



City of Joondalup

Financial Activity Statement for the
Period Ended 31 January 2015

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	Notes	Adopted Budget	YTD Adopted Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(86,062,005)	(85,937,005)	(86,263,806)	326,801	0%
Specified Area Rates		(404,333)	(404,333)	(417,393)	13,060	3%
Grants and Subsidies		(4,095,510)	(2,002,404)	(2,026,449)	24,045	1%
Contributions Reimbursements and Donations	2	(1,477,802)	(1,045,087)	(916,689)	(128,398)	(12)%
Profit on Asset Disposals	3	(431,228)	(411,446)	(1,937,006)	1,525,561	371%
Fees and Charges	4	(39,103,040)	(32,019,978)	(31,443,050)	(576,928)	(2)%
Interest Earnings	5	(4,027,651)	(2,698,964)	(3,139,083)	440,119	16%
Other Revenue/Income	6	(123,000)	(99,250)	(274,498)	175,248	177%
Total Operating Revenue		(135,724,569)	(124,618,467)	(126,417,974)	1,799,507	1%
OPERATING EXPENSES						
Employee Costs	7	58,065,565	35,064,429	34,189,992	874,437	2%
Materials and Contracts	8	50,669,374	30,178,133	24,849,788	5,328,345	18%
Utilities (gas, electricity, water etc.)	9	6,165,121	3,606,148	3,231,802	374,346	10%
Depreciation & Amortisation of Non-Current Assets	10	19,331,487	11,318,653	16,153,106	(4,834,453)	(43)%
Loss on Asset Disposals	11	1,275,392	1,196,062	131,576	1,064,486	89%
Interest Expenses		616,230	246,628	245,500	1,128	0%
Insurance Expenses		1,639,249	1,632,751	1,596,799	35,952	2%
Total Operating Expenses		137,762,419	83,242,805	80,398,563	2,844,242	3%
(SURPLUS)/DEFICIT FROM OPERATIONS		2,037,850	(41,375,662)	(46,019,411)	4,643,749	11%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(19,331,487)	(11,318,653)	(16,153,106)	4,834,453	43%
Loss on Asset Disposal		(1,275,392)	(1,196,062)	(131,576)	(1,064,486)	(89)%
Profit on Asset Disposals		431,228	411,446	1,937,006	(1,525,561)	(371)%
Other Non-Current items						
Movement in Non-current Assets		-	-	18,878	(18,878)	100%
Movement in Non-current Provisions	12	(120,000)	(120,000)	105,509	(225,509)	(188)%
OPERATING CASH (SURPLUS)/DEFICIT		(18,257,801)	(53,598,932)	(60,242,700)	6,643,769	12%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	13	(9,277,327)	(5,667,858)	(5,229,752)	(438,106)	(8)%
Capital Contributions	14	-	-	(316,076)	316,076	100%
Equity Distribution - TPRC	15	(2,500,000)	(1,250,000)	(2,333,333)	1,083,333	87%
Acquired Infrastructure Assets		(500,000)	-	-	-	-
Total Non-Operating Revenue		(12,277,327)	(6,917,858)	(7,879,161)	961,303	14%
CAPITAL EXPENDITURE						
Capital Projects	16	5,338,865	2,582,592	1,554,074	1,028,518	40%
Capital Works	17	44,446,548	22,228,706	13,924,607	8,304,099	37%
Motor Vehicle Replacements	18	2,295,686	1,209,686	378,156	831,530	69%
Loan Repayment Principal		1,804,454	716,943	716,943	-	0%
Equity Investments		42,135	-	-	-	0%
Total Capital Expenditure		53,927,688	26,737,926	16,573,780	10,164,147	38%
CAPITAL (SURPLUS)/DEFICIT		41,650,361	19,820,068	8,694,619	11,125,449	56%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		23,392,560	(33,778,864)	(51,548,082)	17,769,218	53%
FUNDING						
Proceeds from Disposal	19	(3,890,150)	(3,664,567)	(263,053)	(3,401,514)	(93)%
Loans - New Borrowings		(13,045,423)	-	-	-	-
Transfer from Trust		(296,395)	-	-	-	-
Transfer from Reserve		(15,521,228)	-	-	-	-
Transfer to Reserve		8,970,004	-	-	-	-
Transfer to Accumulated Surplus		500,000	-	-	-	-
Transfer from Accumulated Surplus		-	-	-	-	-
Opening Funds		(146,474)	(146,474)	(1,065,447)	918,973	627%
CLOSING FUNDS	20	(37,106)	(37,589,904)	(52,876,582)	15,286,677	100%



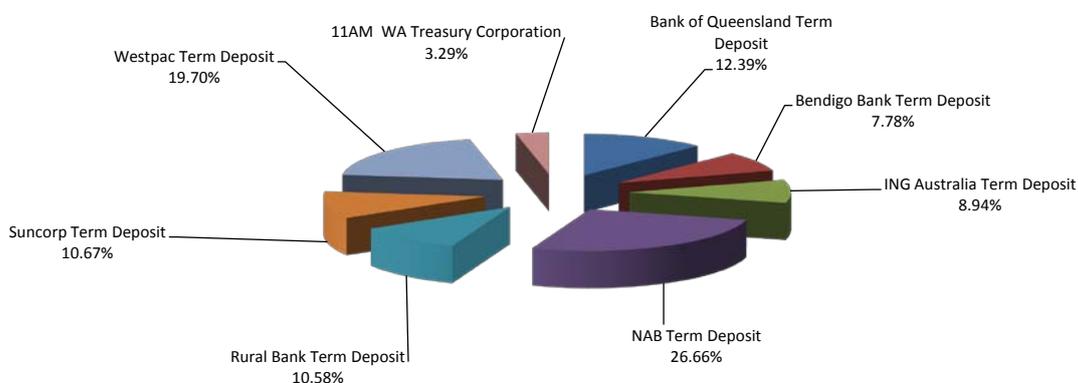
Investment Summary

CITY OF JOONDALUP
January-15

Credit Rating		Investment Account	MTD Return	YTD Return	Value \$	% of Portfolio	Policy Limit
Long Term	Short Term						
A-	A-2	Bank of Queensland Term Deposit	3.63%	3.66%	14,400,000	12.39%	10%
A-	A-2	Bendigo Bank Term Deposit	3.57%	3.61%	9,040,000	7.78%	10%
A-	A-2	ING Australia Term Deposit	3.58%	3.66%	10,400,000	8.94%	10%
AA-	A-1+	NAB Term Deposit	3.61%	3.63%	31,000,000	26.66%	25%
A-	A-2	Rural Bank Term Deposit	3.58%	3.64%	12,300,000	10.58%	10%
A+	A-1	Suncorp Term Deposit	3.51%	3.53%	12,400,000	10.67%	15%
AA-	A-1+	Westpac Term Deposit	3.64%	3.65%	22,900,000	19.70%	25%
AA+	A-1+	11AM WA Treasury Corporation	2.44%	2.45%	3,828,000	3.29%	25%
Total Investment Portfolio			3.57%	3.61%	116,268,000	100.00%	

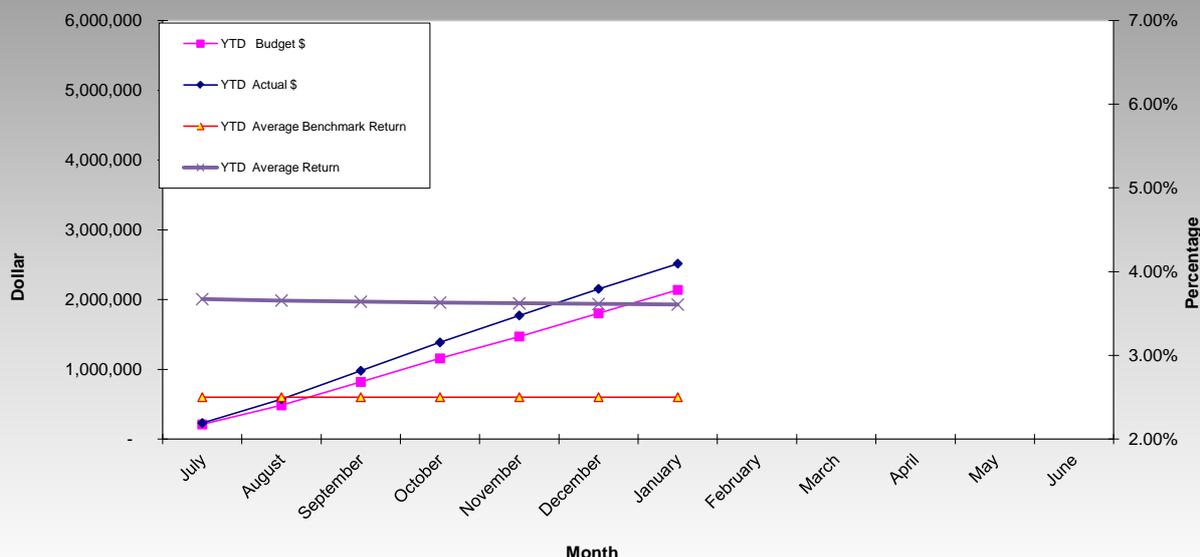
Municipal Funds	70,157,589
Reserve Funds	46,110,411
Total	116,268,000

City of Joondalup - Investment Balances



Month	Budget \$	MTD Actual \$	YTD Budget \$	YTD Actual \$	YTD Average Benchmark Return	YTD Average Return
July	208,895	230,623	208,895	230,623	2.50%	3.67%
August	274,224	341,874	483,120	572,498	2.50%	3.65%
September	335,974	406,407	819,094	978,905	2.50%	3.64%
October	336,681	406,554	1,155,775	1,385,459	2.50%	3.63%
November	314,274	386,444	1,470,049	1,771,903	2.50%	3.62%
December	331,506	381,376	1,801,555	2,153,279	2.50%	3.61%
January	336,559	361,590	2,138,114	2,514,869	2.50%	3.61%

Return on Investments





NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT
FOR THE PERIOD ENDED ON 31 JANUARY 2015

1. Rates

The increase in Rates revenue is mainly due to additional income from interim valuations arising after the budget was finalised and newly developed properties.

2 Contributions, Reimbursements and Donations

	YTD Adopted Budget	YTD Actual	Variance
a) Sale of Recyclables	\$648,765	\$330,727	(\$318,038)
b) Sponsorships	\$59,387	\$116,400	\$57,013
c) Reimbursements	\$319,467	\$449,728	\$130,261
Other	\$17,468	\$19,834	\$2,366
	<u>\$1,045,087</u>	<u>\$916,689</u>	<u>(\$128,398)</u>

- a) This unfavourable variance is due to the closure of the Materials Recovery Facility in November and the volume of recyclable sales being lower than budget estimates prior to the closure.
- b) Sponsorship revenue for various events has been received ahead of budget estimates.
- c) Unbudgeted reimbursements were received from Main Roads for fencing at Carnaby Reserve \$27,462 and from Beaumaris Land Sales for additional works on Burns Beach Road, Iluka \$20,572 which are fully offset by unbudgeted External Contractor expenditure, as well as the receipt of Main Roads' share of the 2013-14 maintenance costs for Marmion Avenue Median \$23,148 which was budgeted to be received in the previous financial year. In addition, Legal Fees Recoverable and Insurance reimbursements are \$16,825 and \$26,198 higher than budget respectively. The balance of the variance is spread across a number of areas.

3 Profit on Asset Disposals

This variance is predominantly due to gains on the disposal of Tamala Park Regional Council (TPRC) land parcels \$1,936,285 which were not included in the budget. This is partly offset by an unfavourable timing variance of (\$383,750) related to the proposed disposal of designated City land assets which are yet to be assessed.



4 Fees and Charges

	YTD Adopted Budget	YTD Actual	Variance
a) Inspection and Control Fees	\$749,952	\$808,547	\$58,595
b) Sports and Recreation Fees	\$5,316,976	\$4,677,824	(\$639,152)
c) Fines and Penalties	\$919,380	\$760,905	(\$158,475)
d) Building and Development Fees	\$1,194,500	\$1,264,096	\$69,596
e) Parking Fees	\$1,330,882	\$1,252,884	(\$77,998)
f) Hire and Rentals	\$418,900	\$483,641	\$64,741
g) Refuse Charges	\$19,941,617	\$20,046,820	\$105,203
Other variances	\$2,147,771	\$2,148,333	\$562
	<u>\$32,019,978</u>	<u>\$31,443,050</u>	<u>(\$576,928)</u>

- a) Higher than budgeted income arose for Swimming Pool Inspection Fees \$60,052.
- b) Leisure Centre net revenue is (\$639,152) below budget mainly due to unfavourable variances for Membership Fees (\$225,517), Admission Fees (\$142,966), Other Sport and Recreation Fees (\$60,641), Term Programme Activities (\$34,067) and Personal Training (\$33,081) in addition to an unfavourable timing variance for the Learn to Swim program (\$142,817). Membership and Admission Fees income budget will be adjusted at the Mid Year Review to reflect changes in attendance patterns. The balance of the variance is spread across a number of areas.
- c) The volume of Infringements issued for Parking was lower than estimated in the budget resulting in an unfavourable variance of (\$115,401). In addition Building, Planning and Environmental Health non compliance fines are (\$39,369) lower than budget estimates.
- d) Favourable variances arose for Building and Development charges \$84,851, Land Purchase Enquiries \$19,911 and Building Licenses \$8,282 due to greater activity than forecast. These are partly offset by an unfavourable timing variance of (\$44,898) for Development Application Fees due to lower activity in January.
- e) This unfavourable variance includes (\$125,174) due to lower use of On-street Parking in the City Centre partly offset by favourable variances for Off-street Parking \$26,136 and Private Property Agreements \$21,040 mainly due to the re-introduction of patrols at Hillarys Boat Harbour.
- f) This favourable variance is mainly due to Property Rental income for 2015 being raised in advance of budget phasing \$82,773 partly offset by lower than forecast revenue from hire of Tennis Courts (\$20,198).
- g) This variance represents additional domestic refuse removal charges arising mainly from new residential developments in the district.



5. Interest Earnings

Interest earned on investments exceeded budget by \$378,180 mainly due to the volume of funds under investment being higher than budgeted. In addition higher interest of \$61,939 was collected in respect of the late payment of rates, instalment options and pensioner deferred rates.

6. Other Revenue

The City received an unbudgeted insurance rebate of \$162,015 from the Local Government Insurance Scheme (LGIS). In addition a favourable variance arose for Discounts Received \$13,750.

7. Employee Costs

	YTD Adopted Budget	YTD Actual	Variance
a) Salaries and Wages	\$32,842,518	\$31,765,652	\$1,076,866
b) Other Employment Costs	\$2,221,911	\$2,424,340	(\$202,429)
	<u>\$35,064,429</u>	<u>\$34,189,992</u>	<u>\$874,437</u>

- a) A favourable variance of \$1,257,732 arose mainly due to vacant positions across the City. This is partly offset by a (\$180,866) movement in the Provision for Employee Entitlements which is dependent on the timing of annual and long service leave taken.
- b) This includes favourable variances for Staff Training \$133,890, Capital Labour Recoveries \$90,910, Study Assistance \$37,306, Conferences and Seminars \$23,248, Staff Recruitment Costs \$14,587 and Staff Uniforms \$15,296. These are offset by an unfavourable variance for Agency Employees (\$524,768) predominantly used to cover staff vacancies.



8. Materials and Contracts

	YTD Adopted Budget	YTD Actual	Variance
a) External Service Expenses	\$12,913,223	\$10,599,331	\$2,313,892
b) Professional Fees and Costs	\$1,287,568	\$1,076,344	\$211,224
c) Materials	\$1,258,488	\$868,024	\$390,464
d) Administration	\$695,923	\$567,101	\$128,822
e) Waste Management Services	\$6,043,834	\$5,099,845	\$943,989
f) Computing	\$1,159,440	\$927,722	\$231,718
g) Public Relations, Advertising and Promotion	\$626,411	\$469,803	\$156,608
h) Contributions and Donations	\$1,664,958	\$821,642	\$843,316
i) Accommodation and Property	\$1,017,562	\$1,077,398	(\$59,836)
j) Telephone and Communications	\$422,329	\$365,088	\$57,241
k) Books and Publications	\$398,773	\$352,750	\$46,023
Other Materials and Contracts	\$2,689,624	\$2,624,740	\$64,884
	<u>\$30,178,133</u>	<u>\$24,849,788</u>	<u>\$5,328,345</u>

- a) This favourable variance is driven primarily by lower expenditure of \$1,291,347 for External Contractors and Services, mainly comprising timing variances including Parks \$737,940, Landscaping and Conservation \$141,759, Information Technology \$75,604, Rangers and City Watch \$44,785 and Engineering maintenance \$78,681, as well as Graffiti Removal \$50,179 arising from a combination of less graffiti removal and timing of supplier invoices. This variance also includes Domestic and Bulk Tipping Fees which are \$931,381 below budget as the actual landfill levy fee is lower than budget estimate. In addition, a favourable timing variance arose for Environmental and Community Development Program Activities \$51,118. The remainder of the variance is spread across several areas.
- b) Favourable variances arose for Consultancy expenditure \$259,466 mainly due to the rescheduling of projects including Waste Management Services Re-tender, Pathogen Mapping and Monitoring and Traffic / Transport reviews, Fines Enforcement Lodgement Fees \$38,620 and Licence Fees \$11,367. These are partly offset by unfavourable variances of (\$22,547) for Landgate Triennial Revaluation fees, which came in higher than estimated in the budget, in addition to Legal Expenses (\$67,747) and Recoverable Legal Expenses (\$18,531). The balance of the variance is spread across a number of areas.
- c) This includes favourable timing variances for the cost of Materials used by External Contractors \$290,241, material for Building Minor Works \$35,394 and \$60,380 in Materials used on building maintenance, primarily arising from the switch to external contract cleaners.
- d) This favourable variance includes \$40,772 for Printing and \$22,178 for Photography and Video Production mainly due to the timing of various festivals and events upcoming in 2015. In addition favourable variances arose for Stationery \$29,676, Other Sundry Admin Expenses \$14,896 and Photocopying \$15,539. Phasing will be reviewed and adjusted, where necessary, during the mid-year budget review.



- e) The variance is mainly due to Recycling Processing costs at the Materials Recovery Facility which are \$824,779 below budget. The facility has now closed however final invoices are still to be received. In addition, Bulk Collection costs are \$241,324 below budget partly offset by an unfavourable variance of (\$122,024) for other waste collection expenses.
- f) Favourable variances arose for Computer Software Licences \$182,933 and Data Communication Links \$42,636. These are predominantly timing variances however minor savings are expected and will be adjusted at the budget review.
- g) This includes favourable timing variances for Advertising – General \$62,128 and Promotions \$60,237 mainly due to the phasing of events. In addition Signage is \$19,634 below budget spread across a number of areas.
- h) Favourable timing variances arose in the budgeted contribution for the Joondalup Arena redevelopment \$750,000, Sponsorship \$33,859, including \$25,000 for the sports development funding program, Prizes and Trophies \$27,808 and the Community Funding Program \$26,420.
- i) Unfavourable variances arose for Refuse Removal charges (\$91,868) which are over budget predominantly due to higher volumes of waste collected from the City's Works Operation Centre and Council Rates on City Properties (\$16,154) partly offset by a favourable variance of \$57,601 for FESA ESL compared to budget estimates. The balance of the variance includes an unfavourable timing variance for Water Rates (\$53,052) offset by a favourable timing variance of \$47,704 for Rental and Outgoings. Phasing will be reviewed and adjusted during the mid-year budget review.
- j) This includes favourable variances for Postage \$30,362, Office Telephones \$19,053 and Mobile Phones \$6,630. These are predominantly timing variances however minor savings will be adjusted at the budget review.
- k) Favourable timing variances arose for Subscriptions \$28,798, Library Board Service Fee \$7,830, Book Purchases \$4,169 and Newspapers and Publications \$6,028.

9. Utilities

This favourable variance includes electricity costs \$339,294, of which \$282,609 relates to Street Lighting and the balance is from a combination of lower usage and reduced tariffs for contestable sites as a result of the abolishment of the Carbon Tax. In addition favourable timing variances arose for water \$30,046 and gas \$5,007.

10. Depreciation and Amortisation of Non-Current Assets

Infrastructure Assets depreciation is (\$4,593,781) over budget resulting from the fair value revaluation of assets in 2013-14. In addition, depreciation on Property, Plant and Equipment Assets is (\$240,672) higher than originally estimated as newly acquired and constructed assets were added to the depreciation schedule after the budget was approved. The depreciation budget will be adjusted in the mid-year review.



11. Loss on Asset Disposal

A favourable timing variance of \$1,085,000 arose as the disposal of identified surplus land parcels held by the City is to be assessed later this financial year. This is partly offset by an unfavourable variance of (\$20,514) on the disposal of Fleet and Plant assets.

12. Non-Current Provisions

This variance is due to the year to date movement in the non-current long service leave liability which is lower than estimated.

13. Capital Grants and Subsidies

	YTD Adopted Budget	YTD Actual	Variance
a) Road Preservation and Resurfacing	\$3,661,191	\$2,890,151	(\$771,040)
b) Major Road Construction	\$1,880,000	\$2,173,333	\$293,333
c) Other Grants	\$126,667	\$166,268	\$39,601
	<u>\$5,667,858</u>	<u>\$5,229,752</u>	<u>\$438,106</u>

- a) This includes unfavourable timing variance of (\$336,859) for the Roads to Recovery grant which is due to be received in February as well as (\$378,420) for MRRG Road Grants for which the 2nd progress claim will be submitted in February. In addition, the Federal Local Road Grants received to date are (\$74,460) below budget estimates.
- b) The City lodged and received the final grant claim of \$293,333 for the Hodges Drive duplication project. These funds were budgeted to be received in the previous financial year.
- c) The City received \$28,750 from the Department of Education for additional parking at Woodvale Senior High School, a \$17,539 Lottery West grant for the construction of a dual use path at Hepburn Heights Reserve, \$22,552 from the Department of Sport and Education for floodlighting upgrades at Prince Regent Park and Sorrento Bowling Club and \$21,427 for Black Spot projects which were all budgeted to be received in 2013-14. In addition unfavourable variances arose for Marmion Ave and Warwick Road (\$24,000) and Hepburn Avenue and Gibson Avenue (\$26,667) which are now complete below budget.



14. Capital Contributions

	YTD Adopted Budget	YTD Actual	Variance
a) Local Traffic Management	-	\$89,564	\$89,564
b) Parks Equipment	-	\$94,779	\$94,779
c) Fleet and Plant	-	\$78,021	\$78,021
d) Parking Facilities	-	\$48,712	\$48,712
Other Projects	-	\$5,000	\$5,000
	-	\$316,076	\$316,076

a) The City received an unbudgeted contribution from Landcorp to upgrade traffic treatments at Albion Street / Marmion Avenue intersection as part of the terms of the Craigie High School subdivision. This work is programmed for 2016-17 and the money will be held in reserve until then.

b) The City received contributions from respective clubs for sports floodlighting projects at Prince Regent Park \$73,850 and Sorrento Bowling Club \$20,929 which were budgeted to be received in the previous financial year.

c) This favourable variance relates to a vehicle that was transferred to the City for use by Wanneroo – Joondalup SES, and which is offset by corresponding capital expenditure (refer note 18).

d) The City received a contribution from Hillarys Primary School for parking embayments constructed in 2013-14 at the Kiss and Ride facility which was budgeted to be received in the previous financial year.

15. Equity Distribution - Tamala Park Regional Council

This favourable variance represents the City's dividend received from the Tamala Park Regional Council in respect of the Catalina residential land development project that came in higher than originally estimated. These funds will be transferred to reserve.

16. Capital Projects

	YTD Adopted Budget	YTD Actual	Variance
a) Ocean Reef Marina Development	\$723,000	\$472,009	\$250,991
b) Joondalup Performing Arts & Cultural Facility (JPACF)	\$528,202	\$42,152	\$486,050
c) Cafes, Restaurants, Kiosks	\$101,750	\$45,130	\$56,620
d) Acquisition of Land Lot 12223, Padbury	\$88,000	-	\$88,000
e) Information Technology Projects	\$688,390	\$580,207	\$108,183
Other Projects	\$453,250	\$414,576	\$38,674
	\$2,582,592	\$1,554,074	\$1,028,518



- a) Tasks associated with the preparation of the Public Environmental Review, Metropolitan Region Scheme Amendment and Local Structure Plan continued throughout the period. The year to date variance reflects timing differences.
- b) ARM Architecture is currently reviewing the feasibility and design review recommendation recently undertaken by consultants and it is anticipated that expenditure will increase in the coming months.
- c) Tasks associated with the development of a Kiosk / Cafe at Pinnaroo Point are progressing; however, a decision on the Burns Beach Cafe / Restaurant expression of interest has been deferred pending the adoption of the Burns Beach Master Plan.
- d) The acquisition of land at Lot 12223, Padbury is progressing later than originally estimated.
- e) This is due to favourable timing variances on a number of Information Technology projects, including the Infrastructure Asset Management System implementation \$64,727, that are progressing behind budget phasing.

17. Capital Works

	YTD Adopted Budget	YTD Actual	Variance
a) Road Preservation / Resurfacing Program	\$4,122,140	\$3,510,581	\$611,559
b) Stormwater Drainage Program	\$473,750	\$326,889	\$146,861
c) Streetscape Enhancement Program	\$696,500	\$481,276	\$215,224
d) Parks Development Program	\$446,556	\$580,667	(\$134,111)
e) Major Projects Program	\$11,761,573	\$5,008,038	\$6,753,535
f) Major Building Capital Works Program	\$837,667	\$710,004	\$127,663
g) Street Lighting Program	\$595,000	\$205,266	\$389,734
h) Traffic Management Program	\$1,485,581	\$1,224,506	\$261,075
i) Parking Facilities Program	\$250,000	\$295,693	(\$45,693)
Other Works variances - not material	\$1,559,939	\$1,581,687	(\$21,748)
	<u>\$22,228,706</u>	<u>\$13,924,607</u>	<u>\$8,304,099</u>

- a) The Road Preservation Program's favourable timing variance of \$611,559 includes West Coast Drive \$407,518 which is in the design stage and will now be tied into a local traffic management project due for construction in March 2015. In addition, variances arose on resurfacing Eddystone Avenue - Craigie Drive to Perilya Road \$81,217, Poseidon Road - Peninsula Road to Larkspur Place \$16,675 and Gilbert Road - Readshaw Road to Sullivan Road \$50,636 which are all complete under budget. This is offset by unfavourable variances on a number of projects across the program completed ahead of schedule including Castlecrag Drive (\$134,344), Warwick Road - Ballantine Road to Allenswood Road (\$7,947) and Warwick Road, Dava Street to Davallia Road (\$38,491). The remainder of the variance represents timing differences spread across a number of projects.
- b) This favourable variance is mainly a result of a number of projects within the Stormwater Drainage program progressing behind budget phasing because of



contractor availability, including Sherrington Road - Upgrade Low Point \$60,000, Ackworth Crescent Low Point Drainage Upgrade \$50,000, Springvale Drive Drainage \$60,000 and Forest Park Sump Overflow \$60,000. In addition, Sandalwood Drive – Stage 2 Upgrade is complete \$38,205 below budget. This is partly offset by an unfavourable variance on the Otago Park Sump Beautification (\$51,599), which is funded by monies brought forward from 2013-14, and 10 Cook Avenue (\$16,769) which is complete over budget. The Stormwater Drainage Upgrading works also shows an unfavourable variance of (\$69,491) due to urgent works undertaken at Marri Road and Robin Avenue to resolve flooding issues.

- c) This is due mainly to the Streetscape Renewal Program \$23,523 that has just commenced and Shenton Avenue Landscaping \$214,874 which is complete but awaiting final invoices. These are offset by projects Entry Statements – Joondalup Drive (\$17,317) and Future management of Street Trees North (\$5,857) that have been completed over budget.
- d) This unfavourable variance is mainly due to Penistone Park East Irrigation Upgrades (\$59,063), which is complete, and Broadbeach / Flinders Park Upgrades (\$201,533) that is progressing ahead of budget estimate. This is partly offset by an underspend of \$31,397 for the Springvale Park and a number of projects within the program progressing behind phasing including Windermere Park \$30,000, Elcar Park \$34,500, Harbour Rise SAR \$25,000 and Iluka SAR Upgrades infill landscaping \$26,700.
- e) This arises mainly from a favourable timing variance of \$5,533,157 for the Multi Storey Car Park on Boas Avenue currently under construction, as well as Ocean Reef Floating Jetties \$561,754, which has been rescheduled to commence in April after the high user periods, also Penistone Park redevelopment \$209,618, Synthetic Hockey Pitch \$286,723 and Bramston Park \$204,214. These are partly offset by additional expenditure on Delamere Park – New Park (\$134,573) and Currambine Community Centre (\$29,238) which will be updated in the mid year budget review.
- f) Favourable variances arose across a number of projects in the Building Capital Works Program which are at various stages of progress with outstanding commitments totalling \$328,156. These are partly offset by projects brought forward from 2013-14 for Joondalup Library and Reception Centre chiller replacement (\$132,084) and the extension of the Wanneroo / Joondalup SES facility (\$33,828).
- g) Favourable variances arose for Joondalup City Centre Lighting \$184,171, that has been referred to a consultant for review and design, as well as Candlewood Boulevard Lighting \$50,820, Collier Pass – Lighting at underpass \$29,841 and Twickenham Drive / Chelsea Court street lighting \$11,022 which are all complete under budget. In addition, Central Park Lighting Upgrade \$80,000 has been rescheduled to April following completion of pilot testing lighting effects with the CCTV coverage and a twelve weeks' lead time for the delivery of the poles.
- h) The State Black Spot Program is complete \$329,190 below budget. This includes Joondalup Drive and Shenton Avenue Intersection \$310,408 and Hepburn Avenue and Wanneroo Road \$217,293, due to a reduction in the scope of works as a result of unsuccessful State Black Spot grant funding applications, partly offset by Ocean Reef Road / Swanson Way (\$283,077) that is funded by monies brought forward from 2013-14.



This is offset by an unfavourable variance for the Local Traffic Management Program (\$68,115) mainly due to Whitfords Avenue intersection (\$218,171), funded by monies brought forward from 2013-14, offset by a number of projects across the program completed under budget.

- i) The Parking Facilities Program's unfavourable variance is mainly due to Admiral Reserve - Additional Parking (\$74,594) which is complete ahead of budget phasing, partly offset by Mawson Parking Embayment's \$28,462 which is complete under budget.

18. Motor Vehicle Replacements

Net favourable savings of \$120,551 have arisen on Fleet and Plant purchased to date, in addition to favourable timing variances of \$789,000 for purchases still under review. This is offset by an unbudgeted cost of (\$78,021) for a vehicle which was transferred to the City for use by Wanneroo – Joondalup SES, which is offset by a corresponding capital contribution revenue (refer note 14).

19. Proceeds from Disposal

This variance includes unfavourable timing variances for the disposal of surplus land parcels held by the City (\$3,348,750) due to rescheduling of disposal proceedings and Fleet and Plant assets (\$52,764).



20. Closing Funds

	June 2014	January 2015
Current Assets		
Cash Assets	\$72,069,086	\$116,511,592
Rates and Sundry Debtors	\$2,318,645	\$13,058,760
GST Receivable	\$1,057,569	\$455,768
Accrued Income	\$1,584,009	\$1,874,636
Advances and Prepayments	\$65,644	\$590,097
	\$77,094,953	\$132,490,853
Less: Current Liabilities		
Creditors	(\$3,504,939)	(\$488,418)
Sundry Payables	(\$473,280)	(\$9,437,437)
Provisions - Annual Leave	(\$3,993,937)	(\$3,772,311)
Provisions - Other	(\$7,759,035)	(\$8,755,696)
Accrued Expenses	(\$4,458,775)	(\$3,092,981)
Income in Advance	(\$1,709,829)	(\$57,750)
Borrowings	(\$1,399,466)	(\$682,524)
GST Payable	(\$257,662)	(\$137,629)
	(\$23,556,923)	(\$26,424,746)
Net Current Assets	\$53,538,030	\$106,066,107
Add: Borrowings	\$1,399,466	\$682,524
Less: Reserve Accounts	(\$53,872,049)	(\$53,872,049)
Closing Funds – Surplus/(Deficit)	\$1,065,447	\$52,876,582