

Financial Performance Assessment - Financial Monitoring Framework (FMF)



Tertiary Education Institution: **Institute of Hypothetical Results**

Date of Report: **Jun 11**

Viability - Historical View	2010		Actual		
Sustainability - Historical View	2010		Actual		
Viability - Future View	2011	(1st of 2 yrs)	Reforecast	Initial	
Sustainability - Future View	2013	(2nd of 2 yrs)	Reforecast	Initial	

Received

01/06/11
01/06/11

Key Information ¹	2008 A	2009 A	2010 A	2011 R	2012 P	2013 P
Total revenue (\$m)	95.5	98.2	107.4	109.4	112.0	106.9
Total expenses (\$m)	98.1	99.1	107.1	107.0	107.3	103.1
Surplus (deficit) (\$m)	-2.7	-0.9	0.4	2.4	4.7	3.8
SAC category EFTS	7,928	7,568	7,688	7,609	7,790	7,454
International EFTS	602	492	579	594	630	690
Total EFTS	9,725	9,314	9,657	9,494	9,709	9,297

TEC confidence in forecasts

High

¹ The key information is as supplied in the TEI Financial Monitoring templates to the TEC

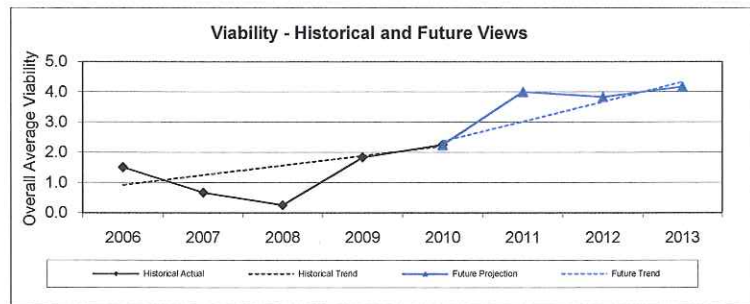
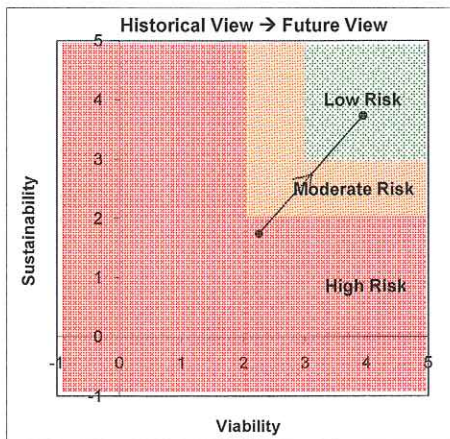
Preliminary report - Commercial In Confidence

Viability ²	2010 A	2011 R	2012 P	2013 P	FMF Score (3 +) ³	Historical	Future
Operating surplus/deficit	0.3%	2.2%	4.2%	3.5%	3% or more	2.0	2.3
Core earnings	9.0%	10.8%	12.7%	11.5%	9% or more	2.0	3.3
Net cashflow from operations	108.4%	116.6%	114.6%	113.8%	111% or more	2.0	4.7
Liquid funds ratio	12.8%	16.3%	13.6%	15.3%	8% or more	4.0	4.7
Ability to service debt	1.3	6.8	9.1	32.5	3.0x or more (or no interest costs)	0.5	4.0
Quick ratio	1.9	2.5	2.3	2.4	1.5x or more	3.0	4.7
Overall Average Viability	2.3	4.0	3.8	4.2		2.3	3.9

Sustainability ²	2010 A	2011 R	2012 P	2013 P	FMF Score (3 +) ³	Historical	Future
Debt equity ratio	4.6%	3.0%	3.8%	0.8%	7.5% or less	3.0	3.0
Achievement of EFTS	107.5%	N/A	N/A	N/A	97% or more	3.0	NA
3-Year average viability	1.4	2.7	3.4	4.0	3 or more	1.4	3.9
3-Year ave return on property, plant and equipment	5.9%	7.3%	8.1%	8.4%	4.5% or more	3.0	4.0
Debt repayment	-199.0%	No net debt	26.6%	No net debt	200% or less	-2.0	4.8
Trend and variability in average viability	2.0	3.0	3.0	3.0		2.0	3.0
Overall Average Sustainability	1.7	3.5	3.5	3.8		1.7	3.7

² Refer to the Financial Monitoring Framework table of measures for definitions of the measures used and the related risk assessment scores.

³ The ratio value that is required to score 3 or more. An average of 3 or more is necessary for an overall rating of low risk



Historical 2010 FMF risk rating: 1.7
 Future FMF risk rating: 3.7
 Overall FMF risk rating: 3.2

High Risk
Low Risk
Low Risk

Comments