entities	13,101	13,101	<b>13,101</b>
<b>Total non-current assets</b>	<b>2,592,958</b>	<b>2,609,427</b>	<b>2,609,004</b>
<b>TOTAL ASSETS</b>	<b>2,811,018</b>	<b>2,864,179</b>	<b>2,837,121</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	28,839	47,103	<b>23,854</b>
Borrowings - current	6,361	8,326	<b>8,326</b>
Lease liability - current*	1,302	1,294	<b>1,294</b>
Provisions - current	10,769	14,228	<b>14,458</b>
Other current liabilities	-	16,943	<b>15,765</b>
<b>Total current liabilities</b>	<b>47,271</b>	<b>87,894</b>	<b>63,697</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings - non-current	37,900	24,588	<b>24,603</b>
Lease liability - non-current*	5,481	6,650	<b>6,682</b>
Provisions - non-current	15,120	14,162	<b>14,162</b>
<b>Total non-current liabilities</b>	<b>58,501</b>	<b>45,400</b>	<b>45,447</b>
<b>TOTAL LIABILITIES</b>	<b>105,772</b>	<b>133,294</b>	<b>109,144</b>
<b>NET COMMUNITY ASSETS</b>	<b>2,705,246</b>	<b>2,730,885</b>	<b>2,727,977</b>
<b>COMMUNITY EQUITY</b>			
Asset revaluation surplus	1,008,120	1,035,840	<b>1,035,840</b>
Retained surplus	1,580,316	1,592,800	<b>1,591,120</b>
Constrained cash reserves	116,810	102,245	<b>101,017</b>
<b>TOTAL COMMUNITY EQUITY</b>	<b>2,705,246</b>	<b>2,730,885</b>	<b>2,727,977</b>

## 4. STATEMENT OF FINANCIAL POSITION - CONTINUED



### RIGHT-OF-USE ASSETS For the period ending 31 July 2020

Right-of-use asset	Annual	YTD	YTD
	Original Budget \$'000	Budget \$'000	Actual Balance \$'000
Buildings	2,780	3,264	<b>3,266</b>
Land	2,763	3,214	<b>3,212</b>
Plant and Equipment	377	530	<b>530</b>
<b>Closing balance</b>	<b>5,919</b>	<b>7,008</b>	<b>7,008</b>

### PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT\* For the period ending 31 July 2020

PPE movement	Annual	YTD	YTD
	Original Budget \$'000	Budget \$'000	Actual Balance \$'000
Opening balance (includes WIP from previous years)	2,556,325	2,588,458	<b>2,588,458</b>
Acquisitions and WIP in year movement	81,096	2,773	<b>2,238</b>
Depreciation in year	(63,282)	(5,273)	<b>(5,172)</b>
Disposals	(1,851)	(24)	-
<b>Closing balance</b>	<b>2,572,288</b>	<b>2,585,934</b>	<b>2,585,524</b>

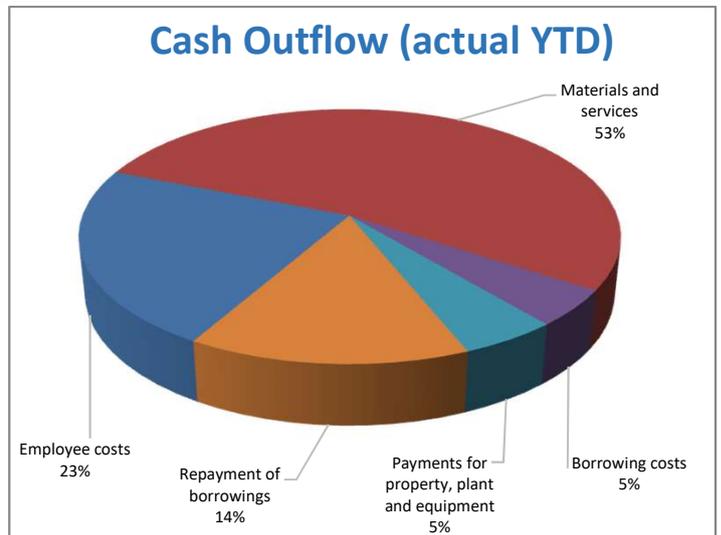
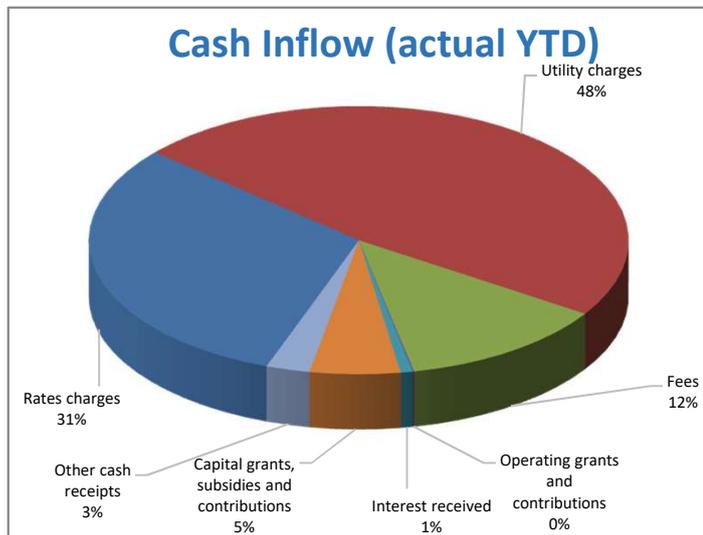
\* This table includes movement relating to property, plant and equipment only and is exclusive of intangible assets.

\*\* Other adjustments include transfers between asset classes, revaluation adjustments, prior period adjustments and depreciation thereon.

## 5. STATEMENT OF CASH FLOWS

### STATEMENT OF CASH FLOWS For the period ending 31 July 2020

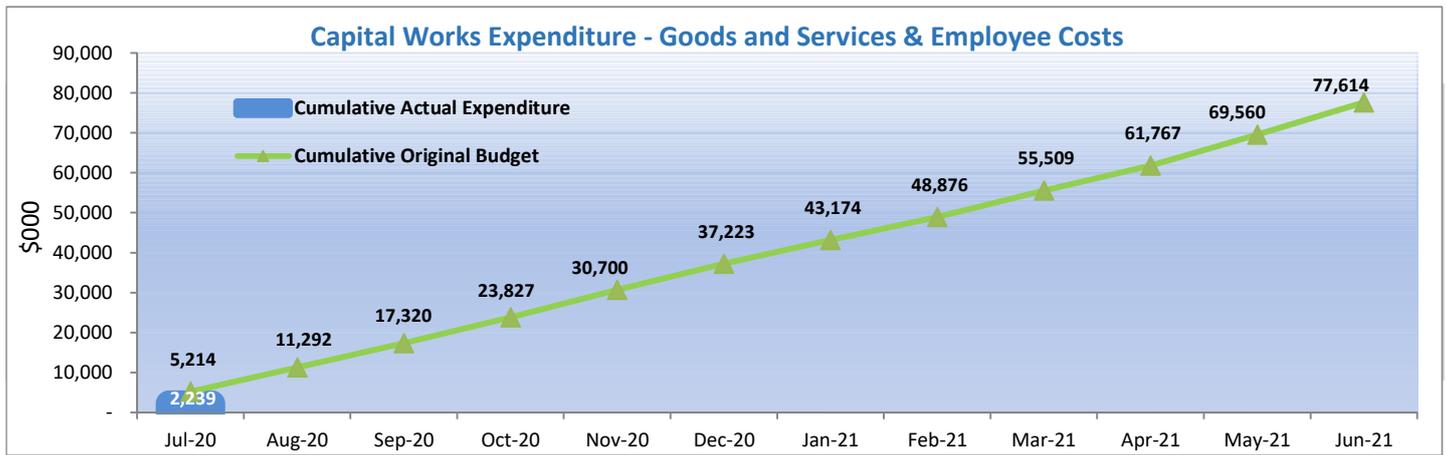
	Annual	YTD	YTD
	Original Budget \$000	Budget \$000	Actual \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	276,486	15,944	<b>22,129</b>
Payments to suppliers and employees	(239,435)	(13,393)	<b>(33,923)</b>
	<b>37,051</b>	<b>2,551</b>	<b>(11,794)</b>
Interest received	2,999	250	<b>168</b>
Rental income	956	47	<b>63</b>
Non-capital grants and contributions	14,483	1,257	<b>22</b>
Borrowing costs	(2,052)	(2,052)	<b>(2,048)</b>
Right-of-use assets interest expense	(144)	(12)	<b>(12)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>53,294</b>	<b>2,041</b>	<b>(13,601)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment	(77,614)	(2,484)	<b>(2,239)</b>
Proceeds from sale of property, plant and equipment	1,562	-	<b>198</b>
Capital grants, subsidies and contributions	25,922	3,893	<b>1,292</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(50,131)</b>	<b>1,409</b>	<b>(749)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds of borrowings	9,612	-	-
Repayment of borrowings	(6,361)	(6,361)	<b>(6,369)</b>
Right-of-use lease payment	(1,294)	(125)	<b>(93)</b>
<b>Net cash inflow / (outflow) from financing activities</b>	<b>1,957</b>	<b>(6,486)</b>	<b>(6,462)</b>
<b>Net increase / (decrease) in cash held</b>	<b>5,120</b>	<b>(3,036)</b>	<b>(20,812)</b>
Cash and cash equivalents at the beginning of the year	164,145	171,901	<b>171,901</b>
<b>Cash and cash equivalents at the end of the financial year / period</b>	<b>169,264</b>	<b>168,865</b>	<b>151,089</b>



<b>Total Cash Funding (Actual YTD)</b>	<b>23,872</b>
Total Cash Funding (Annual Original Budget)	332,020
<b>% of Budget Achieved YTD</b>	<b>7%</b>

<b>Total Cash Expenditure (Actual YTD)</b>	<b>44,684</b>
Total Cash Expenditure (Annual Original Budget)	326,900
<b>% of Budget Achieved YTD</b>	<b>14%</b>

## 6. CAPITAL EXPENDITURE

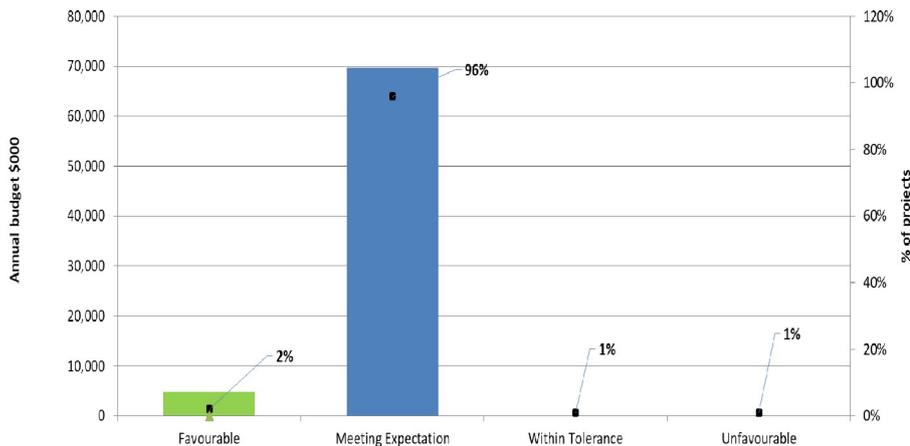


	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capitalised goods and services	70,513	1,829	<b>1,623</b>	(206)
Capitalised employee costs	7,101	655	<b>616</b>	(39)
<b>Total</b>	<b>77,614</b>	<b>2,484</b>	<b>2,239</b>	<b>(245)</b>

## 7. PROGRAM AND PROJECT UPDATE

Favourable (budget under/schedule on track)	Meeting expectations (budget and schedule on track)	Within tolerance (either budget and schedule not on track)	Unfavourable (budget and schedule not on track)
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Progress Evaluation



Programs and projects are what Council uses to introduce change to achieve corporate outcomes. They allow new infrastructure, products, systems, procedures and services to be delivered. Projects may be undertaken on a standalone basis or as part of a program. Programs and projects may span multiple financial years.

Council is currently progressing more than 100 programs and projects.

### Notable Projects

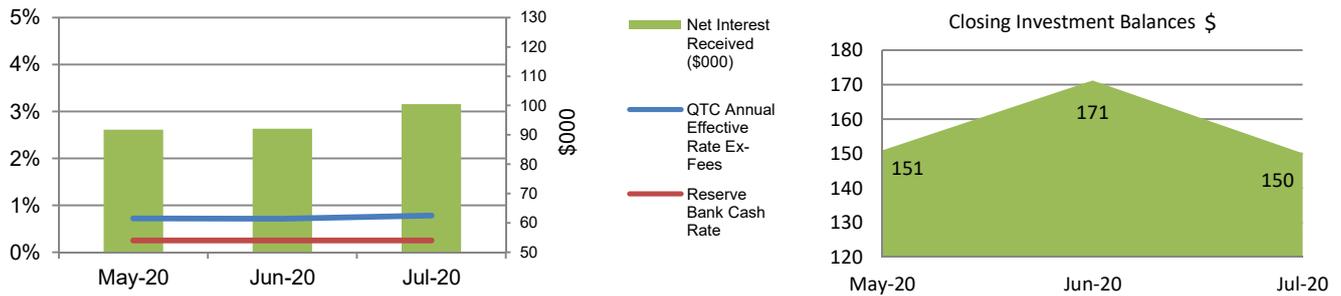
The status of two notable projects are as follows:

Project description	Progress
Economic Development Advisory Board Action plan - This project will assist in improving relationships between Council and the business community due in large part to the input required by each of the industry sectors into the formulation of the action plans.	Meeting Expectations
Foreshore Protection Old Schoolhouse Park, Amity Point - This project will renew an existing seawall at Old Schoolhouse Park and adjoining private properties.	Meeting Expectations

## 8. INVESTMENT & BORROWINGS REPORT

For the period ending 31 July 2020

### INVESTMENT RETURNS - QUEENSLAND TREASURY CORPORATION (QTC)



**Total Investment at End of Month was \$150.11M**

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

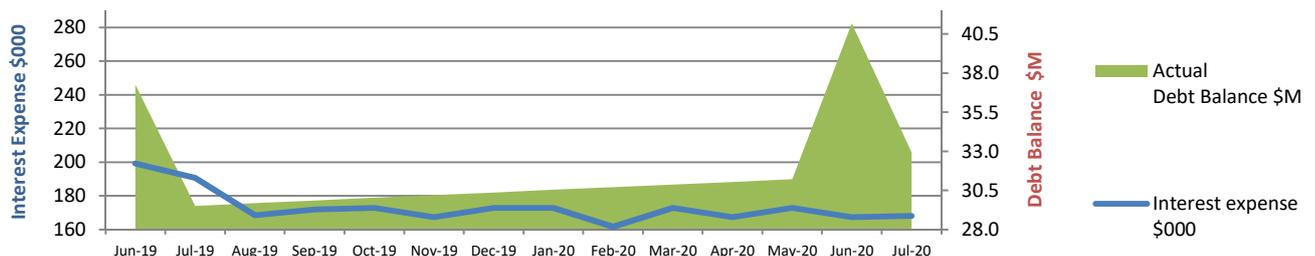
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle.

Note: the Reserve Bank reduced the cash rate down to 0.25% during March 2020.

On a daily basis, cash surplus to requirements is deposited with QTC to earn higher interest as QTC is offering a higher rate than what is achieved from Council's transactional bank accounts. The current annual effective interest rate paid by QTC is 0.78%. Term deposit rates are being monitored to identify investment opportunities to ensure Council maximises its interest earnings.

Council adopted its Investment Policy (POL-3013) in June 2020 for the 2020/2021 financial year

### BORROWINGS AND BORROWING COSTS (QTC)



The existing loan accounts were converted to fixed rate loans on 1 April 2016 following a QTC restructure of loans and policies. In line with Council's debt policy, debt repayment of \$8.42M, being \$6.37M principal and \$2.05M interest has been made *annually* for 2020/2021 which will result in the loans being repaid approximately one year earlier.

The debt balance shows a decrease as the Annual Debt Service Payment (ADSP) was made during July 2020. Interest will accrue monthly on a daily balance until next ADSP in July 2021 which is reflected in the increasing debt balance.

**Total Borrowings at End of Month were \$32.93M**

Council adopted its Debt Policy (POL-1838) in June 2020 for the 2020/2021 financial year

### BORROWINGS

For the period ending 31 July 2020

	Annual Original Budget \$'000	YTD Budget \$'000	YTD Actual Balance \$'000
<b>Borrowings</b>			
Opening balance	(41,128)	(41,178)	(41,178)
Accrued interest on borrowings	(1,789)	(149)	(168)
Interest paid on borrowings	2,052	2,052	2,048
Principal repaid	6,361	6,361	6,369
Loan drawdown	(9,612)	-	-
<b>Closing balance</b>	<b>(44,116)</b>	<b>(32,914)</b>	<b>(32,929)</b>

## 9. CONSTRAINED CASH RESERVES

Reserves as at 31 July 2020	Purpose of reserve	Opening Balance	To Reserve	From Reserve	Closing Balance
		\$000	\$000	\$000	\$000
<b>Special Projects Reserve:</b>					
Aquatic Paradise Revetment Wall Reserve	To fund Aquatic Paradise revetment wall works program	2	7	-	9
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	2,093	712	(9)	2,796
Fleet Plant & Capital Equipment Reserve	To support the long term fleet replacement program	2,536	164	(2)	2,698
		<b>4,631</b>	<b>883</b>	<b>(11)</b>	<b>5,503</b>
<b>Constrained Works Reserve:</b>					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	6,662	385	(97)	6,950
Land for Community Facilities Trunk Infrastructure Reserve	Land for community facilities trunk infrastructure	3,086	14	-	3,100
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	14,626	14	-	14,640
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	10,909	206	-	11,115
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	33,731	496	-	34,227
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	11,923	206	(48)	12,081
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	10,842	55	(74)	10,823
Tree Planting Reserve	Acquisition and planting of trees on footpaths	103	0	(3)	100
Koala Tree off-set Planting Reserve	Acquisition and planting of trees for koala habitat	12	-	-	12
		<b>91,894</b>	<b>1,376</b>	<b>(222)</b>	<b>93,048</b>
<b>Separate Charge Reserve:</b>					
Environment Charge Maintenance Reserve	Ongoing conservation and maintenance operations	-	2,087	(563)	1,524
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	38	123	(76)	85
		<b>38</b>	<b>2,210</b>	<b>(639)</b>	<b>1,609</b>
<b>Special Charge Reserve - Canals:</b>					
Aquatic Paradise Canal Reserve*	Maintenance and repairs of Aquatic Paradise canals	758	-	-	758
Sovereign Waters Lake Reserve*	Maintenance and repairs of Sovereign Lake	431	-	-	431
1718 Raby Bay Canal Reserve	Service, facility or activity of works in respect of the canals of the Raby Bay canal estate	219	-	-	219
1718 Aquatic Paradise Canal Reserve	Service, facility or activity of works in respect of the canals of the Aquatic Paradise canal estate	(495)	-	-	(495)
1718 Sovereign Waters Lake Reserve	Service, facility or activity of works in respect of the lake	(56)	-	-	(56)
		<b>857</b>	<b>-</b>	<b>-</b>	<b>857</b>
<b>TOTALS</b>		<b>97,420</b>	<b>4,469</b>	<b>(872)</b>	<b>101,017</b>
					Closing cash and cash equivalents
					<b>151,089</b>
					Reserves as percentage of cash balance
					<b>67%</b>

\*No interest charged for these reserves in July 2020 due to low prevailing interest rate.

## 10. REDLAND WATER STATEMENTS

### REDLAND WATER SUMMARY OPERATING STATEMENT For the period ending 31 July 2020

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	122,970	9,708	<b>9,864</b>	156
Total expenses	71,469	5,472	<b>5,068</b>	(404)
Earnings before interest, tax and depreciation (EBITD)	51,501	4,236	<b>4,796</b>	560
External interest expense	71	6	<b>26</b>	20
Internal interest expense	10,621	885	<b>885</b>	-
Depreciation	24,142	2,012	<b>2,020</b>	8
<b>Operating surplus / (deficit)</b>	<b>16,667</b>	<b>1,333</b>	<b>1,865</b>	<b>532</b>

### REDLAND WATER CAPITAL FUNDING STATEMENT For the period ending 31 July 2020

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	2,537	211	<b>220</b>	9
Net transfer (to) / from constrained capital reserves	(2,365)	(211)	<b>(220)</b>	(9)
Non-cash contributions	3,399	283	-	(283)
Funding from utility revenue	8,568	208	<b>540</b>	332
<b>Total sources of capital funding</b>	<b>12,138</b>	<b>491</b>	<b>540</b>	<b>49</b>
Contributed assets	3,399	283	-	(283)
Capitalised expenditure	8,258	168	<b>144</b>	(24)
Loan redemption	482	40	<b>396</b>	356
<b>Total application of capital funds</b>	<b>12,138</b>	<b>491</b>	<b>540</b>	<b>49</b>

## 11. REDWASTE STATEMENTS

### REDWASTE OPERATING STATEMENT For the period ending 31 July 2020

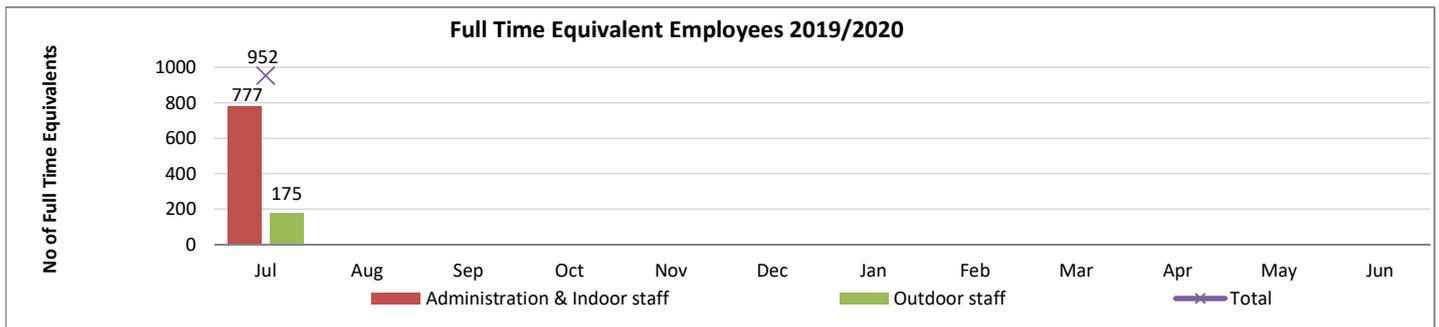
	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	35,715	4,341	<b>3,722</b>	(619)
Total expenses	27,427	2,295	<b>2,364</b>	69
Earnings before interest, tax and depreciation (EBITD)	8,288	2,046	<b>1,358</b>	(688)
External interest expense	17	1	<b>2</b>	1
Depreciation	327	27	<b>28</b>	1
<b>Operating surplus / (deficit)</b>	<b>7,943</b>	<b>2,018</b>	<b>1,328</b>	<b>(690)</b>

### REDWASTE CAPITAL FUNDING STATEMENT For the period ending 31 July 2020

	Annual Original Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Non-cash contributions	-	-	-	-
Funding from utility revenue	924	149	<b>231</b>	82
<b>Total sources of capital funding</b>	<b>924</b>	<b>149</b>	<b>231</b>	<b>82</b>
Capitalised expenditure	779	30	<b>116</b>	86
Loan redemption	145	119	<b>115</b>	(4)
<b>Total application of capital funds</b>	<b>924</b>	<b>149</b>	<b>231</b>	<b>82</b>

## 12. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

### Workforce Reporting



July 2020: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People and Culture	32	276	70	378
Organisational Services	7	34	6	47
Community and Customer Services	8	351	17	376
Infrastructure and Operations	8	208	19	235
<b>Total</b>	<b>55</b>	<b>869</b>	<b>112</b>	<b>1,036</b>

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. Following Ourspace, the table includes contract of service and temporary personnel. It includes casual staff in their non-substantive roles as at the end of the period where relevant.

### Overdue Rates Debtors & Statistics

Days Overdue	Jul-20	% Overdue	Jul-19	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	July 2020	Jul 2019
0 - 30	\$585	0.0%	\$6,585	0.0%	-\$6,000	0.0%	Levied (Billed) Rates & Charges since 1 July 2020	\$70,993,492	\$66,643,062
31 - 60	\$3,943,515	4.7%	\$1,808	0.0%	\$3,941,707	4.7%	Rate arrears brought forward 1 July 2020	\$12,988,652	\$9,452,770
61 - 90	\$129	0.0%	\$2,915,900	3.8%	-\$2,915,771	-3.8%	Total	<b>\$83,982,144</b>	<b>\$76,095,832</b>
91 - 180	\$1,518,547	1.8%	\$1,378,724	1.8%	\$139,823	0.0%	Balance of overdue rates & charges	<b>\$9,056,018</b>	<b>\$7,463,446</b>
>180	\$3,593,243	4.3%	\$3,160,430	4.2%	\$432,813	0.1%	% Overdue	<b>10.8%</b>	<b>9.8%</b>
<b>Total</b>	<b>\$9,056,019</b>	<b>10.8%</b>	<b>\$7,463,447</b>	<b>9.8%</b>	<b>\$1,592,572</b>	<b>1.0%</b>			

## 13. GLOSSARY

### Key Terms

#### Written Down Value:

This is the value of an asset after accounting for depreciation or amortisation, and it is also called book value or net book value.

#### Work In Progress:

This represents an unfinished project that costs are still being added to. When a project is completed, the costs will be either capitalised (allocated to relevant asset class) or written off.

### Definition of Ratios

<b>Operating Surplus Ratio*:</b> This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes	$\frac{\text{Net Operating Surplus}}{\text{Total Operating Revenue}}$
<b>Asset Sustainability Ratio*:</b> 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	$\frac{\text{Capital Expenditure on Replacement of Infrastructure Assets (Renewals)}}{\text{Depreciation Expenditure on Infrastructure Assets}}$
<b>Net Financial Liabilities*:</b> This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues	$\frac{\text{Total Liabilities - Current Assets}}{\text{Total Operating Revenue}}$
<b>Level of Dependence on General Rate Revenue:</b> This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)	$\frac{\text{General Rates - Pensioner Remissions}}{\text{Total Operating Revenue - Gain on Sale of Developed Land}}$
<b>Current Ratio:</b> This measures the extent to which Council has liquid assets available to meet short term financial obligations	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
<b>Debt Servicing Ratio:</b> This indicates Council's ability to meet current debt instalments with recurrent revenue	$\frac{\text{Interest Expense}^{***} + \text{Loan Redemption}^{\wedge}}{\text{Total Operating Revenue - Gain on Sale of Developed Land}}$
<b>Cash Balance - \$M:</b> Cash balance includes cash on hand, cash at bank and other short term investments.	$\text{Cash Held at Period End}$
<b>Cash Capacity in Months:</b> This provides an indication as to the number of months cash held at period end would cover operating cash outflows	$\frac{\text{Cash Held at Period End}}{[(\text{Cash Operating Costs} + \text{Interest Expense}) / \text{Period in Year}]}$
<b>Longer Term Financial Stability - Debt to Asset Ratio:</b> 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	$\frac{\text{Current and Non-current Debt}^{**}}{\text{Total Assets}}$
<b>Operating Performance:</b> This ratio provides an indication of Council's cash flow capabilities	$\frac{\text{Net Cash from Operations} + \text{Interest Revenue and Expense}}{\text{Cash Operating Revenue} + \text{Interest Revenue}}$
<b>Interest Coverage Ratio:</b> This ratio demonstrates the extent to which operating revenues are being used to meet the financing charges	$\frac{\text{Net Interest Expense on Debt Service}^{***}}{\text{Total Operating Revenue}}$

\* 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.

\*\* Debt includes lease liabilities.

\*\*\* Interest expense includes interest on leases.

^ Loan redemption includes lease redemption.