



# Quarterly Performance Report March 2019

**BUSSETON WATER**



# Our Key Performance Outcomes

Business Performance	As at March 2019		
	Actual Year to Date	Annual Target	Status
<b>Leadership</b>			
Residential water efficiency kL/pp/year (rolling year)	111	113	On Target
<b>Strategy and Planning</b>			
SDP/SCI submitted to Minister	Draft submitted to Minister 9 January 2019	30 April 2019	On Target
<b>Information and Knowledge</b>			
Deliver year 1 of the Information and Knowledge five year program	47.9%	>85%	On Target
<b>People</b>			
Number of reported hazard per month (rolling year average)	10.2	>10	On Target
<b>Customer and Other Stakeholders</b>			
Number of complaints/1000 customers (rolling year average)	2.78	<10	On Target
<b>Process Management, Improvement and Innovation</b>			
Drinking water quality compliance with health standards	100%	100%	On Target
<b>Results and Sustainable Performance</b>			
Operating profit after tax	\$0.64m	\$1.45m	On Target
<b>Growth</b>			
Number of new water services	157	150	On Target

## Comments

The operating profit after tax is normal for this time of year. Busselton Water is on budget after the second billing cycle in February 2019.

Overall, the business performance outcomes are positive at the March quarter.

# Our Financial Forecast

Financial Performance	As at March 2019				
	Full Year Forecast	Actual YTD	Budget YTD	Variance	SCI Budget
<b>Financial Results (\$m)</b>					
Operating profit before income tax	2.83	1.51	0.16	1.35	2.23
Operating profit after income tax	1.88	0.64	(0.31)	0.95	1.45
Loan principal repaid	0.28	0.21	0.21	0.00	0.28
Capital expenditure	5.79	3.49	4.15	0.66	3.72
<b>Net Accruals to Government (\$'000s)</b>					
Income tax equivalents (NTER)	944.02	870.78	466.62	404.16	779.08
Local Government rate equivalents	62.29	0.00	0.00	0.00	62.29
Dividends provided	1,539.98	1,539.98	1,130.00	409.99	1,130.00
Total accruals to Government	2,546.29	2,410.77	1,596.62	814.15	1,971.37
Less: Payments from Government (Operating subsidies)	674.00	293.94	348.00	(54.06)	696.00
<b>NET ACCRUALS TO GOVERNMENT</b>	<b>1,872.30</b>	<b>2,116.83</b>	<b>1,248.62</b>	<b>868.21</b>	<b>1,275.37</b>

## Comments

Forecast operating profit results are favourable to budget mainly due to lower than expected expenses and an increase on revenues. The increase in revenue is due mainly to the Airport Developer contribution receipts. Administration expenses are 10% lower than budget and governance/consulting are also down due to timing of actual expenditure against budget phasing.

The total budget for capital for 2018/19 is \$5.8 million. The amount of funds spent on the capital works program for the period ended 31 March 2019 is \$3.49 million which equates to 60% of the annual budget.

The income tax equivalent (NTER) is above budget after the March quarterly payment by \$0.40 million. Busselton Water's tax liability is paid quarterly in direct proportion to gross income.

Following a profitable year in 2017-2018, the Board declared a dividend payment of \$1.539 million which was paid to the State Government in December 2018 resulting in an increase in net accruals to Government.

Full year forecast Net Accruals to Government are well above the SCI budget due to the combined taxation and dividend results.

Overall, results are positive at the March 2019 quarter.