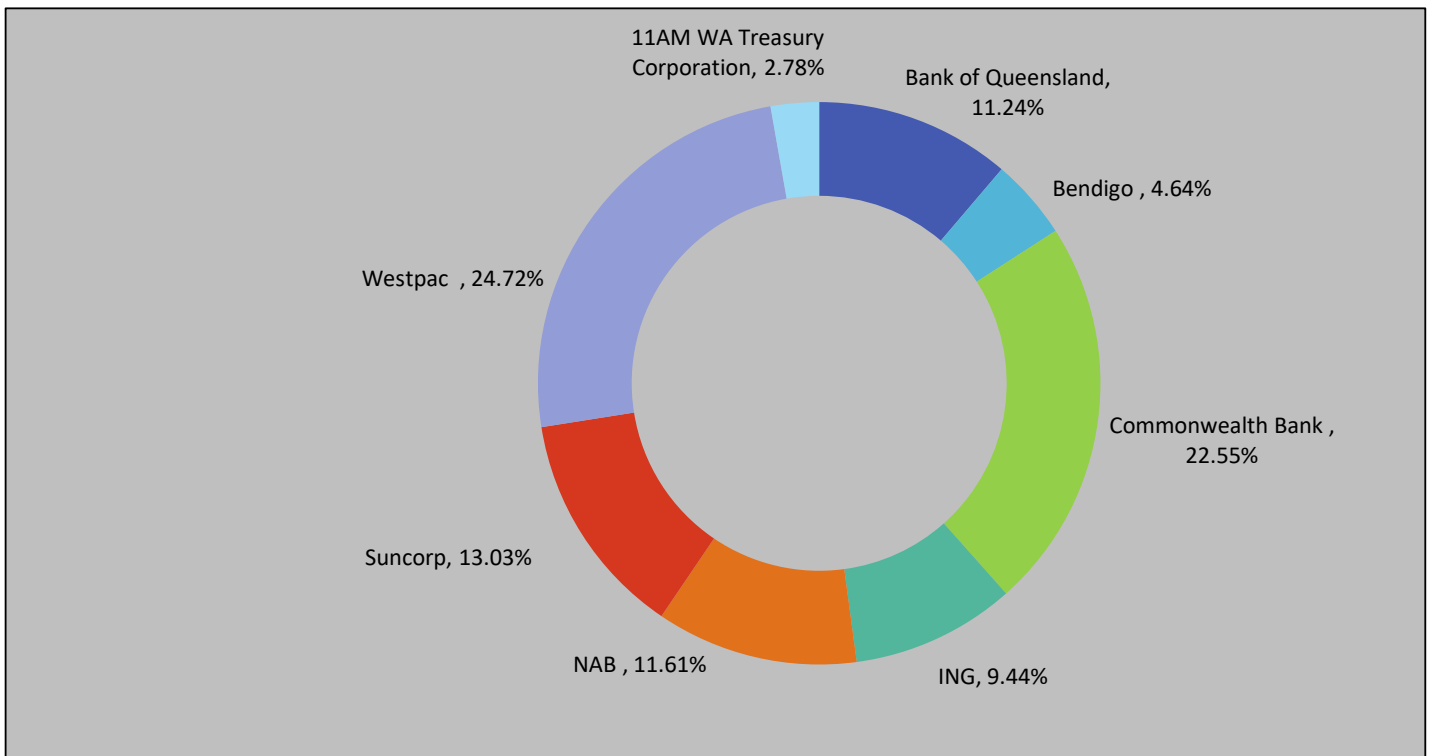


	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates		(104,755,668)	(104,755,668)	(104,778,719)	23,051	0%
Specified Area Rates		(730,291)	(730,291)	(729,068)	(1,223)	(0)%
Grants and Subsidies		(2,038,336)	(1,428,856)	(1,393,761)	(35,095)	(2)%
Contributions Reimbursements and Donations	1	(1,450,988)	(1,061,637)	(1,213,886)	152,249	14%
Profit on Asset Disposals	2	(117,783)	(104,178)	(156,088)	51,910	50%
Fees and Charges	3	(41,391,038)	(37,097,426)	(37,321,501)	224,075	1%
Interest Earnings	4	(5,714,076)	(4,434,476)	(4,665,844)	231,368	5%
Other Revenue/Income	5	(1,139,290)	(1,003,878)	(1,568,933)	565,055	56%
Total Operating Revenue		(157,337,472)	(150,616,410)	(151,827,800)	1,211,390	1%
OPERATING EXPENSES						
Employee Costs	6	68,419,553	50,988,735	50,209,345	779,390	2%
Materials and Contracts	7	56,177,718	41,458,768	37,663,382	3,795,386	9%
Utilities (gas, electricity, water etc.)	8	5,890,995	4,319,197	4,262,368	56,829	1%
Depreciation & Amortisation of Non-Current Assets	9	30,623,048	22,808,542	22,521,435	287,107	1%
Loss on Asset Disposals	10	137,379	43,984	29,081	14,903	34%
Interest Expenses		259,161	193,259	193,208	51	0%
Insurance Expenses		1,603,165	1,590,802	1,596,152	(5,350)	(0)%
Total Operating Expenses		163,111,020	121,403,287	116,474,971	4,928,316	4%
(SURPLUS)/DEFICIT FROM OPERATIONS		5,773,548	(29,213,123)	(35,352,829)	6,139,706	21%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(30,623,048)	(22,808,542)	(22,521,435)	(287,107)	(1)%
Loss on Asset Disposal		(137,379)	(43,984)	(29,081)	(14,903)	(34)%
Profit on Asset Disposals		117,783	104,178	156,088	(51,910)	(50)%
Movement in Non-current Items	11	(100,000)	(100,000)	38,068	(138,068)	(100)%
OPERATING CASH (SURPLUS)/DEFICIT		(24,969,096)	(52,061,470)	(57,709,189)	5,647,718	11%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	12	(10,983,164)	(7,605,823)	(10,721,724)	3,115,901	41%
Capital Contributions	13	(96,590)	(9,600)	(11,184)	1,584	17%
Equity Distribution - TPRC		(3,333,333)	(1,666,666)	(1,666,666)	-	0%
Other Non-Operating (GST Reimb TPRC Land Sales)	14	(188,477)	(188,477)	(311,829)	123,352	65%
Total Non-Operating Revenue		(14,601,564)	(9,470,566)	(12,711,403)	3,240,837	34%
CAPITAL EXPENDITURE						
Capital Projects	15	2,924,716	1,494,381	1,233,317	261,064	17%
Capital Works	16	45,623,370	27,430,827	26,558,060	872,767	3%
Vehicle and Plant Replacements	17	2,314,443	1,667,443	770,447	896,996	54%
Total Capital Expenditure		50,862,528	30,592,651	28,561,824	2,030,827	7%
CAPITAL (SURPLUS)/DEFICIT		36,260,964	21,122,085	15,850,421	5,271,664	25%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		11,291,868	(30,939,385)	(41,858,768)	10,919,382	35%
FUNDING						
Proceeds from Disposal	18	(520,955)	(286,955)	(372,000)	85,045	30%
Loans - Repayment of Principal		909,513	679,707	679,707	-	0%
Payments of Principal Portion of Lease Liability		492,769	-	-	-	0%
Transfer from Trust		(115,172)	-	-	-	0%
Transfer from Reserve		(33,626,268)	-	-	-	0%
Transfer to Reserve		30,734,481	-	-	-	0%
Opening Funds		(9,148,338)	(9,148,338)	(9,148,338)	-	0%
CLOSING FUNDS	19	17,898	(39,694,971)	(50,699,399)	11,004,427	28%

INVESTMENT SUMMARY

March-23

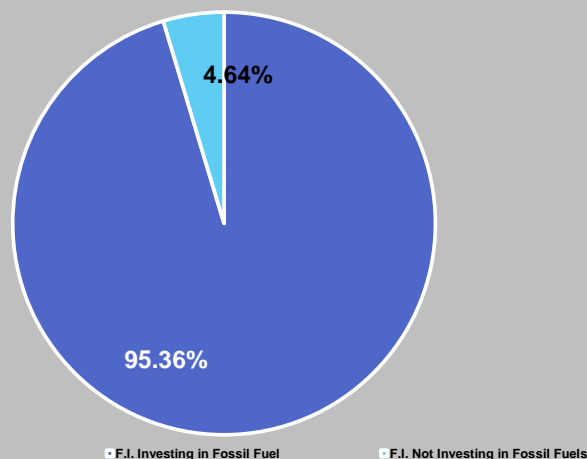


Municipal Funds	\$86,852,666	YTD Return	3.10%
Reserve Funds	\$89,714,916	Benchmark	4.10%
	<u>\$176,567,582</u>	RBA Rate	3.60%

<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 MARCH 2023

1. Contributions, Reimbursements and Donations \$152,249

This favourable variance is mainly driven by higher than expected insurance contributions \$100,839 and sponsorships \$54,000.

2. Profit on Asset Disposals \$51,910

This favourable variance arose due to profit on disposal of fleet and plant \$51,910.

3. Fees and Charges \$224,075

	YTD Budget	YTD Actual	Variance
a) Sports and Recreation Fees	\$7,131,844	\$7,395,489	\$263,645
b) Refuse Charges	\$22,089,764	\$22,158,634	\$68,870
c) Parking Fees	\$2,506,167	\$2,428,911	(\$77,256)
Other Fees & Charges	\$5,369,651	\$5,338,467	(\$31,184)
	<u>\$37,097,426</u>	<u>\$37,321,501</u>	<u>\$224,075</u>

a) Favourable variance arose from Membership Fees \$81,438, Admission Fees \$78,750, and Park Hire \$57,974.

b) A favourable variance arose due to Waste Refuse Service Charges \$27,861.

c) This unfavourable variance was mainly due to lower than estimated Multi Storey Car Park Monthly Fees (\$50,690).

4. Interest Earnings \$231,368

This favourable variance arose mainly due to higher than estimated Interest from Other Financial Institutions \$184,984 due to higher than estimated interest rates.

5. Other Revenue/Income \$565,055

This favourable variance arose due to Net Revenue from TPRC Catalina Estate Sales \$586,965.

6. Employee Costs \$779,390

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$49,072,671	\$48,268,747	\$803,924
Other Employment Costs	\$1,916,064	\$1,940,598	(\$24,534)
	<u>\$50,988,735</u>	<u>\$50,209,345</u>	<u>\$779,390</u>

- a) Favourable timing variances for Salaries and Wages arose from the year to date impact vacancies in various areas.

7. Materials and Contracts

\$3,795,386

	YTD Budget	YTD Actual	Variance
a) External Service Expenses	\$12,928,351	\$11,028,616	\$1,899,735
b) Professional Fees & Costs	\$1,960,012	\$1,335,366	\$624,646
c) Furniture, Equipment and Artworks	\$2,397,057	\$1,940,808	\$456,249
d) Public Relations, Advertising and Promotions	\$856,104	\$622,845	\$233,259
e) Contributions & Donations	\$1,437,954	\$1,247,561	\$190,393
f) Administration	\$874,727	\$739,276	\$135,451
g) Waste Management Services	\$12,343,365	\$12,255,962	\$87,403
h) Members Costs	\$616,140	\$536,607	\$79,533
i) Other Materials	\$2,092,112	\$2,017,829	\$74,283
j) Accommodation & Property	\$728,142	\$663,759	\$64,383
k) Computing	\$2,652,548	\$2,790,130	(\$137,582)
Other Materials & Contracts	\$2,572,256	\$2,484,623	\$87,633
	\$41,458,768	\$37,663,382	\$3,795,386

- a) Favourable variances arose from External Contractors and Services \$1,727,448, including Parks \$567,249, Asset Management Administration \$358,619 due to timing of costs related to office fit outs, Natural Areas \$204,672, Core System Replacement \$199,734, Data Collection \$131,098, City Projects \$87,750, Cultural Services \$75,750, Waste Management Services \$68,166 and City Amenity \$59,828, partially offset by an unfavourable variance for Building Maintenance Works (\$111,023), Application Services (\$61,863) and Roads (\$58,233). A favourable variance also occurred on Programme Activities \$123,340 mainly as a result from Economic Development \$32,310.
- b) A favourable variance arose mainly due to Consultancy \$242,087, Research \$203,570 and Legal Expenses Recoverable \$85,333.
- c) This favourable variance arose from Hire of Equipment \$200,620 and Plant & Equipment Purchase – Minor \$115,308.
- d) Favourable variance arose due to Advertising General \$84,873, Signage/Decals \$67,101 and Promotions \$60,526. The balances of variances are spread across a number of areas.
- e) Favourable variance arose due to Grants & Contributions Made \$100,300 and Sponsorship \$53,196. The balances of variances are spread across a number of areas.
- f) This favourable variance arose mainly on Printing \$36,266. The balances of variances are spread across a number of areas.
- g) A favourable variance arose from Processing – Recycling & Govt Levy \$47,424. The balances of variances are spread across a number of areas.

- h) Favourable variance arose from Elected Members Conference and Training expenses \$45,712. The balances of variances are spread across a number of areas.
- i) A favourable variance mainly occurred due to Materials - Building Minor Works \$81,170. The balances of variances are spread across a number of areas.
- j) Favourable variance arose due to Security \$49,168. The balances of variances are spread across a number of areas.
- k) This unfavourable variance arose from Computer Software Maintenance (\$185,628) and Computer Software Subscriptions (\$52,667), partially offset by Computer Software Licences \$88,348. The balances of variances are spread across a number of areas.

8. Utilities**\$56,829**

Favourable variance mainly due to timing of electricity invoices \$67,793.

9. Depreciation & Amortisation of Non-Current Assets**\$287,107**

Favourable variance was mainly due to Impairment/Write off of assets \$432,923, partially offset by depreciation for open reserves (\$86,890). The balances of variances are spread across a number of areas.

10. Loss on Asset Disposals**\$14,903**

Favourable variance arose due to Loss on Asset Disposal for Fleet and Plant \$14,903.

11. Movement in Non-current items**(\$138,068)**

This timing variance arose in respect of movement in Non-current Long Service Leave Liability.

12. Capital Grants and Subsidies**\$3,115,901**

	YTD Budget	YTD Actual	Variance
a) State Government Grants - Capital - Other	\$1,725,151	\$3,275,151	\$1,550,000
b) State Government Grants – Capital – MRRG Grant Roads	\$1,349,420	\$2,708,678	\$1,359,258
c) Commonwealth Grants & Subsidies- Capital – Black Spot	\$707,355	\$851,355	\$144,000
d) Commonwealth Grants – Capital Other	\$1,393,579	\$1,453,579	\$60,000
Other Grants and Subsidies	\$2,430,318	\$2,432,961	\$2,643
	<u>\$7,605,823</u>	<u>\$10,721,724</u>	<u>\$3,115,901</u>

- a) Favourable variance relates to RDC2031 Hepburn Ave – Lilburne to Walter Padbury \$1,150,000 with grants received earlier than anticipated and recognition of unspent



grant income on the unbudgeted State Urban Bike Trail Grant \$300,000. Also grant received earlier than anticipated for FPN2299 Coastal Shared Path Design \$100,000.

- b) A favourable variance mainly arose due to final claims received for RDC2020 Warwick Rd/Erindale Rd Intersection Upgrade \$180,000 and RDC2021 Whitfords Ave/Northshore Dr Roundabout \$196,000. In addition a favourable variance in respect RDC2027 Joondalup Dr/Hodges Dr Intersection Upgrade \$1,130,170 which may not be expended by the end of the year.
- c) This favourable variance arose in relation to the final claim for SBS2090 Marmion Ave and Cambria St \$144,000.
- d) This favourable variance arose in relation to funds received for LRCI Phase 3 earlier than expected.

13. **Capital Contributions**

\$1,584

This favourable variance occurred due to Arterial & Urban Road Street Lighting \$1,584.

14. **Other Non-Operating Revenue**

\$123,352

This favourable timing variance arose from GST reimbursements in respect of TPRC land sales undertaken.

15. **Capital Projects**

\$261,064

This favourable variance mainly arose due to Network Infrastructure Upgrade Program \$93,614 and CCTV Leisure Centre \$50,000. The balances of variances are spread across a number of projects.


16. Capital Works
\$872,767

	No. Budgeted Projects	YTD Budget	YTD Actual	Variance	Key Variance
a) Road Preservation/Resurfacing Program (RPR)	96	\$5,248,994	\$4,933,058	\$315,936	RPR3276 – \$190,052
b) Major Projects Program (MPP)	6	\$7,681,418	\$7,373,549	\$307,869	MPP2050 – \$212,259
c) Parking Facilities Program (PFP)	6	\$616,488	\$442,776	\$173,712	PFP2100 – \$129,430
d) Foreshore and Natural Areas Management Program (FNM)	7	\$248,201	\$147,705	\$100,496	FNM2102 – \$65,000
e) Streetscape Enhancement Program (SSE)	4	\$1,231,361	\$1,135,041	\$96,320	SSE2055 – \$60,000
f) Major Road Construction Program (RDC)	11	\$1,476,174	\$1,390,313	\$85,861	RDC2025 - \$100,056
g) Parks Development Program (PDP)	17	\$2,253,595	\$2,171,114	\$82,481	PDP2355 – \$99,174
h) Path Replacement Program (FPR)	9	\$299,455	\$240,306	\$59,149	FPR2001 - \$89,271
i) Major Building Capital Works Program (BCW)	20	\$3,794,477	\$4,150,169	(\$355,692)	BCW2666 – (\$139,540)
Other Programs	84	\$4,580,664	\$4,574,029	\$6,635	
	260	\$27,430,827	\$26,558,060	\$872,767	

- a) Favourable variance is due to RPR3276 Warwick Rd (EB) – Erindale to Wanneroo \$190,052, RPR3301 Seacrest Dr – Marmion Av to Reef Ct \$83,651 and RPR3270 Lambertia St \$52,009.
- b) Favourable variance relates to MPP2050 Craigie leisure Centre Upgrades \$212,259 and MPP2058 Chichester Park Clubrooms Redevelopment \$63,089.
- c) A favourable variance arose mainly due to PFP2100 Parnell Ave Pedestrian Access Ways Parking Installation \$129,430.
- d) Favourable variance occurred mainly due to FNM2102 Duffy House Conservation Fencing \$65,000.
- e) A favourable variance occurred due to SSE2055 Streetscape Renewal Program \$60,000.
- f) Variance relates to RDC2025 Whitfords Ave/Gibson Ave Intersection Upgrade \$100,056, partially offset by RDC2026 Whitfords Ave/Kingsley Dr Intersection Upgrade (\$74,507).
- g) Favourable variance relates to PDP2355 Padbury N/E Cluster Parks Revitalisation \$99,174 and PDP2351 Clifford Coleman Amenity Upgrades \$43,861, partially offset by PDP2222 Ocean Reef Park Landscape Master Plan (\$119,664).
- h) Favourable variance occurred due to FPR2001 Pathway Replacement Program \$89,271 and FPR2283 Joondalup Dr – Treetop to Wedgewood \$48,292, partially offset by FPR2292 Beaumaris Park & Copeland Gardens (\$121,387).
- i) An unfavourable variance mainly occurred due to BCW2666 Craigie Leisure Centre Geothermal Bore Replacement (\$139,540), BCW2650 Sorrento Football Club (\$95,885), BCW2668 Flinders Park Roof Replacement (\$92,205) and BCW2540 Auto Door Access Control Upgrades (\$53,921).

17. Vehicle and Plant Replacements**\$896,996**

A favourable timing variance arose mainly in relation to acquisition of a tractor \$142,800, two Isuzu trucks \$245,647, a mower \$70,000 and a dual cab ute \$50,000.

18. Proceeds from Disposal**\$85,045**

A favourable variance arose mainly due to timing of proceeds received from the disposal of fleet \$85,045.

19. Closing Funds**\$11,004,427**

	June 2022	March 2023
Current Assets		
Cash and Investments	\$140,479,487	\$176,404,833
Rates Outstanding, Sundry Debtors and Other Receivables	\$4,979,660	\$1,499,746
Accrued Income	\$372,344	\$2,344,843



Prepayments	\$738,765	\$413,108
Inventories	\$708,427	\$116,837
Total Current Assets	\$147,278,683	\$180,779,367
Current Liabilities		
Trade Creditors	\$2,709,216	\$3,409,053
Sundry Payables	\$11,458,125	\$17,259,186
Accrued Expenses	\$4,266,327	\$4,445,246
Other Payables	-	-
Borrowings	\$909,513	\$229,805
Lease Liability	\$492,772	\$151,153
Provision for Annual Leave	\$4,588,626	\$4,525,844
Provision for Long Service Leave	\$6,425,430	\$6,685,843
Provision for Purchased Leave	\$208,657	\$162,796
Provision for Workers Compensation Insurance	\$3,137,004	\$4,126,737
Provision for Sick Leave	\$982,117	\$962,799
Other Provisions	\$9,415	\$9,415
Total Current Liabilities	\$35,187,202	\$41,967,877
Net Current Assets	\$112,091,481	\$138,811,490
Add back: Borrowings	\$909,513	\$229,805
Add back: Lease Liabilities	\$492,772	\$151,153
Add back: Contract Liabilities for developer contributions	\$1,221,867	\$1,221,867
Less: Cash Backed Reserves	\$105,567,295	\$89,714,916
Closing Funds – Surplus/(Deficit)	\$9,148,338	\$50,699,399