



Quarterly Performance Report March 2015

BUSSELTON WATER



Financial Performance

Financial Results	As at March 2015				
	Full Year Forecast	Actual	Budget YTD	Variance	SCI Budget
Financial Results (\$m)					
Operating Profit Before Income Tax	2.7	2.2	0.3	1.9	1.9
Operating Profit After Income Tax	1.8	1.4	(0.1)	1.5	1.3
Capital Expenditure	4.0	1.8	1.8	-	3.3
Loan Principal Repaid	0.2	0.2	0.2	-	0.2
Net Accruals to Government (\$'000s)					
Indirect Tax (payroll tax)	125.22	82.73	98.48	(15.75)	131.35
Income Tax Equivalent (NTER)	883.42	761.50	359.85	401.65	643.97
Local Government Rate Equivalents	30.76	-	23.07	(23.07)	30.76
Dividends Provided	-	-	-	-	-
Total Accruals to Government	1,039.40	844.23	481.40	362.83	806.08
Less: Payments from Government (CSOs)	440.82	237.93	220.41	(17.53)	444.00
Net Accruals to Government	598.58	606.30	261.00	345.30	362.08

Comments

Operating Profit After Income Tax is favourable to budget due to higher than planned revenue from new connections and developer contributions. Water consumption revenue is also higher than anticipated due to growth and a drier climate.

Year-to-date expenditure is tracking 3% under budget due to savings in the salaries and on costs and other expenditure items are favourable to budget due to the timing of actual expenditure in comparison to budget phasing.

Year-to-date Net Accruals to Government are above budget and in line with full year forecast. Lower than planned payroll tax reflects savings in salaries and local government rate equivalents have not yet been paid. The income tax equivalent (NTER) is above budget after the third quarterly payment in March 2015. Busselton Water's tax liability is paid quarterly in direct proportion to gross income.

Financial Performance Measures (%)	As at March 2015		
	Full Year Forecast	Target	Variance
Return on Fixed Assets	2.71%	1.97%	0.74%
Return on Equity	2.83%	2.08%	0.75%
Debt to Equity Ratio	3.01%	3.03%	(0.02%)
Debt to Total Assets Ratio	2.42%	2.41%	0.01%

Comments

All financial performance measures are tracking well.

Business Targets and Information

Government Key Performance Indicators	As at March 2015			
	Full Year Forecast	At Quarter	Target	Status
Our Business				
Quantity of water produced within Licence allocation (volume GL)	5.1	4.11	<8.1	On Target
Real Water Loss (litres per service connection per day)	<115	112	<115	On Target
Operating cost per property \$ (% change from previous year)	<521.11	344.87	521.11	On Target
Energy Consumption (KWh per kL produced)	<0.70	0.60	<0.70	On Target
Number of zones where microbiological compliance is achieved	1/1	1/1	1/1	On Target

Comments

All results are on target.

Business Information

Business Information	As at March 2015			
	2015	2014	2013	2012
Water properties connected – Non-Residential	942	933	921	1,105
Water properties connected –Residential	11,529	11,405	10,920	10,613
Water supplied (GL)	4.11	3.89	3.54	3.33

Comments

The number of water properties connected (residential) has continued to increase in line with development in the area. Similarly, water supplied has also increased.

Busselton Water is required to comply with performance standards specified in the *Water Services Code of Conduct (Customer Service Standards) 2013*

The below table summarises our current performance:

Customer Service	As at March 2015			
	Actual Year to Date	Target	Variance	Notes
% Customer connections to existing mains within 10 business days	92.6%	90%	2.6	Ideal result
% Number of restored water services following restriction	100%	90%	n/a	Ideal result
Performance Reporting (without targets set)				
% of complaints resolved within 15 business days	97%	>90%	7%	On Target
% Number of restricted services per 1,000 residential properties	0.1%	n/a	n/a	Ideal result

Comments

All customer results are favourable.

