

Shoalhaven City Council

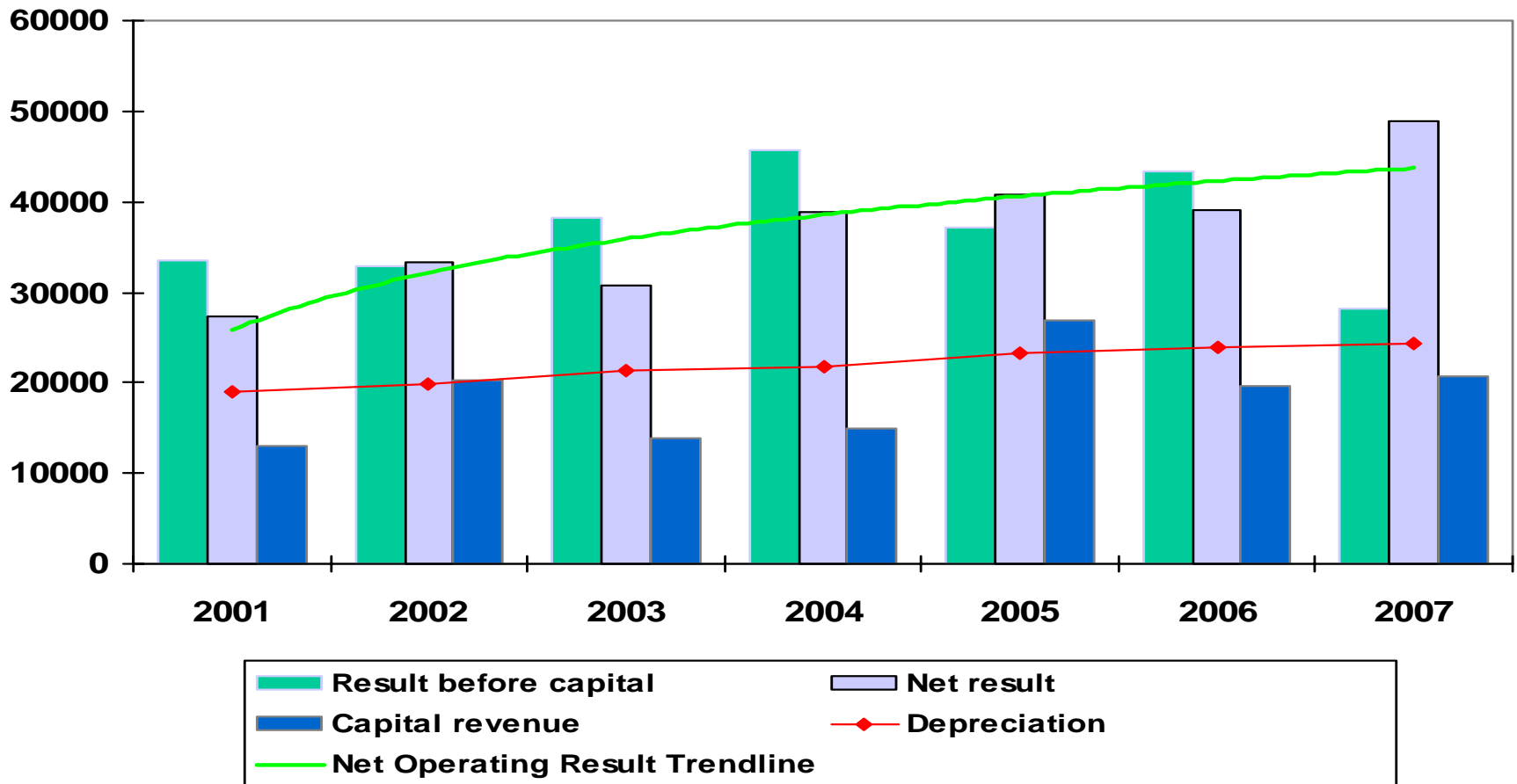


2007
Financial Report and Audit

2007 Operating Result

2006 \$'000		2007 \$'000	Budget \$'000
43,242	Surplus before capital and depreciation	52,539	26,880
19,727	Capital Revenue	20,753	30,257
62,969	Surplus before depreciation	73,292	57,137
23,880	Depreciation	24,413	23,724
39,089	Surplus (Deficit) for year	48,879	33,413

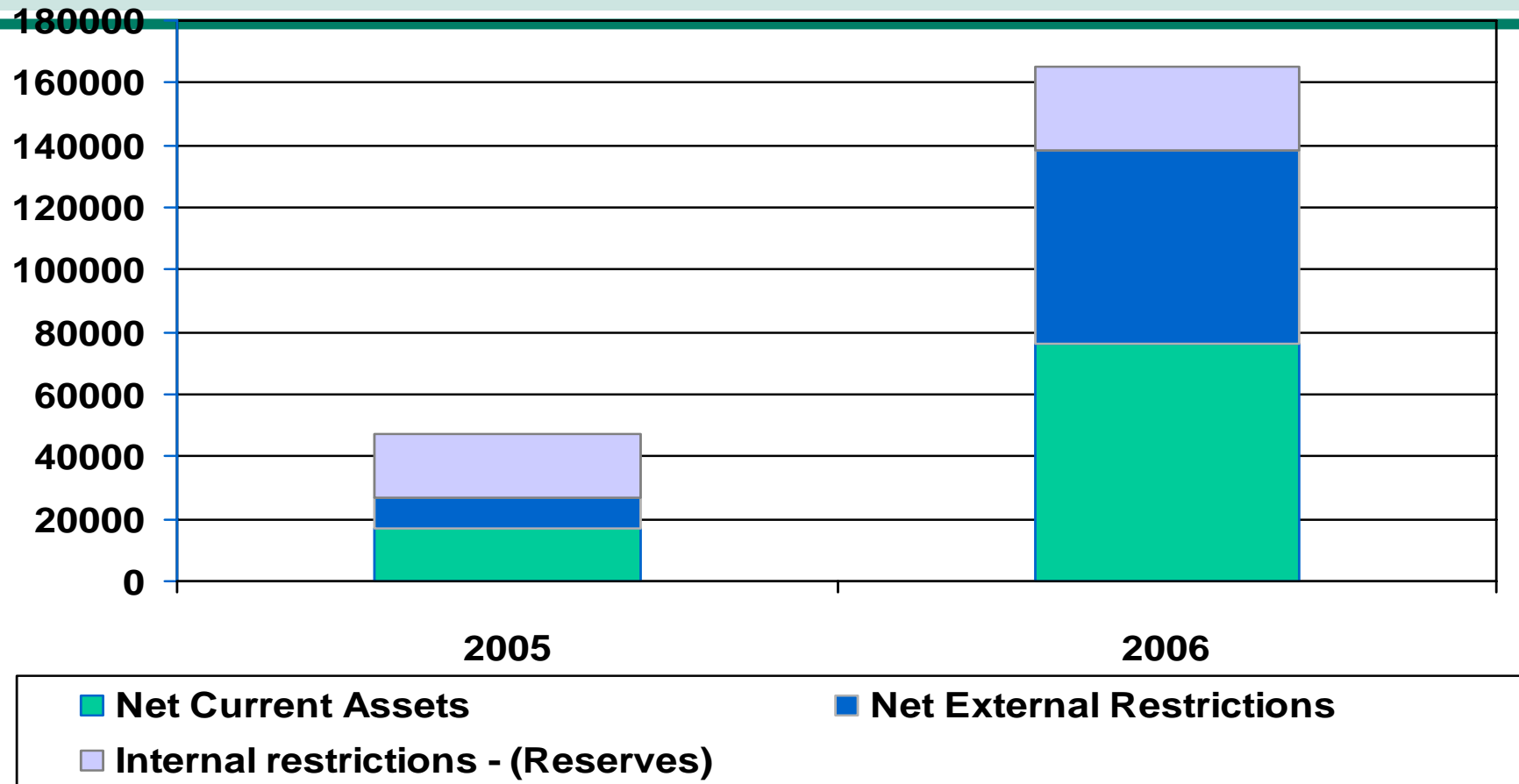
Performance Trends



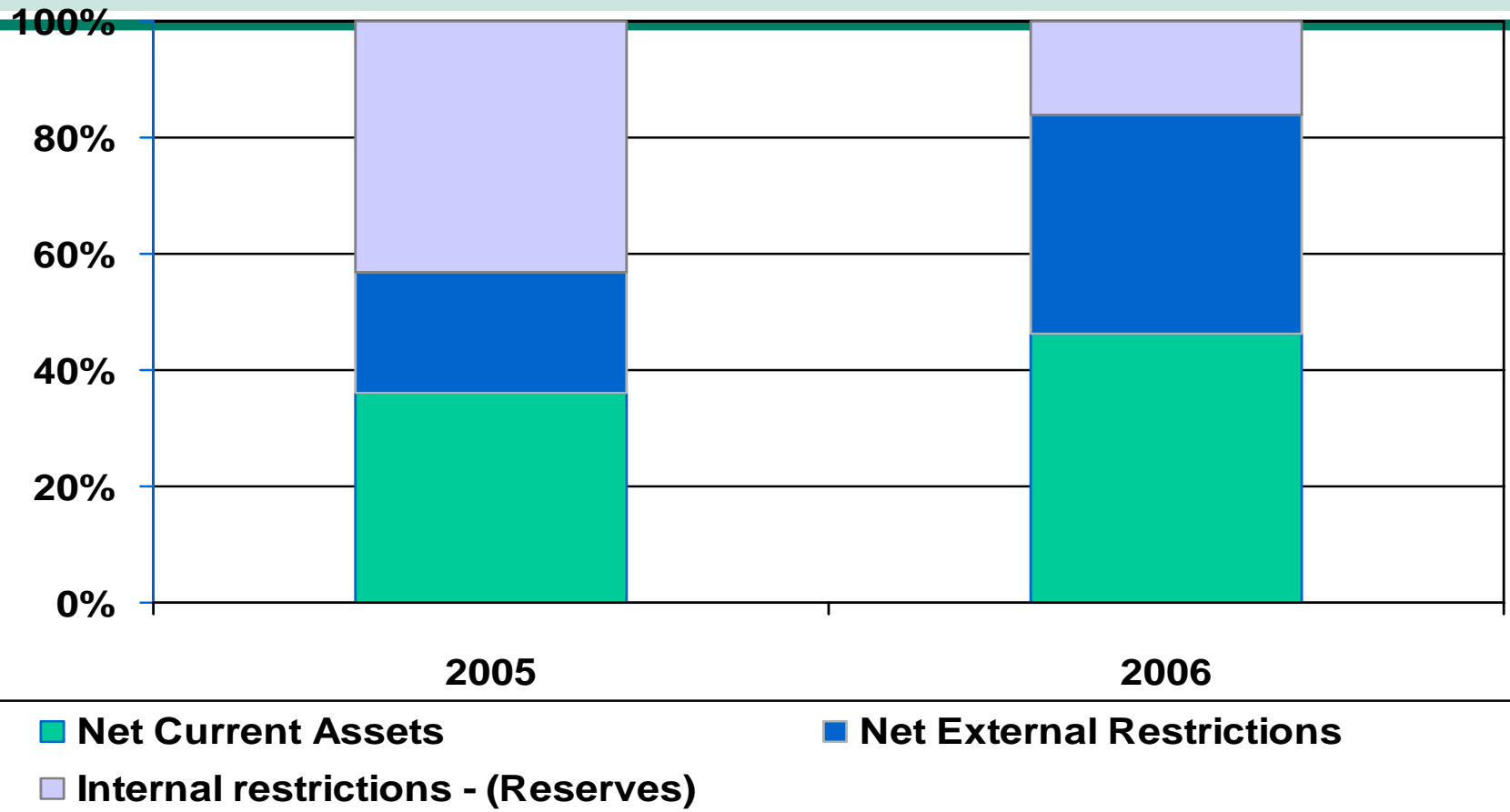
Financial Position

	2007 \$'000	2006 \$'000	2005 \$'000	2004 \$'000	2003 \$'000
Current Assets	138,648	127,233	55,322	49,038	55,805
Current Liabilities	49,089	51,075	26,797	35,922	33,444
Working Capital	89,559	76,158	28,525	13,116	22,361
Non-Current Assets	1,456,744	1,148,616	1,169,190	1,141,839	1,094,620
Non-Current Liabilities	75,511	58,360	66,789	64,987	65,893
Equity	1,470,792	1,166,414	1,130,926	1,089,968	1,051,088

Working Capital



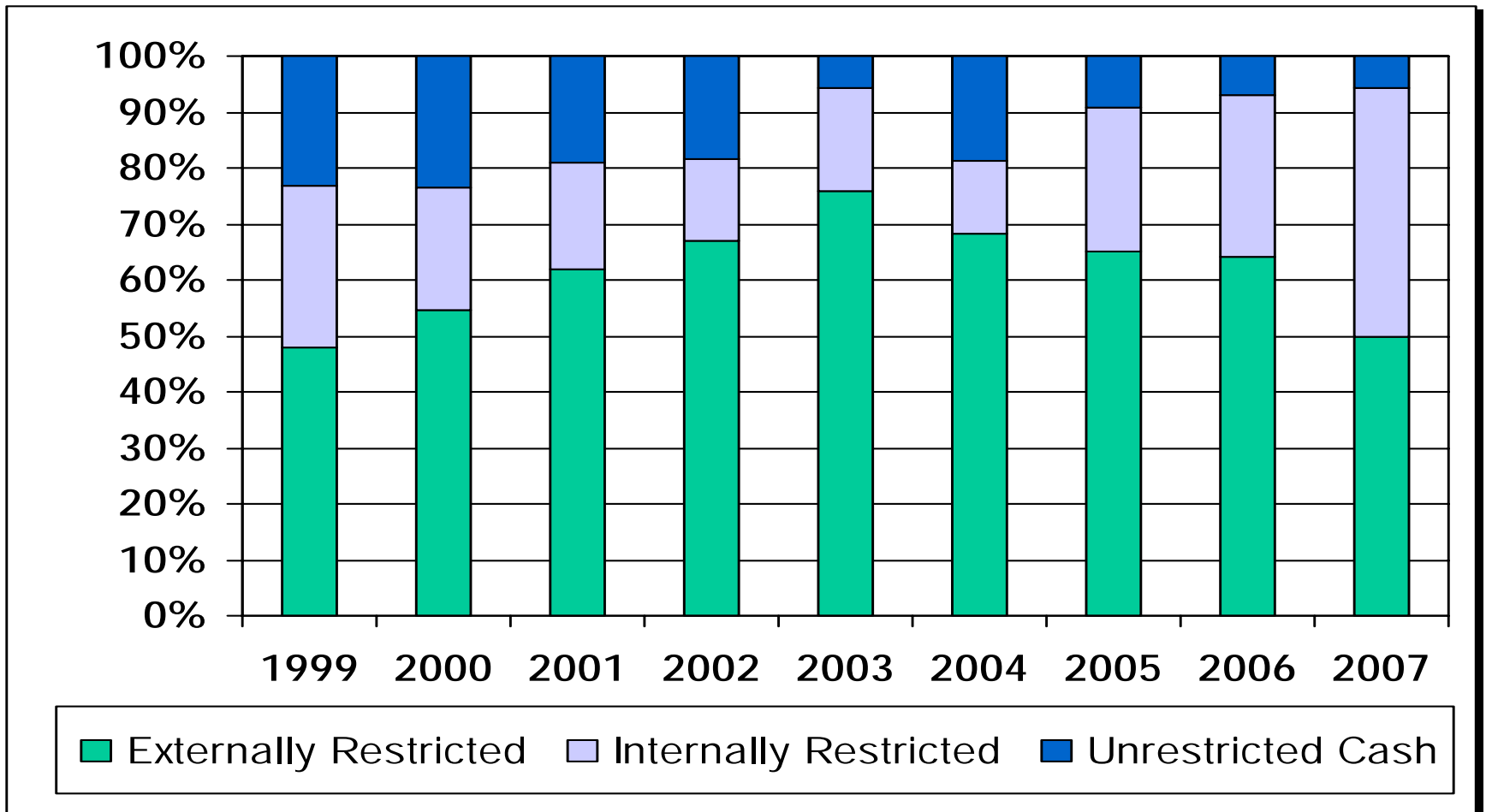
Working Capital - %



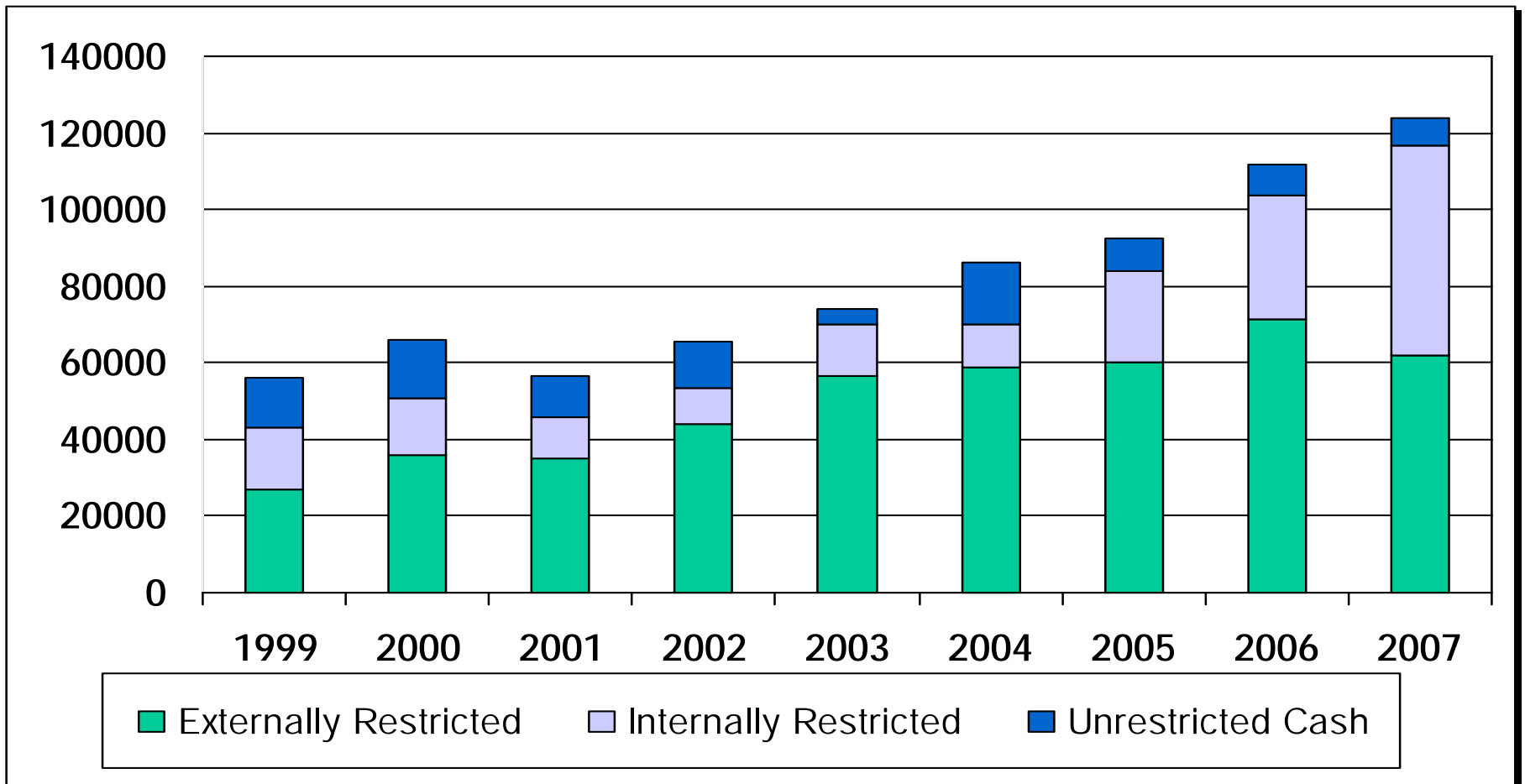
2007 Cash Summary

	2007 \$'000	2006 \$'000	2005 \$'000	2004 \$'000
“Cash” result from operations	49,835	53,576	47,620	58,145
Add: Proceeds from sale of assets	44,591	30,774	11,450	12,806
Add: Net proceeds from borrowings and advances	24,346	13,666	9,130	6,231
Less: Purchases of assets	170,628	79,029	61,235	55,330
Less: Repayments of debt	6,890	7,308	9,791	11,101
Net Funding Result from all activities	-58,746	11,679	-2,826	10,751

Cash Assets - % Components



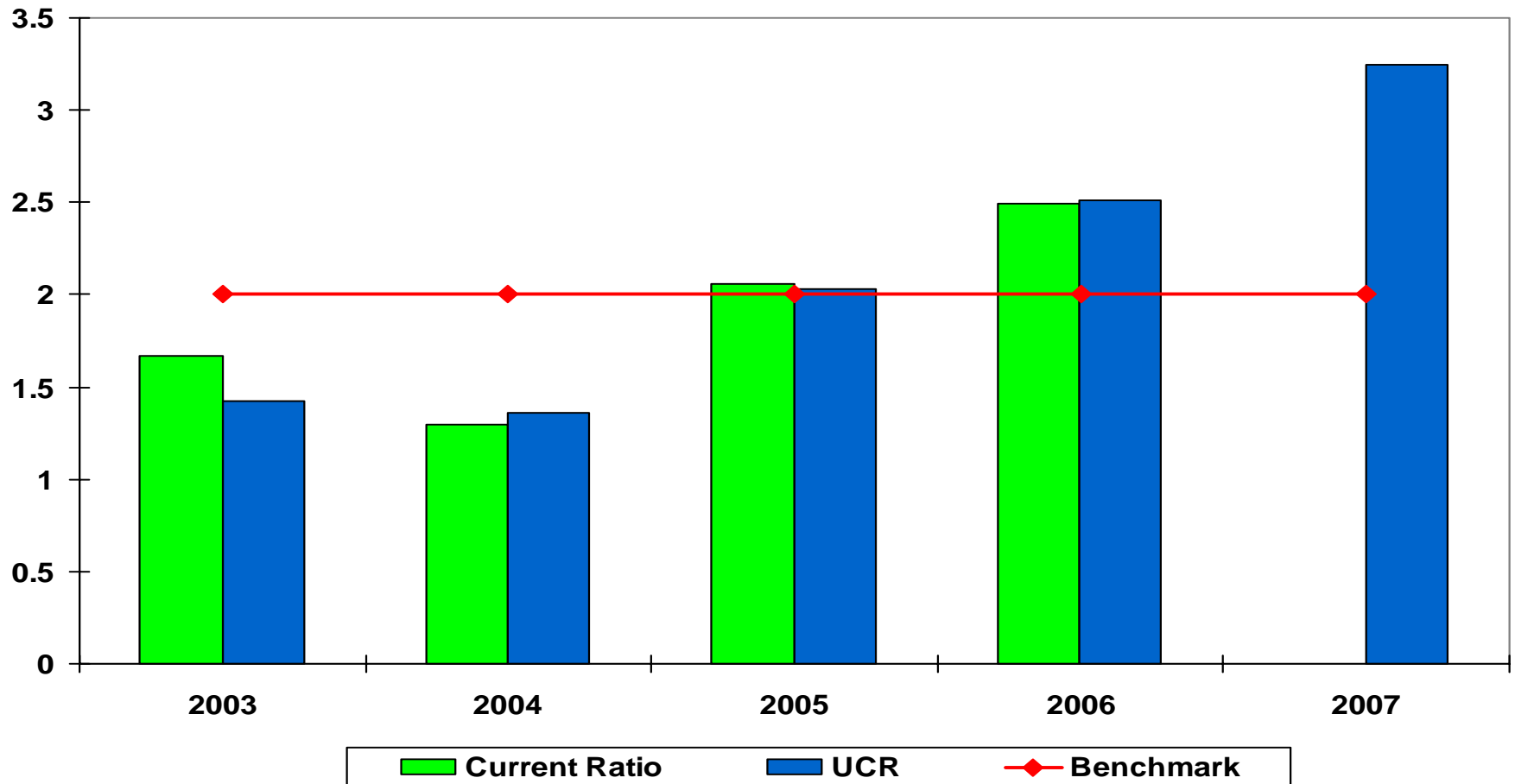
Cash Assets – \$ Components



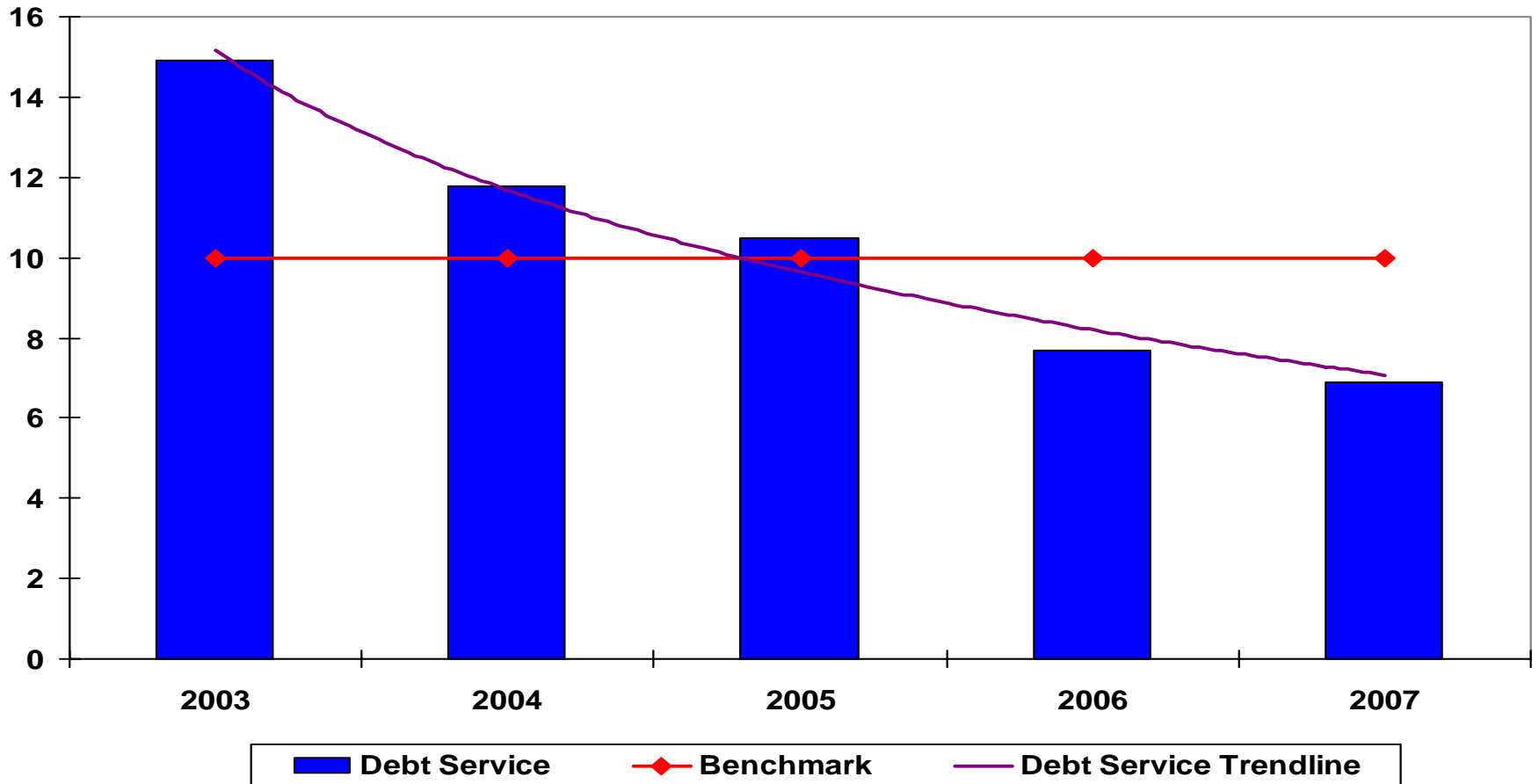
Financial Performance Indicators

	2007	2006	2005	2004
Unrestricted Current Ratio	3.25:1	2.51:1	2.03:1	1.36:1
Debt Service Ratio	7.06%	7.67%	10.5%	11.80%
Rate Cover Ratio	40.59%	43.13%	42.6%	46.0%
Rates O/S Percentage	7.08%	7.69%	7.3%	7.3%

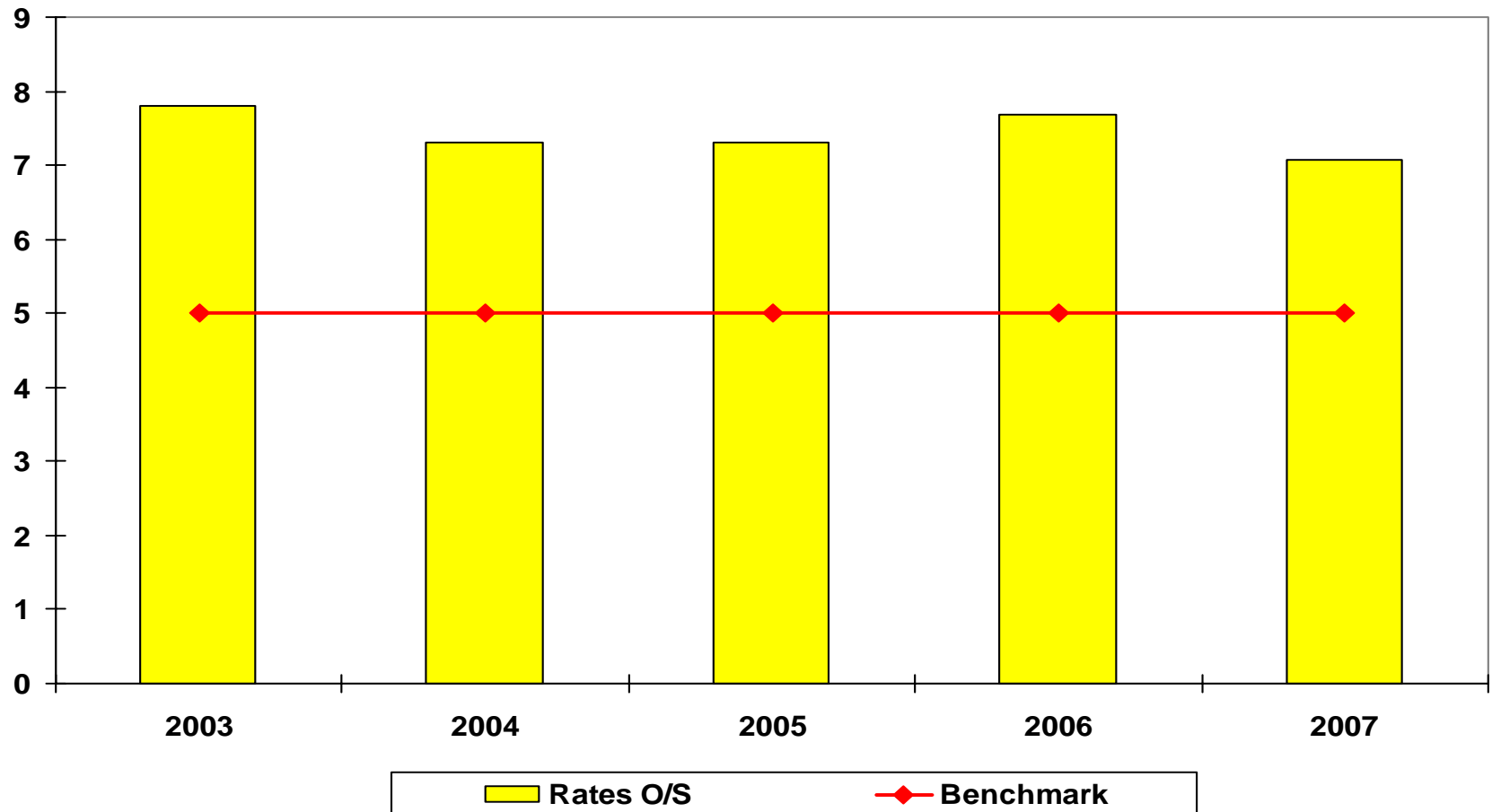
Liquidity Ratios



Debt Service Ratio



Unpaid Rates %



Conduct of the 2007 Audit

- Key audit risks and conclusions
 - Valuation of investments - particularly CDOs
 - Fair Value of water and sewer assets
- No other issues since balance date that require consideration in the financial report
- Accounting policies have been consistently applied
- No AIFRS issues for 2007
- Council is in a sound financial position with demonstrated improvements in key ratios
- Unqualified audit reports on Council's GPFR and SPFR
- In general, records and reports appear to be maintained and prepared in accordance with legislative requirements

Questions and Discussion

