



# Monthly Financial Report

January 2023



# CONTENTS

1.	Executive Summary	2
2.	Key Performance Indicators	3
3.	Statement of Comprehensive Income	4
4.	Statement of Financial Position	6
5.	Statement of Cash Flows	8
6.	Capital Expenditure	9
7.	Program and Project Update	9
8.	Investment & Borrowings Report	10
9.	Constrained Cash Reserves	11
10.	City Water Statements	12
11.	City Waste Statements	12
12.	Appendix: Additional and Non-financial Information	13
13.	Glossary	14

## 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 January 2023. The year to date annual revised budget referred to in this report incorporates the changes from the budget review adopted by Council on 16 November 2022.

### Key Financial Highlights and Overview

Key Financial Results (\$'000)	Annual Revised Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	(1,723)	43,725	<b>51,000</b>	7,275	17%	✓
Recurrent Revenue	330,821	227,225	<b>229,202</b>	1,977	1%	✓
Recurrent Expenditure	332,544	183,500	<b>178,202</b>	(5,298)	-3%	✓
Capital Works Expenditure	150,181	59,447	<b>31,721</b>	(27,726)	-47%	✓
Closing Cash & Cash Equivalents	205,472	266,324	<b>249,749</b>	(16,575)	-6%	✗

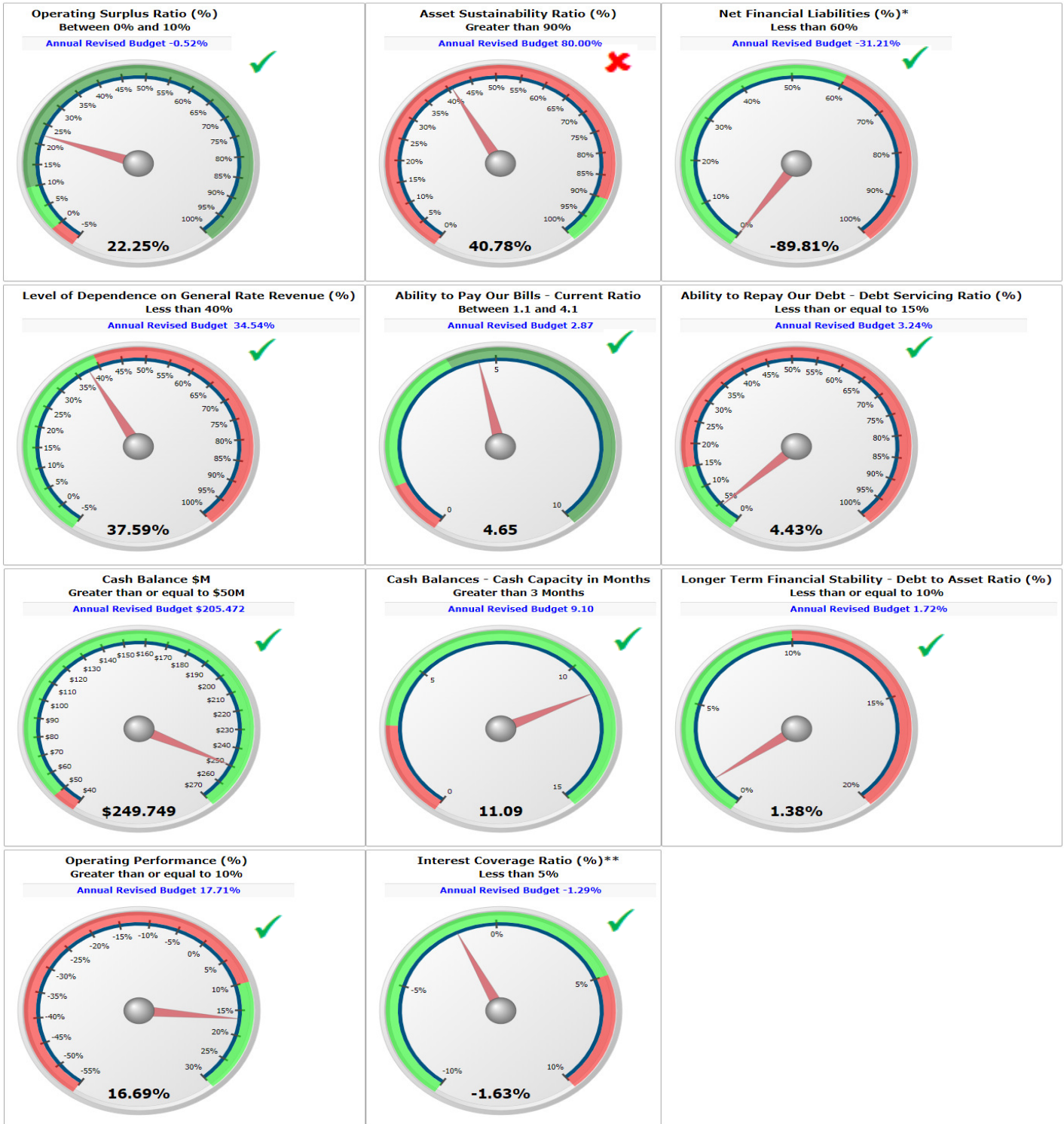
Council reported a year to date operating surplus of \$51.00M which is favourable to budget by \$7.27M. This is mainly due to lower than budgeted materials and services expenses, lower employee expenses, lower depreciation, higher interest revenue offset by lower grants, subsidies and contributions.

Council's capital works expenditure is below budget by \$27.73M due to timing of works for a number of infrastructure projects.

Council's cash balance is behind budget mainly due to higher than anticipated payments to suppliers, lower than anticipated receipts from customers, offset by lower than budgeted payments for property, plant and equipment. Constrained cash reserves represent 49% of the cash balance.

## 2. KEY PERFORMANCE INDICATORS

■ Target met 
 ■ Target exceeded 
 ■ Target not met



\* The net financial liabilities ratio is negative as current assets are greater than total liabilities

\*\* The interest coverage ratio is negative as interest revenue is greater than interest expense



### 3. STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME					
For the period ending 31 January 2023					
	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
<b>Recurrent revenue</b>					
Rates charges	117,211	117,411	87,967	<b>88,463</b>	496
Levies and utility charges	177,511	177,620	120,649	<b>120,546</b>	(103)
Less: Pensioner remissions and rebates	(3,661)	(3,661)	(2,685)	<b>(2,646)</b>	39
Fees	18,412	18,523	11,153	<b>11,380</b>	227
Rental income	1,140	1,140	667	<b>703</b>	36
Interest received	4,196	5,718	3,492	<b>4,632</b>	1,140
Sales revenue	3,989	4,089	2,501	<b>3,066</b>	565
Other income	465	518	379	<b>554</b>	175
Grants, subsidies and contributions	9,053	9,463	3,102	<b>2,504</b>	(598)
<b>Total recurrent revenue</b>	<b>328,316</b>	<b>330,821</b>	<b>227,225</b>	<b>229,202</b>	<b>1,977</b>
<b>Recurrent expenses</b>					
Employee benefits	101,228	101,164	58,743	<b>57,175</b>	(1,568)
Materials and services	160,436	160,615	83,522	<b>81,260</b>	(2,262)
Finance costs	1,980	1,980	1,107	<b>1,113</b>	6
Depreciation and amortisation	70,578	70,578	41,176	<b>39,708</b>	(1,468)
Other expenditure	525	525	306	<b>361</b>	55
Net internal costs	(2,314)	(2,318)	(1,354)	<b>(1,415)</b>	(61)
<b>Total recurrent expenses</b>	<b>332,434</b>	<b>332,544</b>	<b>183,500</b>	<b>178,202</b>	<b>(5,298)</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>(4,118)</b>	<b>(1,723)</b>	<b>43,725</b>	<b>51,000</b>	<b>7,275</b>
<b>Capital revenue</b>					
Grants, subsidies and contributions	39,249	45,793	11,561	<b>8,703</b>	(2,858)
Non-cash contributions	2,250	2,250	-	<b>-</b>	-
<b>Total capital revenue</b>	<b>41,499</b>	<b>48,043</b>	<b>11,561</b>	<b>8,703</b>	<b>(2,858)</b>
<b>Capital expenses</b>					
(Gain) / loss on disposal of non-current assets	289	289	122	<b>508</b>	386
<b>Total capital expenses</b>	<b>289</b>	<b>289</b>	<b>122</b>	<b>508</b>	<b>386</b>
<b>TOTAL INCOME</b>	<b>369,815</b>	<b>378,864</b>	<b>238,786</b>	<b>237,905</b>	<b>(881)</b>
<b>TOTAL EXPENSES</b>	<b>332,722</b>	<b>332,832</b>	<b>183,622</b>	<b>178,710</b>	<b>(4,912)</b>
<b>NET RESULT</b>	<b>37,093</b>	<b>46,032</b>	<b>55,164</b>	<b>59,195</b>	<b>4,031</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>-</b>	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>37,093</b>	<b>46,032</b>	<b>55,164</b>	<b>59,195</b>	<b>4,031</b>

### 3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

#### LEVIES AND UTILITY CHARGES ANALYSIS

For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
<b>Levies and utility charges</b>					
Refuse collection rate charge	33,206	33,206	19,310	19,140	(170)
SES separate charge	500	500	375	375	-
Environment & Coastal Management Separate Charge	11,762	11,771	8,816	8,804	(12)
Separate charge landfill remediation	3,545	3,545	2,655	2,653	(2)
Wastewater charges	53,189	53,289	39,872	40,182	310
Water access charges	21,740	21,740	16,305	16,306	1
Water consumption charges	53,569	53,569	33,316	33,086	(230)
<b>Total levies and utility charges</b>	<b>177,511</b>	<b>177,620</b>	<b>120,649</b>	<b>120,546</b>	<b>(103)</b>

#### MATERIALS AND SERVICES ANALYSIS

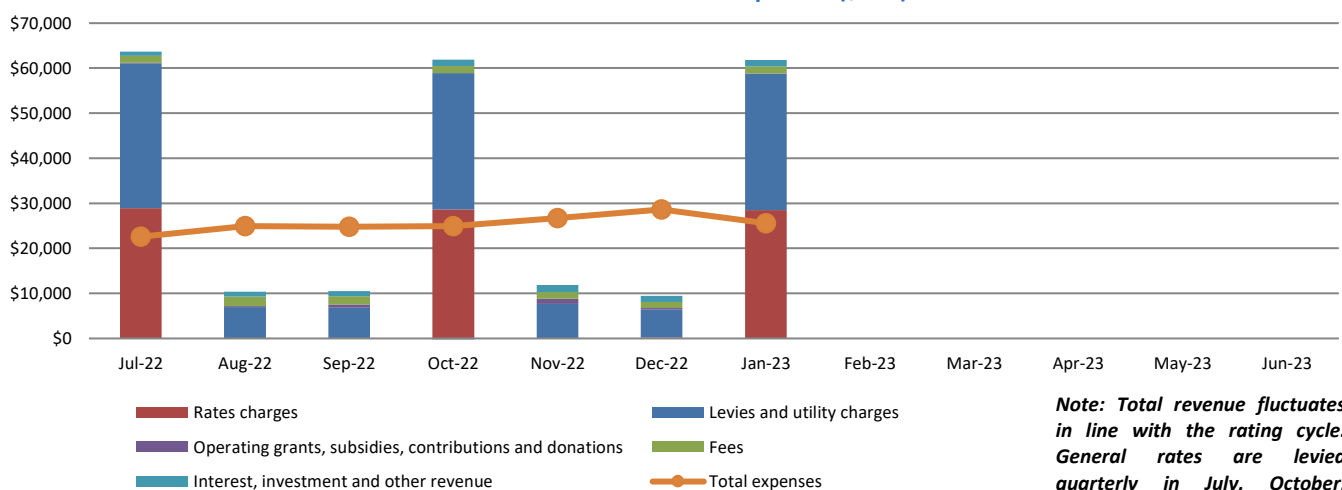
For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
<b>Materials and services</b>					
Contractors	39,275	41,923	17,559	18,024	465
Consultants	5,435	5,261	2,353	2,165	(188)
Other Council outsourcing costs*	33,279	29,363	15,189	14,724	(465)
Purchase of materials	56,766	57,132	32,818	31,995	(823)
Office administration costs	7,181	7,192	4,229	3,855	(374)
Electricity charges	5,921	5,921	3,396	3,117	(279)
Plant operations	3,682	3,740	2,104	2,466	362
Information technology resources	4,493	5,857	3,491	2,823	(668)
General insurance	1,785	1,638	956	940	(16)
Community assistance**	1,975	1,945	1,015	771	(244)
Other material and service expenses	644	643	412	380	(32)
<b>Total materials and services</b>	<b>160,436</b>	<b>160,615</b>	<b>83,522</b>	<b>81,260</b>	<b>(2,262)</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)



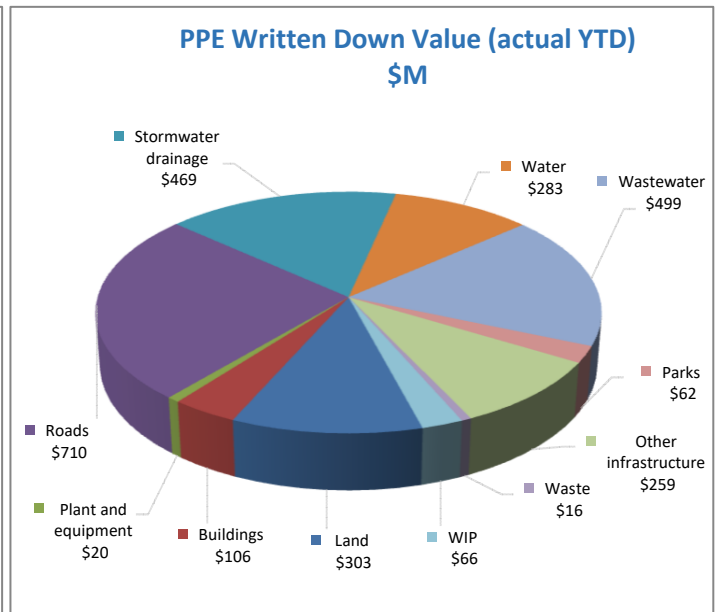
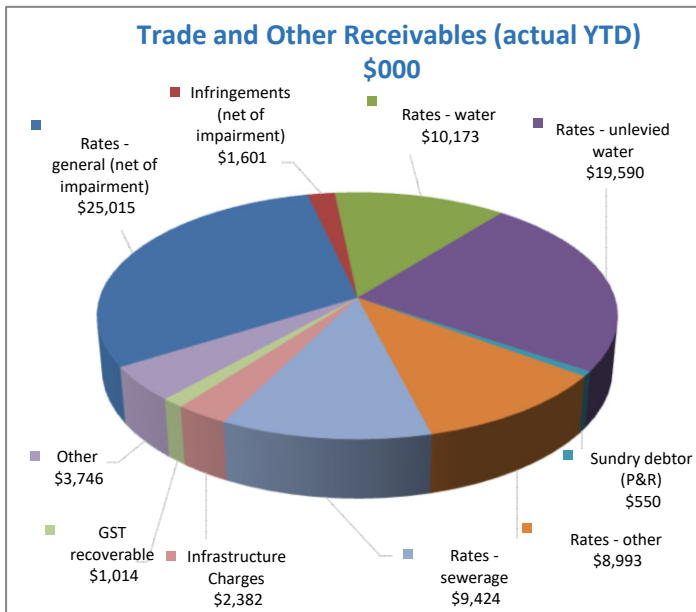
**Note:** Total revenue fluctuates in line with the rating cycle. General rates are levied quarterly in July, October, January and April.

## 4. STATEMENT OF FINANCIAL POSITION

### STATEMENT OF FINANCIAL POSITION As at 31 January 2023

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	208,298	205,472	266,324	249,749
Short-term investment - CBA	-	10,068	10,068	10,122
Trade and other receivables	43,669	43,794	84,438	82,488
Inventories	818	928	907	1,009
Other current assets	4,172	5,486	5,486	6,220
<b>Total current assets</b>	<b>256,956</b>	<b>265,748</b>	<b>367,223</b>	<b>349,588</b>
<b>NON-CURRENT ASSETS</b>				
Investment property	1,225	1,293	1,293	1,293
Property, plant and equipment	2,735,181	2,882,752	2,819,177	2,792,773
Intangible assets	584	1,285	1,530	1,350
Right-of-use assets	3,963	4,017	4,433	4,481
Other financial assets	73	73	73	73
Investment in other entities	12,657	12,657	12,657	12,657
<b>Total non-current assets</b>	<b>2,753,683</b>	<b>2,902,077</b>	<b>2,839,163</b>	<b>2,812,627</b>
<b>TOTAL ASSETS</b>	<b>3,010,640</b>	<b>3,167,825</b>	<b>3,206,386</b>	<b>3,162,215</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	43,417	49,354	54,270	35,721
Borrowings - current	8,919	9,355	9,355	9,355
Lease liability - current	1,130	1,044	1,044	1,044
Provisions - current	16,125	18,257	18,945	17,914
Other current liabilities	3,569	14,426	42,430	11,093
<b>Total current liabilities</b>	<b>73,160</b>	<b>92,436</b>	<b>126,044</b>	<b>75,127</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings - non-current	40,684	40,262	28,913	28,978
Lease liability - non-current	3,742	3,689	4,159	4,189
Provisions - non-current	22,073	15,499	16,478	19,097
Other non-current liabilities	-	10,628	16,350	16,350
<b>Total non-current liabilities</b>	<b>66,498</b>	<b>70,078</b>	<b>65,900</b>	<b>68,614</b>
<b>TOTAL LIABILITIES</b>	<b>139,658</b>	<b>162,514</b>	<b>191,944</b>	<b>143,741</b>
<b>NET COMMUNITY ASSETS</b>	<b>2,870,982</b>	<b>3,005,311</b>	<b>3,014,442</b>	<b>3,018,474</b>
<b>COMMUNITY EQUITY</b>				
Asset revaluation surplus	1,106,353	1,225,400	1,225,400	1,225,400
Retained surplus	1,667,474	1,685,589	1,678,429	1,670,392
Constrained cash reserves	97,154	94,322	110,613	122,682
<b>TOTAL COMMUNITY EQUITY</b>	<b>2,870,982</b>	<b>3,005,311</b>	<b>3,014,442</b>	<b>3,018,474</b>

## 4. STATEMENT OF FINANCIAL POSITION - CONTINUED



### RIGHT-OF-USE ASSETS For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
<b>Right-of-use asset</b>				
Buildings	1,548	1,282	1,529	<b>1,571</b>
Land	2,134	2,451	2,603	<b>2,609</b>
Plant and Equipment	281	284	301	<b>301</b>
<b>Closing balance</b>	<b>3,963</b>	<b>4,017</b>	<b>4,433</b>	<b>4,481</b>

### PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT\* For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
<b>PPE movement</b>				
Opening balance (includes WIP from previous years)	2,687,627	2,800,792	2,800,792	<b>2,800,792</b>
Acquisitions and WIP in year movement	118,025	152,431	59,447	<b>31,720</b>
Depreciation in year	(68,978)	(68,978)	(40,237)	<b>(38,636)</b>
Disposals	(1,493)	(1,493)	(825)	<b>(1,103)</b>
<b>Closing balance</b>	<b>2,735,181</b>	<b>2,882,752</b>	<b>2,819,177</b>	<b>2,792,773</b>

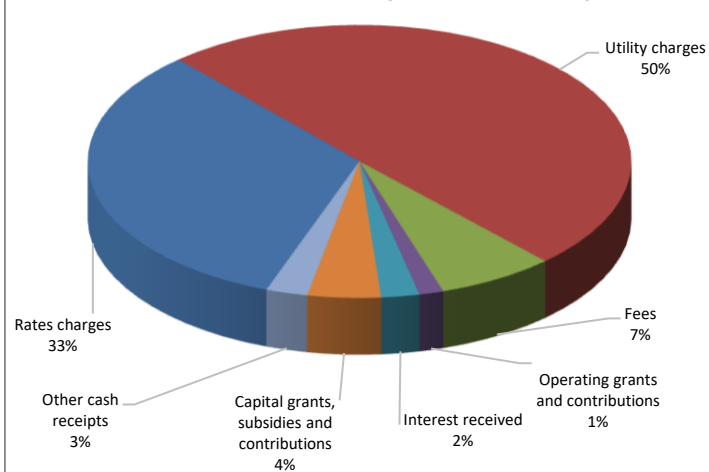
\* This table includes movement relating to property, plant and equipment only and is exclusive of intangible assets.

## 5. STATEMENT OF CASH FLOWS

### STATEMENT OF CASH FLOWS For the period ending 31 January 2023

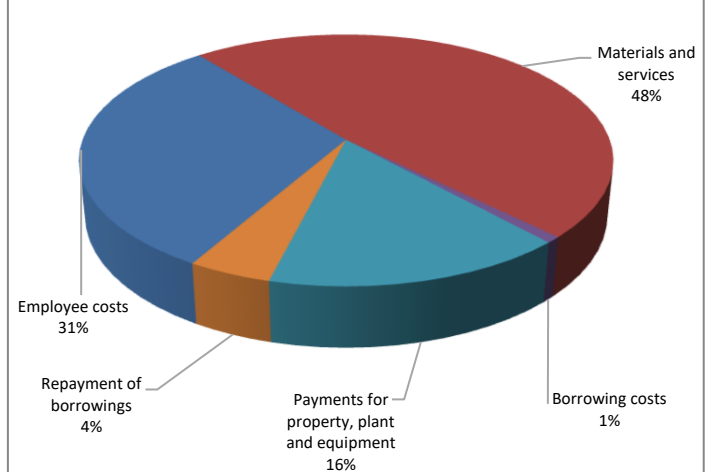
	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	312,698	313,271	209,420	<b>181,109</b>
Payments to suppliers and employees	(269,244)	(269,329)	(141,391)	<b>(156,052)</b>
	<b>43,454</b>	<b>43,942</b>	<b>68,029</b>	<b>25,057</b>
Interest received	4,196	5,718	3,492	<b>4,485</b>
Rental income	1,140	1,140	667	<b>703</b>
Non-capital grants and contributions	14,301	9,089	2,840	<b>2,864</b>
Borrowing costs	(1,466)	(1,466)	(1,465)	<b>(1,483)</b>
Right-of-use assets interest expense	(114)	(114)	(67)	<b>(64)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>61,511</b>	<b>58,308</b>	<b>73,496</b>	<b>31,562</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	(115,776)	(150,181)	(59,447)	<b>(31,076)</b>
Proceeds from sale of property, plant and equipment	1,205	1,205	703	<b>594</b>
Capital grants, subsidies and contributions	39,249	45,793	11,561	<b>8,643</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(75,322)</b>	<b>(103,183)</b>	<b>(47,183)</b>	<b>(21,839)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds of borrowings	10,805	10,805	-	<b>-</b>
Repayment of borrowings	(7,982)	(7,982)	(7,982)	<b>(7,952)</b>
Right-of-use lease payment	(1,143)	(1,143)	(674)	<b>(689)</b>
<b>Net cash inflow / (outflow) from financing activities</b>	<b>1,679</b>	<b>1,679</b>	<b>(8,656)</b>	<b>(8,641)</b>
<b>Net increase / (decrease) in cash held</b>	<b>(12,132)</b>	<b>(43,195)</b>	<b>17,657</b>	<b>1,082</b>
Cash and cash equivalents at the beginning of the year	220,429	248,667	248,667	<b>248,667</b>
<b>Cash and cash equivalents at the end of the financial year / period</b>	<b>208,298</b>	<b>205,472</b>	<b>266,324</b>	<b>249,749</b>

#### Cash Inflow (actual YTD)



<b>Total Cash Funding (Actual YTD)</b>	<b>198,398</b>
Total Cash Funding (Annual Revised Budget)	387,021
<b>% of Budget Achieved YTD</b>	<b>51%</b>

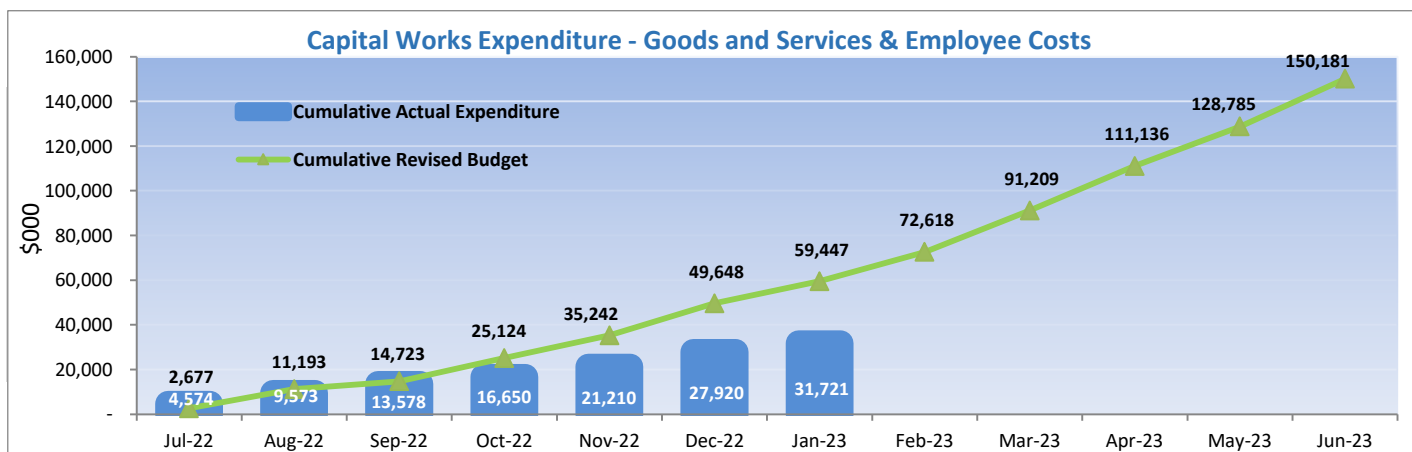
#### Cash Outflow (actual YTD)



<b>Total Cash Expenditure (Actual YTD)</b>	<b>197,316</b>
Total Cash Expenditure (Annual Revised Budget)	430,216
<b>% of Budget Achieved YTD</b>	<b>46%</b>



## 6. CAPITAL EXPENDITURE



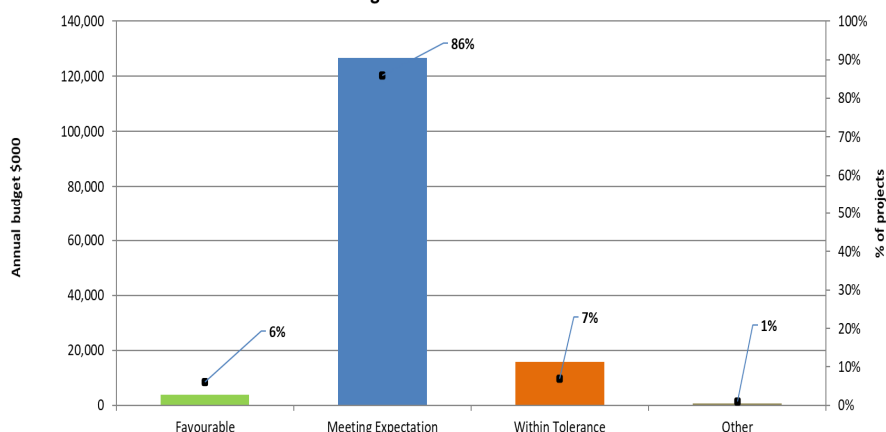
	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services*	139,068	53,301	27,513	(25,788)
Capitalised employee costs	11,113	6,146	4,208	(1,938)
<b>Total</b>	<b>150,181</b>	<b>59,447</b>	<b>31,721</b>	<b>(27,726)</b>

\* Excludes capital prepayments.

## 7. PROGRAM AND PROJECT UPDATE

<span style="color: green;">■</span> <b>Favourable</b> (budget under/schedule on track)	<span style="color: blue;">■</span> <b>Meeting expectations</b> (budget and schedule on track)	<span style="color: orange;">■</span> <b>Within tolerance</b> (either budget and schedule not on track)	<span style="color: brown;">■</span> <b>Other</b> (Schedule to be tracked)
--	---	---	---

### 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

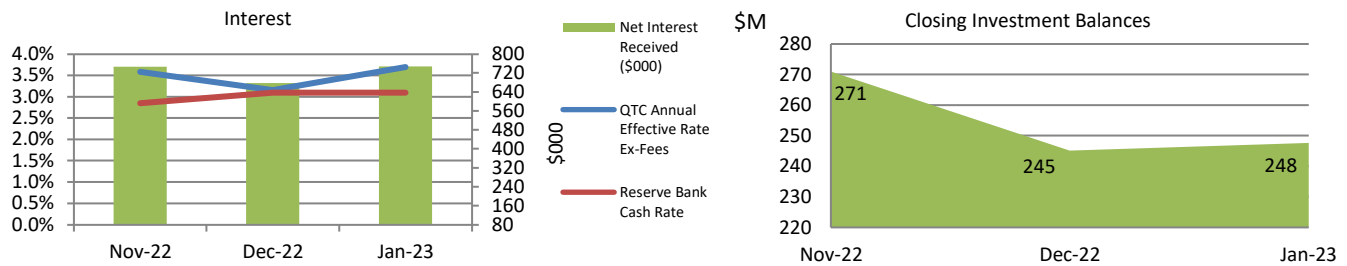
The status of two notable projects are as follows:

Project description	Progress
Redland Art Gallery Cleveland Babycare Facilities Upgrade - this project is to improve the Redland Art Gallery Babycare Facilities, adjacent to the Gallery.	Meeting Expectations
Asbestos-Cement Water Mains Replacement Program - this program is to progressively replace ageing Asbestos-Cement water mains throughout the city	Meeting Expectations

## 8. INVESTMENT & BORROWINGS REPORT

For the period ending 31 January 2023

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



#### Total QTC Investment at End of Month was \$247.61M

Council investments are currently held predominantly in the Capital Guaranteed Cash Fund, which is a fund operated by the Queensland Treasury Corporation (QTC). In October 2022 \$10.12M was re-invested in a term deposit of Commonwealth Bank of Australia (CBA) to maximise interest earnings.

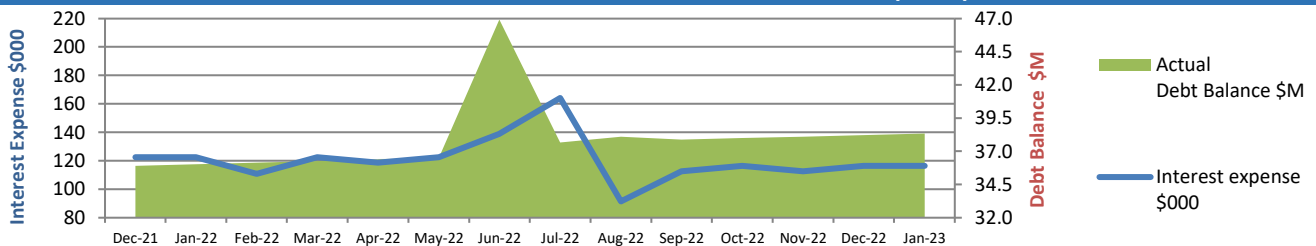
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle. The interest income increased from December to January due to increase in QTC annual effective rate (excluding fee) from 3.16% to 3.70%.

Note: the Reserve Bank increased the cash rate to 3.10% during December 2022.

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 3.70%. Term deposit rates are being monitored to identify investment opportunities to ensure Council maximises its interest earnings.

Council adopted its Investment Policy (FIN-001-P) in June 2022 for the 2022/2023 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 \$9.43M, being \$7.95M principal and \$1.48M interest has been made in July 2022 for 2022/2023, which will result in the loans being repaid approximately one year earlier.

The debt balance increased in June 2022 due to new borrowings of \$10.30M as part of Council's Capital Works Plan.

In July 2022 the debt balance showed a decrease due to the Annual Debt Service Payment (ADSP). Interest will accrue monthly on a daily balance until next ADSP in July 2023 which is reflected in the increasing debt balance.

#### Total Borrowings at End of Month were \$38.33M

Council adopted its Debt Policy (FIN-009-P) in June 2022 for the 2022/2023 financial year

### BORROWINGS

For the period ending 31 January 2023

	Annual Original Budget \$'000	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual Balance \$'000
<b>Borrowings</b>				
Opening balance	(46,924)	(46,938)	(46,938)	(46,938)
Accrued interest on borrowings	(1,322)	(1,322)	(778)	(830)
Interest paid on borrowings	1,466	1,466	1,466	1,483
Principal repaid	7,982	7,982	7,982	7,952
Loan drawdown	(10,805)	(10,805)	-	-
<b>Closing balance</b>	<b>(49,603)</b>	<b>(49,617)</b>	<b>(38,268)</b>	<b>(38,333)</b>

## 9. CONSTRAINED CASH RESERVES

Reserves as at 31 January 2023	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	-	15	(4)	11
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	652	304	(2)	954
Waste Levy Reserve	To fund Waste Levy Program	379	3,256	(3,321)	314
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	3,677	1,415	(311)	4,781
Fleet Plant & Capital Equipment Reserve*	To support the long term fleet replacement program	4,599	-	(4,599)	-
		<b>9,307</b>	<b>4,990</b>	<b>(8,237)</b>	<b>6,060</b>
<b>Constrained Works Reserve:</b>					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	4,309	1,724	(902)	5,131
Land for Community Facilities Trunk Infrastructure Reserve	Land for community facilities trunk infrastructure	5,297	44	-	5,341
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	14,952	533	-	15,485
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	13,341	1,319	(70)	14,590
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	40,631	3,101	(1,529)	42,203
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	14,819	915	(16)	15,718
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	10,559	255	-	10,814
Tree Planting Reserve	Acquisition and planting of trees on footpaths	259	57	-	316
Koala Tree off-set Planting Reserve	Acquisition and planting of trees for koala habitat	259	-	(1)	258
Special Property Reserve	Acquisition of property in line with the strategic property framework	1,654	720	-	2,374
		<b>106,080</b>	<b>8,668</b>	<b>(2,518)</b>	<b>112,230</b>
<b>Separate Charge Reserve:</b>					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	2	8,804	(5,478)	3,328
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	119	375	(299)	195
		<b>121</b>	<b>9,179</b>	<b>(5,777)</b>	<b>3,523</b>
<b>Special Charge Reserve - Canals:</b>					
Aquatic Paradise Canal Reserve	Maintenance and repairs of Aquatic Paradise canals	758	7	-	765
Sovereign Waters Lake Reserve	Maintenance and repairs of Sovereign Lake	430	4	-	434
1718 Raby Bay Canal Reserve	Service, facility or activity of works in respect of the canals of the Raby Bay canal estate	219	2	-	221
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>856</b>	<b>13</b>	<b>-</b>	<b>869</b>
<b>TOTALS</b>		<b>116,364</b>	<b>22,850</b>	<b>(16,532)</b>	<b>122,682</b>
		Closing cash and cash equivalents			<b>249,749</b>
		Reserves as percentage of cash balance			<b>49%</b>

\*Council does not require to constrain cash for fleet plant and capital equipment. The cash has been made available for general use and the reserve was closed following the end of year accounts finalisation.

## 10. CITY WATER STATEMENTS

### CITY WATER SUMMARY OPERATING STATEMENT

For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	134,826	136,128	93,893	94,396	503
Total expenses	78,703	78,760	44,928	43,508	(1,420)
Earnings before interest, tax and depreciation (EBITD)	56,123	57,368	48,965	50,888	1,923
External interest expense	355	228	134	135	1
Internal interest expense	14,750	14,750	8,604	8,604	-
Depreciation	25,587	25,587	14,926	14,924	(2)
<b>Operating surplus / (deficit)</b>	<b>15,432</b>	<b>16,804</b>	<b>25,301</b>	<b>27,225</b>	<b>1,924</b>

### CITY WATER CAPITAL FUNDING STATEMENT

For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	4,847	6,307	2,328	1,852	(476)
Net transfer (to) / from constrained capital reserves	(502)	909	(337)	(1,782)	(1,445)
Non-cash contributions	652	652	-	-	-
New loans	-	-	-	-	-
Funding from utility revenue	11,941	17,552	8,677	3,268	(5,409)
<b>Total sources of capital funding</b>	<b>16,937</b>	<b>25,419</b>	<b>10,668</b>	<b>3,338</b>	<b>(7,330)</b>
Contributed assets	652	652	-	-	-
Capitalised expenditure	15,512	23,989	9,995	2,646	(7,349)
Loan redemption	774	779	673	692	19
<b>Total application of capital funds</b>	<b>16,937</b>	<b>25,419</b>	<b>10,668</b>	<b>3,338</b>	<b>(7,330)</b>

## 11. CITY WASTE STATEMENTS

### CITY WASTE OPERATING STATEMENT

For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	35,765	35,943	20,863	21,173	310
Total expenses	26,515	26,539	14,803	15,548	745
Earnings before interest, tax and depreciation (EBITD)	9,249	9,404	6,060	5,625	(435)
External interest expense	6	6	4	4	-
Depreciation	556	556	324	278	(46)
<b>Operating surplus / (deficit)</b>	<b>8,687</b>	<b>8,842</b>	<b>5,732</b>	<b>5,343</b>	<b>(389)</b>

### CITY WASTE CAPITAL FUNDING STATEMENT

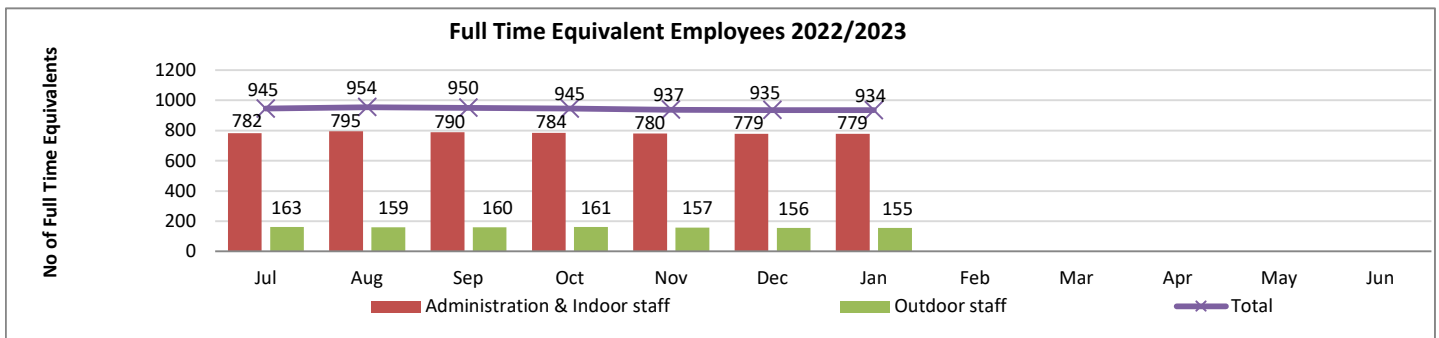
For the period ending 31 January 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Capital contributions, donations, grants and subsidies	1,577	1,577	-	-	-
Funding from utility revenue	828	1,145	225	185	(40)
<b>Total sources of capital funding</b>	<b>2,405</b>	<b>2,722</b>	<b>225</b>	<b>185</b>	<b>(40)</b>
Capitalised expenditure	2,366	2,683	202	164	(38)
Loan redemption	39	39	23	21	(2)
<b>Total application of capital funds</b>	<b>2,405</b>	<b>2,722</b>	<b>225</b>	<b>185</b>	<b>(40)</b>



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

### Workforce Reporting



January 2023: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People and Culture	5	39	9	53
Organisational Services	2	182	23	207
Community and Customer Services	65	272	73	410
Infrastructure and Operations	1	322	12	335
Advocacy Major Projects and Economic Development	1	29	3	33
<b>Total</b>	<b>74</b>	<b>844</b>	<b>120</b>	<b>1,038</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

Comparison January 2023 to January 2022									
Days Overdue	Jan-23	% Overdue	Jan-22	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	Jan-23	Jan-22
0 - 30	\$2,581	0.0%	\$1,136	0.0%	\$1,445	0.0%	Levied (Billed) Rates & Charges since 1 July 2022	\$230,916,448	\$221,533,947
31 - 60	\$1,658	0.0%	\$929	0.0%	\$729	0.0%	Rate arrears b/fwd 1 July 2022	\$9,031,746	\$10,693,344
61 - 90	\$2,849,584	1.2%	\$2,732,248	1.2%	\$117,336	0.0%	<b>Total</b>	<b>\$239,948,194</b>	<b>\$232,227,291</b>
91 - 180	\$1,511,341	0.6%	\$1,342,209	0.6%	\$169,132	0.0%	Balance of overdue rates & charges	\$7,667,915	\$7,240,358
>180	\$3,302,751	1.4%	\$3,163,836	1.4%	\$138,915	0.0%	<b>Percentage Overdue</b>	<b>3.2%</b>	<b>3.2%</b>
<b>Total</b>	<b>\$7,667,915</b>	<b>3.2%</b>	<b>\$7,240,358</b>	<b>3.2%</b>	<b>\$427,557</b>	<b>0.0%</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

**Operating Surplus Ratio\*:**

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes

Net Operating Surplus

Total Operating Revenue

**Asset Sustainability Ratio\*:**

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

Capital Expenditure on Replacement of Infrastructure Assets (Renewals)

Depreciation Expenditure on Infrastructure Assets

**Net Financial Liabilities\*:**

This is an indicator of the extent to which the net financial liabilities of Council can be serviced by operating revenues

Total Liabilities - Current Assets

Total Operating Revenue

**Level of Dependence on General Rate Revenue:**

This ratio measures Council's reliance on operating revenue from general rates (excludes utility revenues)

General Rates - Pensioner Remissions

Total Operating Revenue - Gain on Sale of Developed Land

**Current Ratio:**

This measures the extent to which Council has liquid assets available to meet short term financial obligations

Current Assets

Current Liabilities

**Debt Servicing Ratio:**

This indicates Council's ability to meet current debt instalments with recurrent revenue

Interest Expense\*\*\* + Loan Redemption^

Total Operating Revenue - Gain on Sale of Developed Land

**Cash Balance - \$M:**

Cash balance includes cash on hand, cash at bank and other short term investments.

Cash Held at Period End

**Cash Capacity in Months:**

This provides an indication as to the number of months cash held at period end would cover operating cash outflows

Cash Held at Period End

[[Cash Operating Costs + Interest Expense] / Period in Year]

**Longer Term Financial Stability - Debt to Asset Ratio:**

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

Current and Non-current Debt\*\*

Total Assets

**Operating Performance:**

This ratio provides an indication of Council's cash flow capabilities

Net Cash from Operations + Interest Revenue and Expense

Cash Operating Revenue + Interest Revenue

**Interest Coverage Ratio:**

This ratio demonstrates the extent to which operating revenues are being used to meet the financing charges

Net Interest Expense on Debt Service\*\*\*

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.