



Quarterly Report








March 2019


















Financial Performance

	Year to date March 2019				Full Year 2018/19
	Actual (\$000's)	Budget (\$000's)	Variance (\$000's)	Last Year (\$000's)	SCI Budget (\$000's)
Total operating revenue	10,772	11,743	(971)	10,345	16,983
Direct operating expenses	6,616	7,478	(862)	6,090	9,970
Depreciation	1,802	1,940	(138)	1,917	2,586
Earnings before interest and tax (EBIT)	2,354	2,325	29	2,338	4,427
Interest expense	13	100	(87)	12	133
Developer contributions	134	236	(102)	193	315
Operating profit before tax	2,475	2,461	14	2,519	4,609
Income tax expense	831	1,262	(431)	1,108	1,683
Dividend	1,940	2,048	(108)	1,898	2,048
Operating profit after tax and dividend	(295)	(849)	554	(487)	878
Capital expenditure	2,870	7,917	(5,047)	1,727	15,833
Borrowings taken (repaid)	(46)	3,927	(3,973)	(54)	9,622
Net debt	-	3,868	(3,868)	-	7,736
Return on assets (%)	7.17%	7.30%	-0.13%	9.23%	7.30%
Debt to equity (%)	0.00%	0.00%	0.00%	0.00%	8.70%
Net accrual to Government (000's)					
Tax equivalents	831	1,262	(431)	1,108	1,683
Local Government Rates Equivalent	-	-	-	-	72
Land Tax	30	36	(6)	29	36
Dividends provided	1,940	2,048	(108)	1,898	2,048
Total operating subsidies	(346)	(346)	-	(333)	(692)
Net accrual to Government	2,454	3,000	(546)	2,702	3,147

Key Result Areas

	Forecast	Target	Status
Sustainability			
S1 Quantity of water produced within licensed allocation (GL)	< 7.6 GL	< 7.6 GL	
S2 Real Water Losses (Litres/service connection/day)	< 105 L	< 105 L	
S3 Average annual residential water supplied (kL/property)	< 270 kL	< 270 kL	
S4 Operating cost of water supplied (kL/Connected Property)	> 2.0% increase	< 2.0% increase	
Owner			
SV1 Return on Assets	< 7.5%	> 7.5%	
SV2 Percent of fixed costs recouped by supply fee	> 45.0%	> 45.0%	
SV3 Net debt to equity ratio	< 10.0%	< 10.0%	

	Forecast	Target	Status
Customer Service			
CS1 Number of zones where microbiological compliance was achieved	100%	100%	
CS2 Water quality complaints (per year, per 1,000 properties)	< 2	< 2	
CS3 Water service complaints (1) (per year, per 1,000 properties)	> 0.8	< 0.8	
CS4 Billing and account complaints (per year, per 1000 properties)	< 2	< 2	
CS5 Percentage of connections meeting pressure and flow requirements	100%	100%	
CS6 Percentage of customer complaints resolved in less than 15 business days	100%	100%	
Operations			
OP1 Average frequency of an unplanned interruption (per 1000 properties)	< 250	< 250	
OP2 Average duration of an unplanned interruption (minutes)	< 60 minutes	< 60 minutes	
OP3 Energy Consumption (kW.h/kL)	< 0.45	< 0.45	
OP4 Properties served per km of water main	> 40	> 40	
OP5 Water main breaks (per 100km of water main)	< 20	< 20	
OP6 Off peak energy use	> 70.0%	> 70.0%	
OP7 Operating cost per ML produced	> 2.0% increase	< 2.0% increase	
People			
P1 Staff Attitudinal Survey Completed	Yes	Yes	
P2. Safety Index Measured and Monitored	Yes	Yes	
Comments: (1) The target is based on 14 complaints per year. Currently forecasting 16 complaints in 2019.			
Glossary			
<ul style="list-style-type: none"> • kL = kilolitres - one thousand litres • ML = megalitres – one million litres • GL = gigalitres – one thousand megalitres • kW.h = kilowatt hours - is a unit of energy equivalent to one kilowatt (1 kW) of power expended for one hour 			

Business Information

Year to March	2018	2019
Water Properties Connected - Residential	15,806	15,879
Water Properties Connected - Non-Residential	1,522	1,529
Water Produced (GL)	5.03	4.90