



City of  
Joondalup

# City of Joondalup

Financial Activity Statement for the  
Period Ended 30 April 2017

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	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
<b>OPERATING REVENUE</b>						
Rates		(94,843,059)	(94,843,059)	(94,818,927)	(24,132)	(0)%
Specified Area Rates		(498,517)	(498,517)	(503,512)	4,995	1%
Grants and Subsidies		(3,756,214)	(2,863,786)	(2,878,533)	14,747	1%
Contributions Reimbursements and Donations	1	(831,379)	(602,988)	(744,989)	142,001	24%
Profit on Asset Disposals	2	(1,837,559)	(392,906)	(1,323,516)	930,610	237%
Fees and Charges	3	(39,626,923)	(36,521,438)	(36,708,954)	187,516	1%
Interest Earnings	4	(3,888,666)	(3,508,949)	(3,580,432)	71,483	2%
Other Revenue/Income	5	(151,215)	(151,215)	(236,032)	84,817	56%
<b>Total Operating Revenue</b>		<b>(145,433,531)</b>	<b>(139,382,858)</b>	<b>(140,794,895)</b>	<b>1,412,037</b>	<b>1%</b>
<b>OPERATING EXPENSES</b>						
Employee Costs	6	63,697,030	52,972,155	52,032,310	939,845	2%
Materials and Contracts	7	53,251,250	42,928,347	41,116,888	1,811,459	4%
Utilities (gas, electricity, water etc.)	8	5,822,705	4,805,779	4,552,562	253,217	5%
Depreciation & Amortisation of Non-Current Assets	9	29,116,953	24,313,311	25,814,491	(1,501,180)	(6)%
Loss on Asset Disposals	10	519,927	395,637	264,538	131,099	33%
Interest Expenses		602,497	470,690	470,277	413	0%
Insurance Expenses		1,520,001	1,520,001	1,545,896	(25,895)	(2)%
<b>Total Operating Expenses</b>		<b>154,530,362</b>	<b>127,405,919</b>	<b>125,796,962</b>	<b>1,608,957</b>	<b>1%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS</b>		<b>9,096,831</b>	<b>(11,976,939)</b>	<b>(14,997,933)</b>	<b>3,020,994</b>	<b>25%</b>
<b>OPERATING NON-CASH ADJUSTMENTS</b>						
Depreciation & Amortisation of Non Current Assets		(29,116,953)	(24,313,311)	(25,814,491)	1,501,180	6%
Loss on Asset Disposal		(519,927)	(395,637)	(264,538)	(131,099)	(33)%
Profit on Asset Disposals		1,837,559	392,906	1,323,158	(930,252)	(237)%
Other Non-Current items						
Movement in Non-current Items	11	(100,000)	(80,000)	(92,410)	12,410	16%
<b>OPERATING CASH (SURPLUS)/DEFICIT</b>		<b>(18,802,490)</b>	<b>(36,372,981)</b>	<b>(39,846,214)</b>	<b>3,473,233</b>	<b>10%</b>
<b>NON-OPERATING REVENUE</b>						
Capital Grants and Subsidies	12	(12,675,532)	(9,076,121)	(8,511,208)	(564,913)	(6)%
Capital Contributions	13	(937,138)	(483,047)	(553,446)	70,399	15%
Equity Distribution - TPRC	14	(1,833,333)	(916,667)	(833,334)	(83,333)	(9)%
<b>Total Non-Operating Revenue</b>		<b>(15,446,003)</b>	<b>(10,475,835)</b>	<b>(9,897,988)</b>	<b>(577,847)</b>	<b>(6)%</b>
<b>CAPITAL EXPENDITURE</b>						
Capital Projects	15	4,537,505	3,754,579	2,887,154	867,426	23%
Capital Works	16	43,974,455	36,186,471	30,129,959	6,056,512	17%
Vehicle and Plant Replacements		2,458,227	1,234,070	1,221,425	12,645	1%
Loan Repayment Principal		2,126,295	1,780,091	1,780,091	(0)	(0)%
Equity Investments		47,443	23,366	23,366	-	-
<b>Total Capital Expenditure</b>		<b>53,143,924</b>	<b>42,978,577</b>	<b>36,041,995</b>	<b>6,936,583</b>	<b>16%</b>
<b>CAPITAL (SURPLUS)/DEFICIT</b>		<b>37,697,921</b>	<b>32,502,743</b>	<b>26,144,007</b>	<b>6,358,737</b>	<b>20%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL</b>		<b>18,895,431</b>	<b>(3,870,238)</b>	<b>(13,702,207)</b>	<b>9,831,970</b>	<b>254%</b>
<b>FUNDING</b>						
Proceeds from Disposal	17	(7,774,154)	(496,244)	(2,219,739)	1,723,495	347%
Loans - New Borrowings		(5,274,423)	-	-	-	-
Transfer from Trust		(205,000)	-	-	-	-
Transfer from Reserve		(19,025,031)	-	-	-	-
Transfer to Reserve		16,467,008	-	-	-	-
Transfer to Accumulated Surplus		-	-	-	-	-
Transfer from Accumulated Surplus		-	-	-	-	-
Opening Funds		(3,083,830)	(3,083,830)	(3,083,830)	-	0%
<b>CLOSING FUNDS</b>	18	<b>-</b>	<b>(7,450,312)</b>	<b>(19,005,776)</b>	<b>11,555,464</b>	<b>155%</b>



## Investment Summary

**CITY OF JOONDALUP**  
April-17

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	2.69%	2.83%	\$ 11,470,000	11.28%	10%
AA-	A-1+	Bank West	Term Deposit	0.00%	2.59%	\$ 2,000,000	1.97%	25%
A-	A-2	Bendigo	Term Deposit	2.67%	2.68%	\$ 12,740,000	12.53%	10%
AA-	A-1+	Commonwealth Bank	Term Deposit	2.62%	2.71%	\$ 2,600,000	2.56%	25%
A-	A-2	ING	Term Deposit	2.66%	2.80%	\$ 12,070,000	11.87%	10%
AA-	A-1+	NAB	Term Deposit	2.75%	2.77%	\$ 15,910,000	15.65%	25%
A-	A-2	Rural Bank	Term Deposit	2.71%	2.86%	\$ 9,080,000	8.93%	10%
A+	A-1	Suncorp	Term Deposit	2.65%	2.71%	\$ 14,710,000	14.47%	15%
AA-	A-1+	Westpac	Term Deposit	2.84%	2.88%	\$ 18,320,000	18.02%	25%
AA+	A-1+	11AM WA Treasury Corporation		1.45%	1.47%	\$ 2,745,000	2.70%	25%

**Total Investment Portfolio**

2.66%

2.75%

**101,645,000**

100.00%

**Municipal Funds**

46,417,894

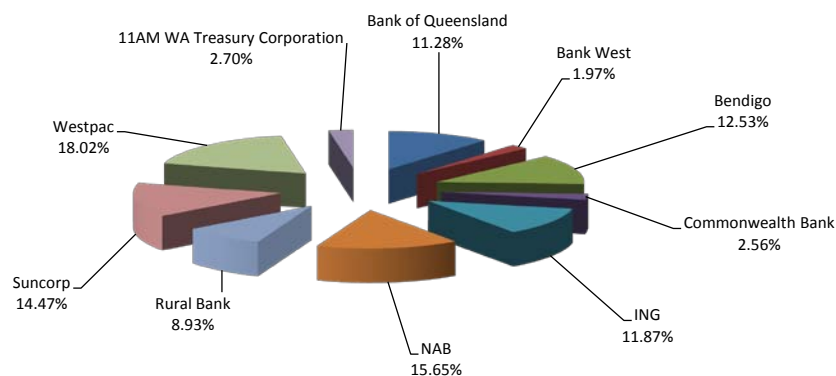
**Reserve Funds**

55,227,106

**101,645,000**

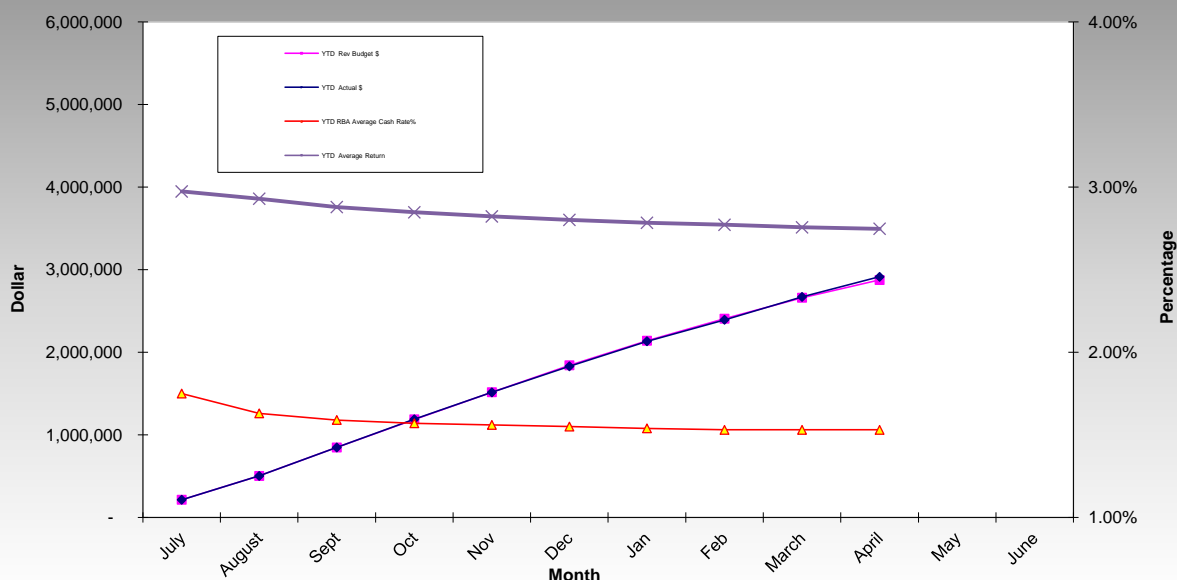
Overall Portfolio Limits		Value\$	% Current	% Limit
Long Term	Short Term			
AA	A-1+	41,575,000	40.9%	100%
A	A-1	14,710,000	14.5%	50%
A	A-2	45,360,000	44.6%	40%

### City of Joondalup - Investment Balances



Month	Rev Budget \$	MTD Actual \$	YTD Rev Budget \$	YTD Actual \$	YTD RBA Average Cash Rate%	YTD Average Return
July	213,828	213,767	213,828	213,767	1.75%	2.97%
August	288,315	288,260	502,142	502,027	1.63%	2.93%
Sept	344,546	344,942	846,688	846,969	1.59%	2.88%
Oct	340,978	340,943	1,187,666	1,187,912	1.57%	2.85%
Nov	328,387	326,210	1,516,052	1,514,122	1.56%	2.82%
Dec	326,065	315,700	1,842,117	1,829,823	1.55%	2.80%
Jan	297,689	303,593	2,139,806	2,133,415	1.54%	2.78%
Feb	266,690	260,004	2,406,496	2,393,419	1.53%	2.77%
March	254,024	276,912	2,660,520	2,670,331	1.53%	2.76%
April	214,423	242,818	2,874,943	2,913,149	1.53%	2.75%

### Return on Investments



**NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR  
THE PERIOD ENDED 30 APRIL 2017**

**1. Contributions, Reimbursements and Donations**

This favourable variance is attributed to timing of Recoverable Legal Fees \$44,617, recoveries from Insurance Claims \$13,335 and Utilities Charges \$11,606. In addition higher than anticipated Other Miscellaneous reimbursements were received by Parks \$15,102 for Tree Removals, Waste Management Services \$9,615 for the provision of Event Bins, and reimbursements to Assets Management Services \$8,938. Favourable variances also arose from unbudgeted Sports Development Contributions \$12,178 and Contribution of \$21,620 from Whitford Catholic Primary School for the installation of the irrigation system to Albion Park.

**2. Profit on Asset Disposals**

This favourable variance includes gains of \$914,481 on the disposal of Tamala Park Regional Council (TPRC) land parcels and \$16,488 for Fleet and Plant disposals.

**3. Fees and Charges**

	YTD Revised Budget	YTD Actual	Variance
a) Parking Fees	\$2,072,937	\$2,143,035	\$70,098
b) Sports and Recreation Fees	\$6,688,304	\$6,802,700	\$114,396
c) Licences and Registrations	\$876,386	\$822,570	(\$53,816)
d) Refuse Charges	\$20,301,773	\$20,358,207	\$56,434
Other Fees and Charges	\$6,582,038	\$6,582,442	\$404
	<u>\$36,521,438</u>	<u>\$36,708,954</u>	<u>\$187,516</u>

- a) This favourable variance arises from higher than anticipated fees collected for Off Street Car Parking \$32,459 and Multi Storey Car Parking \$33,528. The balances of variances are spread across other areas.
- b) This includes favourable variances for Membership Fees \$191,246 and the Hire of Facilities \$99,723. This was partially offset by unfavourable variances for Admission Fees (\$83,386) and the Learn to Swim Program (\$67,608).
- c) This unfavourable timing variance arose predominantly from Dog Registration Fees (\$64,750) partially offset by a favourable timing variance Trading in Public Space Licences \$10,696. The balances of variances are spread across other areas.
- d) This favourable variance arose from higher than anticipated fees collected for Domestic Refuse Removal \$41,239 and Additional Bin Establishments \$15,195.

#### 4. Interest Earnings

Interest earned on investments exceeded budget by \$38,596 mainly due to the volume of funds under investment being higher than estimates. In addition, Penalty Interest on Rates and Interest on Pensioners Deferred Rates exceeded budget by \$32,914.

#### 5. Other Revenue / Income

This favourable variance arose mainly from the LGIS Rebate \$55,982 and Discounts Received \$37,075 partially offset by an unfavourable variance for Street-side Advertising Commission (\$11,125).

#### 6. Employee Costs

	YTD Revised Budget	YTD Actual	Variance
a) Salaries and Wages	\$49,966,793	\$49,237,191	\$729,602
b) Other Employment Costs	\$3,005,362	\$2,795,119	\$210,243
	<u>\$52,972,155</u>	<u>\$52,032,310</u>	<u>\$939,845</u>

a) The favourable variance in Salaries and Wages is predominantly due to vacant positions across the City.

b) The favourable timing variance for Other Employment Costs arose predominantly from Staff Training \$141,884. The balances of variances are spread across other areas.

#### 7. Materials and Contracts

	YTD Revised Budget	YTD Actual	Variance
a) External Service Expenses	\$18,257,575	\$16,487,064	\$1,770,511
b) Computing	\$1,406,085	\$1,291,288	\$114,797
c) Travel, Vehicles & Plant	\$1,455,442	\$1,296,616	\$158,826
d) Furniture, Equipment and Artworks	\$2,186,221	\$2,020,124	\$166,098
e) Public Relations, Advertising and Promotions	\$1,094,021	\$929,713	\$164,308
f) Contributions and Donations	\$4,117,703	\$5,482,330	(\$1,364,627)
g) Administration	\$1,286,392	\$985,760	\$300,632
h) Professional Fees and Costs	\$2,029,624	\$1,807,438	\$222,185
i) Other Materials	\$1,822,888	\$1,769,369	\$53,519
j) Accommodation and Property	\$1,391,118	\$1,336,223	\$54,895
k) Finance Related Costs	\$396,687	\$342,245	\$54,442
Other Materials and Contracts	\$7,484,591	\$7,368,718	\$115,873
	<u>\$42,928,347</u>	<u>\$41,116,888</u>	<u>\$1,811,459</u>

a) External Contractors and Services expenditure is \$1,631,348 below budget. This includes favourable timing variances for Parks \$478,102, Waste Management Services \$200,253, Landscaping and Conservation Services \$196,188, Civil

Projects Management Services \$185,291, Engineering Maintenance \$116,198, Community Safety \$85,965 and CEO Administration \$83,445. The balances of variances are spread across a number of areas.

- b) This includes favourable timing variances for Computer Software Subscriptions \$41,355, Computer Software Licences \$39,215, Computer Software Maintenance \$14,978 and Data Communication Links \$11,630.
- c) This includes favourable variances for Parts and Repairs \$86,049, Fuel \$57,179, Tyres & Tubes \$11,512 and Vehicle Servicing Costs \$8,356.
- d) Favourable timing variances arose for Computer and Communications Equipment Purchases - Minor \$124,516, Plant and Equipment Maintenance and Repair \$49,476 and Hire of Equipment \$45,488 partially offset by an unfavourable timing variance for Plant and Equipment Purchases - Minor (\$64,865) which predominantly relates to the renewal program.
- e) The timing of various events compared to budget phasing generated this favourable variance which includes Advertising - General \$44,480, Catering \$39,176, Signage \$29,380, Promotions \$14,333, Public Relations \$12,278, Entertainment and Hospitality Expenses \$9,811, Advertising \$8,088 and Bar Stocks \$6,762.
- f) This unfavourable timing variance arose predominantly from Grants and Contributions Made (\$1,525,186) due to revised budget phasing of the total contribution of \$3,749,781 made to the HBF Arena sporting complex. This was partially offset by favourable timing variances for Sponsorship \$94,971 and Community Funding Program \$52,610.
- g) Favourable timing variances arose for Sundry Administration Expenses \$122,186, External Printing \$86,448, Photography and Video Production \$49,331 and Stationery \$29,863. The balances of the variances are spread across a number of areas.
- h) This favourable timing variance arose predominantly from fees for Consultancy \$246,532. This is partially offset by an unfavourable timing variance for Lodgement Fees (\$34,429). The balances of the variances are spread across a number of areas.
- i) This favourable timing variance arose predominantly from Materials for Minor Building Works \$54,211. The balances of variances are spread across a number of areas.
- j) Favourable timing variances arose for Rentals and Outgoings \$33,290 and Refuse Removal Charges \$25,236. The balances of variances are spread across a number of areas.
- k) Favourable timing variances arose for Credit Card Merchant Fees \$21,735, Cash Collections \$16,734 and Bank Charges \$16,520. The balances of variances are spread across a number of areas.



## 8. Utilities

Electricity costs are \$267,315 below budget including favourable variances for Street Lighting \$247,107 arising from reduced consumption and a favourable timing variance for Buildings \$125,581. This was partially offset by an unfavourable timing variance for Parks Lighting (\$102,166) and Water Costs (\$16,582).

## 9. Depreciation & Amortisation of Non-Current Assets

An unfavourable variance of (\$1,112,410) arose for Impairment/Write off of Assets predominantly due to updating of the Combined Asset Register where replaced Infrastructure Assets (\$774,819) were written off and the new Infrastructure Assets capitalised at a value of \$15,274,052, as well as a write off that arose from the demolition of the Craigie Child Health Care Centre (\$337,592) due to the impending land sale and an unfavourable timing variance arose for Depreciation –Buildings (\$721,839) due to budget phasing. This is partially offset by favourable timing variances for Depreciation of Roads Infrastructure \$105,420, Depreciation - Car Parking Infrastructure \$67,764, Depreciation Footpaths Infrastructure \$52,592, Depreciation – Open Reserves \$42,227 and Depreciation – Drainage Infrastructure \$48,591. The balances of the variances are spread across a number of areas.

## 10. Loss on Asset Disposals

This favourable timing variance arose in respect of the disposal of Fleet and Plant \$87,545 and Land Parcels \$43,554.

## 11. Movement in Non-current Items

This timing variance arose in respect of Non-current Long Service Leave Liability movements of (\$12,410).

## 12. Capital Grants and Subsidies

	YTD Revised Budget	YTD Actual	Variance
a) Black Spot Program	\$1,015,600	\$811,528	(\$204,072)
b) Road Preservation / Resurfacing Program	\$5,927,151	\$5,576,903	(\$350,248)
c) Capital Projects	\$67,700	\$283,785	\$216,085
d) Major Projects Program	\$400,000	\$537,500	\$137,500
e) Paths Replacement Program	\$490,000	\$130,292	(\$359,708)
Other Programs	\$1,175,670	\$1,171,200	(\$4,470)
	<u>\$9,076,121</u>	<u>\$8,511,208</u>	<u>(\$564,913)</u>

- a) Unfavourable timing variances arose in respect of Hepburn Ave / Glengarry Drive Roundabout (\$156,000) and Erindale Road Pedestrian Improvements (\$66,000) with grant claims for these projects expected to be made in May 2017. This was partially



offset by a favourable variance for Joondalup Drive / Shenton Avenue Lighting \$17,928 from additional Federal Grant funding received for over expenditure on this project.

- b) Unfavourable timing variances arose for MRRG Roads Grants (\$118,765) from projects awaiting final supplier invoices before final grant claims can be made. An unfavourable timing variance arose for Roads to Recovery (\$231,483) due to timing of projects compared to estimates.
- c) A favourable variance arose from grant funding not anticipated in budget estimates for CCTV installation at Collier Pass \$116,085 and Lighting and CCTV Shenton Ave & Lakeside Drive \$100,000 received from the Federal Attorney-General's Department under the Safer Streets Project.
- d) A favourable timing variance arose for Penistone Park Facility Redevelopment \$137,500 which commenced ahead of schedule and for which a progress payment was received.
- e) This unfavourable timing variance arose for Robertson Cycleway Bike & Pedestrian Paths (\$359,708) which is awaiting final supplier invoices before final grant claims can be made.

### 13. Capital Contributions

This favourable timing variance arose from earlier than scheduled payments received for the Synthetic Hockey Project \$181,818 and the Tennis Court Resurfacing Program \$48,120. This was partially offset by unfavourable timing variances for Telstra Proof of Concept Project – Tom Simpson Park Mullaloo (\$117,388) and the Percy Doyle Undercroft Extension Project (\$42,152).

### 14. Equity Distribution

The dividend distribution from Tamala Park Regional Council was slightly below budget estimates.

### 15. Capital Projects

	YTD Revised Budget	YTD Actual	Variance
a) Infrastructure Asset Management System Implementation	\$215,607	\$81,650	\$133,957
b) Telstra Proof of Concept Project-Tom Simpson Park Mullaloo	\$176,095	\$16,768	\$159,328
c) Ocean Reef Marina	\$738,364	\$525,708	\$212,656
d) Acquisition of land: Lot 12223, No.12 Blackwattle Parade, Padbury	\$88,000	-	\$88,000
e) Upgrade 14 Existing Coin Parking Meters Including Contactless	\$69,831	-	\$69,831
f) Information Technology Projects	\$423,155	\$243,342	\$179,813
Other Projects	\$2,043,527	\$2,019,686	\$23,841
	<u>\$3,754,579</u>	<u>\$2,887,154</u>	<u>\$867,426</u>

- a) Expenditure of this project is anticipated to increase over the coming months, as this project progresses.
- b) A favourable timing variance arose for this recently commenced project for which expenditure is anticipated to rise in the coming months.
- c) The City is currently liaising with State Government and further expenditure will depend on future decisions in this regard.
- d) This favourable timing variance arose due to finalisation of the necessary easement taking longer than anticipated, which has delayed acquisition.
- e) Expenditure of this project is anticipated to increase over the coming months, as this project progresses.
- f) A favourable timing variance arose due to budget phasing of the Network Infrastructure Upgrade Program and Disaster Recovery Facilities project.

#### 16. Capital Works

	YTD Revised Budget	YTD Actual	Variance
a) Road Preservation/Resurfacing	\$7,450,485	\$6,565,513	\$884,972
b) Major Projects Program	\$6,775,561	\$6,598,414	\$177,147
c) Major Building Capital Works Program	\$3,935,157	\$3,239,955	\$695,202
d) Major Road Construction Program	\$4,380,410	\$3,299,297	\$1,081,113
e) Slab Path Replacement	\$1,602,397	\$1,460,594	\$141,803
f) Black Spot Projects	\$1,118,233	\$1,063,193	\$55,040
g) Parks Equipment Program	\$1,736,236	\$1,639,871	\$96,365
h) Street Lighting Program	\$3,904,510	\$2,103,101	\$1,801,409
i) Parking Facilities Program	\$800,001	\$606,454	\$193,547
j) Stormwater Drainage Program	\$650,607	\$181,446	\$469,161
k) Parks Development Program	\$732,155	\$487,779	\$244,376
l) Foreshore and Natural Areas Management Program	\$414,109	\$351,870	\$62,239
m) Streetscape Enhancement Program	\$1,151,804	\$1,020,309	\$131,495
n) Local Traffic Management Program	\$1,253,673	\$1,305,421	(\$51,748)
o) Other Programs	\$281,133	\$206,742	\$74,391
	<u>\$36,186,471</u>	<u>\$30,129,959</u>	<u>\$6,056,512</u>

- a) This favourable variance arose mainly due to timing of the FLRG funded Road Preservation Program \$400,000. In addition, Oceanside Promenade – Westview Boulevard to Ocean Reef Road \$143,246, Ocean Reef Road - Freeway to Joondalup Drive \$53,000 and Joondalup Drive - Ocean Reef Road to Wedgewood Drive \$66,841 were completed under budget generating a favourable variance. A favourable timing variance arose for Inventory & Condition Data Collection \$100,000 for which the request for quotation is currently being developed. This is partly offset by unfavourable timing variance for Whitechapel Lane (\$58,661). Remaining variances occur across a number of projects within the program.

- b) This favourable timing variance is predominantly due to Penistone Park - Facility Redevelopment \$322,610 which has orders raised totalling \$2,793,513, Sorrento Beach Enclosure \$85,571 and Percy Doyle – Tennis Clubrooms Refurbishment (Design) \$51,069. This is partly offset by unfavourable timing variances for the Synthetic Hockey Project (\$268,162) and Percy Doyle – Duncraig Library Upgrades (\$49,065) which have progressed ahead of schedule. Remaining variances occur across a number of projects within the program.
- c) Favourable timing variances arose for Kingsley Clubrooms Refurbishment \$301,394, SES Winton Road \$82,029 and James Cook Park Toilets / Change Room Refurbishment \$57,205 which are complete awaiting final invoices. Flinders Park Community Centre Refurbishment \$81,663 is 90% complete and progressing ahead of schedule. The balances of the variances are spread across a number of projects.
- d) Favourable timing variances arose for Ocean Reef Road, Marmion Avenue - Swanson Avenue Stage-2 \$988,736 which is 85% completed, Ocean Reef Road / Joondalup Drive Intersection Upgrade \$59,498 and Whitfords Avenue Upgrades (Design) \$32,879.
- e) This favourable timing variance is mainly due to Robertson Road Cycleway Bike and Pedestrian Paths \$70,518 and Ocean Gate Parade Shared Path Renewal \$28,104, which are complete ahead of schedule. In addition Coastal Foreshore Path Renewal \$46,972 has commenced with 90% constructed.
- f) This includes favourable timing variances for Erindale Road \$81,423 which is complete and Oceanside Promenade \$88,774 is complete having been undertaken in conjunction with the Local Traffic Management Project. This is offset by an unfavourable timing variance for Hepburn Avenue and Glengarry Drive Roundabout (\$151,479) which is 95% complete ahead of schedule. Remaining variances occur across a number of projects within the program.
- g) Favourable timing variances arose for Barwon Park Playspace Renewal \$103,141, Mawson Park Playground \$66,623, Iluka Foreshore Park New Playspace \$53,160 and Hawker Park New Cricket Nets \$54,577. This is offset by unfavourable variances for projects ahead of schedule Plumdale Park Playspace Renewal (\$92,783) and Central Park Boardwalk Extension (\$110,089). The balances of the variances are spread across a number of projects.
- h) This favourable variance arose mainly due to Joondalup City Centre Lighting \$1,415,296 where cabling investigations are being undertaken prior to commencing Stage 2 and timing variances for the Floodlight & Pole Replacement Program \$65,762. In addition a favourable variance for Admiral Park Floodlight Upgrade \$233,716 which was completed for less than budget.
- i) Favourable timing variances arose for Chesapeake Way On-Street Parking \$176,062 with works programmed to commence in May, Forrest Park Additional Parking \$80,000 which is still being designed and Walsh Loop Parking Improvements \$32,714. This is partly offset by an unfavourable variance for

Sorrento Foreshore Parking Improvements (\$95,229) which is complete awaiting final invoices.

- j) Favourable timing variances arose across the program including the Coolibah Park Sump Beautification \$148,699 which has been deferred due to cost estimate escalation and subsequent re-scoping required, Forest Park Sump Beautification \$148,936 which is in quotation stage and Creaney Drive – Drain Upgrade \$49,648 which is in design phase. The remaining variances occur across a number of smaller projects within the program which are programmed for works in May 2017.
- k) Favourable timing variances arose across the program including Christchurch Park Irrigation Upgrades \$64,577 which is complete, Percy Doyle #3 Oval Irrigation Installation \$38,199, Belrose Park Irrigation Upgrades \$76,019 and MacDonald Park LMP \$81,848. This is partly offset by an unfavourable timing variance for Legana Park Irrigation Upgrades (\$46,897) which is progressing ahead of schedule.
- l) Favourable timing variances arose for Conservation Reserves Interpretive Signage, \$46,018 and the Coastal and Foreshore Fencing Renewal Program \$20,112. This is offset by an unfavourable variance for the Natural Areas Asset Renewal Program (\$22,160) which includes the completed Burns Beach Lookout and Stairway. The balances of variances are spread across a number of projects.
- m) This favourable timing variance arose mainly due to the Arterial Roads Streetscape Upgrade Program \$149,134 which is 75% complete. This is partially offset by an unfavourable variance for the Leafy City Program (\$22,600) which is progressing ahead of schedule.
- n) An unfavourable variance arose for Minor Road Safety Improvements (\$103,671) which includes works undertaken at Venturi Drive intersection in conjunction with the Major duplication at Ocean Reef Road. In addition an unfavourable timing variance arose for Oceanside Promenade – Warren Way to Westview Boulevard (\$34,042). This is partly offset by a number of favourable timing variances across the program including Beaumaris Boulevard Median Treatment \$38,974, Warburton Avenue / Leichhardt Avenue Intersection Island \$26,897 and Gibson Avenue / Ellison Drive Intersection Island \$27,088 which were delayed in line with the Easter school holidays.
- o) Favourable timing variances arose predominantly for the Bridge and Underpass Preservation Program \$34,471 and New Paths Program \$43,523.

## **17. Proceeds from Disposal**

The timing of the disposal of surplus land holdings generated a favourable variance of \$1,678,329 and a favourable timing variance arose for Fleet and Plant assets disposals \$45,165.



## 18. Closing Funds

	June 2016	April 2017
<b>Current Assets</b>		
Cash and Investments	\$86,595,747	\$101,730,314
Rates Outstanding, Sundry Debtors and Other Receivables	\$2,889,705	\$4,176,322
Accrued Income	\$1,340,149	\$1,083,838
Prepayments	\$391,900	\$50,175
Inventories	\$70,380	\$129,802
<b>Total Current Assets</b>	<b>\$91,287,881</b>	<b>\$107,170,451</b>
<b>Current Liabilities</b>		
Trade Creditors	\$3,264,140	\$911,262
Sundry Payables	\$540,403	\$4,651,852
Accrued Expenses	\$5,061,026	\$3,789,959
Other Payables	\$1,946,216	-
Borrowings	\$2,126,295	\$346,204
Provision for Annual Leave	\$4,172,735	\$4,204,025
Provision for Long Service Leave	\$5,061,135	\$5,443,748
Provision for Workers Compensation Insurance	\$2,700,766	\$3,681,887
Provision for Sick Leave	\$259,569	\$280,497
Other Provisions	\$55,321	\$58,705
<b>Total Current Liabilities</b>	<b>\$25,187,606</b>	<b>\$23,368,139</b>
<b>Net Current Assets</b>	<b>\$66,100,275</b>	<b>\$83,802,312</b>
<b>Add back:</b> Borrowings	\$2,126,295	\$346,204
<b>Less:</b> Cash Backed Reserves	\$63,512,904	\$63,512,904
<b>Less:</b> Non Current Long Service Leave	\$1,629,836	\$1,629,836
<b>Closing Funds – Surplus/(Deficit)</b>	<b>\$3,083,830</b>	<b>\$19,005,776</b>