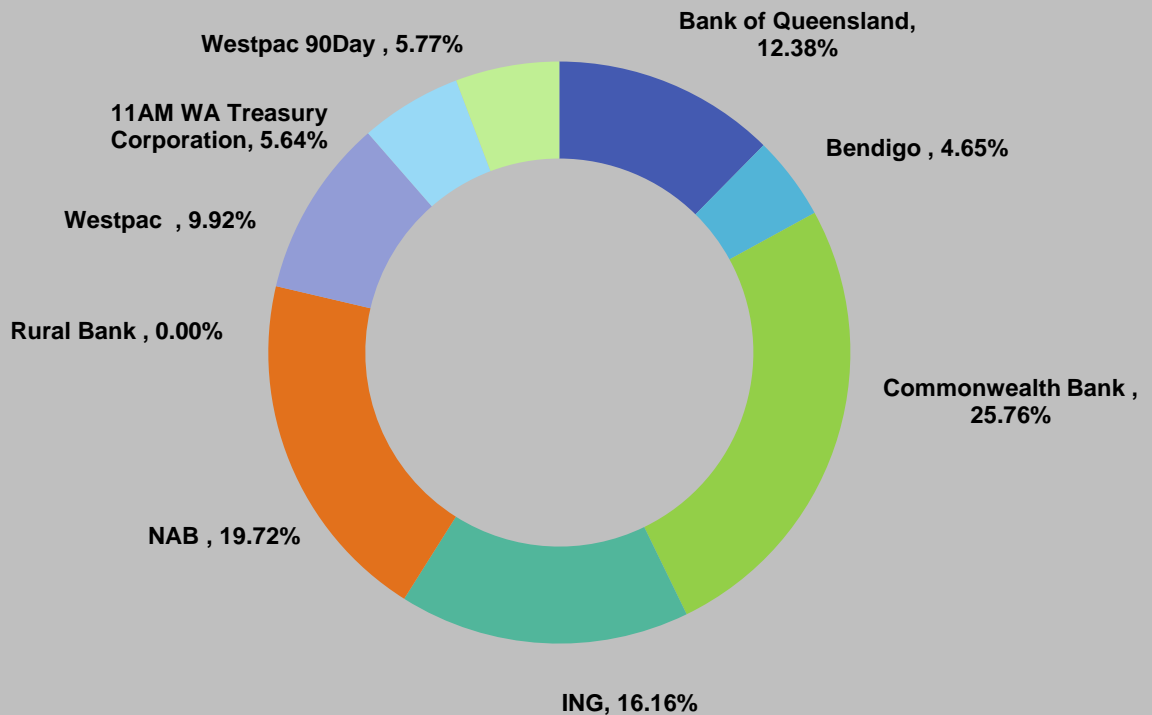


	Notes	Budget	YTD Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(99,997,776)	(99,747,776)	(99,676,670)	(71,106)	(0)%
Specified Area Rates		(704,527)	(704,527)	(704,527)	-	0%
Grants and Subsidies	2	(6,094,980)	(256,250)	(277,357)	21,107	8%
Contributions Reimbursements and Donations	3	(1,108,156)	(81,302)	(136,451)	55,149	68%
Profit on Asset Disposals		(1,402,947)	-	-	-	0%
Fees and Charges	4	(41,552,470)	(24,039,855)	(23,849,412)	(190,443)	(1)%
Interest Earnings	5	(666,524)	(16,103)	(56,891)	40,788	100%
Other Revenue/Income	6	(363,164)	-	(44,456)	44,456	(100)%
Total Operating Revenue		(151,890,544)	(124,845,813)	(124,745,764)	(100,049)	(0)%
OPERATING EXPENSES						
Employee Costs	7	66,183,322	6,213,023	5,450,573	762,450	12%
Materials and Contracts	8	55,194,834	3,807,884	3,153,094	654,790	17%
Utilities (gas, electricity, water etc.)	9	6,133,858	506,321	451,806	54,515	11%
Depreciation & Amortisation of Non-Current Assets	10	31,927,323	2,667,870	2,458,429	209,441	8%
Loss on Asset Disposals		202,273	-	-	-	0%
Interest Expenses	11	323,391	25,742	28,246	(2,504)	(10)%
Insurance Expenses	12	1,628,738	946,759	892,743	54,016	6%
Total Operating Expenses		161,593,739	14,167,599	12,434,891	1,732,708	12%
(SURPLUS)/DEFICIT FROM OPERATIONS		9,703,195	(110,678,214)	(112,310,873)	1,632,659	(100)%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(31,927,323)	(2,667,870)	(2,458,430)	(209,440)	(8)%
Loss on Asset Disposal		(202,273)	-	-	-	0%
Movement in Non-current Items	13	(100,000)	(100,000)	(144,356)	44,356	(44)%
OPERATING CASH (SURPLUS)/DEFICIT		(21,123,454)	(113,446,084)	(114,913,659)	1,467,575	1%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	14	(11,017,446)	-	(159,120)	159,120	100%
Capital Contributions		(200,422)	-	-	-	0%
Equity Distribution - TPRC		(1,666,667)	-	-	-	0%
Total Non-Operating Revenue		(12,884,535)	-	(159,120)	159,120	100%
CAPITAL EXPENDITURE						
Capital Projects	15	2,979,943	179,059	108,680	70,379	39%
Capital Works	16	47,134,295	498,900	602,734	(103,834)	(21)%
Vehicle and Plant Replacements		2,819,841	-	-	-	0%
Total Capital Expenditure		52,934,079	677,959	711,415	(33,456)	(5)%
CAPITAL (SURPLUS)/DEFICIT		40,049,543	677,959	552,295	125,664	19%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		18,926,089	(112,768,125)	(114,361,364)	1,593,239	(1)%
FUNDING						
Proceeds from Disposal		(1,937,600)	-	-	-	0%
Loans - Repayment of Principal		1,836,595	218,664	218,664	-	0%
Transfer from Trust		(120,529)	-	-	-	0%
Transfer from Reserve		(30,658,460)	-	-	-	0%
Transfer to Reserve		13,232,784	-	-	-	0%
Opening Funds	17	(1,228,879)	(1,228,879)	-	(1,228,879)	(100)%
CLOSING FUNDS	18	50,000	(113,778,340)	(114,142,700)	364,360	0%

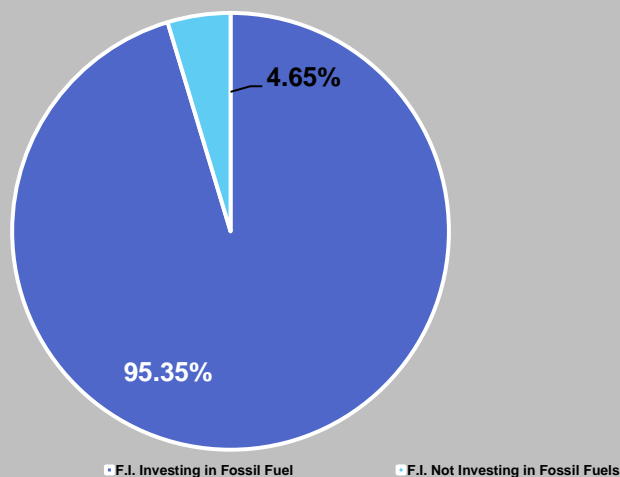


Municipal Funds	\$52,387,641	YTD Return	0.49%
Reserve Funds	\$86,237,359	Benchmark	0.60%
	<u>\$138,625,000</u>	RBA Rate	0.10%

<u>Investment Policy Limits</u>					
	<u>LT Rating</u>	<u>Limit</u>		<u>LT Rating</u>	<u>Limit</u>
Bank of Queensland	A-*	10%	NAB	AA-	25%
Bendigo	A-*	10%	Rural Bank	A-*	10%
Commonwealth Bank	AA-	25%	Suncorp	A+	15%
ING	A+	15%	Westpac	AA-	25%
			11AM WATC	AA+	25%

*S&P Long Term Rating BBB, Based on the investment policy the Long Term Rating Used is (A-) Based on Moody's and Fitch Rating

Financial Institutions (FI) Investing Vs Not Investing in Fossil Fuels*



*Based on Market Forces ratings (<http://marketforces.org.au/>)

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 JULY 2021 (Subject to end of year finalisation)

1. Rates **(\$71,106)**

Rates income is marginally below budget as a result of adjustment to Gross Rental Values (GRV) of certain properties prior to the issuing of rates notices, budget will be adjusted in the Mid Year Budget Review.

2. Grants and Subsidies **\$21,107**

A favourable timing variance arose from DFES \$16,857 and Youth Recovery Grant \$10,000.

3. Contributions Reimbursements and Donations **\$55,149**

A favourable variance arose mainly due to the \$56,770 Container Deposit Scheme rebate to the City.

4. Fees and Charges **(\$190,443)**

	YTD Budget	YTD Actual	Variance
a) Sport and Recreation Fees	\$636,804	\$500,305	(\$136,499)
b) Refuse Charges	\$21,809,862	\$21,734,233	(\$75,629)
c) Fines and Penalties	\$88,908	\$22,421	(\$66,487)
d) Building and Development Fees	\$146,083	\$216,627	\$70,544
e) Inspection and Control Fees	\$856,750	\$926,380	\$69,630
Other Fees & Charges	\$501,448	\$449,446	(\$52,002)
	<u>\$24,039,855</u>	<u>\$23,849,412</u>	<u>(\$190,443)</u>

a) Unfavourable variance mainly arose from Craigie Leisure Centre Admission Fees (\$60,037) and Craigie Leisure Centre Membership Fees (\$33,559) due to the most recent lockdown in Perth and Peel that impacted the early part of the month.

b) An unfavourable variance arose from Waste Refuse Service Charges (\$76,329).

c) Unfavourable variance mainly arose in relation to Parking Infringements (\$53,869).

d) A favourable variance arose mainly due to Development Application Fees \$38,548 and Building Permits \$26,545.

e) Favourable variance arose mainly from Swimming Pool Inspection Fee \$75,216.

5. Interest Earnings \$40,788

This favourable variance mainly arose in relation to interest earned on investments \$45,788 mainly due to higher volumes under investment than anticipated in budget estimates.

6. Other Revenue/Income \$44,456

This favourable variance arose due to insurance rebate received \$44,412 that was not expected to eventuate when the budget was set.

7. Employee Costs \$762,450

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$5,381,171	\$4,664,151	\$717,020
b) Other Employment Costs	\$831,852	\$786,422	\$45,430
	<u>\$6,213,023</u>	<u>\$5,450,573</u>	<u>\$762,450</u>

a) Favourable timing variances for Salaries and Wages arose from vacancies in various areas.

b) Favourable timing variances arose from Employee Support Services \$18,148 and Staff Training \$13,972.

8. Materials and Contracts \$654,790

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$613,765	\$371,384	\$242,381
b) Travel, Vehicles & Plant	\$205,926	\$95,227	\$110,699
c) Professional Fees & Costs	\$407,274	\$316,909	\$90,365
d) Accommodation & Property	\$79,224	\$21,295	\$57,929
e) Public Relations, Advertising & Promotions	\$67,284	\$16,463	\$50,821
f) Waste Management Services	\$1,428,822	\$1,495,656	(\$66,834)
Other Materials & Contracts	\$1,005,589	\$836,160	\$169,429
	<u>\$3,807,884</u>	<u>\$3,153,094</u>	<u>\$654,790</u>

a) Favourable timing variances arose mainly from External Contractors and Services \$217,248, including Roads \$62,908, Application Services \$54,555, Buildings \$43,068, Waste Service Management \$41,605 and City Projects \$31,333. The balances of variances are spread across a number of areas.

b) Favourable variance mainly arose from Vehicle Licensing \$69,791, which is a timing variance, and Fuel \$21,031. The balances of variances are spread across a number of areas.

- c) A favourable variance arose from Consultancy \$73,307. The balances of variances are spread across a number of areas.
- d) This favourable variance mainly arose from Refuse Removal Charges \$41,818. The balances of variances are spread across a number of areas.
- e) Favourable variance mainly arose due to General Advertising \$25,186. The balances of variances are spread across a number of areas.
- f) This unfavourable variance arose mainly from Processing Domestic Green Waste (\$38,208) and Processing Bulk Hard Waste (\$24,792). The balances of variances are spread across a number of areas.

9. Utilities**\$54,515**

Favourable timing variances arose mainly from Electricity costs for Parks \$32,392 and Buildings \$17,449.

10. Depreciation & Amortisation of Non-Current Assets**\$209,441**

Favourable variances arose for Depreciation Roads Infrastructure \$109,721 and Impairment \$87,404 which will be processed as part of end of financial year processes. Necessary phasing amendments will be effected in the mid year budget review. The balances of variances are spread across a number of areas.

11. Interest Expenses**(\$2,504)**

Unfavourable variance mainly arose due to Lease Liability Interest (\$2,566).

12. Insurance Expenses**\$54,016**

Favourable variances arose mainly due to Industrial Special Risk Insurance \$30,608 and Public Liability Insurance \$20,599.

13. Movement in Non-Current Items**\$44,356**

This timing variance arose in respect of a decrease in Non-current Long Service Leave Liability provision movements.

14. Capital Grants and Subsidies**\$159,120**

	YTD Budget	YTD Actual	Variance
a) Other Grants and Subsidies – Capital Other	-	\$159,120	\$159,120
	-	\$159,120	\$159,120



- a) This favourable variance arose from Heritage Precinct Development \$159,120 which was expected to have been received in 2020-21.

15. Capital Projects

\$70,379

This favourable timing variance arose mainly due to Cafes/Restaurants/Kiosks \$37,770. The balances of variances are spread across a number of areas.

16. Capital Works

(\$103,834)

This unfavourable timing variance arose mainly due to progress of the Road Preservation/Resurfacing Program (\$31,400), Major Building Capital Works Program (\$29,290) and Major Projects Program (\$27,696) ahead of schedule. The balance of variances are spread across a number of programs.

17. Opening Funds

(\$1,228,879)

The variation in the closing funds for the period ended 30 June 2021 is due to end of financial year currently in progress. The final balance will be available after the Financial Statements for 2020-21 have been audited.

18. Closing Funds

\$364,360

	June 2021*	July 2021
Current Assets		
Cash and Investments		\$139,083,400
Rates Outstanding, Sundry Debtors and Other Receivables		\$140,288,112
Accrued Income		\$337,643
Prepayments		\$427,795
Inventories		\$176,340
Land Held for Resale		-
Total Current Assets		\$280,313,290
Current Liabilities		
Trade Creditors		\$1,161,645
Sundry Payables		\$25,906,899
Accrued Expenses		\$3,217,040
Other Payables		\$1,221,867
Borrowings		\$1,617,931
Lease Liability		\$394,964
Provision for Annual Leave		\$4,852,153
Provision for Long Service Leave		\$6,709,723
Provision for Purchased Leave		\$152,627
Provision for Workers Compensation Insurance		\$2,759,624
Provision for Sick Leave		\$1,066,844

Other Provisions		\$9,415
Total Current Liabilities		\$49,070,732
Net Current Assets		\$231,242,557
Add back: Borrowings		\$1,617,931
Add back: Lease Liabilities		\$394,964
Add back: Contract Liabilities for developer contributions		-
Less: Cash Backed Reserves		\$85,235,975
Less: Other Items (subject to finalisation of 2020-21 end of year)		\$32,517,141
Less: Non Current Long Service Leave		\$1,359,636
Closing Funds – Surplus/(Deficit)		\$114,142,700

* Subject to finalisation of 2020-21 end of year