



# Monthly Financial Report

## Interim June 2023

Note: This interim report is prepared at year end pending finalisation of statutory financial statements.



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## 1. EXECUTIVE SUMMARY

This interim 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 30 June 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.

The June 2023 Monthly Financial Report is prepared based on interim financial results for the year ended 30 June 2023 (prior to the finalisation of the end of year accounts) and significant movement is expected through the finalisation of accruals, deferrals and other year-end adjustments. The final results for the year ended 30 June 2023 will be reflected in the audited financial statements.

### Key Interim Financial Highlights and Overview

Key Interim Financial Results (\$000)	Annual Revised Budget	YTD Budget	YTD Actual	YTD Variance	YTD Variance %	Status Favourable ✓ Unfavourable ✗
Operating Surplus / (Deficit)	105	105	<b>14,516</b>	14,411	13725%	✓
Recurrent Revenue	334,268	334,268	<b>336,696</b>	2,428	1%	✓
Recurrent Expenditure	334,163	334,163	<b>322,180</b>	(11,983)	-4%	✓
Capital Works Expenditure	126,390	126,390	<b>77,172</b>	(49,218)	-39%	✓
Closing Cash & Cash Equivalents	221,056	221,056	<b>266,607</b>	45,551	21%	✓

Council reported a year to date operating surplus of \$14.52M which is favourable to budget by \$14.41M. This is mainly due to lower than budgeted materials and services expenses, employee costs and depreciation, combined with higher than budgeted interest revenue, grants, subsidies and contributions and fees, offset by lower levies and utility charges.

Council's capital works expenditure is below budget by \$49.22M due to timing of works for a number of infrastructure projects.

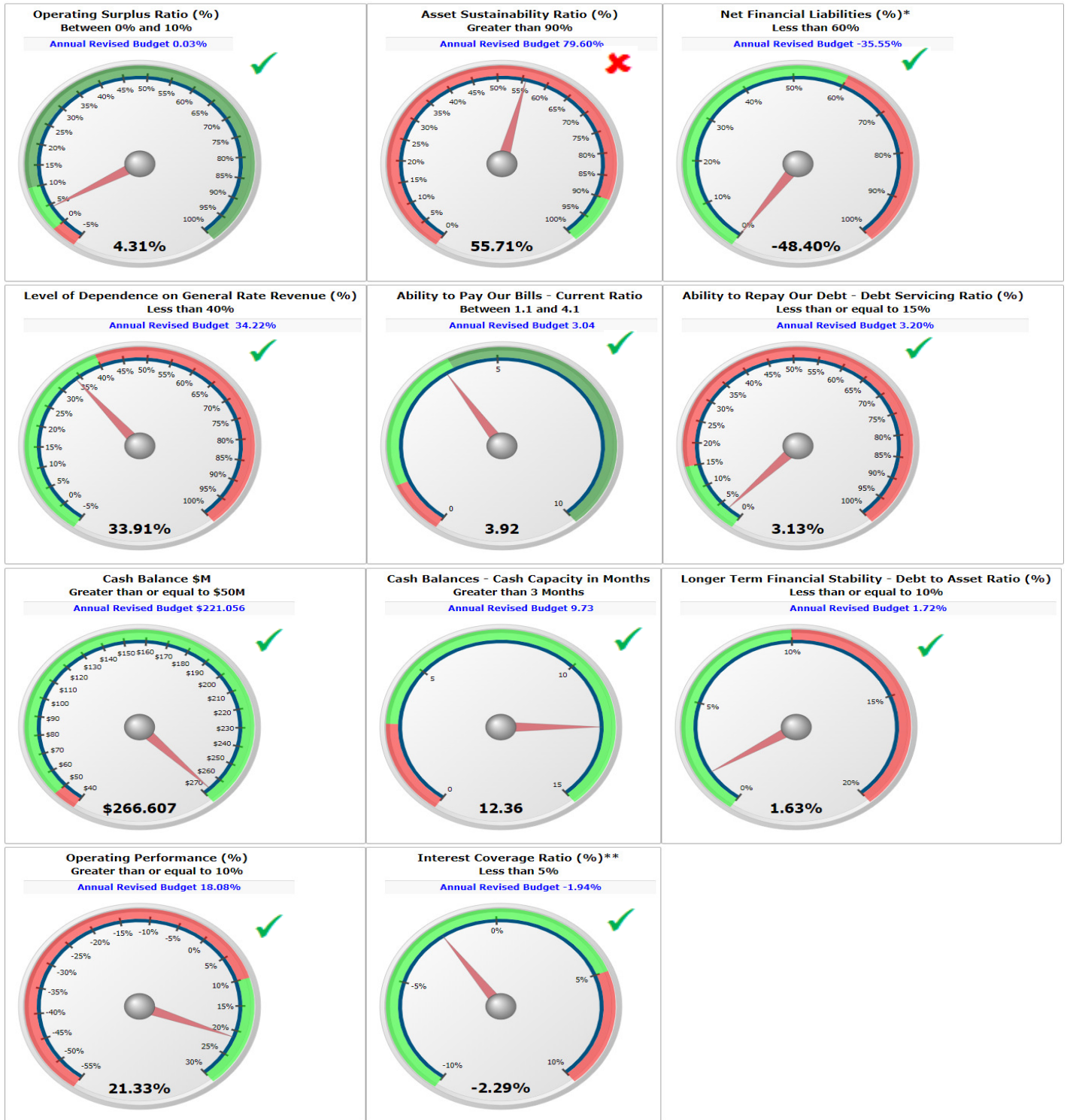
Council's cash balance is ahead of budget mainly due to lower than budgeted payments for property, plant and equipment, lower payments to suppliers, offset by lower capital and operating grants, subsidies and contributions. Constrained cash reserves represent 46% of the cash balance.

In June 2023 Council received \$5.45M Financial Assistance Grant for 2023-2024 and \$4.32M Advanced Waste Levy payment for 2026-2027 from Queensland State Government. The Financial Assistance Grant has been recognised as revenue in June 2023 and the Waste Levy payment has been recorded as a non-current liability.



## 2. INTERIM 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. INTERIM STATEMENT OF COMPREHENSIVE INCOME

#### INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period ending 30 June 2023

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	\$000	\$000	\$000
	\$000	\$000			
<b>Recurrent revenue</b>					
Rates charges	117,211	118,058	118,058	<b>117,814</b>	(244)
Levies and utility charges	177,511	177,620	177,620	<b>176,222</b>	(1,398)
Less: Pensioner remissions and rebates	(3,661)	(6,773)	(6,773)	<b>(6,741)</b>	32
Fees	18,412	17,779	17,779	<b>18,403</b>	624
Rental income	1,140	1,140	1,140	<b>1,280</b>	140
Interest received	4,196	7,909	7,909	<b>9,233</b>	1,324
Dividend received	-	-	-	<b>450</b>	450
Sales revenue	3,989	5,029	5,029	<b>5,161</b>	132
Other income	465	3,719	3,719	<b>4,061</b>	342
Grants, subsidies and contributions	9,053	9,786	9,786	<b>10,813</b>	1,027
<b>Total recurrent revenue</b>	<b>328,316</b>	<b>334,268</b>	<b>334,268</b>	<b>336,696</b>	<b>2,428</b>
<b>Recurrent expenses</b>					
Employee benefits	101,228	102,296	102,296	<b>98,458</b>	(3,838)
Materials and services	160,436	161,135	161,135	<b>154,719</b>	(6,416)
Finance costs	1,980	1,980	1,980	<b>1,998</b>	18
Depreciation and amortisation	70,578	70,578	70,578	<b>69,102</b>	(1,476)
Other expenditure	525	525	525	<b>500</b>	(25)
Net internal costs	(2,314)	(2,352)	(2,352)	<b>(2,597)</b>	(245)
<b>Total recurrent expenses</b>	<b>332,434</b>	<b>334,163</b>	<b>334,163</b>	<b>322,180</b>	<b>(11,983)</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>(4,118)</b>	<b>105</b>	<b>105</b>	<b>14,516</b>	<b>14,411</b>
<b>Capital revenue</b>					
Grants, subsidies and contributions	39,249	35,760	35,760	<b>18,155</b>	(17,605)
Non-cash contributions	2,250	2,250	2,250	<b>58</b>	(2,192)
<b>Total capital revenue</b>	<b>41,499</b>	<b>38,010</b>	<b>38,010</b>	<b>18,213</b>	<b>(19,797)</b>
<b>Capital expenses</b>					
(Gain) / loss on disposal of non-current assets	289	289	289	<b>3,117</b>	2,828
<b>Total capital expenses</b>	<b>289</b>	<b>289</b>	<b>289</b>	<b>3,117</b>	<b>2,828</b>
<b>TOTAL INCOME</b>	<b>369,815</b>	<b>372,278</b>	<b>372,278</b>	<b>354,909</b>	<b>(17,369)</b>
<b>TOTAL EXPENSES</b>	<b>332,722</b>	<b>334,452</b>	<b>334,452</b>	<b>325,297</b>	<b>(9,155)</b>
<b>NET RESULT</b>	<b>37,093</b>	<b>37,826</b>	<b>37,826</b>	<b>29,612</b>	<b>(8,214)</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>195,808</b>	195,808
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>37,093</b>	<b>37,826</b>	<b>37,826</b>	<b>225,420</b>	<b>187,594</b>

The interim Statement of Comprehensive Income will adjust over coming weeks as the accounts are being finalised and final results will be reflected in the audited financial statements for the year ended 30 June 2023. The audited financial statements for the year ended 30 June 2023 will reflect the final revalued position and impact and will be presented as part of the 2022/2023 Annual Report.

### 3. INTERIM STATEMENT OF COMPREHENSIVE INCOME - CONTINUED

#### INTERIM LEVIES AND UTILITY CHARGES ANALYSIS

For the period ending 30 June 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	33,206	<b>32,922</b>	(284)
SES separate charge	500	500	500	<b>500</b>	-
Environment & Coastal Management Separate Charge	11,762	11,771	11,771	<b>11,745</b>	(26)
Separate charge landfill remediation	3,545	3,545	3,545	<b>3,538</b>	(7)
Wastewater charges	53,189	53,289	53,289	<b>53,794</b>	505
Water access charges	21,740	21,740	21,740	<b>21,763</b>	23
Water consumption charges	53,569	53,569	53,569	<b>51,960</b>	(1,609)
<b>Total levies and utility charges</b>	<b>177,511</b>	<b>177,620</b>	<b>177,620</b>	<b>176,222</b>	<b>(1,398)</b>

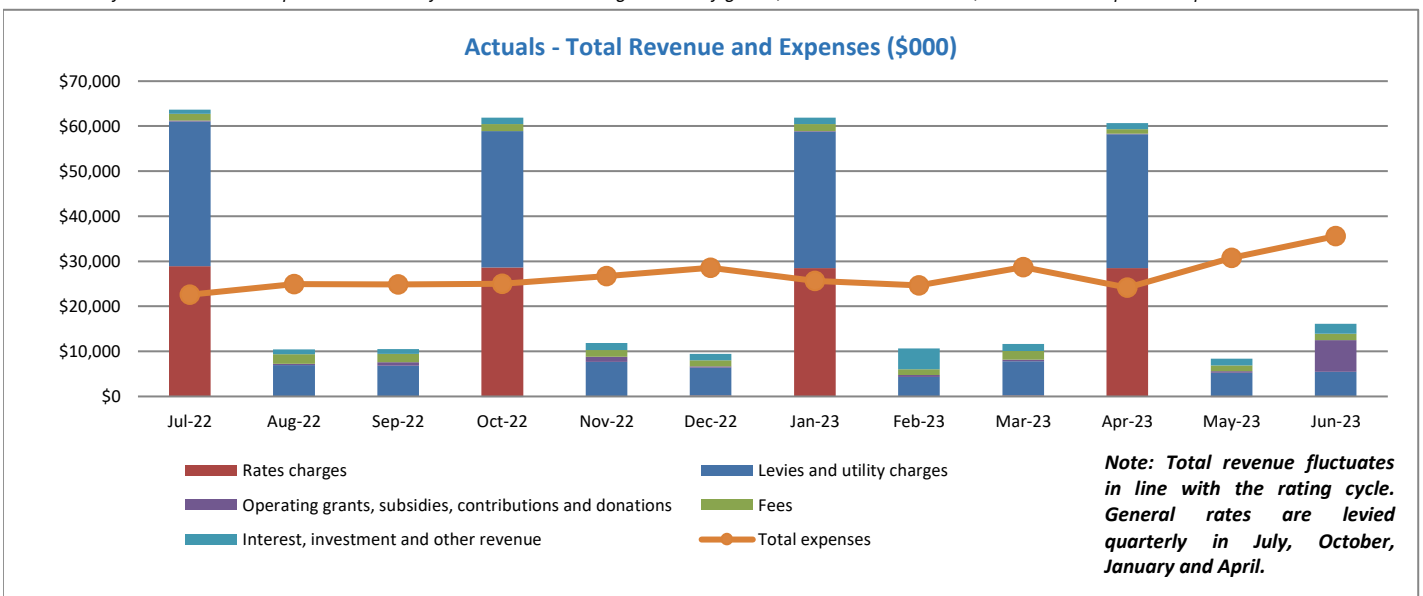
#### INTERIM MATERIALS AND SERVICES ANALYSIS

For the period ending 30 June 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	42,745	42,745	<b>38,770</b>	(3,975)
Consultants	5,435	5,949	5,949	<b>5,243</b>	(706)
Other Council outsourcing costs*	33,279	27,531	27,531	<b>27,295</b>	(236)
Purchase of materials	56,766	57,755	57,755	<b>57,797</b>	42
Office administration costs	7,181	7,426	7,426	<b>6,970</b>	(456)
Electricity charges	5,921	5,863	5,863	<b>5,290</b>	(573)
Plant operations	3,682	3,791	3,791	<b>4,354</b>	563
Information technology resources	4,493	5,848	5,848	<b>5,068</b>	(780)
General insurance	1,785	1,639	1,639	<b>1,611</b>	(28)
Community assistance**	1,975	1,945	1,945	<b>1,684</b>	(261)
Other material and service expenses	644	643	643	<b>637</b>	(6)
<b>Total materials and services</b>	<b>160,436</b>	<b>161,135</b>	<b>161,135</b>	<b>154,719</b>	<b>(6,416)</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.



The interim income and expenses will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2023. The financial statements will be presented as part of the 2022/2023 Annual Report.

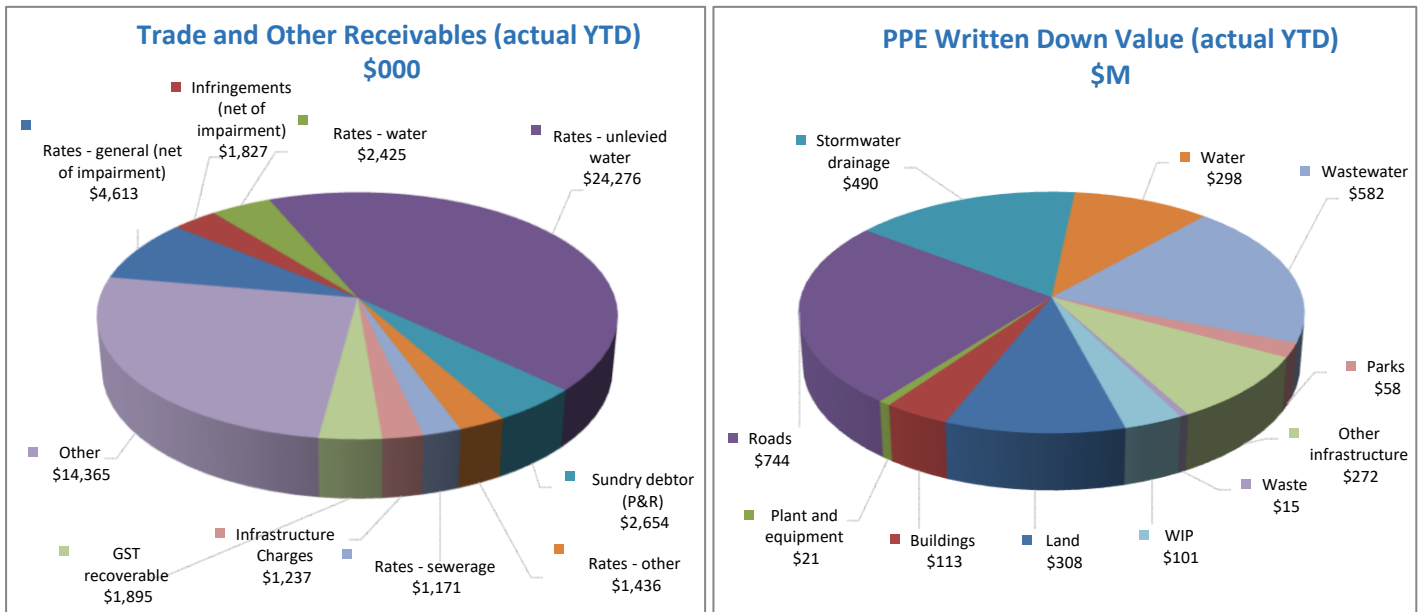
## 4. INTERIM STATEMENT OF FINANCIAL POSITION

### INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 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	221,056	221,056	266,607
Short-term investment - CBA	-	10,068	10,068	10,122
Trade and other receivables	43,669	43,794	43,794	55,899
Inventories	818	928	928	947
Other current assets	4,172	5,486	5,486	3,074
<b>Total current assets</b>	<b>256,956</b>	<b>281,332</b>	<b>281,332</b>	<b>336,649</b>
<b>NON-CURRENT ASSETS</b>				
Investment property	1,225	1,293	1,293	1,403
Property, plant and equipment	2,735,181	2,858,961	2,858,961	3,002,390
Intangible assets	584	1,285	1,285	1,035
Right-of-use assets	3,963	4,017	4,017	4,168
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>2,878,286</b>	<b>2,878,286</b>	<b>3,021,726</b>
<b>TOTAL ASSETS</b>	<b>3,010,640</b>	<b>3,159,618</b>	<b>3,159,618</b>	<b>3,358,375</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	43,417	49,354	49,354	52,441
Borrowings - current	8,919	9,355	9,355	5,252
Lease liability - current	1,130	1,044	1,044	1,044
Provisions - current	16,125	18,257	18,257	16,068
Other current liabilities	3,569	14,426	14,426	11,078
<b>Total current liabilities</b>	<b>73,160</b>	<b>92,437</b>	<b>92,437</b>	<b>85,883</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings - non-current	40,684	40,262	40,262	44,472
Lease liability - non-current	3,742	3,689	3,689	3,819
Provisions - non-current	22,073	15,499	15,499	18,835
Other non-current liabilities	-	10,628	10,628	20,668
<b>Total non-current liabilities</b>	<b>66,498</b>	<b>70,078</b>	<b>70,078</b>	<b>87,794</b>
<b>TOTAL LIABILITIES</b>	<b>139,658</b>	<b>162,514</b>	<b>162,514</b>	<b>173,677</b>
<b>NET COMMUNITY ASSETS</b>	<b>2,870,982</b>	<b>2,997,104</b>	<b>2,997,104</b>	<b>3,184,698</b>
<b>COMMUNITY EQUITY</b>				
Asset revaluation surplus	1,106,353	1,225,400	1,225,400	1,421,207
Retained surplus	1,667,474	1,659,067	1,659,067	1,641,240
Constrained cash reserves	97,154	112,638	112,638	122,251
<b>TOTAL COMMUNITY EQUITY</b>	<b>2,870,982</b>	<b>2,997,104</b>	<b>2,997,104</b>	<b>3,184,698</b>

The interim Statement of Financial Position will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2023. The financial statements will be presented as part of the 2022/2023 Annual Report.

## 4.INTERIM STATEMENT OF FINANCIAL POSITION - CONTINUED



### INTERIM RIGHT-OF-USE ASSETS As at 30 June 2023

Right-of-use asset	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual Balance \$000
Buildings	1,548	1,282	1,282	1,398
Land	2,134	2,451	2,451	2,483
Plant and Equipment	281	284	284	287
<b>Closing balance</b>	<b>3,963</b>	<b>4,017</b>	<b>4,017</b>	<b>4,168</b>

### INTERIM PROPERTY, PLANT AND EQUIPMENT (PPE) MOVEMENT\* For the period ending 30 June 2023

PPE movement	Annual	Annual	YTD	YTD
	Original Budget \$000	Revised Budget \$000	Budget \$000	Actual Balance \$000
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	128,640	77,191
Depreciation in year	(68,978)	(68,978)	(68,978)	(67,363)
Disposals	(1,493)	(1,493)	(1,493)	(4,036)
Other adjustments**	-	-	-	195,806
<b>Closing balance</b>	<b>2,735,181</b>	<b>2,858,961</b>	<b>2,858,961</b>	<b>3,002,390</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.

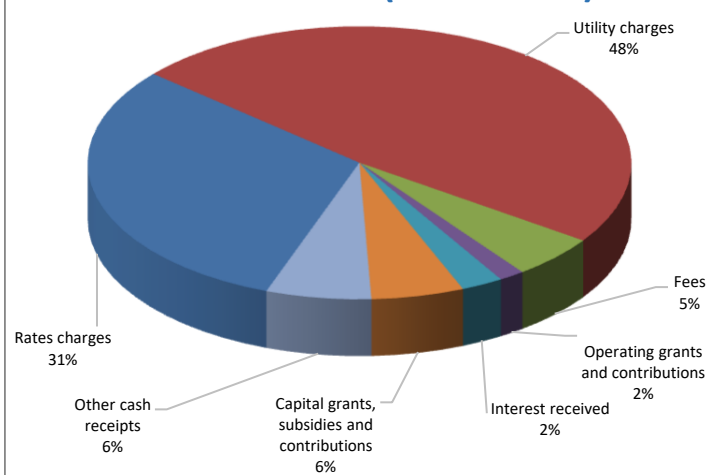
The interim Statement of Financial Position will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2023. The financial statements will be presented as part of the 2022/2023 Annual Report.

## 5. INTERIM STATEMENT OF CASH FLOWS

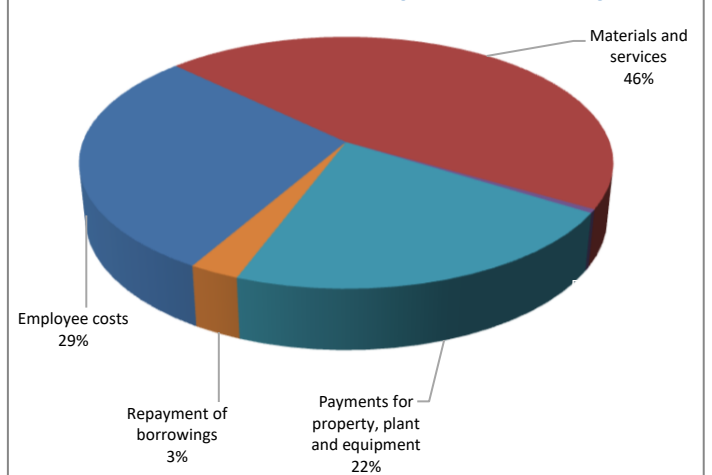
### INTERIM STATEMENT OF CASH FLOWS For the period ending 30 June 2023

	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	314,204	314,204	<b>313,264</b>
Payments to suppliers and employees	(269,244)	(270,979)	(270,979)	<b>(257,221)</b>
	<b>43,454</b>	<b>43,225</b>	<b>43,225</b>	<b>56,043</b>
Interest received	4,196	7,909	7,909	<b>8,987</b>
Rental income	1,140	1,140	1,140	<b>1,280</b>
Non-capital grants and contributions	14,301	9,442	9,442	<b>5,463</b>
Borrowing costs	(1,466)	(1,466)	(1,466)	<b>(1,483)</b>
Right-of-use assets interest expense	(114)	(114)	(114)	<b>(101)</b>
<b>Net cash inflow / (outflow) from operating activities</b>	<b>61,511</b>	<b>60,136</b>	<b>60,136</b>	<b>70,189</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	(115,776)	(126,390)	(126,390)	<b>(74,785)</b>
Payments for intangible assets	-	-	-	<b>(39)</b>
Proceeds from sale of property, plant and equipment	1,205	1,205	1,205	<b>918</b>
Capital grants, subsidies and contributions	39,249	35,760	35,760	<b>19,866</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(75,322)</b>	<b>(89,425)</b>	<b>(89,425)</b>	<b>(54,040)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds of borrowings	10,805	10,805	10,805	<b>10,805</b>
Repayment of borrowings	(7,982)	(7,982)	(7,982)	<b>(7,952)</b>
Right-of-use lease payment	(1,143)	(1,143)	(1,143)	<b>(1,062)</b>
<b>Net cash inflow / (outflow) from financing activities</b>	<b>1,679</b>	<b>1,679</b>	<b>1,679</b>	<b>1,791</b>
<b>Net increase / (decrease) in cash held</b>	<b>(12,132)</b>	<b>(27,611)</b>	<b>(27,611)</b>	<b>17,940</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>221,056</b>	<b>221,056</b>	<b>266,607</b>

#### Cash Inflow (actual YTD)



#### Cash Outflow (actual YTD)

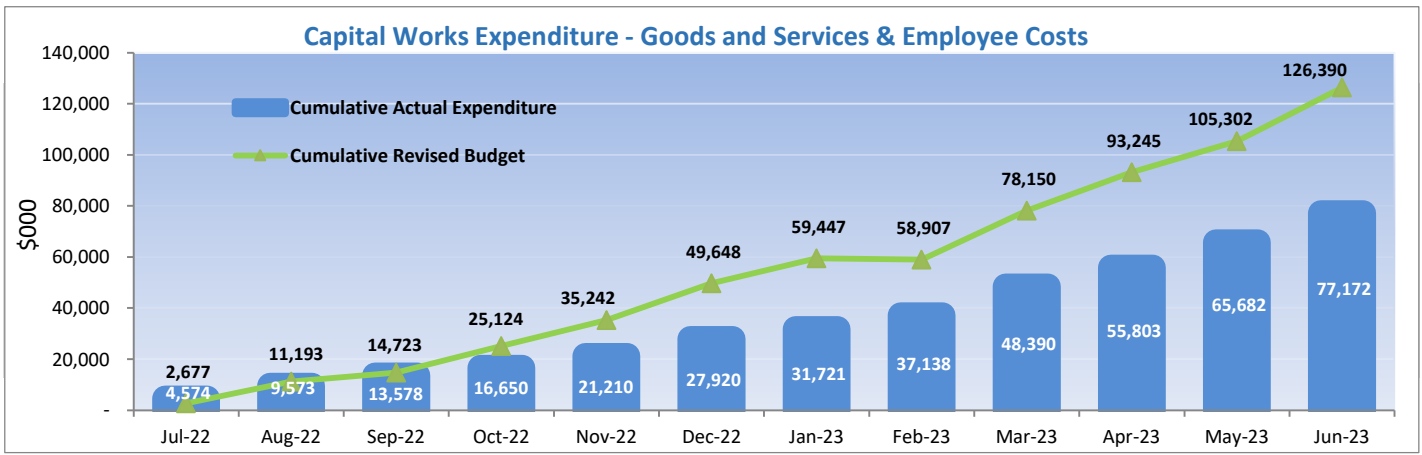


<b>Total Cash Funding (Actual YTD)</b>	<b>360,583</b>	<b>Total Cash Expenditure (Actual YTD)</b>	<b>342,643</b>
Total Cash Funding (Annual Revised Budget)	380,463	Total Cash Expenditure (Annual Revised Budget)	408,074
% of Budget Achieved YTD	95%	% of Budget Achieved YTD	84%

The interim Statement of Cash Flows will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2023. The financial statements will be presented as part of the 2022/2023 Annual Report.



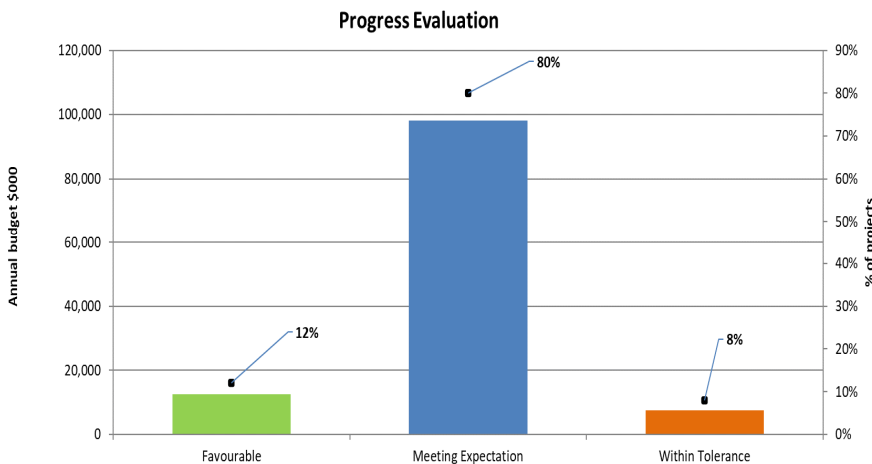
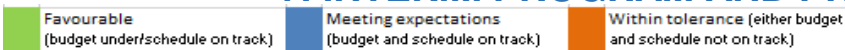
## 6. INTERIM CAPITAL EXPENDITURE



	Annual Revised Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000
Capitalised goods and services*	117,729	117,729	69,596	(48,133)
Capitalised employee costs	8,661	8,661	7,576	(1,085)
<b>Total</b>	<b>126,390</b>	<b>126,390</b>	<b>77,172</b>	<b>(49,218)</b>

\* Excludes capital prepayments.

## 7. INTERIM PROGRAM AND PROJECT UPDATE



- 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

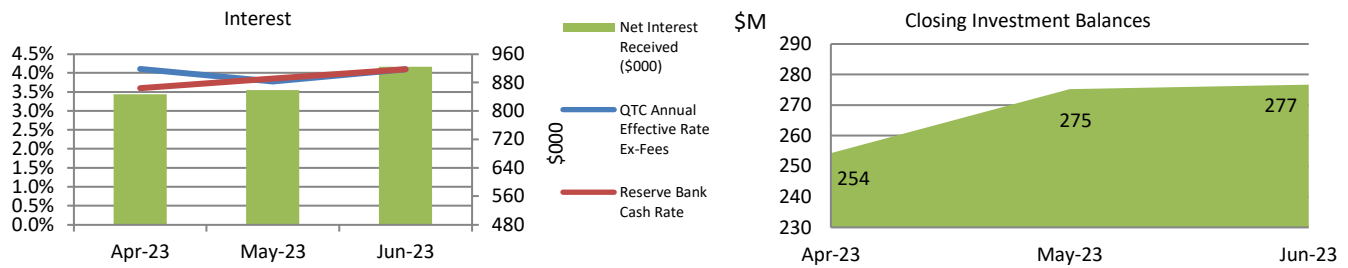
The status of two notable projects are as follows:

Project description	Progress
Open Space Asset Renewal Program - this program delivers specific open space park infrastructure projects.	Meeting Expectations
Carparks Renewal Program - this program is for renewal of existing car park surfaces. Russell Island Ferry Terminal Carpark completed and Stage 3 works to commence.	Meeting Expectations

## 8. INTERIM INVESTMENT & BORROWINGS REPORT

For the period ending 30 June 2023

### INVESTMENT RETURNS



**Total Investment at End of Month was \$276.73M**

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.

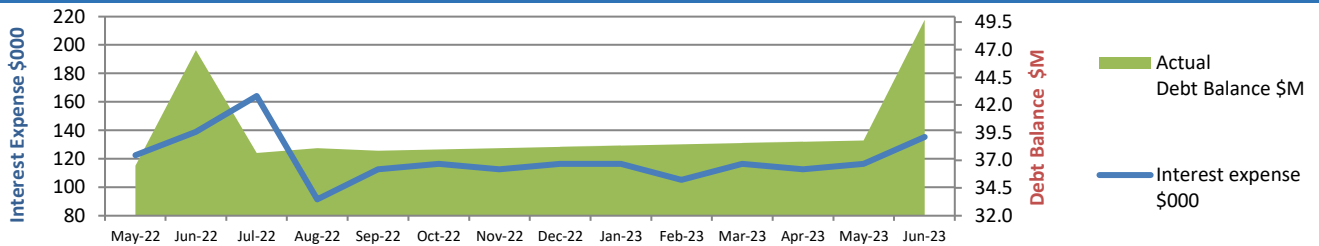
The movement in interest earned is indicative of both the interest rate and the surplus cash balances held, the latter of which is affected by business cash flow requirements on a monthly basis as well as the rating cycle. The interest income increased from May to June due to increase in QTC annual effective rate (excluding fee) from 3.78% to 4.10%.

Note: the Reserve Bank increased the cash rate to 4.10% during June 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 4.10%. 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 2023 due to new borrowings of \$10.81M as part of Council's Capital Works Plan.

Interest accrues monthly on a daily loan balance which is reflected in the increasing debt balance.

**Total Borrowings at End of Month were \$49.72M**

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

### BORROWINGS

For the period ending 30 June 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)	<b>(46,938)</b>
Accrued interest on borrowings	(1,322)	(1,322)	(1,322)	<b>(1,416)</b>
Interest paid on borrowings	1,466	1,466	1,466	<b>1,483</b>
Principal repaid	7,982	7,982	7,982	<b>7,952</b>
Loan drawdown	(10,805)	(10,805)	(10,805)	<b>(10,805)</b>
<b>Closing balance</b>	<b>(49,603)</b>	<b>(49,617)</b>	<b>(49,617)</b>	<b>(49,724)</b>

## 9. INTERIM CONSTRAINED CASH RESERVES

Reserves as at 30 June 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	-	31	(8)	23
Weinam Creek Reserve	Maintenance and improvements associated with Weinam Creek projects	652	592	(2)	1,242
Waste Levy Reserve	To fund Waste Levy Program	379	5,627	(5,592)	414
Raby Bay Revetment Wall Reserve	To fund Raby Bay revetment wall works program	3,677	2,830	(1,152)	5,355
Fleet Plant & Capital Equipment Reserve*	To support the long term fleet replacement program	4,599	-	(4,599)	-
		<b>9,307</b>	<b>9,080</b>	<b>(11,353)</b>	<b>7,034</b>
<b>Constrained Works Reserve:</b>					
Public Parks Trunk Infrastructure Reserve	Capital projects for public parks trunk infrastructure	4,309	2,805	(1,527)	5,587
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	86	-	5,383
Water Supply Trunk Infrastructure Reserve	Upgrade, expansion or new projects for water supply trunk infrastructure	14,952	575	-	15,527
Sewerage Trunk Infrastructure Reserve	Upgrade, expansion or new projects for sewerage trunk infrastructure	13,341	1,912	(289)	14,964
Local Roads Trunk Infrastructure Reserve	Capital projects for local roads trunk infrastructure	40,631	4,524	(5,086)	40,069
Cycleways Trunk Infrastructure Reserve	Capital projects for cycleways trunk infrastructure	14,819	1,500	(325)	15,994
Stormwater Trunk Infrastructure Reserve	Capital projects for stormwater trunk infrastructure	10,559	415	-	10,974
Tree Planting Reserve	Acquisition and planting of trees on footpaths	259	104	(21)	342
Koala Tree off-set Planting Reserve	Acquisition and planting of trees for koala habitat	259	4	(65)	198
Special Property Reserve	Acquisition of property in line with the strategic property framework	1,654	1,265	-	2,919
		<b>106,080</b>	<b>13,373</b>	<b>(7,313)</b>	<b>112,140</b>
<b>Separate Charge Reserve:</b>					
Environment & Coastal Management Separate Charge Reserve	Ongoing conservation and maintenance operations	2	11,745	(9,679)	2,068
SES Separate Charge Reserve	On-going costs of maintaining the Redland SES	119	500	(496)	123
		<b>121</b>	<b>12,245</b>	<b>(10,175)</b>	<b>2,191</b>
<b>Special Charge Reserve - Canals:</b>					
Aquatic Paradise Canal Reserve	Maintenance and repairs of Aquatic Paradise canals	758	16	-	774
Sovereign Waters Lake Reserve	Maintenance and repairs of Sovereign Lake	430	9	-	439
1718 Raby Bay Canal Reserve	Service, facility or activity of works in respect of the canals of the Raby Bay canal estate	219	5	-	224
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>30</b>	<b>-</b>	<b>886</b>
<b>TOTALS</b>		<b>116,364</b>	<b>34,728</b>	<b>(28,841)</b>	<b>122,251</b>
					Closing cash and cash equivalents
					266,607
					Reserves as percentage of cash balance
					46%

\*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. INTERIM CITY WATER STATEMENTS

### INTERIM CITY WATER SUMMARY OPERATING STATEMENT

For the period ending 30 June 2023

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	\$000	\$000	\$000
	\$000	\$000			
Total revenue	134,826	137,720	137,720	136,530	(1,190)
Total expenses	78,703	78,783	78,783	78,101	(682)
Earnings before interest, tax and depreciation (EBITD)	56,123	58,937	58,937	58,429	(508)
External interest expense	355	228	228	224	(4)
Internal interest expense	14,750	14,750	14,750	14,750	-
Depreciation	25,587	25,587	25,587	25,420	(166)
<b>Operating surplus / (deficit)</b>	<b>15,432</b>	<b>18,373</b>	<b>18,373</b>	<b>18,035</b>	<b>(338)</b>

### INTERIM CITY WATER CAPITAL FUNDING STATEMENT

For the period ending 30 June 2023

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	\$000	\$000	\$000
	\$000	\$000			
Capital contributions, donations, grants and subsidies	4,847	5,618	5,618	2,577	(3,041)
Net transfer (to) / from constrained capital reserves	(502)	(1,441)	(1,441)	(2,198)	(757)
Non-cash contributions	652	652	652	-	(652)
New loans	-	-	-	-	-
Funding from utility revenue	11,941	17,214	17,214	7,392	(9,822)
<b>Total sources of capital funding</b>	<b>16,937</b>	<b>22,042</b>	<b>22,042</b>	<b>7,771</b>	<b>(14,271)</b>
Contributed assets	652	652	652	-	(652)
Capitalised expenditure	15,512	20,612	20,612	7,000	(13,612)
Loan redemption	774	779	779	771	(8)
<b>Total application of capital funds</b>	<b>16,937</b>	<b>22,042</b>	<b>22,042</b>	<b>7,771</b>	<b>(14,271)</b>

## 11. INTERIM CITY WASTE STATEMENTS

### INTERIM CITY WASTE OPERATING STATEMENT

For the period ending 30 June 2023

	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	\$000	\$000	\$000
	\$000	\$000			
Total revenue	35,575	36,198	36,198	36,518	320
Total expenses	26,325	26,473	26,473	27,540	1,067
Earnings before interest, tax and depreciation (EBITD)	9,250	9,725	9,725	8,978	(747)
External interest expense	6	6	6	6	-
Depreciation	556	556	556	418	(138)
<b>Operating surplus / (deficit)</b>	<b>8,687</b>	<b>9,163</b>	<b>9,163</b>	<b>8,554</b>	<b>(609)</b>

### INTERIM CITY WASTE CAPITAL FUNDING STATEMENT

For the period ending 30 June 2023

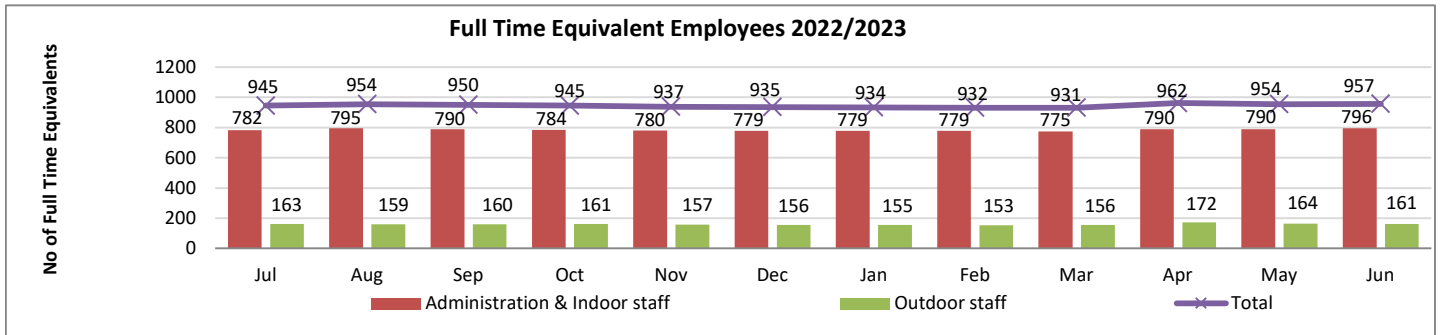
	Annual	Annual	YTD	YTD	YTD
	Original	Revised	Budget	Actual	Variance
	Budget	Budget	\$000	\$000	\$000
	\$000	\$000			
Capital contributions, donations, grants and subsidies	1,577	671	671	-	(671)
Funding from utility revenue	828	697	697	300	(397)
<b>Total sources of capital funding</b>	<b>2,405</b>	<b>1,368</b>	<b>1,368</b>	<b>300</b>	<b>(1,068)</b>
Capitalised expenditure	2,366	1,328	1,328	266	(1,062)
Loan redemption	39	39	39	34	(6)
<b>Total application of capital funds</b>	<b>2,405</b>	<b>1,368</b>	<b>1,368</b>	<b>300</b>	<b>(1,068)</b>

The interim Water and Waste Statements will adjust over the coming weeks as the accounts are being finalised and the final results will be reflected in the audited financial statements for the year ended 30 June 2023. The financial statements will be presented as part of the 2022/2023 Annual Report.



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

### Workforce Reporting



June 2023: Headcount	Employee Type			
Department Level	Casual	Full Time	Part Time	Total
Office of CEO and People and Culture	5	44	6	55
Organisational Services	3	186	19	208
Community and Customer Services	61	279	74	414
Infrastructure and Operations	2	327	14	343
Advocacy Major Projects and Economic Development	1	33	2	36
<b>Total</b>	<b>72</b>	<b>869</b>	<b>115</b>	<b>1,056</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 June 2023 to June 2022									
Days Overdue	Jun-23	% Overdue	Jun-22	% Overdue	\$ Variance	% Variance	Rates & Charges Statistics	Jun-23	Jun-22
0 - 30	\$3,250	0.0%	\$1,580	0.0%	\$1,670	0.0%	Levied (Billed) Rates & Charges since 1 July 2022	\$310,695,632	\$294,692,311
31 - 60	\$3,884,594	1.2%	\$3,784,333	1.2%	\$100,261	0.0%	Rate arrears b/fwd 1 July 2022	\$9,031,746	\$10,693,344
61 - 90	\$355	0.0%	\$836	0.0%	-\$481	0.0%	<b>Total</b>	<b>\$319,727,378</b>	<b>\$305,385,655</b>
91 - 180	\$1,704,240	0.5%	\$1,713,099	0.6%	-\$8,859	-0.1%	Balance of overdue rates & charges	\$9,226,294	\$9,031,746
>180	\$3,633,855	1.1%	\$3,531,898	1.2%	\$101,957	-0.1%	<b>Percentage Overdue</b>	<b>2.8%</b>	<b>3.0%</b>
<b>Total</b>	<b>\$9,226,294</b>	<b>2.8%</b>	<b>\$9,031,746</b>	<b>3.0%</b>	<b>\$194,548</b>	<b>-0.2%</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.