



Monthly Financial Report

March 2023



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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 March 2023. The year to date annual revised budget referred to in this report incorporates the changes from the budget review adopted by Council on 15 February 2023.

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)	105	7,796	19,915	12,119	155%	✓
Recurrent Revenue	334,268	249,581	251,489	1,908	1%	✓
Recurrent Expenditure	334,163	241,785	231,574	(10,211)	-4%	✓
Capital Works Expenditure	126,390	78,150	48,390	(29,760)	-38%	✓
Closing Cash & Cash Equivalents	221,056	239,931	249,139	9,208	4%	✓

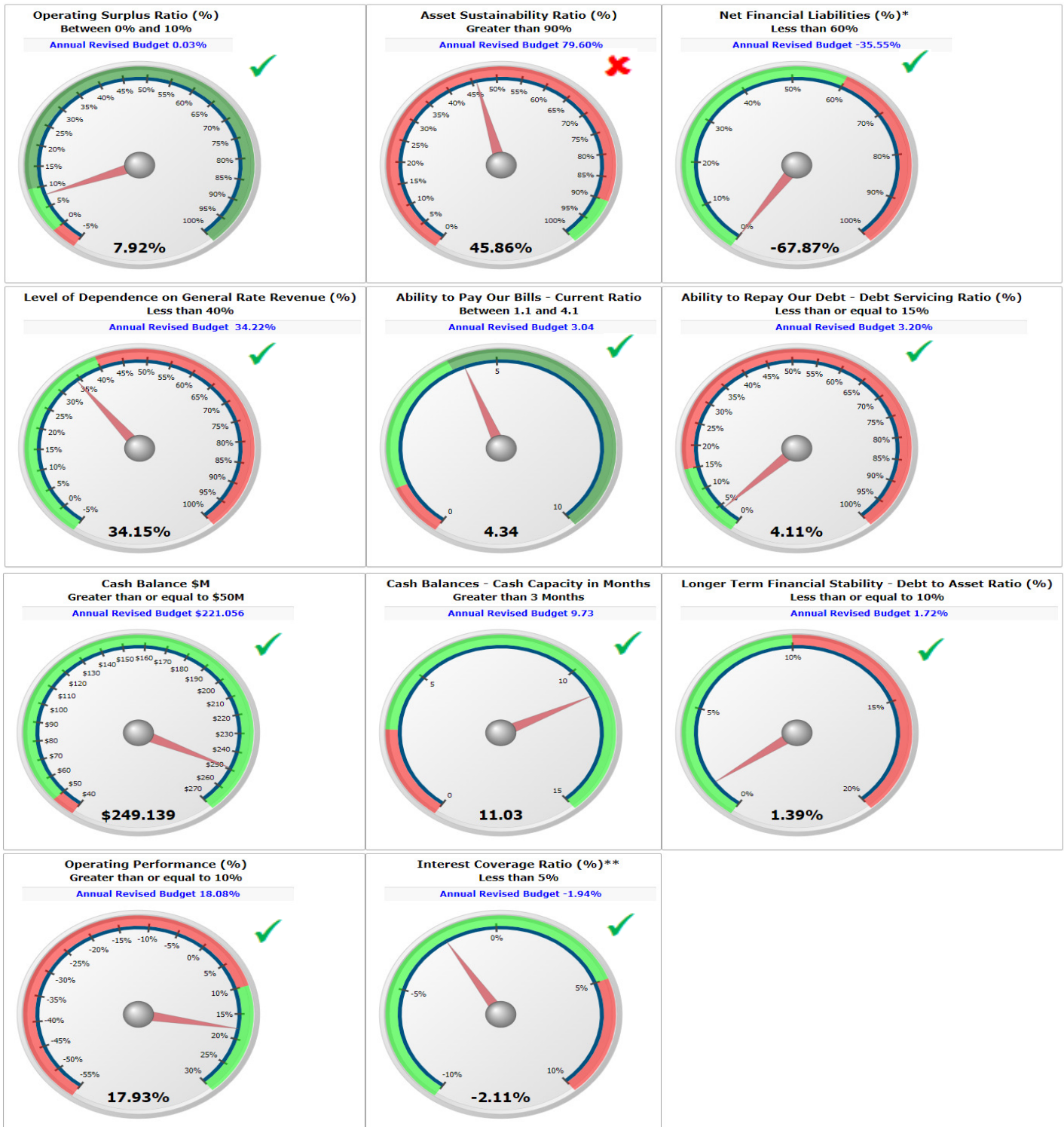
Council reported a year to date operating surplus of \$19.92M which is favourable to budget by \$12.12M. This is mainly due to lower than budgeted materials and services expenses, employee costs and depreciation, combined with higher than budgeted fees, levies & utility charges and interest revenue, offset by lower than expected grants, subsidies and contributions.

Council's capital works expenditure is below budget by \$29.76M due to timing of works for a number of infrastructure projects.

Council's cash balance is ahead of budget mainly due to lower than budgeted payments for property, plant and equipment partially offset by higher than budgeted payment to suppliers and lower than anticipated receipts from capital grants, subsidies and contributions. Constrained cash reserves represent 48% 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 March 2023					
	Annual	Annual	YTD	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000	Variance \$000
Recurrent revenue					
Rates charges	117,211	118,058	88,618	88,630	12
Levies and utility charges	177,511	177,620	134,450	135,745	1,295
Less: Pensioner remissions and rebates	(3,661)	(6,773)	(5,866)	(5,847)	19
Fees	18,412	17,779	13,218	14,600	1,382
Rental income	1,140	1,140	884	953	69
Interest received	4,196	7,909	5,700	6,437	737
Sales revenue	3,989	5,029	3,789	3,873	84
Other income	465	3,719	3,595	3,862	267
Grants, subsidies and contributions	9,053	9,786	5,193	3,236	(1,957)
Total recurrent revenue	328,316	334,268	249,581	251,489	1,908
Recurrent expenses					
Employee benefits	101,228	102,296	76,207	73,502	(2,705)
Materials and services	160,436	161,135	112,607	107,065	(5,542)
Finance costs	1,980	1,980	1,423	1,410	(13)
Depreciation and amortisation	70,578	70,578	52,938	51,047	(1,891)
Other expenditure	525	525	383	380	(3)
Net internal costs	(2,314)	(2,352)	(1,773)	(1,830)	(57)
Total recurrent expenses	332,434	334,163	241,785	231,574	(10,211)
OPERATING SURPLUS / (DEFICIT)	(4,118)	105	7,796	19,915	12,119
Capital revenue					
Grants, subsidies and contributions	39,249	35,760	19,788	9,853	(9,935)
Non-cash contributions	2,250	2,250	359	-	(359)
Total capital revenue	41,499	38,010	20,147	9,853	(10,294)
Capital expenses					
(Gain) / loss on disposal of non-current assets	289	289	170	1,987	1,817
Total capital expenses	289	289	170	1,987	1,817
TOTAL INCOME	369,815	372,278	269,728	261,342	(8,386)
TOTAL EXPENSES	332,722	334,452	241,955	233,561	(8,394)
NET RESULT	37,093	37,826	27,773	27,781	8
Other comprehensive income / (loss)					
Items that will not be reclassified to a net result					
Revaluation of property, plant and equipment	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	37,093	37,826	27,773	27,781	8

3. STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

LEVIES AND UTILITY CHARGES ANALYSIS

For the period ending 31 March 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Levies and utility charges					
Refuse collection rate charge	33,206	33,206	24,885	24,658	(227)
SES separate charge	500	500	375	375	-
Environment & Coastal Management Separate Charge	11,762	11,771	8,822	8,808	(14)
Separate charge landfill remediation	3,545	3,545	2,655	2,652	(3)
Wastewater charges	53,189	53,289	40,042	40,516	474
Water access charges	21,740	21,740	16,305	16,325	20
Water consumption charges	53,569	53,569	41,366	42,411	1,045
Total levies and utility charges	177,511	177,620	134,450	135,745	1,295

MATERIALS AND SERVICES ANALYSIS

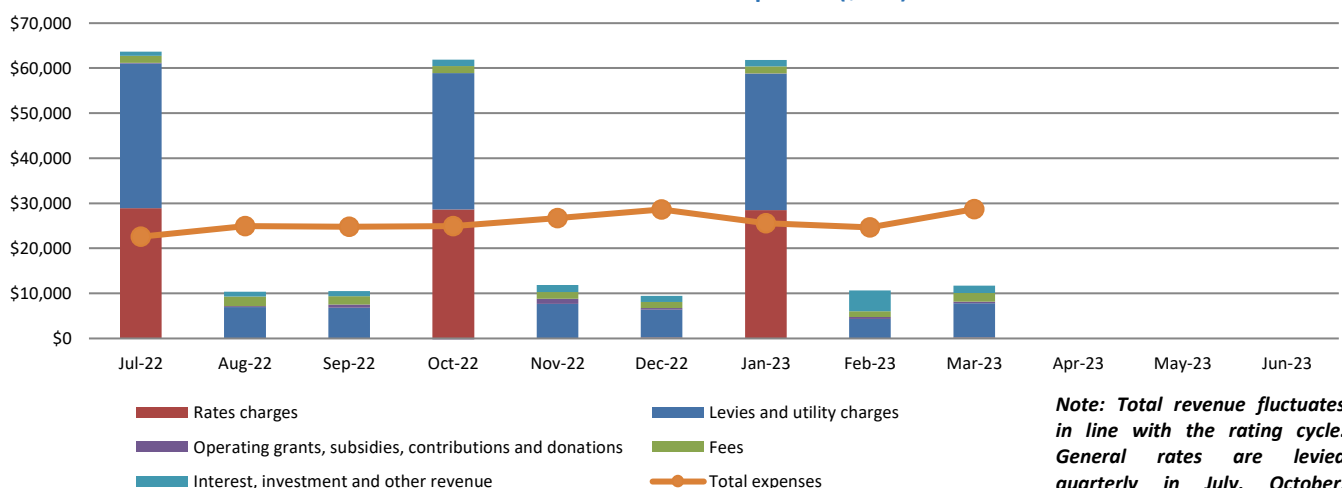
For the period ending 31 March 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Materials and services					
Contractors	39,275	42,634	26,035	24,574	(1,461)
Consultants	5,435	5,977	4,026	2,918	(1,108)
Other Council outsourcing costs*	33,279	27,753	19,507	19,259	(248)
Purchase of materials	56,766	57,705	42,864	42,161	(703)
Office administration costs	7,181	7,337	5,495	4,737	(758)
Electricity charges	5,921	5,863	4,391	3,955	(436)
Plant operations	3,682	3,791	2,824	3,171	347
Information technology resources	4,493	5,848	4,554	3,743	(811)
General insurance	1,785	1,639	1,229	1,208	(21)
Community assistance**	1,975	1,945	1,204	900	(304)
Other material and service expenses	644	643	478	439	(39)
Total materials and services	160,436	161,135	112,607	107,065	(5,542)

* 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)



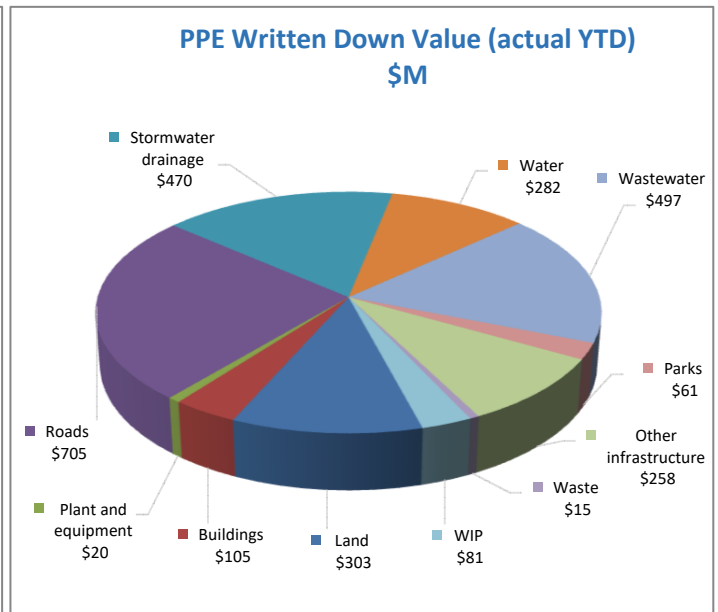
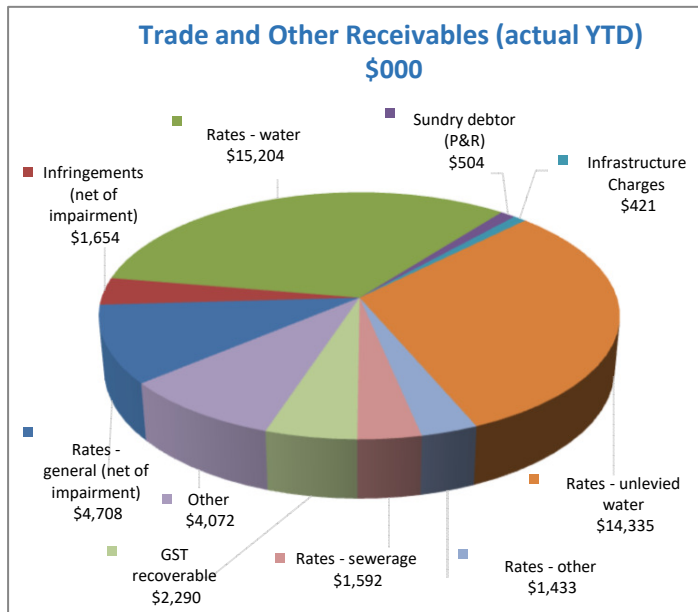
Note: Total revenue fluctuates in line with the rating cycle. General rates are levied quarterly in July, October, January and April.

4. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION As at 31 March 2023

	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual \$000
CURRENT ASSETS				
Cash and cash equivalents	208,298	221,056	239,931	249,139
Short-term investment - CBA	-	10,068	10,068	10,122
Trade and other receivables	43,669	43,794	44,828	46,213
Inventories	818	928	915	925
Other current assets	4,172	5,486	5,486	5,099
Total current assets	256,956	281,332	301,228	311,498
NON-CURRENT ASSETS				
Investment property	1,225	1,293	1,293	1,293
Property, plant and equipment	2,735,181	2,858,961	2,826,494	2,796,821
Intangible assets	584	1,285	1,432	1,213
Right-of-use assets	3,963	4,017	4,265	4,324
Other financial assets	73	73	73	73
Investment in other entities	12,657	12,657	12,657	12,657
Total non-current assets	2,753,683	2,878,286	2,846,214	2,816,381
TOTAL ASSETS	3,010,640	3,159,618	3,147,442	3,127,879
CURRENT LIABILITIES				
Trade and other payables	43,417	49,354	55,401	33,737
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	18,632	17,232
Other current liabilities	3,569	14,426	10,433	10,441
Total current liabilities	73,160	92,437	94,865	71,809
NON-CURRENT LIABILITIES				
Borrowings - non-current	40,684	40,262	29,120	29,200
Lease liability - non-current	3,742	3,689	3,969	4,006
Provisions - non-current	22,073	15,499	16,086	19,456
Other non-current liabilities	-	10,628	16,350	16,350
Total non-current liabilities	66,498	70,078	65,525	69,012
TOTAL LIABILITIES	139,658	162,514	160,390	140,821
NET COMMUNITY ASSETS	2,870,982	2,997,104	2,987,052	2,987,058
COMMUNITY EQUITY				
Asset revaluation surplus	1,106,353	1,225,400	1,225,400	1,225,400
Retained surplus	1,667,474	1,659,067	1,645,594	1,641,414
Constrained cash reserves	97,154	112,638	116,058	120,244
TOTAL COMMUNITY EQUITY	2,870,982	2,997,104	2,987,052	2,987,058

4. STATEMENT OF FINANCIAL POSITION - CONTINUED



RIGHT-OF-USE ASSETS As at 31 March 2023

	Annual Original Budget \$'000	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual Balance \$'000
Right-of-use asset				
Buildings	1,548	1,282	1,431	1,484
Land	2,134	2,451	2,540	2,546
Plant and Equipment	281	284	294	294
Closing balance	3,963	4,017	4,265	4,324

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

	Annual Original Budget \$'000	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual Balance \$'000
PPE movement				
Opening balance (includes WIP from previous years)	2,687,627	2,800,792	2,800,792	2,800,792
Acquisitions and WIP in year movement	118,025	128,640	78,509	48,390
Depreciation in year	(68,978)	(68,978)	(51,734)	(49,681)
Disposals	(1,493)	(1,493)	(1,073)	(2,675)
Other adjustments**	-	-	-	(5)
Closing balance	2,735,181	2,858,961	2,826,494	2,796,821

* 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.

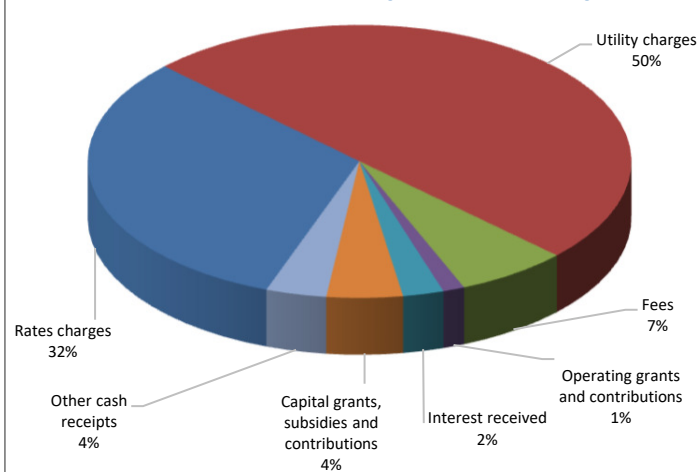
5. STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS For the period ending 31 March 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	312,698	314,204	235,661	237,006
Payments to suppliers and employees	(269,244)	(270,979)	(188,236)	(201,637)
	43,454	43,225	47,425	35,369
Interest received	4,196	7,909	5,700	6,306
Rental income	1,140	1,140	884	953
Non-capital grants and contributions	14,301	9,442	5,111	3,340
Borrowing costs	(1,466)	(1,466)	(1,466)	(1,483)
Right-of-use assets interest expense	(114)	(114)	(86)	(83)
Net cash inflow / (outflow) from operating activities	61,511	60,136	57,568	44,402
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(115,776)	(126,390)	(78,150)	(47,547)
Proceeds from sale of property, plant and equipment	1,205	1,205	903	688
Capital grants, subsidies and contributions	39,249	35,760	19,788	11,753
Net cash inflow / (outflow) from investing activities	(75,322)	(89,425)	(57,459)	(35,106)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds of borrowings	10,805	10,805	-	-
Repayment of borrowings	(7,982)	(7,982)	(7,982)	(7,952)
Right-of-use lease payment	(1,143)	(1,143)	(863)	(872)
Net cash inflow / (outflow) from financing activities	1,679	1,679	(8,845)	(8,824)
Net increase / (decrease) in cash held	(12,132)	(27,611)	(8,736)	472
Cash and cash equivalents at the beginning of the year	220,429	248,667	248,667	248,667

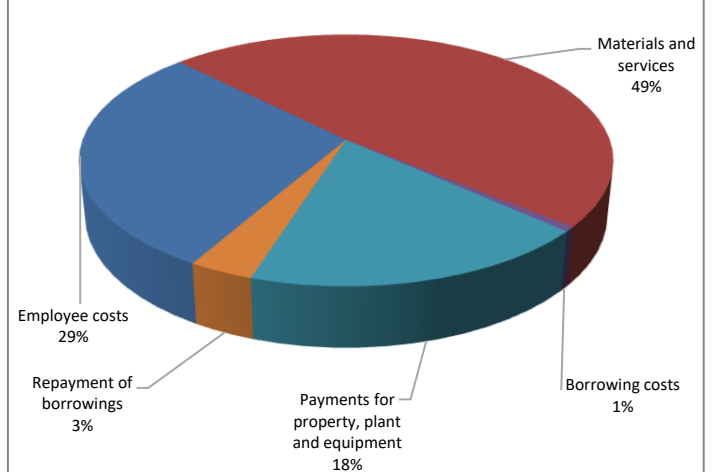
Cash and cash equivalents at the end of the financial year / period	208,298	221,056	239,931	249,139
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Cash Inflow (actual YTD)



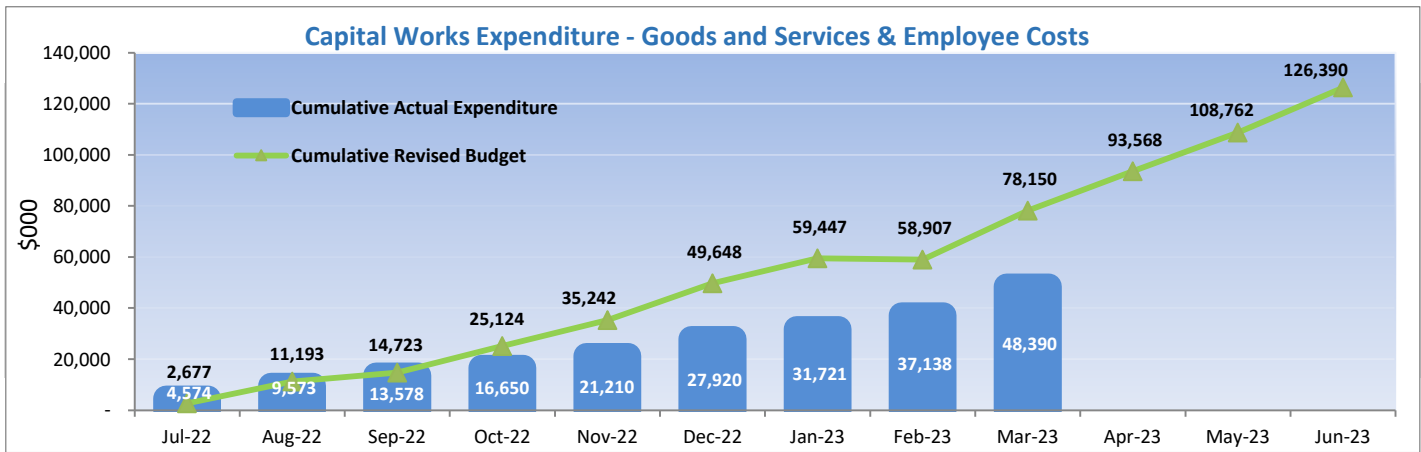
Total Cash Funding (Actual YTD)	260,046
Total Cash Funding (Annual Revised Budget)	380,463
% of Budget Achieved YTD	68%

Cash Outflow (actual YTD)



Total Cash Expenditure (Actual YTD)	259,574
Total Cash Expenditure (Annual Revised Budget)	408,074
% of Budget Achieved YTD	64%

6. CAPITAL EXPENDITURE



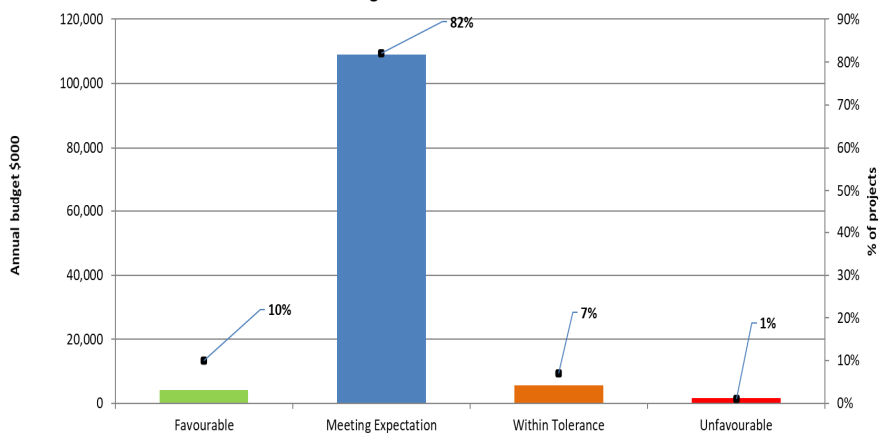
	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services*	117,729	71,593	43,055	(28,538)
Capitalised employee costs	8,661	6,557	5,335	(1,222)
Total	126,390	78,150	48,390	(29,760)

* Excludes capital prepayments.

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

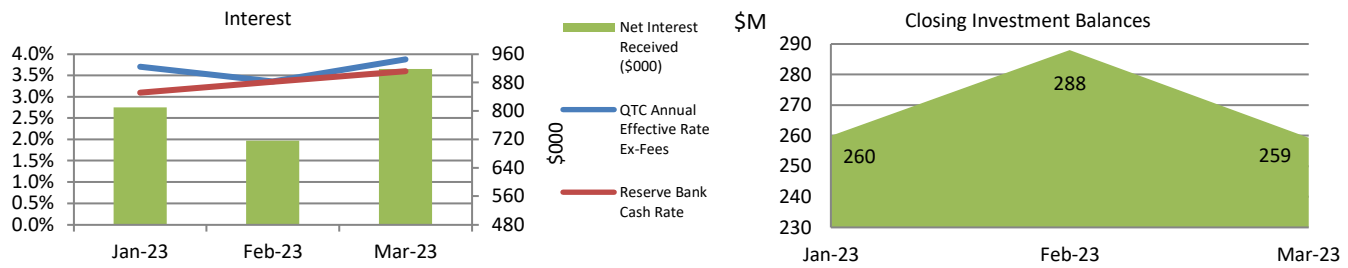
The status of two notable projects are as follows:

Project description	Progress
Koala Conservation Program – this program has partnered with Bushcare, Griffith University and Capalaba Police in activities including community information sessions and koala tree planting for the purpose of koala conservation.	Meeting Expectations
Marine Public Transport Facility Program – in addition to the Southern Moreton Bay Island ferry terminal work the following associated works have been undertaken: on Russell Island the amenities finishing works are ongoing and septic tank installed. On Macleay Island the landside slab was poured, steel super structure on site and pontoon fit out progressing. On Lamb Island, the landside foundation is complete, and landside slab poured. On Karragarra Island, the landside foundations have been poured.	Meeting Expectations

8. INVESTMENT & BORROWINGS REPORT

For the period ending 31 March 2023

INVESTMENT RETURNS



Total Investment at End of Month was \$259.26M

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.

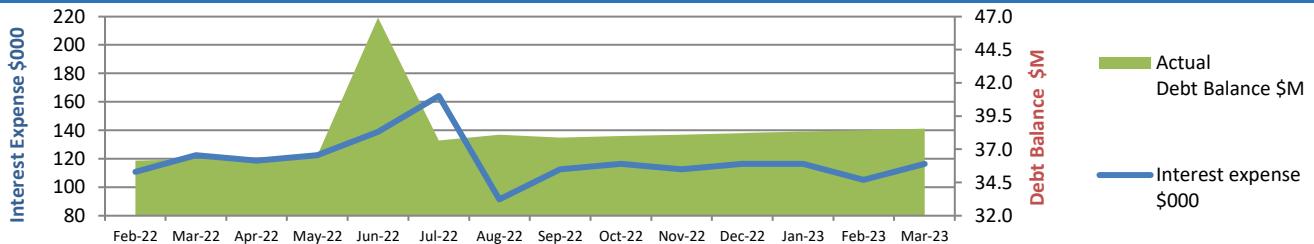
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle. The interest income increased from February to March due to increase in QTC annual effective rate (excluding fee) from 3.36% to 3.88%.

Note: the Reserve Bank increased the cash rate to 3.60% during March 2023.

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 3.88%. 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 \$38.56M

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

BORROWINGS

For the period ending 31 March 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual Balance \$000
Borrowings				
Opening balance	(46,924)	(46,938)	(46,938)	(46,938)
Accrued interest on borrowings	(1,322)	(1,322)	(985)	(1,052)
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)	-	-
Closing balance	(49,603)	(49,617)	(38,475)	(38,555)

9. CONSTRAINED CASH RESERVES

Reserves as at 31 March 2023	Purpose of reserve	Opening Balance	To Reserve	From Reserve	Closing Balance
		\$000	\$000	\$000	\$000
Special Projects Reserve:					
Aquatic Paradise Revetment Wall Reserve	To fund Aquatic Paradise revetment wall works program	-	16	(6)	10
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	652	428	(2)	1,078
Waste Levy Reserve	To fund Waste Levy Program	379	4,223	(4,363)	239
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	3,677	2,122	(401)	5,398
Fleet Plant & Capital Equipment Reserve*	To support the long term fleet replacement program	4,599	-	(4,599)	-
		9,307	6,789	(9,371)	6,725
Constrained Works Reserve:					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	4,309	1,913	(986)	5,236
Marine Trunk Infrastructure Reserve	Provision of marine facilities south of Redland Bay	-	183	-	183
Land for Community Facilities Trunk Infrastructure Reserve	Land for community facilities trunk infrastructure	5,297	54	-	5,351
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	14,952	543	-	15,495
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	13,341	1,433	(268)	14,506
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	40,631	3,372	(3,424)	40,579
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	14,819	1,022	(161)	15,680
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	10,559	288	-	10,847
Tree Planting Reserve	Acquisition and planting of trees on footpaths	259	63	(4)	318
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	941	-	2,595
		106,080	9,812	(4,844)	111,048
Separate Charge Reserve:					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	2	8,808	(7,342)	1,468
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	119	375	(366)	128
		121	9,183	(7,708)	1,596
Special Charge Reserve - Canals:					
Aquatic Paradise Canal Reserve	Maintenance and repairs of Aquatic Paradise canals	758	10	-	768
Sovereign Waters Lake Reserve	Maintenance and repairs of Sovereign Lake	430	6	-	436
1718 Raby Bay Canal Reserve	Service, facility or activity of works in respect of the canals of the Raby Bay canal estate	219	3	-	222
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)
		856	19	-	875
TOTALS		116,364	25,803	(21,923)	120,244
		Closing cash and cash equivalents			249,139
		Reserves as percentage of cash balance			48%

*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 March 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	134,826	137,720	104,408	105,729	1,321
Total expenses	78,703	78,783	59,301	57,308	(1,993)
Earnings before interest, tax and depreciation (EBITD)	56,123	58,937	45,107	48,421	3,314
External interest expense	355	228	171	172	1
Internal interest expense	14,750	14,750	11,062	11,062	-
Depreciation	25,587	25,587	19,190	19,047	(143)
Operating surplus / (deficit)	15,432	18,373	14,684	18,140	3,456

CITY WATER CAPITAL FUNDING STATEMENT

For the period ending 31 March 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	5,618	4,013	1,977	(2,036)
Net transfer (to) / from constrained capital reserves	(502)	(1,441)	(484)	(1,709)	(1,225)
Non-cash contributions	652	652	-	-	-
New loans	-	-	-	-	-
Funding from utility revenue	11,941	17,214	9,299	3,897	(5,402)
Total sources of capital funding	16,937	22,042	12,828	4,165	(8,663)
Contributed assets	652	652	-	-	-
Capitalised expenditure	15,512	20,612	12,112	3,426	(8,686)
Loan redemption	774	779	716	739	23
Total application of capital funds	16,937	22,042	12,828	4,165	(8,663)

11. CITY WASTE STATEMENTS

CITY WASTE OPERATING STATEMENT

For the period ending 31 March 2023

	Annual Original Budget \$000	Annual Revised Budget \$000	YTD Budget \$000	YTD Actual \$000	YTD Variance \$000
Total revenue	35,765	36,388	26,899	27,335	436
Total expenses	26,515	26,663	19,471	20,400	929
Earnings before interest, tax and depreciation (EBITD)	9,249	9,725	7,428	6,935	(493)
External interest expense	6	6	5	5	-
Depreciation	556	556	417	306	(111)
Operating surplus / (deficit)	8,687	9,163	7,006	6,624	(382)

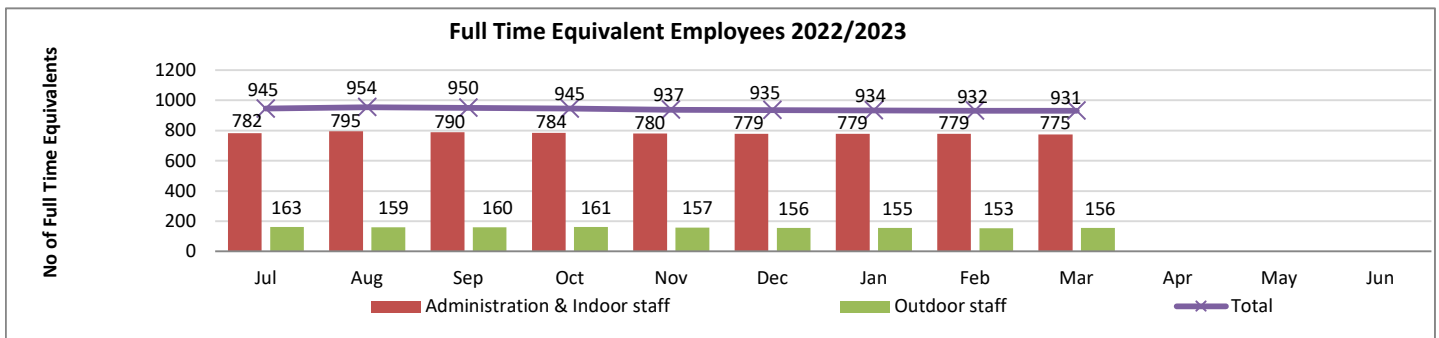
CITY WASTE CAPITAL FUNDING STATEMENT

For the period ending 31 March 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	671	-	-	-
Funding from utility revenue	828	697	272	209	(63)
Total sources of capital funding	2,405	1,368	272	209	(63)
Capitalised expenditure	2,366	1,328	243	182	(61)
Loan redemption	39	39	29	27	(2)
Total application of capital funds	2,405	1,368	272	209	(63)

12. APPENDIX: ADDITIONAL AND NON-FINANCIAL INFORMATION

Workforce Reporting



March 2023: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People and Culture	3	38	9	50
Organisational Services	3	183	17	203
Community and Customer Services	68	269	71	408
Infrastructure and Operations	2	322	14	338
Advocacy Major Projects and Economic Development	1	32	3	36
Total	77	844	114	1,035

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 March 2023 to March 2022

Days Overdue	Mar-23	% Overdue	Mar-22	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	Mar-23	Mar-22
0 - 30	\$2,358	0.0%	\$1,132	0.0%	\$1,226	0.0%	Levied (Billed) Rates & Charges since 1 July 2022	\$230,836,679	\$221,458,147
31 - 60	\$3,799,314	1.6%	\$3,969,712	1.7%	-\$170,398	-0.1%	Rate arrears b/fwd 1 July 2022	\$9,031,746	\$10,693,344
61 - 90	\$1,198	0.0%	\$278	0.0%	\$920	0.0%	Total	\$239,868,425	\$232,151,491
91 - 180	\$1,768,262	0.7%	\$1,660,768	0.7%	\$107,494	0.0%	Balance of overdue rates & charges	\$9,404,242	\$9,161,260
>180	\$3,833,110	1.6%	\$3,529,370	1.5%	\$303,740	0.1%	Percentage Overdue	3.9%	3.9%
Total	\$9,404,242	3.9%	\$9,161,260	3.9%	\$242,982	0.0%			

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.