

# STRATHBOGIE SHIRE COUNCIL

## QUARTERLY FINANCIAL REPORT

### Operational Performance

Period ending: March 2022

	Income					Expenditure					Net Result	
	Adopted Budget	Mid Year Budget	YTD Budget	YTD Actual	Variance %	Adopted Budget	Mid Year Budget	YTD Budget	YTD Actual	Variance %	YTD Budget	YTD Actual
<b>Corporate Operations</b>												
Waste Mgt & Sustainable Environments	3,060,258	3,180,306	3,097,910	3,195,620	-3.15%	(2,845,689)	(2,919,189)	(2,148,606)	(2,186,336)	-1.76%	949,304	1,009,284
Finance	21,854,442	22,479,993	19,582,096	19,363,239	1.12%	(7,896,724)	(7,874,322)	(5,565,263)	(6,362,522)	-14.33%	14,016,833	13,000,717
Compliance	468,045	471,075	309,908	394,166	-27.19%	(1,293,354)	(1,327,854)	(1,041,397)	(850,520)	18.33%	(731,489)	(456,354)
Management Services - Corporate Operations	-	-	-	-	0.00%	(535,596)	(755,376)	(387,940)	(358,287)	7.64%	(387,940)	(358,287)
Assets Planning	-	11,000	8,273	9,879	-19.41%	(993,502)	(1,006,502)	(710,237)	(612,649)	13.74%	(701,964)	(602,770)
Operations	4,406,336	4,500,881	2,059,359	1,389,518	32.53%	(8,678,615)	(8,956,018)	(6,259,113)	(5,973,076)	4.57%	(4,199,754)	(4,583,557)
	<b>29,789,081</b>	<b>30,643,255</b>	<b>25,057,546</b>	<b>24,352,421</b>	<b>2.81%</b>	<b>(22,243,480)</b>	<b>(22,839,261)</b>	<b>(16,112,556)</b>	<b>(16,343,389)</b>	<b>-1.43%</b>	<b>8,944,990</b>	<b>8,009,032</b>
<b>Corporate Leadership</b>												
Communications & Engagement	-	60,000	40,000	40,000	0.00%	(619,642)	(630,171)	(470,584)	(460,303)	2.18%	(430,584)	(420,303)
Chief Executive Officer	-	-	-	1,000	0.00%	(386,410)	(386,410)	(285,977)	(239,360)	16.30%	(285,977)	(238,360)
	-	<b>60,000</b>	<b>40,000</b>	<b>41,000</b>	<b>-2.50%</b>	<b>(1,006,052)</b>	<b>(1,016,581)</b>	<b>(756,561)</b>	<b>(699,663)</b>	<b>7.52%</b>	<b>(716,561)</b>	<b>(658,663)</b>
<b>Governance &amp; People</b>												
Governance & Customer Service	-	-	-	-	0.00%	-	(1,025,072)	-	-	0.00%	-	-
Customer Contact	2,500	2,500	1,872	1,406	24.90%	(1,047,572)	(1,025,072)	(566,285)	(430,517)	23.98%	(564,413)	(429,111)
Records	-	-	-	-	0.00%	-	(1,025,072)	(204,933)	(234,579)	-14.47%	(204,933)	(234,579)
ICT	-	-	-	-	0.00%	(1,171,731)	(1,189,651)	(872,211)	(752,798)	13.69%	(872,211)	(752,798)
People & Culture	50,100	75,100	75,072	123,568	-64.60%	(1,159,124)	(1,190,997)	(1,008,409)	(1,036,307)	-2.77%	(933,337)	(912,738)
	<b>52,600</b>	<b>77,600</b>	<b>76,944</b>	<b>124,974</b>	<b>-62.42%</b>	<b>(3,378,427)</b>	<b>(5,455,864)</b>	<b>(2,651,838)</b>	<b>(2,454,201)</b>	<b>7.45%</b>	<b>(2,574,894)</b>	<b>(2,329,226)</b>
<b>Community &amp; Planning</b>												
Economic Developments	-	-	-	30,000	0.00%	(370,670)	(370,670)	(230,660)	(237,199)	-2.83%	(230,660)	(207,199)
Management Services - Community & Planning	-	-	-	-	0.00%	(213,796)	(213,796)	(161,085)	(155,173)	3.67%	(161,085)	(155,173)
Planning & Investment	352,000	482,000	292,807	415,272	-41.82%	(998,734)	(1,022,191)	(736,262)	(589,636)	19.91%	(443,455)	(174,364)
Project Delivery	6,716,123	8,385,678	4,078,170	3,861,655	5.31%	(557,904)	(559,104)	(419,328)	(378,322)	9.78%	3,658,842	3,483,333
Tourism & Community Service	441,984	715,961	643,749	671,057	-4.24%	(1,945,594)	(2,155,794)	(1,590,785)	(1,364,322)	14.24%	(947,036)	(693,265)
	<b>7,510,107</b>	<b>9,583,639</b>	<b>5,014,726</b>	<b>4,977,985</b>	<b>0.73%</b>	<b>(4,086,698)</b>	<b>(4,321,555)</b>	<b>(3,138,120)</b>	<b>(2,724,653)</b>	<b>13.18%</b>	<b>1,876,606</b>	<b>2,253,332</b>
<b>Mayor &amp; Councillors</b>												
Council	9,400	10,776	8,082	12,269	-51.81%	(382,250)	(366,696)	(262,056)	(249,721)	4.71%	(253,974)	(237,452)
	<b>9,400</b>	<b>10,776</b>	<b>8,082</b>	<b>12,269</b>	<b>-51.81%</b>	<b>(382,250)</b>	<b>(366,696)</b>	<b>(262,056)</b>	<b>(249,721)</b>	<b>4.71%</b>	<b>(253,974)</b>	<b>(237,452)</b>
<b>Total</b>	<b>37,361,188</b>	<b>40,375,270</b>	<b>30,197,298</b>	<b>29,508,649</b>	<b>2.3%</b>	<b>(31,096,907)</b>	<b>(33,999,957)</b>	<b>(22,921,131)</b>	<b>(22,471,627)</b>	<b>2.0%</b>	<b>7,276,167</b>	<b>7,037,023</b>

### Comprehensive Income Statement

For the period ended 31 March 2022

	Note	Current year			Same time last year	
		YTD Actual \$ Mar 2022	YTD M/Y Budget \$ Mar 2022	YTD Variance \$ Mar 2022	YTD Actual \$ Mar 2021	YTD Budget \$ Mar 2021
<b>Income</b>						
Rates and charges		20,516,626	20,496,739	19,887	20,070,405	20,036,270
Statutory fees and fines	1	534,065	451,639	82,426	405,295	381,359
User fees		558,731	518,488	40,243	397,506	394,495
Grants - operating	2	3,439,839	3,226,579	213,260	3,831,171	4,108,135
Grants - capital	3	3,860,039	4,756,339	(896,300)	4,318,945	4,836,079
Contributions - monetary		173,701	202,513	(28,812)	241,301	319,341
Net gain (or loss) on disposal of PPE & infrastructure	4	18,579	73,336	(54,757)	135,470	-
Other income	5	394,538	325,477	69,061	327,246	271,719
<b>Total income</b>		<b>29,496,119</b>	<b>30,051,110</b>	<b>(554,991)</b>	<b>29,727,339</b>	<b>30,347,398</b>
<b>Expenses</b>						
Employee costs	6	(9,209,212)	(8,918,784)	(290,428)	(9,019,759)	(9,543,272)
Materials and services	7	(8,572,200)	(9,189,126)	616,926	(7,824,128)	(9,001,943)
Depreciation		(4,401,712)	(4,385,988)	(15,724)	(4,386,005)	(4,388,360)
Amortisation - right of use assets		-	-	-	-	-
Bad and doubtful debts		(25,139)	(3,753)	(21,386)	-	(5,000)
Borrowing costs		(11,195)	(11,862)	667	(14,823)	(13,827)
Net gain (or loss) on disposal of property, infrastructure, plant and equipment		-	-	-	-	(302,600)
Finance costs - leases		-	(12,078)	12,078	-	-
Other expenses		(239,639)	(253,352)	13,713	(188,604)	(187,501)
<b>Total expenses</b>		<b>(22,459,097)</b>	<b>(22,774,943)</b>	<b>315,846</b>	<b>(21,433,319)</b>	<b>(23,442,503)</b>
<b>Surplus/(deficit) for the period</b>		<b>7,037,023</b>	<b>7,276,167</b>	<b>(239,144)</b>	<b>8,294,020</b>	<b>6,904,895</b>

### Financial Performance Overview

#### Income

**Note 1** - Increase in Statutory fees is mainly due increased income on building fees (\$15k) and timing of health registration income received (\$48k).

**Note 2** - Increase in operating grant income is mainly due to receipt of Nagambie Growth Plan grant (\$100k) and receipt of unbudgeted Business Concierge & hospitality support grant(\$30k).

**Note 3** - Decrease in capital grant income is mainly due to timing of receipts of Roads to Recovery grants (\$720k) and Nagambie Locksley Road bridge grant (\$240k). This partly offset by receipt of Drought Funding Stage 1-final payment (\$100k).

**Note 4** - Decrease in profit on sale of plant and equipment is due to less than expected disposals during first 9 months of the financial year.

**Note 5** - Increase in other income is mainly due to more than budgeted income protection insurance recovery (\$48k) and interest and charges collected on overdue rates (\$29k).

#### Expense

**Note 6** - Increase in employee cost is due to the payment of employee income protection insurance annual invoice (\$184k) and annual work cover payment (\$165k). This partly offset by savings from staff vacancies.

**Note 7** - Decrease in materials and services is mainly due to less than expected assets maintenance expenses (\$315k), contractor & consultancies fees (\$164k) and service delivery expenses (\$163k).

## Balance Sheet

As at 31 March 2022

	Current year		Same time last year	
	YTD Actual \$ Mar 2022	YTD M/Y Budget \$ Mar 2022	YTD Actual \$ Mar 2021	YTD Budget \$ Mar 2021
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	1,411,432	1,915,340	1,506,553	15,476,193
Trade and other receivables	8,140,325	7,542,000	7,720,887	8,245,000
Other financial assets	18,800,000	16,500,000	16,850,000	-
Inventories	13,633	5,000	14,023	5,000
Non-current assets classified as held for sale	417,384	-	690,384	-
Other assets	66,864	115,000	116,584	113,000
<b>Total current assets</b>	<b>28,849,638</b>	<b>26,077,340</b>	<b>26,898,431</b>	<b>23,839,193</b>
<b>Non-current assets</b>				
Other financial assets	2,032	-	2,032	651,000
Investments in associates, joint arrangements and subsidiaries	255,287	243,000	227,146	243,000
Property, infrastructure, plant and equipment	281,858,571	285,068,494	281,601,925	296,132,302
Right-of-use assets	636,453	474,000	872,531	875,000
<b>Total non-current assets</b>	<b>282,752,343</b>	<b>285,785,494</b>	<b>282,703,634</b>	<b>297,901,302</b>
<b>Total assets</b>	<b>311,601,981</b>	<b>311,862,834</b>	<b>309,602,065</b>	<b>321,740,495</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	418,678	1,377,100	1,062,623	4,657,600
Trust funds and deposits	1,154,584	540,000	1,001,465	501,000
Provisions	7,500,755	5,914,525	7,176,017	4,900,000
Interest-bearing liabilities	23,233	166,600	21,989	54,000
<b>Total current liabilities</b>	<b>9,097,250</b>	<b>7,998,225</b>	<b>9,262,094</b>	<b>10,112,600</b>
<b>Non-current liabilities</b>				
Trust funds and deposits	52,666	-	64,203	-
Provisions	1,939,754	3,000,000	1,323,979	1,296,000
Interest-bearing liabilities	191,425	483,000	282,424	290,000
Lease liabilities	652,420	474,000	882,450	875,000
<b>Total non-current liabilities</b>	<b>2,836,265</b>	<b>3,957,000</b>	<b>2,553,056</b>	<b>2,461,000</b>
<b>Total liabilities</b>	<b>11,933,516</b>	<b>11,955,225</b>	<b>11,815,150</b>	<b>12,573,600</b>
<b>Net assets</b>	<b>299,668,465</b>	<b>299,907,609</b>	<b>297,786,915</b>	<b>309,166,895</b>
<b>Equity</b>				
Accumulated surplus	112,328,547	112,567,691	106,546,707	103,501,895
Reserves	187,339,918	187,339,918	191,240,208	205,665,000
<b>Total Equity</b>	<b>299,668,465</b>	<b>299,907,609</b>	<b>297,786,915</b>	<b>309,166,895</b>

### Statement of Cash Flows

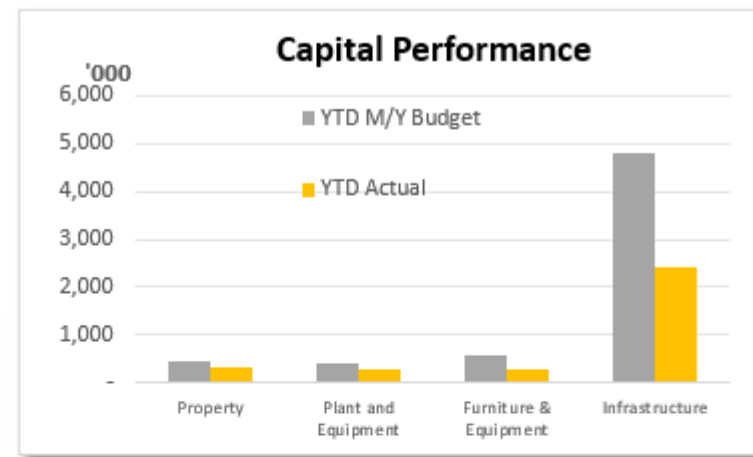
For the period ended 31 March 2022

	Current year		Same time last year	
	YTD Actual \$ Mar 2022	YTD M/Y Budget \$ Mar 2022	YTD Actual \$ Mar 2021	YTD Budget \$ Mar 2021
<b>Cash flows from operating activities</b>				
Rates and charges	15,901,603	15,588,000	15,168,059	15,106,500
Statutory fees and fines	534,065	498,000	405,295	370,500
User fees	681,683	372,000	397,506	451,500
Grants - operating	2,662,757	2,905,157	2,920,956	3,834,553
Grants - capital	495,000	1,407,550	4,810,222	3,943,365
Contributions - monetary	173,701	202,513	238,119	206,250
Interest received	4,105	105,000	31,894	135,000
Other receipts	299,114	240,750	231,044	183,000
Net GST refund/payment	1,036,226	1,033,330	982,381	1,104,750
Employee costs	(9,183,227)	(8,388,750)	(8,968,218)	(9,125,250)
Materials and services	(12,024,812)	(9,363,410)	(9,864,101)	(9,435,750)
Trust funds and deposits collected/(paid)	300,958	-	619,991	-
Other payments	(239,638)	(321,000)	(188,602)	(228,000)
<b>Net cash provided by/(used in) operating activities</b>	<b>641,536</b>	<b>4,279,140</b>	<b>6,784,546</b>	<b>6,546,418</b>
<b>Cash flows from investing activities</b>				
Payments for property, infrastructure, plant and equipment	(3,282,320)	(6,264,778)	(5,182,500)	(6,661,975)
Proceeds from sale of property, infrastructure, plant & equipment	31,109	540,000	255,022	523,500
Payments for investments - Other Financial Assets *	(1,450,000)	-	(3,145,236)	-
<b>Net cash provided by/(used in) investing activities</b>	<b>(4,701,211)</b>	<b>(5,724,778)</b>	<b>(8,072,714)</b>	<b>(6,138,475)</b>
<b>Cash flows from financing activities</b>				
Finance costs	(11,195)	(127,500)	(14,823)	(15,000)
Repayment of borrowings	(67,767)	(18,750)	(64,128)	(60,750)
Repayment of lease liabilities	-	(145,500)	-	-
<b>Net cash provided by/(used in) financing activities</b>	<b>(78,962)</b>	<b>(291,750)</b>	<b>(78,951)</b>	<b>(75,750)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,138,637)</b>	<b>(1,737,388)</b>	<b>(1,367,119)</b>	<b>332,193</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,550,069</b>	<b>3,652,728</b>	<b>2,873,672</b>	<b>15,144,000</b>
<b>Cash and cash equivalents at the end of the period*</b>	<b>1,411,432</b>	<b>1,915,340</b>	<b>1,506,553</b>	<b>15,476,193</b>

\*Note : Cash and cash equivalents - YTD actual excludes term deposits over 90 days. Council held total of \$18.8m in term deposits as at 31 March 2022.

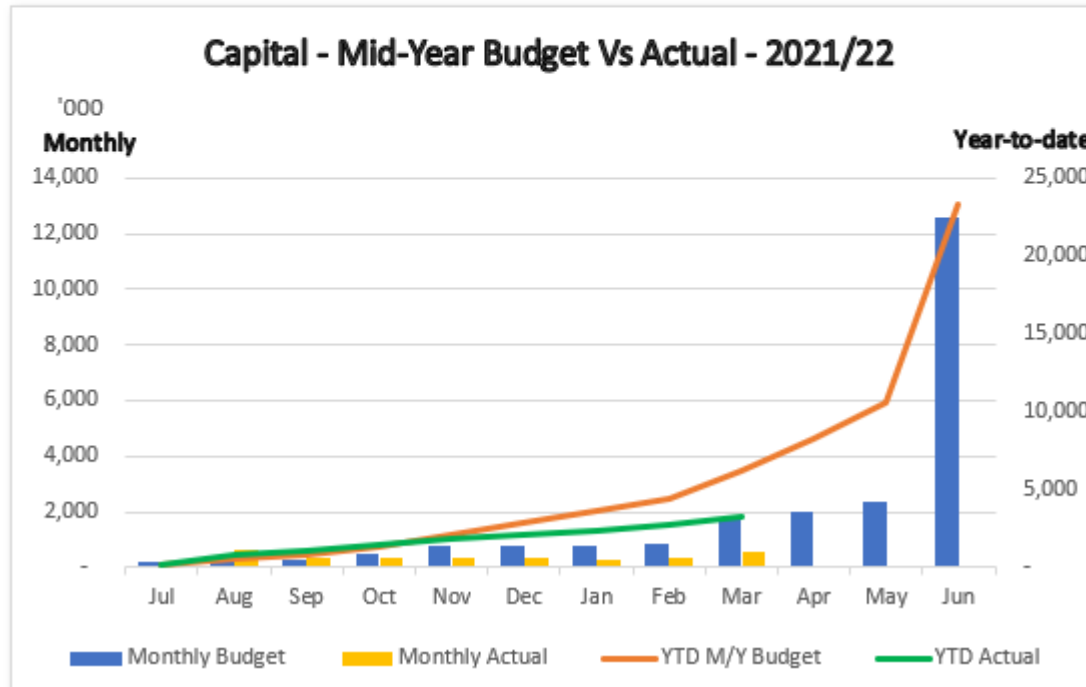
### Capital Performance

	Adopted Budget	Mid Year Budget	YTD M/Y Budget	YTD Actual	YTD Completion %
Property	4,072,007	5,136,975	457,487	325,949	71%
Plant and Equipment	902,000	1,119,094	427,100	273,472	64%
Furniture & Equipment	350,000	907,711	561,811	272,605	49%
Infrastructure	16,246,922	16,074,722	4,818,380	2,410,293	50%
<b>Total</b>	<b>21,570,929</b>	<b>23,238,502</b>	<b>6,264,778</b>	<b>3,282,320</b>	<b>52%</b>



This graph shows YTD capital expenditure for March '22 with comparison to YTD mid-year budget for each category of capital expenditure.

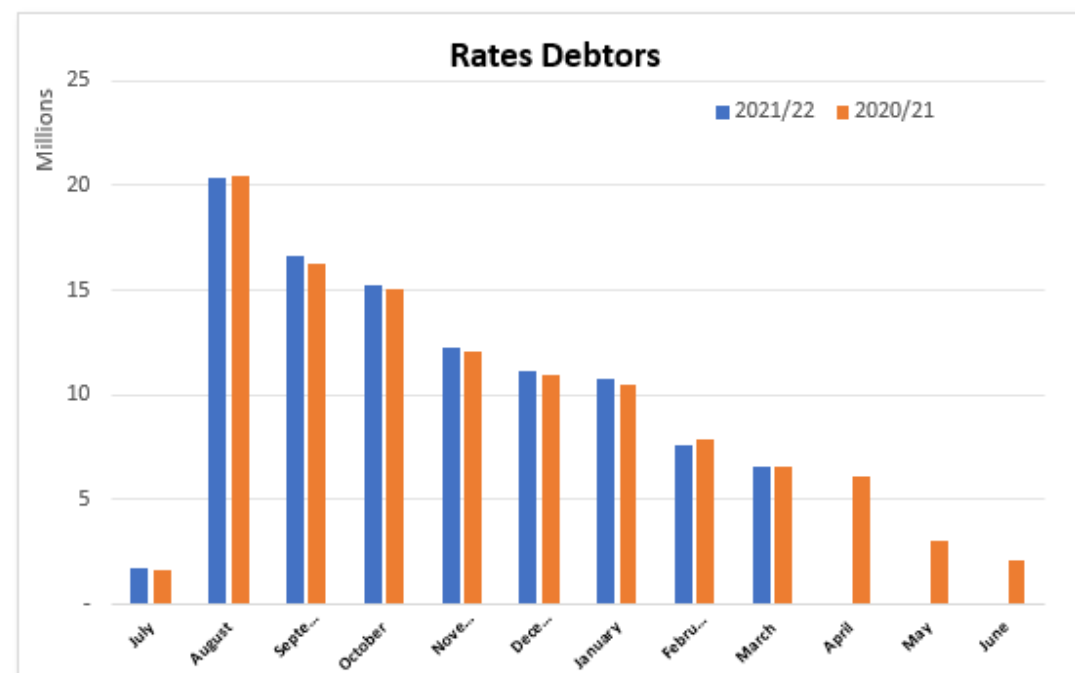
This graph shows monthly capital expenditure for this financial year with comparison to monthly budget. Orange trend line is YTD mid-year budget trend and green trend line shows YTD actual trend for the year. Narrow gap between these two lines shows a better performance and wider gap is an indication of poor capital works delivery performance.



### Other Financial Data

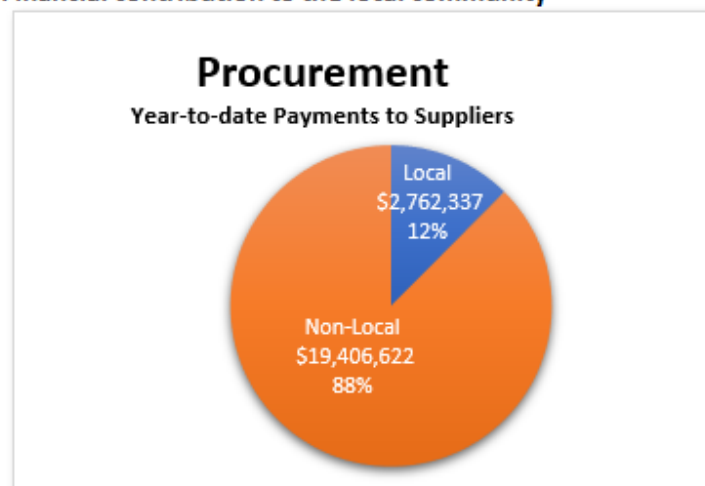
#### 1. Rates Debtors Comparison

Month	2021/22	2020/21
July	1,765,947	1,595,168
August	20,402,988	20,504,994
September	16,650,183	16,220,916
October	15,245,643	15,039,352
November	12,275,655	12,087,462
December	11,157,406	10,991,756
January	10,740,578	10,448,857
February	7,576,546	7,854,561
March	6,611,974	6,582,172
April		6,138,627
May		2,995,788
June		2,152,044



This graph shows total rate debtors for each month comparison to last year. August has a higher value due to rates run for the full financial year.

#### 2. Financial contribution to the local community



This is a comparison of total creditor payments for suppliers located within the shire and outside shire.

#### 3. Exemption requested under procurement policy

Date of Application	Description	Name of Contractor	Contract Value (GST Inc.)	Outcome
No exemptions were applied during this quarter				