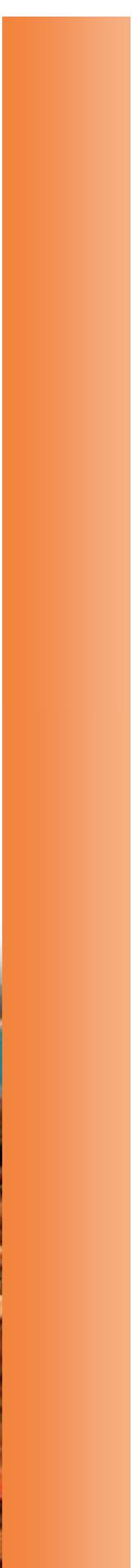




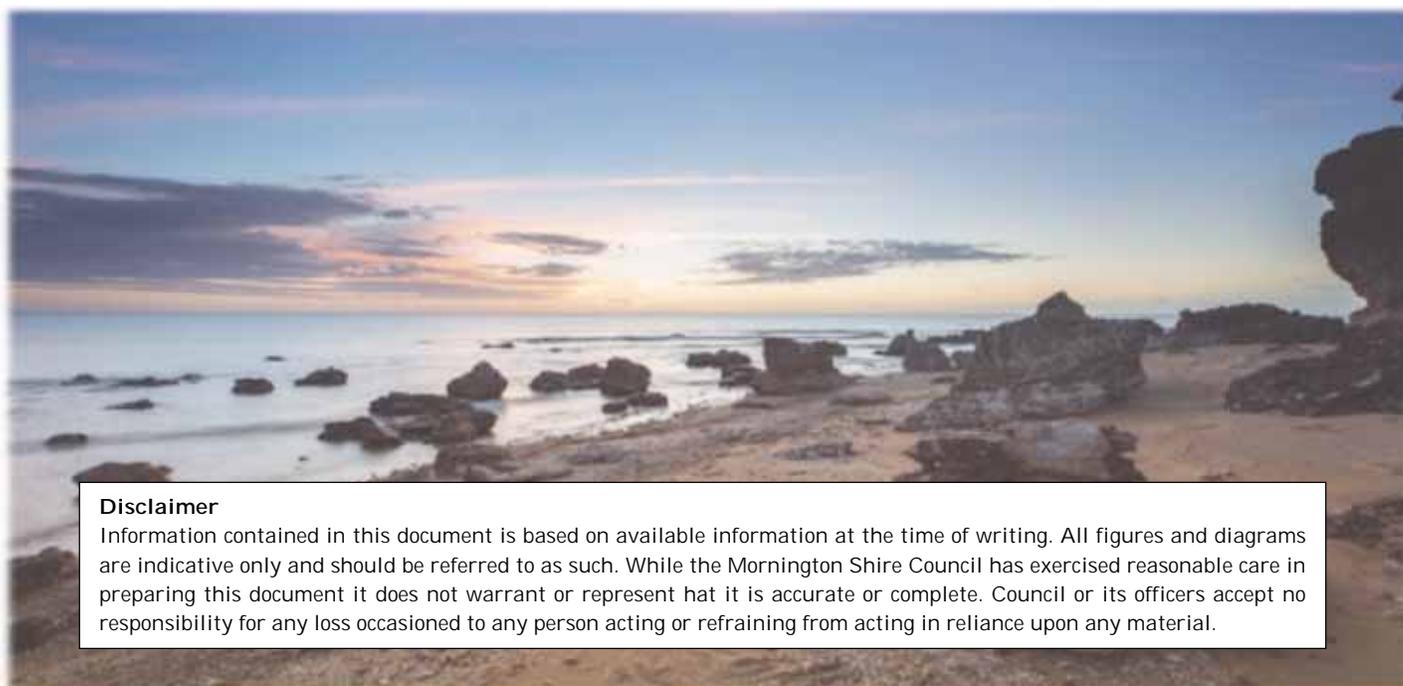
MORNINGTON SHIRE COUNCIL

Annual Report 2013-2014



CONTENTS

About this report.....	2
Message from the Mayor	3
Message from the Chief Executive Officer	4
MSC Region	6
Our Councillors.....	6
Our Executive Team.....	8
Vision.....	9
Governance	10
Statutory Information	11
Community Financial Report	17
About Council's End of Year Financial Statements	17
An Overview of this year's Financial Result & Financial Position.....	18
Financial Sustainability Measures.....	24
Financial Statements	25



Disclaimer

Information contained in this document is based on available information at the time of writing. All figures and diagrams are indicative only and should be referred to as such. While the Mornington Shire Council has exercised reasonable care in preparing this document it does not warrant or represent that it is accurate or complete. Council or its officers accept no responsibility for any loss occasioned to any person acting or refraining from acting in reliance upon any material.



About this report

Aimed to foster a vibrant, culturally rich community where local government services and facilities are delivered in a way that is responsive to the needs and the aspirations of the community. This Annual Report compares our performance against what we said we'd do in the 2012-2013 financial year.

Our quality of life is dependent on a strong economy and in planning for the future we need to be aware of the constraints and opportunities arising from global financial conditions.

The region's economic base has been built upon its geography, natural resources and in particular; a remote lifestyle.

Council, through its economic development strategies, will continue to broaden this base to include creative and knowledge-based industries, eco-tourism, construction and retail – while promoting clean, green businesses that lead to high value jobs and career opportunities.

Message from the Mayor

The 2013-2014 financial year incorporated the commencement of an exciting new chapter for Mornington Shire Council, with staff appointed on a platform to take our shire where we want it to go – in a new direction that is moving forward, getting the balance right between community, environment and economy. After a difficult economic environment, the new improved council has launched new services, cut red tape and opened the door for new business, new opportunity and better support for existing business. This has resulted in council working towards a more integrated community vital for this region – an area so culturally vibrant and ecologically blessed, we hope to expand our reach to the rest of Australia.

During the year, I have had many meetings and trips to various communities to engage with authorities and organisations alike – to aid in the positive development of future opportunities for our youth, families and elderly. Council has worked in partnership with leading businesses to develop a new development strategy for the region. This strategy focuses on key projects that are essential in providing to community and building on our regions possibilities. Council projects include road upgrades, expansion of workforce opportunities, development of infrastructures (wharf in Gununa) and *removal of the old hospital for our communities improved health*. Council is taking a lead role to secure funding and delivery for these projects and more, to ensure the region is afforded the same access to opportunities to secure investment as awarded those in high growth regions across Australia. These are important times for council as we move forward into the new financial year, a year in which we hope to secure opportunities and investments for our community. The keys to our future success will be based on collaborations and partnerships – we may be living on remotely on islands, but we are still a part of mainland Australia and we all need to play our part in building our regions positive outcomes.

Thank you for your time and be well,

Mayor Brad Wilson

mayor@mornington.qld.gov.au



Message from the Chief Executive Officer

Welcome to Mornington Shire Council.

Since arriving as the Chief Executive Officer of Mornington Shire Council in July 2014, I have been very impressed by the endless variety of the people and places on offer in this unique part of Australia. Surrounded by turquoise waters that abound with marine life, rugged coastlines and twenty-three islands complete with beautiful sandy beaches; the Wellesley Islands archipelago stretches for miles across the southern area of the Gulf of Carpentaria. Sights and sounds abound, the waters teem with fish, there are dugong and turtle, on the islands, endless variety of flora and fauna never ceases to amaze.

Based at Gununa on Mornington Island, one of the first things capturing my attention was the people, resilient as the land on which they live. Economic and environmental issues aside, there is spirit to succeed here that has not been outweighed by the inherent difficulties of remoteness and the annual cyclonic climate.

History, culture, arts, environment and living on country are a quintessential part of their lives while events that showcase are invaluable to residents and visitors alike. As a council, we are constantly seeking to provide sustainable high quality service delivery for all the residents we serve.

The people of Mornington have an achievable vision to empower our community – our people. This is being supported through community engagement, consultation and commitment. Opportunities and the strong will to improve the lives of all people are at the forefront of driving a new direction for both council and the residents. A particular challenge for the council is to promote a unified agreement from all service providers to harmonise service delivery and reduce

duplicity of services to promote enterprise building through employment of local people in all areas of service delivery.

As the CEO, I am working in partnership with an energetic and enthusiastic council led by Mayor Bradley Wilson. We have a supportive staff body (48), predominately indigenous with recent changes to the organisational structure. This has provided the opportunity for staff to build their capacity and skills to improve standards of service delivery while achieving organisational and personal goals. These are exciting times with opportunities ahead at the council and major projects currently being undertaken and planned for are:

- Mornington Shire Council's road rehabilitation project for safer travel
- Upgrade and re-design of wharf complete with barge landing area to provide capacity for commercial fisheries, chandlery and fuel sales
- Removal of the old hospital site in Lardil Street to abate the risk to health from asbestos,
- Reinvigoration of commercial enterprises to provide services for community through more opportunities (apprenticeships and traineeships).

For now, thank you and I invite you to stay awhile; explore our website or 'Like' Mornington Shire Council on Facebook help us improve our services for you – the community.

Frank Mills

CEO Mornington Shire Council



MSC Region

This document is designed to capture progress of works under the Mornington Shire Council Annual Report, in accordance with the Queensland Local Government Act 2013 and legislative requirements. Mornington Shire incorporates twenty-two of the twenty-three islands of the Wellesley Group in the Gulf of Carpentaria. The Wellesley Islands are remnants of the mainland now submerged by the syncline that formed the Gulf of Carpentaria and are essentially flat platforms with little relief. There are substantial areas of intertidal flats and fringing reefs associated with most Islands.

Mornington Island is the largest island in the group covering an area of 700 square kilometres, is located 16°30' south and 139°30' east in the Gulf of Carpentaria, about 125kms north-west of Burketown, 200kms west of Karumba and 444kms from Mt Isa. The Shire has an area of 1,248.4 sq kms.

People regularly return to their traditional homelands in other parts of Mornington and outlying islands, including Bentinck and Forsyth Islands. The climate is dry tropical with a very marked summer rainfall maximum. The median annual rainfall is approximately 800mm while 10 percentile and 90 percentile annual totals are about 600mm and 1600mm respectively.

Gununa (a Lardil people word), which was founded in 1914, is the primary residence of the majority of the Shire's population. Public utilities in Gununa are well developed with reticulated power, water, sewerage and stormwater drainage. Town streets are bitumen-sealed. The aerodrome is of an all-weather standard and Skytrans services the Island from Mt Isa and Cairns Monday to Friday. Council operates the barge shed and works with Carpentaria Freight, which operates the barges service from Karumba.

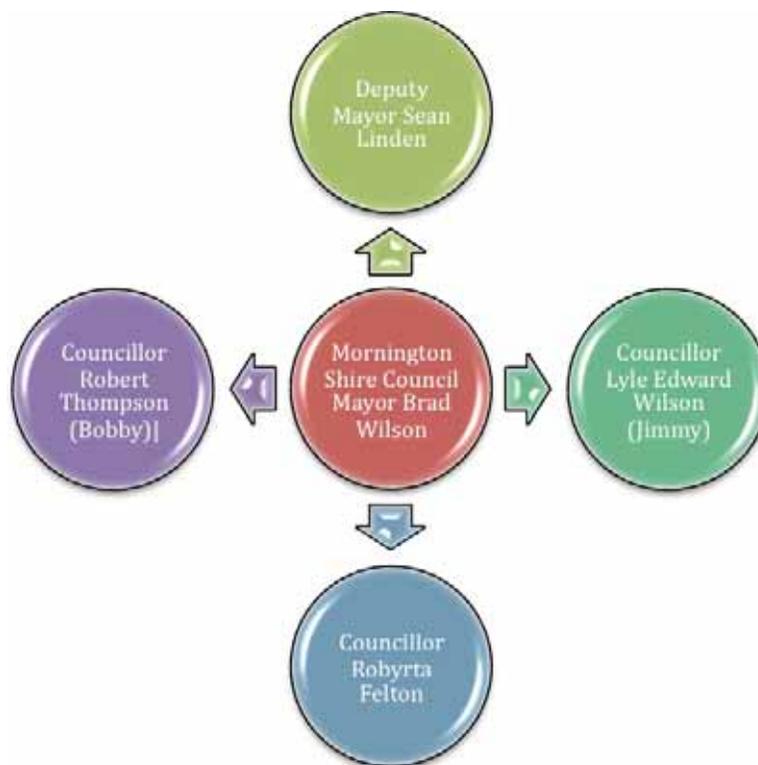
"Mornington Shire, a pristine island in the heart of the Gulf"

Our Councillors

The role of elected councillors, as part of the governing body of a council, is spelled out in section 59 of the Local Government Act. It is to:

- Take an active part in reviewing matters before their council and debating issues and in councils' decision making processes;
- Review councils' objectives and policies to ensure that they are appropriate for the local area; and to
- Review councils' resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery.

Councillors play a very important policy-making role, requiring the identification of community needs, setting objectives to meet those needs, establishing priorities between competing demands and allocating resources.



Our Executive Team

The Chief Executive Officer and all the Executive Team make up council's Executive Leadership Team. This team has the shared responsibility for providing the organisation with leadership and direction to achieve the outcomes determined by council.



Diagram 1 (top) Executive operations shown in two main areas, basic

Diagram 2 (below) Executive operations shown across multiple areas, complex



Vision

Mornington Shire Council is committed to community. We aim to move forward, towards opportunity, prosperity and sustainability.

To empower our Community - Our people

To feel solid and strong like the rock in Mundalbe

To taste and hear the breaking waves of change

To establish clean, safe, healthy lifestyles togetherness

Pride and respect for each other in our culture, achievements and successes.

To see and smell the compassion and peacefulness of our community

We aspire to be one Australia's most sustainable regions - culturally diverse, pristine, sustainable in every sense.

Mornington Shire Council aims to:

- focus on the future
- connect with our community
- be transparent and accountable
- develop and nurture partnerships
- provide a great place to live, work and play.



Governance

Mornington Shire Council aims for great governance. To make this achievable, our emerging priorities include:

- Ethical, accountable and transparent decision-making
- Effective business management
- Strong financial management
- Highly skilled, engaged and valued local workforce (currently at 89% indigenous staff)
- Advocacy and partnerships
- An informed and engaged community
- Excellence in customer service.

Council aspires to be recognised as a highly regarded and reputable organisation.

We have an obligation to show leadership and engage with the community, operate according to the law, ensure professional and ethical standards and plan services to meet the needs of current and future generations. Great governance will allow council to achieve these goals and build community trust and pride in our organisation.

Other highlights

Organisational review – an organisational review was undertaken with the aim of driving greater efficiencies in the organisation. The organisational review identified:

- Upcoming key strategic and operational challenges.
- Initiatives that will ensure council is able to deliver its strategic objectives in the current financial environment.
- A revised organisational structure with recommendations for achieving efficiencies and positioning the organisation to meet future challenges in line with its strategic focus.

Statutory Information

Councillor Remuneration

TOTAL REMUNERATION PAID TO EACH COUNCILLOR (INCLUDING SUPERANNUATION CONTRIBUTIONS)

(Section 186 (a) of the Local Government Regulation 2012)

Remuneration, for the Mayor, Deputy Mayor and Councillors is set by the independent Local Government Remuneration and Discipline Tribunal established under the Local Government Act. The remuneration is determined each year.

The remuneration for the Mayor, Deputy Mayor and Councillors for the year 2013/2014 are set out as follows:

Councillor	Allowance/Fees	Superannuation
Cr Bradley Wilson	\$93,133.19	\$11,176.09
Cr Sean Linden	\$53,730.87	\$ 6,447.46
Cr Robyrt Felton	\$46,566.66	\$ 0.00
Cr Robert Thompson	\$46,566.66	\$ 5,599.80
Cr Lyle Wilson	\$46,566.66	\$ 0.00

EXPENSES INCURRED AND FACILITIES PROVIDED TO EACH COUNCILLOR UNDER THE EXPENSE REIMBURSEMENT POLICY.

Section 186(b) of the Local Government Regulation 2012

Councillor	Expense
Cr Bradley Wilson	\$ 36,616.62
Cr Sean Linden	\$ 10,841,057
Cr Robyrt Felton	\$ 1,394.00
Cr Robert Thompson	\$ 4,254.00

COUNCIL MEETINGS

Council Meetings are conducted on the third Wednesday of each month and are chaired by the Mayor. The Meetings are open to the public except if Council decides to discuss particular matter/s in closed council.

NUMBER OF MEETINGS OF MORNINGTON SHIRE COUNCIL ATTENDED DURING 2013/2014 FINANCIAL YEAR

Section 186 (c) of the Local Government Regulation 2012

Councillor	No. of Meetings
Cr Bradley Wilson	10
Cr Sean Linden	9
Cr Robyrta Felton	6
Cr Robert Thompson	10
Cr Lyle Wilson	10

CODE OF CONDUCT FOR COUNCILLORS

It is important the Community has confidence in its Council and Councillors. The Local Government Act 2009 sets out specific rules Councillors must follow to ensure transparency and accountability, particularly in relation to receiving gifts and conflicts of interest.

Mornington Shire Council utilises the Councillor Code of Conduct in accordance with the procedures set down in the Act and Regulations. The Code provides Councillors with a frame of reference about their roles, obligations and acceptable behavioural standards.

There are a number of requirements contained within Section 186 and 187 of the *Local Government Regulation 2012*, that are required to be reported within the Annual Report

regarding complaints made about Councillors. During the 2013/2014 financial year there were no complaints received against any of the Councillors.

Breaches against the Code of Conduct

Total number of staff code of conduct breaches	Nil
Information on Councillors breaching the code of conduct	Nil
Number of complaints about code of conduct breaches by Councillors	Nil
Number of recommendations from conduct review panel	Nil
Number of complaints resolved	Nil
Number of complaints to Ombudsman	Nil

EMPLOYEE CODE OF CONDUCT

The Employee Code of Conduct assists Council in maintaining public trust and confidence in the integrity and professionalism of its employees by ensuring all employees maintain and enhance Council's reputation.

Employees are required to display the personal and professional behaviours that could be reasonably expected from persons holding positions that serve the community.

More specifically, it requires employees to perform professional duties with care, skill, fairness and diligence. Employees are required to engage in ethical conduct, treat all others with courtesy, respect and with due regard to the right of others.

The Code of Conduct is taken into account in the development and preparation of Council's Policies and guidelines. All new employees are provided with training regarding their obligations under the Code of Conduct. Any alleged breaches of the code are investigated in accordance with Council's procedural guidelines.

Expressions of Interest in Accordance with S 228(6) of the *Local Government Regulation 2012*

Council had no occasion to call for Expressions of Interest in accordance with Section 228(6) of the Regulation during the financial year.

Changes to Tenders in accordance with S228(7) of the *Local Government Regulation 2012*.

Council had no occasion to invite tenderers to change their submissions in accordance with S 228(7) of the Regulation during the financial year.

OVERSEAS TRAVEL (S188 LOCAL GOVERNMENT REGULATION 2012)

No overseas travel was undertaken by Councillors or employees of the Council during 2013/2014.

REGISTERS OPEN TO THE PUBLIC (S190 (1) (f) LGR 2012

Register of Members Interests

Register of Fees and Charges

Register of Delegations by Council to Chief Executive Officer

Register of Sub-Delegations from CEO to Council Officers

Register of Policies

GRANTS TO COMMUNITY ORGANISATIONS S189 LGR 2012

Description	Amount
Special Events	\$1,500.00

Service, Facility or Activity supplied by another Local Government and for which Special Rates/Charges are levied S190 (1)(d) LGR

During the year the Council did not take any action in relation to, or expend funds on, a service, facility or activity:

1. Supplied by another Local Government under an agreement for conducting a joint government activity; and
2. For which the Local Government levied special rates and charges for the financial year.

Threshold for treating non-current assets as an expense S185 LGR

There were no resolutions made during the year under section 206(2) of the *Local Government Regulation 2012* (setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense).

Council has previously determined that the threshold for capitalisation of asset classes other than land and infrastructure is \$5000 with infrastructure being \$10,000. These details form part of Note 1 to the Financial Statements.

Community Financial Report

About Council's End of Year Financial Statements

What you will find in the Financial Statements

The Audited Financial Statements of Council set out the financial performance, financial position, cash flows and the net wealth of Council for the financial year ended 30 June 2014.

About the Management Certificate

The Financial Statements must be certified by both the Mayor and the Chief Executive Officer as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for & ownership of the Financial Statements by management & elected representatives.

About the Primary Financial Statements

The Financial Statements incorporate 4 "primary" financial statements & accompanying notes that provide greater detail on the line numbers within the "primary" financial statements:

1. A Statement of Comprehensive Income

A summary of Council's financial performance for the year, listing both (i) regular income and expenses & other comprehensive income which records items such as changes in the fair values of Council's assets & investments.

2. A Balance Sheet

A 30 June snapshot of Council's Financial Position including its Assets & Liabilities.

3. A Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

4. A Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

About the Auditor's Reports

Council's Financial Statements are required to be audited by the Queensland Audit Office. The audit of many Queensland Councils is contracted to Audit firms that specialise in Local Government. The Auditor provides an audit report which gives an opinion on whether the Financial Statements present fairly the Council's financial performance & position.

A complete version of Council's Financial Statements for the 12 months to 30 June 2014 can be found at our website: www.mornington.qld.gov.au or at Council's administrative offices at: Gununa QLD 4892.

An Overview of this year's Financial Result & Financial Position

Council's Statement of Comprehensive Income (Profit & Loss) for 2013-2014

Council's headline "profit/loss" result for the 2013-2014 year was a \$5,997,000 surplus.

Council's Operating Result

	Actual	Budget	Actual
\$ '000	2014	2014	2013
Expenditure	11,110	8,661	13,180
Revenues (excl. income for capital purposes)	10,855	6,618	10,460
Net Result before Capital Grants & Contributions	- 255	- 2,043	- 2,720
Capital Grants & Contributions	6,252	227	2,896
Net Operating Result	- 1,816		

5,997	176
-------	-----

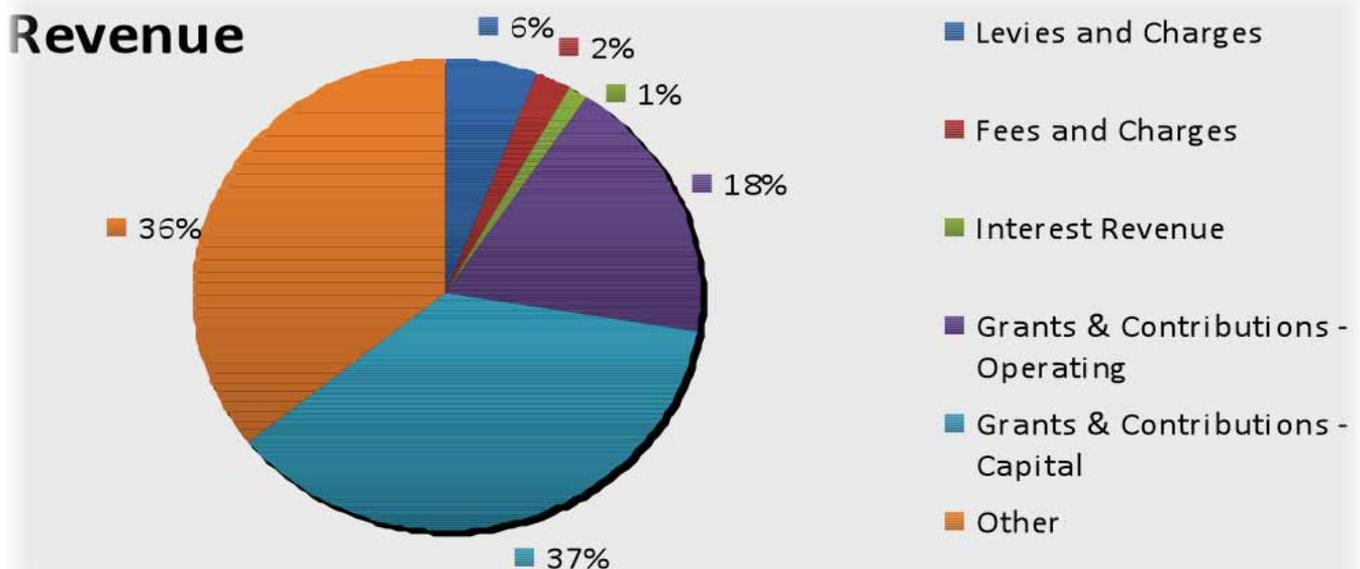
This compares to a budgeted "loss" of (\$1,816,000) - meaning Council came in better than was budgeted. The main reasons relating to this difference between the actual result & the budgeted performance was:

- Receipt of In-kind contribution – water infrastructure upgrade of \$5.8m (unbudgeted)
- Unbudgeted gain on revaluation of leased assets

Overall Council & Management believe the financial result for 2013-2014 to be satisfactory.

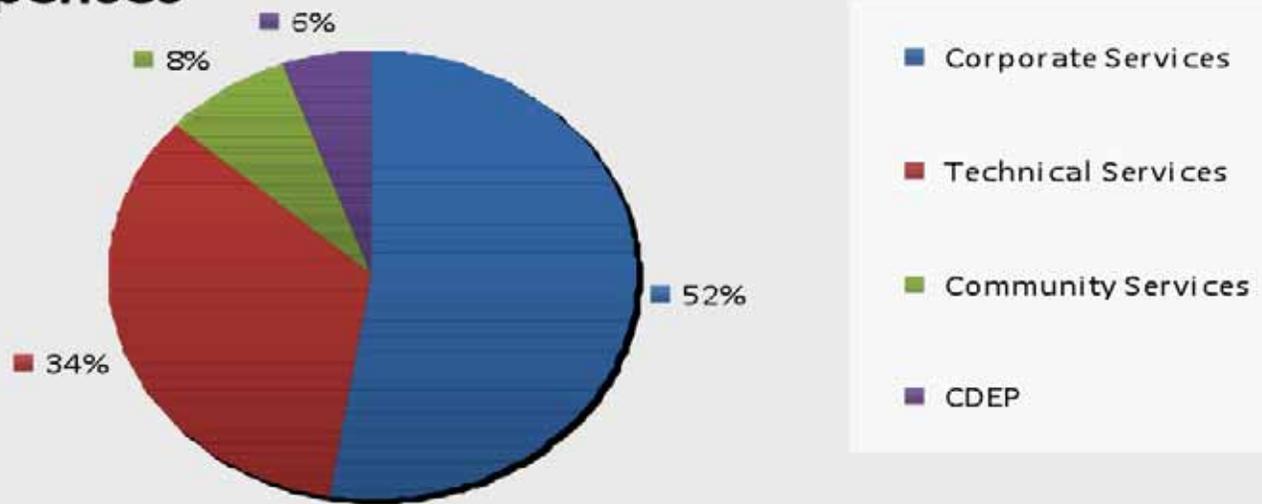
Council's Revenue Sources for the 2013-2014 year

The charts below summarises where Council's revenue and expense came from:



Council's total expenditure's (operating & capital) covered the following functions:

Expenses



Councils Statement of Financial Position (Balance Sheet) for 2013-2014

Council's Net Wealth

The Balance Sheet "bottom line" discloses the Net Community Equity of Council, which represents its wealth as measured by a dollar value of its asset less liabilities.

Council's Wealth

	Actual 2014	Actual 2013
\$ '000		
The major items that make up Council's wealth include the following assets:		
Available Cash & Investments	6,815	9,020
Cash & Investments "reserved" for future funding purposes	724	3,242
Debtors	774	378

Infrastructure, Property, Plant & Equipment	97,646	55,914
- Buildings	19,419	17,759
- Other plant and equipment	1,517	1,626
- Road, drainage and bridge network	37,175	19,527
- Water	23,510	5,940
- Sewerage	5,848	4,647
- Other infrastructure assets	9,350	5,705
- Work in progress	827	710

Council has funded some of its operations and assets by the following liabilities:

Loans & Borrowings	-	-
Finance Leasing	-	-

Council's Key Financial Figures - A Snapshot

A summary of some key financial figures over the past 5 years lets you see some overall trends.

Key Financial Figures over the past 5 years

Financial Performance Figures

(\$'000)

	2014	2013	2012	2011	2010
--	------	------	------	------	------

Inflows:

Levies & Charges	986	876	688	587	463
Fees & Charges	414	398	327	364	667
Rental Income	391	202	460	1,206	348
Interest Received	230	314	409	366	168
Sales Revenue	868	1,213	1,696	1,413	1,285
Grants, Subsidies, Contributions & Donations					
- Operating & Capital	9,339	6,834	9,723	10,512	8,121
Total Income from Continuing Operations	12,228	9,837	13,303	14,448	11,052
Sale Proceeds from PP&E	-	-	-	-	-
New Loan Borrowings & Advances	-	-	-	-	-
Outflows:					
Employee Benefits	2,947	3,613	3,701	3,403	4,459
Materials & Services	4,238	4,746	7,114	4,533	4,702
Finance Costs	10	12	12	13	13
Total Expenses from Continuing Operations	7,195	8,371	10,827	7,949	9,174

Total Cash purchases of PP&E	7,423	5,348	5,086	1,171	548
Total Loan Repayments (incl. Finance Leases)	-	-	-	-	-
Operating Surplus/(Deficit) (excl. Capital Income & Exps)	5,033	1,466	2,476	6,499	1,878
Financial Position Figures (\$'000)	2014	2013	2012	2011	2010
Current Assets	8,719	10,477	13,264	12,664	8,146
Current Liabilities	660	936	1,756	1,053	1,290
Net Current Assets	8,059	9,541	11,508	11,611	6,856
Cash & Cash Equivalents	6,815	9,020	11,619	10,837	7,338
Total Borrowings Outstanding (excl. any overdraft)	-	-	-	-	-
(Loans, Advances & Finance Leases)					
Total Value of PP&E (excl. Land & Improvements)	155,652	104,133	75,553	73,037	167,432
Total Accumulated Depreciation	58,005	48,219	34,756	34,203	75,535
Indicative Remaining Useful Life (as a % of GBV)	63%	54%	54%	53%	55%

Source: Published audited financial statements of Council (current year & prior years annual financial statements)

Financial Sustainability Measures

The Financial Sustainability of Councils is now a cornerstone of the Local Government Act and a core responsibility of individual Councils across Queensland.

Financial Sustainability is defined as when a *"Local Government is able to maintain its financial capital and infrastructure capital over the long term"* [source: Local Government Act 2009 section 102(2)].

The Financial Sustainability indicators (in accordance with the Local Government Regulation 2012) that Council must publish are as follows:

Operating Surplus Ratio

Net Result divided by Total Operating Revenue

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

Net Financial Liabilities Ratio

Total Liabilities less Current Assets divided by Total Operating Revenue

This is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues.

Asset Sustainability Ratio

Capital Expenditure on the Replacement of Assets (Renewals) divided by Depreciation Expense

This is an approximation of the extent to which the infrastructure assets managed by the local government are being replaced as these reach the end of their useful lives.

Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period.

Capital expenditure on renewals (replacing assets that the local government already has) is an indicator of the extent to which the infrastructure assets are being replaced.

This ratio indicates whether a local government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.

Financial Statements

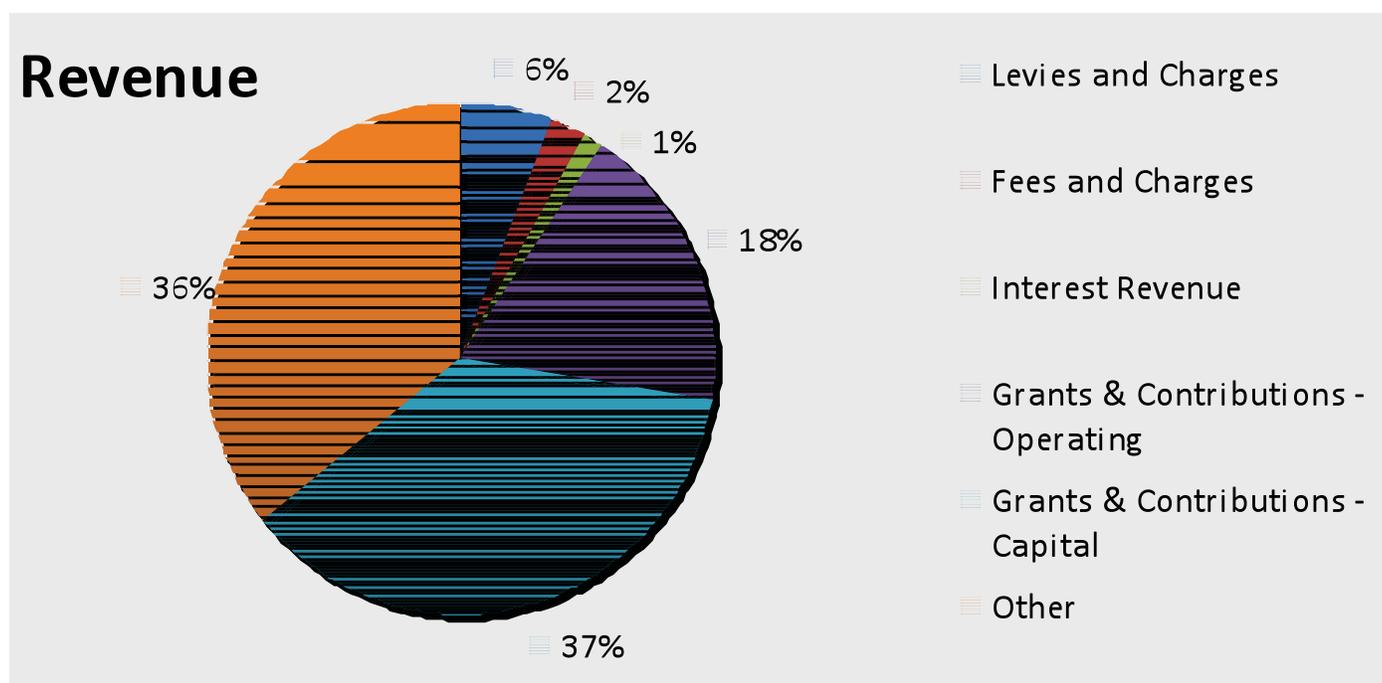
The Financial Statements and accompanying notes contain an extensive range of information about Council's operating performance and financial position. These are prepared to meet financial reporting and disclosure requirements as prescribed by accounting requirements and legislation. The purpose of the Community Financial Report (CFR) is to reduce the complexity of these documents so as to present the same information in a format that is less technical, more "reader friendly" and able to be better understood by the general community. The summarised information and explanatory comments contained in this CFR are intended to meet this purpose.

Statement of Comprehensive Income (Income and Expenses)

This Statement shows how much revenue (income) has been earned during the year and how much it cost (expenses) to provide high quality services and facilities to our community.

\$ '000	Actual 2014	% of sub-total
Income		
Levies and Charges	986	6%
Fees and Charges	414	2%

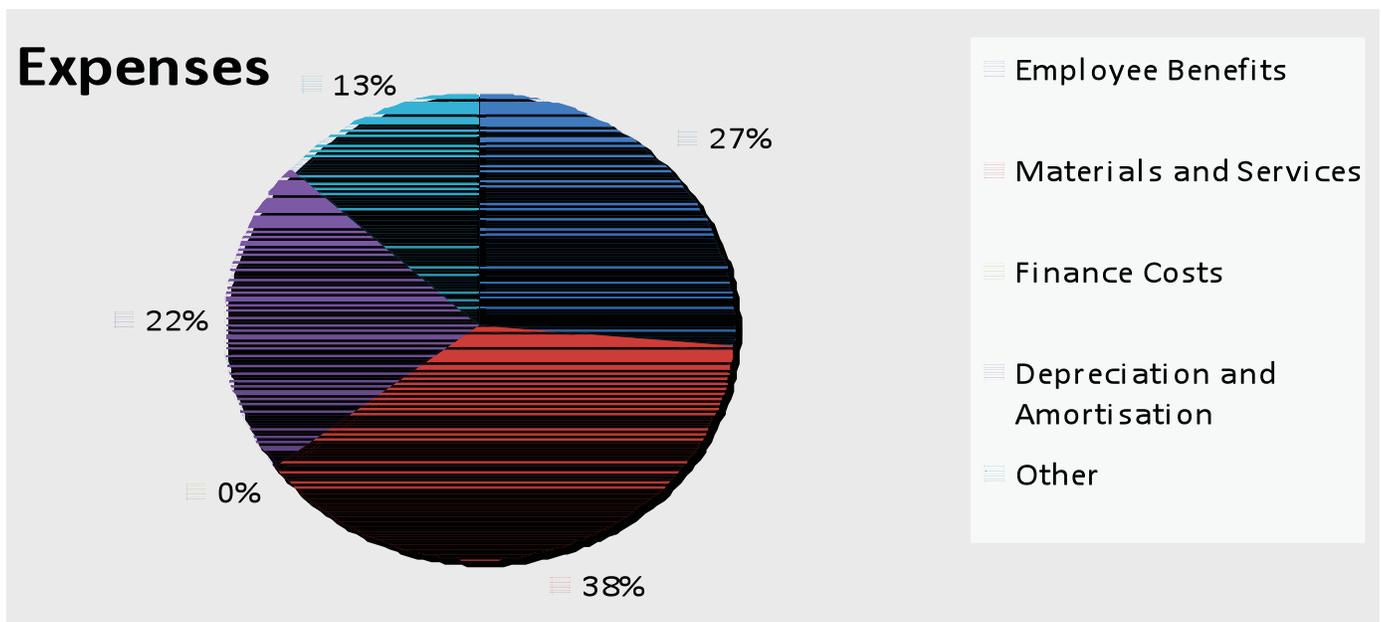
Interest Revenue	230	1%
Grants & Contributions - Operating	3,087	18%
Grants & Contributions - Capital	6,252	37%
Other	6,138	36%
<hr/>		
Total Income	17,107	100%



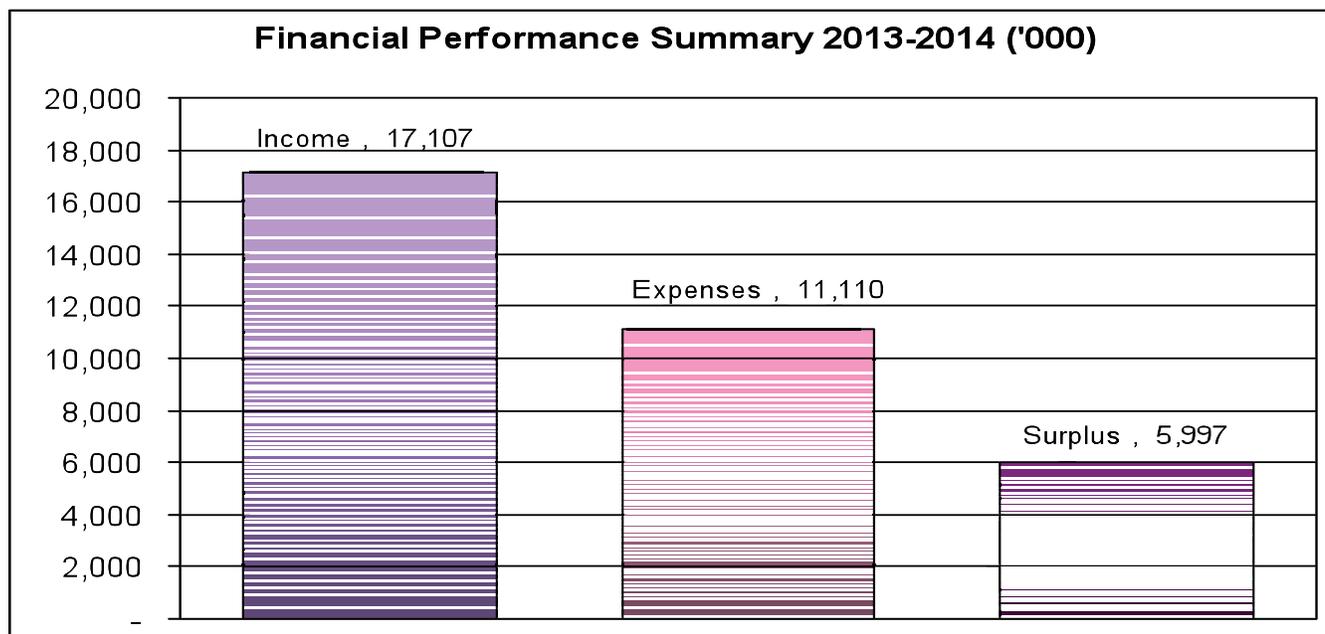
Expenses

Employee Benefits	2,947	27%
Materials and Services		38%

	4,238	
Finance Costs	10	0%
Depreciation and Amortisation	2,429	22%
Other	1,486	13%
<hr/>		
Total Expenses	11,110	100%

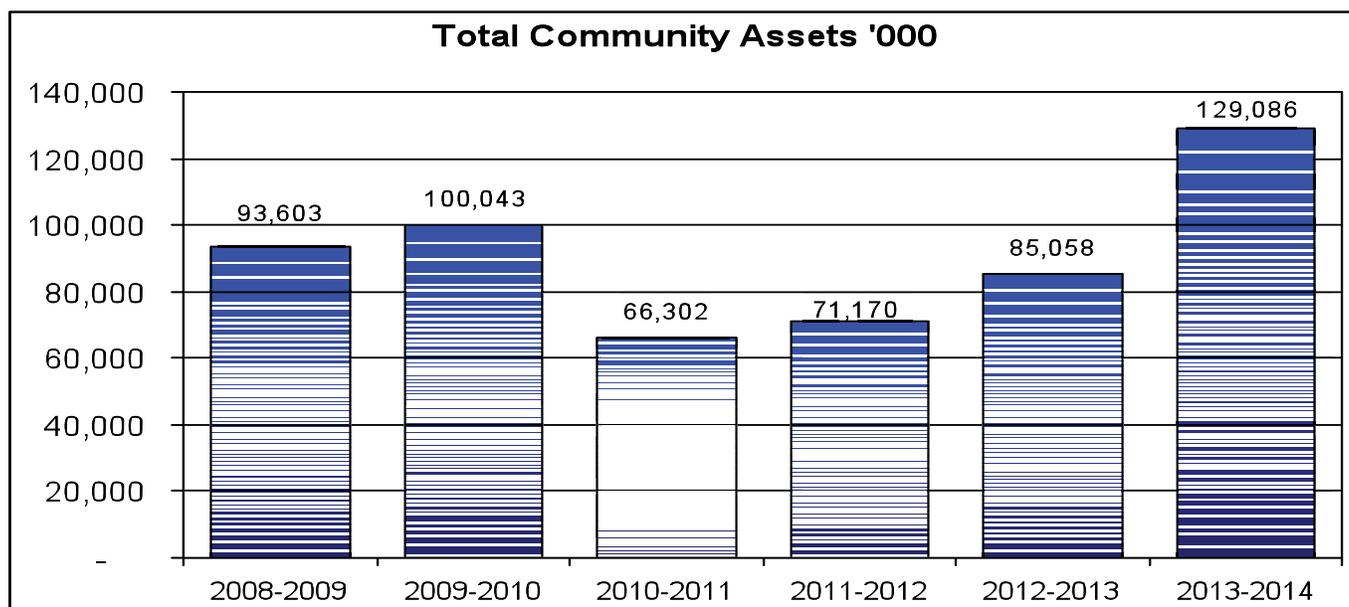


The difference of the income and the expenses represents the surplus (deficit). For 2013-2014 the surplus was \$5,996,786. This is represented in the Financial Performance Summary below. The amounts are shown in \$000



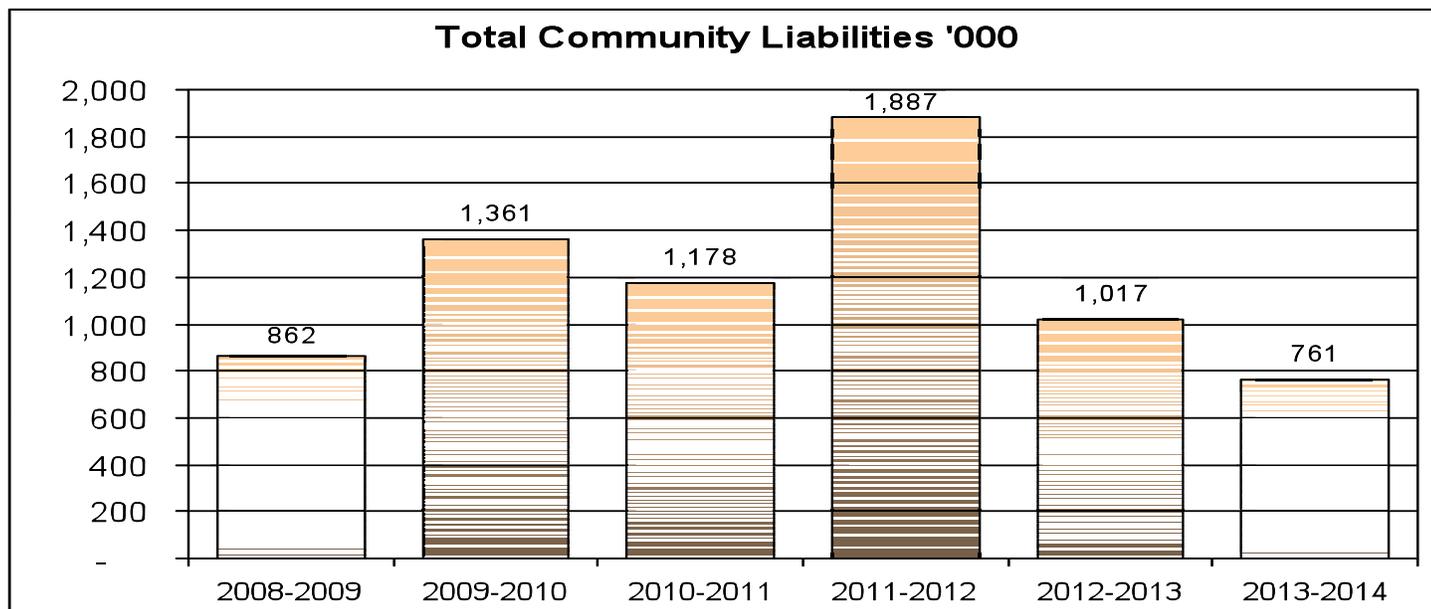
Statement of Financial Position

This is a snap shot of our financial position as at 30 June 2014. It shows a summary of our assets and liabilities at the end of the financial year. The difference between our assets and liabilities is called Community Equity (Net Assets) and is a measure of the wealth of the Community.

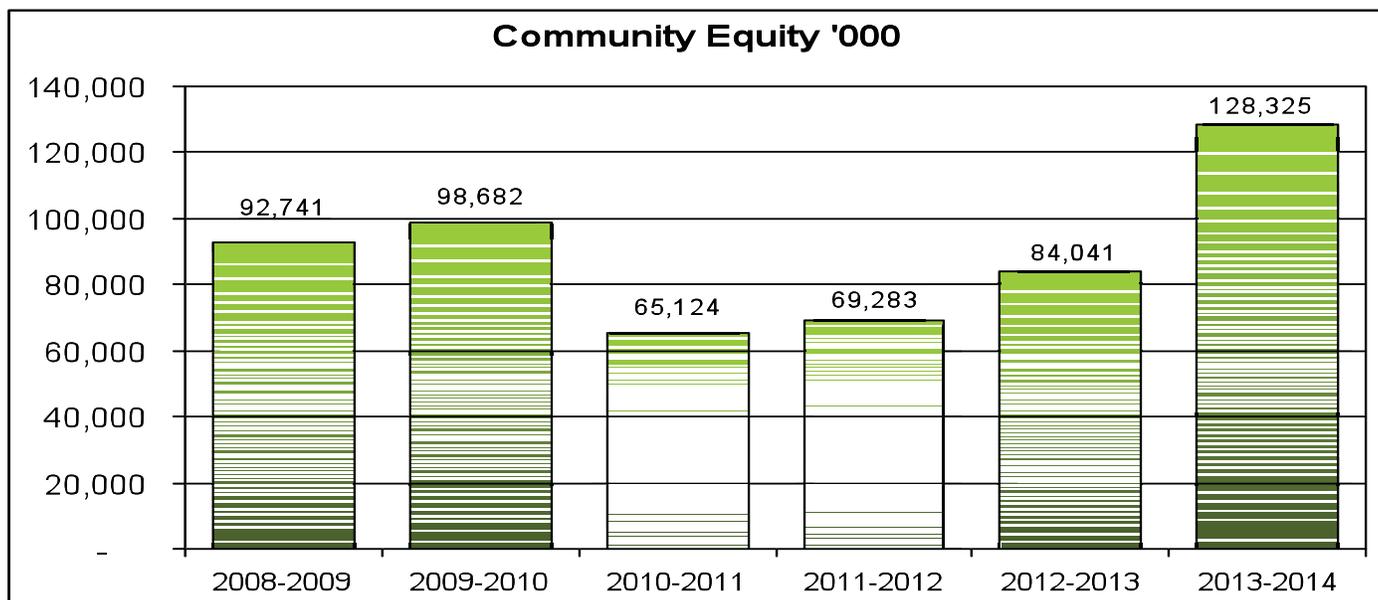




Total Community Assets are shown in \$000. Community Assets are mainly physical assets and include cash, trade and other receivables, inventories, other financial assets, property, plant and equipment.



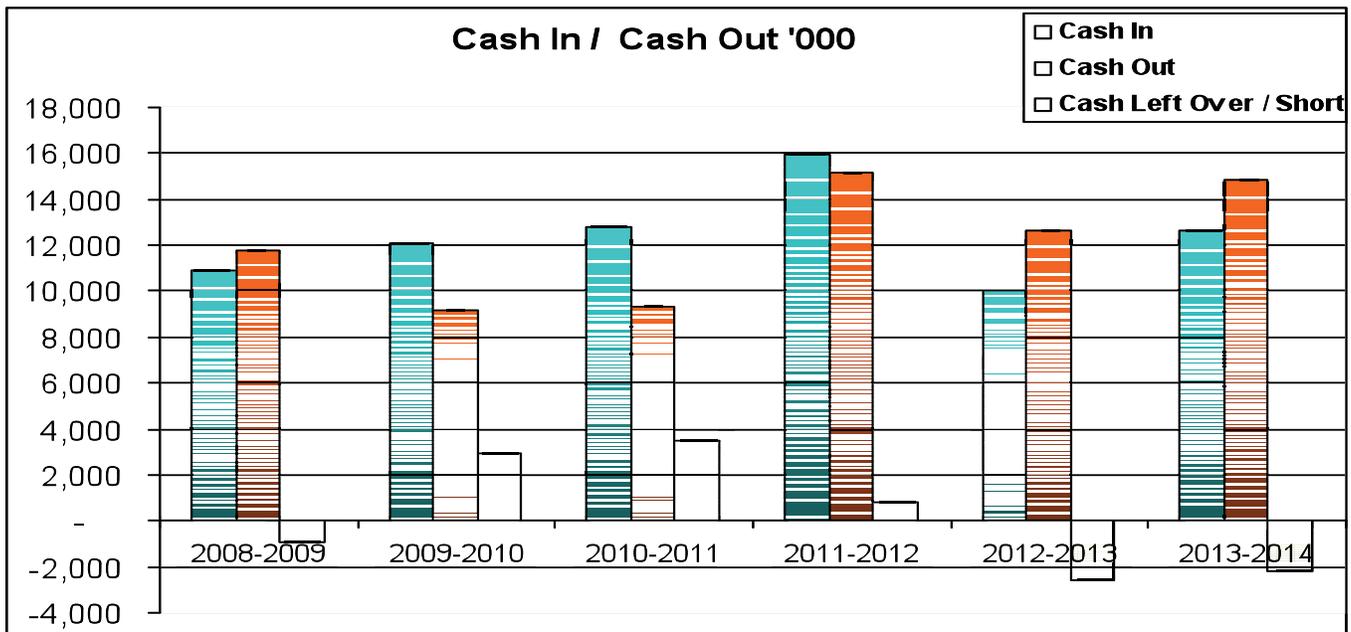
Total Community Liabilities are shown in \$000. Community Liabilities are mainly monies owed to suppliers and provisions to meet employee entitlements such as long service leave and annual leave.



Community Equity (Community wealth) is the difference between what we own (assets) and what we owe (our liabilities).

Statement of Cash Flows

This Statement explains where the money comes from (cash in) and how the money has been spent (cash out). It also shows the amount of money we have left over each year.



Relevant Measures of Financial Sustainability

The detailed measures can be found below.

Financial Sustainability

\$ '000	Indicator	Target	Prior Periods	
	2014	2014	2013	2012

Performance Indicators

1. Operating Surplus Ratio

Net Result	5,997	97.80%	0 - 10%	2.14%	35.75%
Total Operating Revenue ⁽¹⁾	6,132				

An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.

2. Net Financial Liabilities Ratio

Total Liabilities less Current Assets	(7,958)	-129.78%	less than 60%	-114.81%	-97.79%
Total Operating Revenue ⁽¹⁾	6,132				

An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

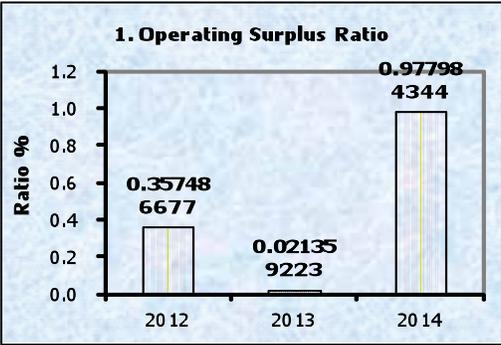
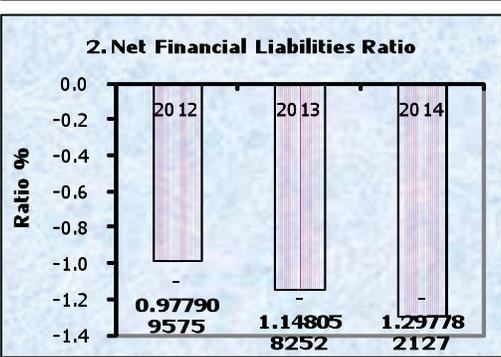
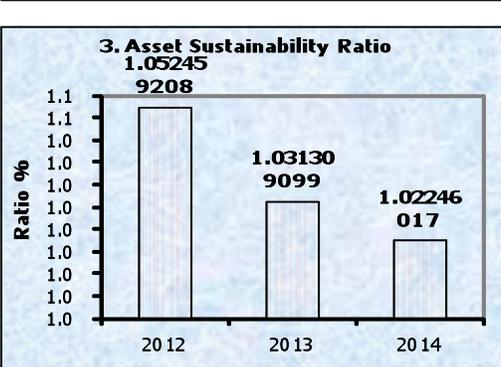
3. Asset Sustainability Ratio

Asset Renewals - Infrastructure Assets ⁽³⁾	(110,576)	102.25%	more than 90%	103.13%	105.25%
Depreciation Expense - Infrastructure Assets	(108,147)				

An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.

Financial Sustainability

Performance Indicators - Graphs

<p>1. Operating Surplus Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>0.35748</td> <td>6677</td> </tr> <tr> <td>2013</td> <td>0.02135</td> <td>9223</td> </tr> <tr> <td>2014</td> <td>0.97798</td> <td>4344</td> </tr> </tbody> </table>	Year	Ratio %	Value	2012	0.35748	6677	2013	0.02135	9223	2014	0.97798	4344	<p>Purpose of 1. Operating Surplus Ratio</p> <p>An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.</p>	<p>Commentary on Result</p> <p>2013/14 Ratio 97.80%</p> <p>Provide some commentary of the ratio here...</p>
Year	Ratio %	Value												
2012	0.35748	6677												
2013	0.02135	9223												
2014	0.97798	4344												
<p>2. Net Financial Liabilities Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>0.97790</td> <td>9575</td> </tr> <tr> <td>2013</td> <td>1.14805</td> <td>8252</td> </tr> <tr> <td>2014</td> <td>1.29778</td> <td>2127</td> </tr> </tbody> </table>	Year	Ratio %	Value	2012	0.97790	9575	2013	1.14805	8252	2014	1.29778	2127	<p>Purpose of 2. Net Financial Liabilities Ratio</p> <p>An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.</p>	<p>Commentary on Result</p> <p>2013/14 Ratio -129.78%</p> <p>Provide some commentary of the ratio here...</p>
Year	Ratio %	Value												
2012	0.97790	9575												
2013	1.14805	8252												
2014	1.29778	2127												
<p>3. Asset Sustainability Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>1.05245</td> <td>9208</td> </tr> <tr> <td>2013</td> <td>1.03130</td> <td>9099</td> </tr> <tr> <td>2014</td> <td>1.02246</td> <td>017</td> </tr> </tbody> </table>	Year	Ratio %	Value	2012	1.05245	9208	2013	1.03130	9099	2014	1.02246	017	<p>Purpose of 3. Asset Sustainability Ratio</p> <p>An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.</p>	<p>Commentary on Result</p> <p>2013/14 Ratio 102.25%</p> <p>Provide some commentary of the ratio here...</p>
Year	Ratio %	Value												
2012	1.05245	9208												
2013	1.03130	9099												
2014	1.02246	017												