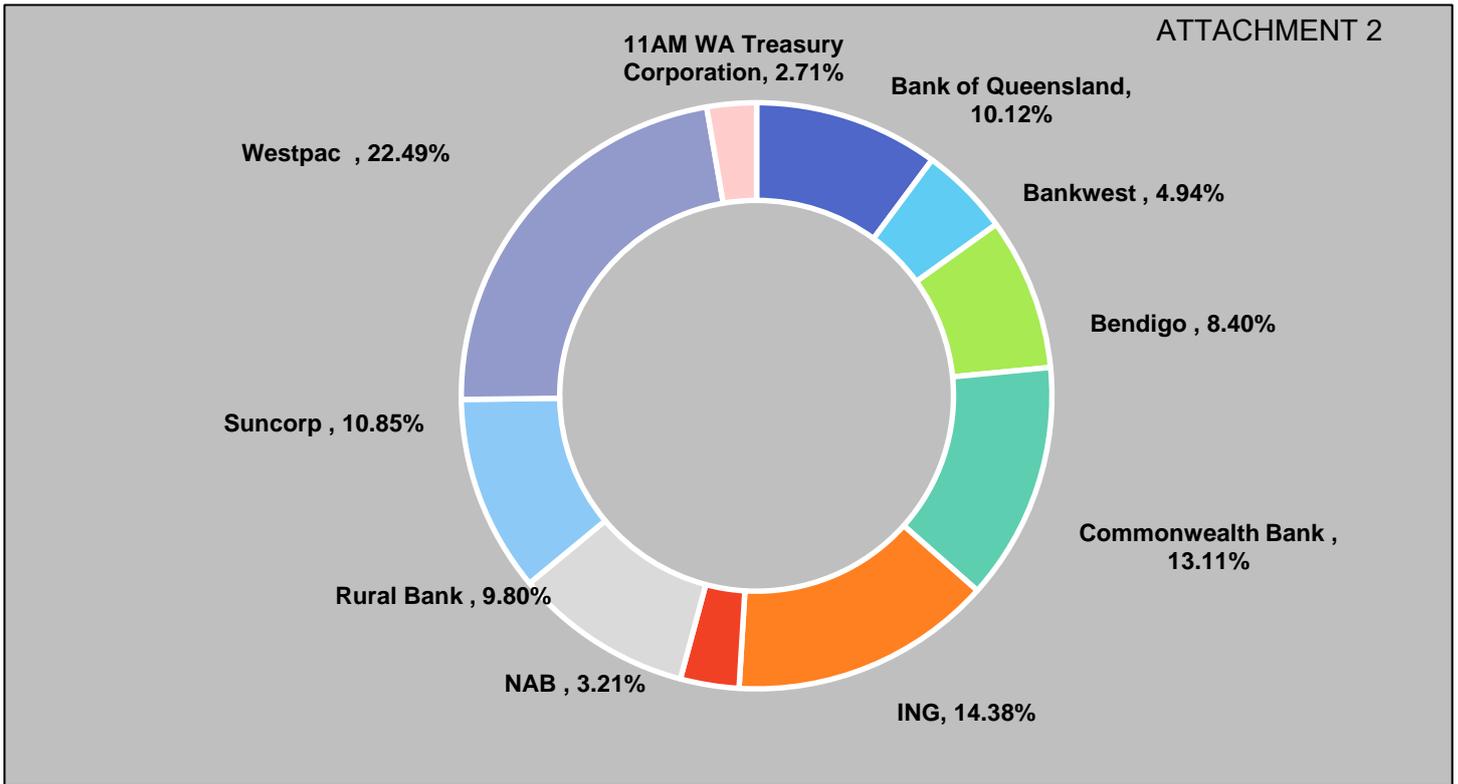


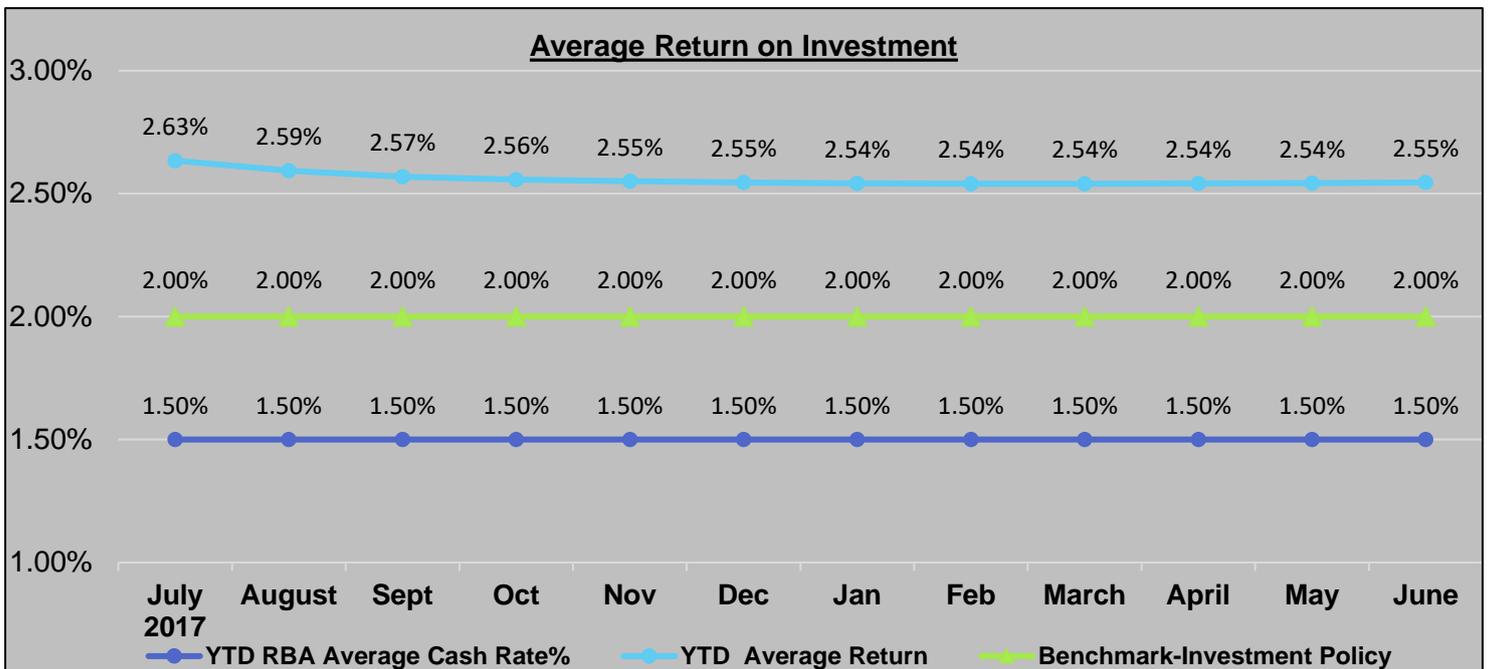
	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(96,884,799)	(96,884,799)	(97,019,105)	134,306	0%
Specified Area Rates		(597,621)	(597,621)	(600,248)	2,627	0%
Grants and Subsidies	2	(2,083,259)	(2,083,259)	(3,663,392)	1,580,133	76%
Contributions Reimbursements and Donations		(1,085,632)	(1,085,632)	(1,110,182)	24,550	2%
Profit on Asset Disposals	3	(691,995)	(691,995)	(1,795,749)	1,103,754	160%
Fees and Charges	4	(40,262,063)	(40,262,063)	(40,408,752)	146,689	0%
Interest Earnings	5	(3,856,764)	(3,856,764)	(4,060,248)	203,484	5%
Other Revenue/Income	6	(278,439)	(278,439)	(787,045)	508,606	183%
Total Operating Revenue		(145,740,570)	(145,740,570)	(149,444,721)	3,704,151	0%
OPERATING EXPENSES						
Employee Costs	7	64,598,024	64,598,024	61,784,101	2,813,923	4%
Materials and Contracts	8	52,073,657	52,073,657	48,784,772	3,288,885	6%
Utilities (gas, electricity, water etc.)		5,503,840	5,503,840	5,520,727	(16,887)	(0)%
Depreciation & Amortisation of Non-Current Assets	9	28,989,018	28,989,018	33,909,726	(4,920,708)	(17)%
Loss on Asset Disposals	10	588,418	588,418	250,701	337,717	57%
Interest Expenses		616,864	616,864	617,126	(262)	(0)%
Insurance Expenses		1,367,754	1,367,754	1,404,181	(36,427)	(3)%
Other Expenses	11	242	242	1,133,872	(1,133,630)	100%
Total Operating Expenses		153,737,818	153,737,818	153,405,206	332,612	0%
(SURPLUS)/DEFICIT FROM OPERATIONS		7,997,248	7,997,248	3,960,485	4,036,763	(50)%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(28,989,018)	(28,989,018)	(33,909,726)	4,920,708	17%
Loss on Asset Disposal		(588,418)	(588,418)	(250,701)	(337,717)	(57)%
Profit on Asset Disposals		691,995	691,995	1,795,749	(1,103,754)	(160)%
Other Non-Current items						
Movement in Non-current Items	12	(100,000)	(100,000)	(57,251)	(42,749)	43%
OPERATING CASH (SURPLUS)/DEFICIT		(20,988,193)	(20,988,193)	(28,461,444)	7,473,251	36%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	13	(10,086,036)	(10,086,036)	(10,704,057)	618,020	6%
Capital Contributions	14	(104,209)	(104,209)	(136,497)	32,288	31%
Equity Distribution - TPRC	15	(500,000)	(500,000)	(666,667)	166,667	33%
Other Equity Movements		(52,334)	(52,334)	(52,334)	-	0%
Total Non-Operating Revenue		(10,742,579)	(10,742,579)	(11,559,555)	816,975	8%
CAPITAL EXPENDITURE						
Capital Projects	16	3,540,556	3,540,556	2,425,807	1,114,749	31%
Capital Works	17	35,456,474	35,456,474	26,982,309	8,474,165	24%
Vehicle and Plant Replacements	18	3,338,641	3,338,641	2,490,061	848,580	25%
Loan Repayment Principal		3,084,740	3,084,740	3,084,740	-	0%
Equity Investments		47,443	47,443	60,022	(12,579)	(27)%
Total Capital Expenditure		45,467,854	45,467,854	35,042,939	10,424,915	23%
CAPITAL (SURPLUS)/DEFICIT		34,725,274	34,725,274	23,483,385	11,241,890	32%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		13,737,082	13,737,082	(4,978,059)	18,715,141	(136)%
FUNDING						
Proceeds from Disposal	19	(6,069,624)	(6,069,624)	(2,695,240)	(3,374,384)	(56)%
Loans - New Borrowings		-	-	-	-	-
Transfer from Trust	20	(201,498)	(201,498)	-	(201,498)	-
Transfer from Reserve	20	(17,449,871)	(17,449,871)	-	(17,449,871)	-
Transfer to Reserve	20	10,000,240	10,000,240	-	10,000,240	-
Opening Funds		(84,016)	(84,016)	(84,016)	-	-
CLOSING FUNDS	21	(67,689)	(67,689)	(7,757,315)	7,689,628	



Municipal Funds	\$37,502,351
Reserve Funds	\$62,537,649
	\$100,040,000

Investment Policy Limits					
	LT Rating	Limit		LT Rating	Limit
Bank of Queensland	A-*	10%	NAB	AA-	25%
Bankwest	AA-	25%	Rural Bank	A-*	10%
Bendigo	A-*	10%	Suncorp	A+	15%
Commonwealth Bank	AA-	25%	Westpac	AA-	25%
ING	A+	15%	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



NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 30 JUNE 2018 (Subject to end of year finalisation)

1. General Rates \$134,306

This favourable timing variance mainly arose from higher than anticipated Interim Rates.

2. Grants and Subsidies \$1,580,133

This favourable timing variance arose mainly from advance receipt of \$1,704,295 Federal Assistance Grant allocation for 2018-19. In addition, a favourable variance arose from unbudgeted funding received from the State Government \$15,000 and Lottery West \$45,000 for the Joondalup Festival. This is partially offset by an unfavourable timing variance for Yellagonga Wetlands – Smart Monitoring and Management Program (\$186,242) due to delay in Federal Government funding now expected to be received in 2018-19.

3. Profit on Asset Disposals \$1,103,754

This favourable timing variance arose mainly due to profit on sale of land at Tamala Park \$1,075,893 and Vehicle and Plant disposals \$27,861.

4. Fees and Charges \$146,689

	YTD Revised Budget	YTD Actual	Variance
a) Refuse Charges	\$20,421,744	\$20,490,394	\$68,650
b) Sports and Recreation Fees	\$8,690,113	\$8,876,944	\$186,831
c) Hire and Rentals	\$966,344	\$884,352	(\$81,992)
Other Fees	\$10,183,862	\$10,157,062	(\$26,800)
	\$40,262,063	\$40,408,752	\$146,689

a) A favourable variance arose for Domestic Refuse Removal Charges \$60,077 and New / Additional Bin Establishments \$8,573.

b) This favourable variance mainly arose from Membership Fees \$160,485 and Hire of Facilities \$111,787 partially offset by an unfavourable variance for Court Sport Revenue (\$72,640) and Learn to Swim Program (\$41,184). The balances of variances are spread across other areas.

Favourable Variance
Unfavourable Variance

- c) An unfavourable variance predominantly due to lower than estimated Property Rental and Outgoings (\$82,810).

5. Interest Earnings \$203,484

Interest earned on investments exceeded budget by \$186,257 with the volume of investment funds being higher than budgeted, in addition to greater than budgeted Rates Penalty Interest \$17,216.

6. Other Revenue / Income \$508,606

This favourable variance arose mainly from unbudgeted rebates received from LGIS \$414,584 in relation to Workers Compensation premiums for 2013-14 and 2015-16 claims years that have been closed. In addition, favourable variances arose from rebates of \$29,253 in relation to Insurance Scheme Dividend and Motor Vehicle Insurance, \$47,718 as a result of an increase in the value of units held by the City in the Local Government House Trust and increased revenue from Streetside Advertising \$14,127.

7. Employee Costs \$2,813,923

	YTD Revised Budget	YTD Actual	Variance
a) Salaries and Wages	\$62,044,528	\$61,276,583	\$767,945
b) Other Employment Costs	\$2,553,496	\$507,518	\$2,045,978
	\$64,598,024	\$61,784,101	\$2,813,923

- a) A favourable variance arose for Salaries and Wages for Parks \$612,133 and Library Operations \$102,784 mainly due to vacant positions. The balances of variances are spread across a number of areas.
- b) This is mainly due to \$1,915,121 in write-back of Workers Compensation provisions due to closure of the 2007-08, 2013-14 and 2015-16 claim years. In addition, favourable variances arose for Labour Recovery – Capital Works \$181,531, Other Employee Costs \$134,115 and Conferences and Seminars \$54,030, partially offset by an unfavourable variance for Agency Employees (\$257,653) covering vacant positions. The balances of variances are spread across a number of areas.

Favourable Variance
Unfavourable Variance

8. Materials and Contracts**\$3,288,885**

	YTD Revised Budget	YTD Actual	Variance
a) Public Relations, Advertising & Promotions	\$1,370,190	\$1,225,812	\$144,378
b) Computing	\$1,901,484	\$1,692,186	\$209,298
c) Travel, Vehicles & Plant	\$1,785,751	\$1,731,921	\$53,830
d) External Service Expenses	\$23,583,060	\$22,606,991	\$976,069
e) Waste Management Services	\$7,691,077	\$7,406,713	\$284,364
f) Other Materials	\$2,307,874	\$2,358,366	(\$50,492)
g) Administration	\$1,525,906	\$1,151,072	\$374,834
h) Professional Fees and Costs	\$2,843,487	\$2,111,765	\$731,722
i) Charges & Recoveries	(\$260,404)	(\$472,855)	\$212,451
j) Members Costs	\$760,434	\$678,308	\$82,126
k) Contributions & Donations	\$2,190,054	\$2,001,715	\$188,339
Other Materials & Contracts	\$6,374,744	\$6,292,778	\$81,966
	<u>\$52,073,657</u>	<u>\$48,784,772</u>	<u>\$3,288,885</u>

- a) Favourable variances arose for Signage \$30,105, Bar Stocks \$29,775, General Advertising \$29,693, Catering \$25,647, Entertainment and Hospitality Expenses \$16,294 and Promotions \$11,564.
- b) This favourable variance was predominantly due to Computer Software Licences \$61,057, Internet Provider Costs \$39,349, Data Communication Links \$32,103, Computer Software Subscriptions \$30,998, Computer Software Purchases \$23,203, and Computer Software Maintenance \$16,023.
- c) This includes favourable variances for Fuel \$30,656 and Parts and Repairs \$20,280. The balances of variances are spread across other areas.
- d) Favourable variances arose for General Waste Tipping Fees \$630,133, External Contractors and Services \$262,826, Programme Activities \$40,453 and Pest Control \$23,701. The balances of variances are spread across a number of areas.
- e) This favourable variance arose from Bulk Hard Waste Collection and Processing \$294,767 due to lower than estimated volumes and Greens Waste Collection and Processing \$30,119 partially offset by unfavourable variances for Domestic Waste Collection (\$34,647) and Recycling Waste Collection and Processing (\$5,847).
- f) This unfavourable timing variance was predominantly due to External Material Purchases – Contract (\$159,835) and External Material Purchases – Day Labour (\$35,527) as a result of a number of programs progressing ahead of schedule, partially offset by a favourable variance for Materials for Minor Building Works \$131,464.
- g) Favourable variances arose for Other Sundry Administration Expenses \$208,885, Printing \$62,737, Interstate and Overseas Conferences \$30,000 and Photography and Video Production \$29,398. The balances of variances are spread across a number of areas.

Favourable Variance

Unfavourable Variance

- h) This favourable variance arose predominantly from Consultancy \$752,802 and Research \$50,000 partially offset by an unfavourable variance for Legal Expenses (\$79,698).
- i) This favourable variance was mainly due to Capital Overhead Recoveries \$165,430 and Vehicle Running Expenses \$55,787.
- j) Favourable variances arose for Elected Members Conferences and Training Expenses \$60,201 and Mayoral Conference and Training Expenses \$15,307. The balances of variances are spread across other areas.
- k) This favourable variance arose predominantly from the Community Funding Program \$63,030, Sponsorship \$54,383, Grants and Contributions Made \$41,401, Prizes and Trophies \$19,807 and Donations \$13,349.

9. Depreciation & Amortisation of Non-Current Assets

(\$4,920,708)

Unfavourable variances arose due to revaluation and asset capitalisation at 30 June 2017 for Depreciation – Buildings (\$1,402,692), Depreciation – Open Reserves (\$716,125), Depreciation – Drainage Infrastructure (\$380,626), Depreciation – Mobile and other Plant (\$225,058), Depreciation – Bridges, Overpass and Underpass Infrastructure (\$201,996) and Depreciation – Computer and Communications Hardware (\$172,930). This was partially offset by a favourable variance for Depreciation – Roads Infrastructure \$1,741,125 owing to downward valuations at 30 June 2017. In addition, write-off costs arose due to capitalisation of infrastructure assets during the year including Buildings (738,087), Lighting (\$607,673), Parks (\$492,106), Pathways (\$339,247), Drainage (\$222,651) and in respect of demolition of existing structures on Lot 900 Marri Road (Duncraig Pre-school) (\$579,375) prior to disposal of the land asset. The balances of the variances are spread across a number of areas.

10. Loss on Asset Disposals

\$337,717

This favourable timing variance arose in respect of the timing of replacement of some Fleet and Plant assets \$345,244 partially offset by an unfavourable timing variance for the disposal of Land Parcels (\$7,527).

11. Other Expenses

(\$1,133,630)

This unfavourable variance arose mainly from adjustment accounting entries pertaining to prior years to appropriately allocate expenditure incurred by the City through capital works on infrastructure belonging to Main Roads and Western Power (\$888,263) as well as expenditure incurred on the SAMIP (\$132,341) that is deemed to have been operating expenditure, rather than capital. In addition, corrections were made in respect of purchased leave provisions (\$89,050) and rates refunds (\$24,851) pertaining to prior years. When the annual financial statements are finalised, prior year adjustments will no longer be reflected in the current year's operating expenditure but in the Statement of Changes in Equity against Retained Surplus.

Favourable Variance
Unfavourable Variance

12. Movement in Non-Current Items**(\$42,749)**

This timing variance arose in respect of movements for Non-current Long Service Leave Liability \$13,066, Deferred Rates \$19,722 and Deferred Emergency Services Levy \$9,911.

13. Capital Grants and Subsidies**\$618,020**

	YTD Revised Budget	YTD Actual	Variance
a) Major Road Construction Program	\$1,384,667	\$1,270,667	(\$114,000)
b) Blackspot Projects	\$1,134,985	\$739,709	(\$395,276)
c) Capital Projects	\$1,008,746	\$1,424,085	\$415,338
d) Road Preservation / Resurfacing Program	\$4,387,206	\$5,259,869	\$872,663
e) Street Lighting Program	\$525,278	\$291,945	(\$233,333)
Other Programs	\$1,645,154	\$1,717,782	\$72,628
	<u>\$10,086,036</u>	<u>\$10,704,057</u>	<u>\$618,020</u>

- a) An unfavourable timing variance arose for the final grant instalment for completed Whitfords Avenue Upgrades (\$114,000) with final supplier invoices received and final acquittal to be submitted to Main Roads in July 2018.
- b) Unfavourable timing variances exist across the program due to progress of works including Whitfords Avenue and John Wilkie Tarn Roundabout (\$78,667) and Warwick Train Station Entrance (\$82,000). In addition, progress payments for Marmion Avenue and Ocean Reef Road (\$60,000) and Ocean Reef Road and Trappers Drive (\$60,000) have been delayed due to project progress. Whitfords Avenue and Trappers Drive (\$48,000) requires additional works and will delay progress payments until contractors are engaged. Grand Boulevard and Shenton Avenue (\$36,000) is experiencing delays due to changes to the scope of works requested by Main Roads WA. Marmion Avenue and Burns Beach Road (\$48,000) is now complete awaiting payment of supplier invoices to progress the acquittal. This is offset by a favourable variance across the National Black Spot Program of \$17,391 which is due to additional funds approved for a variation on 2016-17 project Hepburn Avenue and Gibson Avenue \$27,100 and Hepburn Avenue / Glengarry Drive Roundabout Improvements \$5,291 which was in itself offset by the withdrawal of Whitfords Avenue and Dampier Avenue (\$15,000) for re-submission as part of a larger scope of works at the junction for 2019-20.
- c) A favourable timing variance arose from an advance payment for Better Bins Project of \$708,000 and unbudgeted Federal Government funding received for Public Areas CCTV \$50,000. This is offset by an unfavourable variance for Yellagonga Wetlands – Smart Monitoring and Management Program (\$342,662) due to the delay in Federal Government funding now expected to be received in the next financial year.
- d) This favourable timing variance is mainly due to the advance payment of the 2018-19 Federal Local Roads Grant of \$1,200,019 which funds Road Rehabilitation projects within the Roads Preservation Program, and Harvest Loop \$126,636. This is partially

Favourable Variance**Unfavourable Variance**

offset by unfavourable variances due to progress of Whitfords Avenue EB – Alexander Road to Gibson Avenue (\$295,216), Northwood Way (\$57,227), Coolibah Drive NB-Garnkirk Road to Strathaven Crescent (\$46,191), John Place (\$45,587), Whitfords Avenue EB – Duffy Terrace to Mooro Street (\$45,383) and Joondalup Drive SB – Grand Boulevard to Injune Way (\$40,288). The balances of variances are spread across a number of programs.

- e) This unfavourable timing variance is due to delayed completion of Warrandyte Park Floodlighting Upgrade (\$233,333) which was also completed under budget.

14. Capital Contributions **\$32,288**

This favourable variance arose mainly in respect of an unbudgeted contribution from the Department of Education for on-street parking on Herreshoff Ramble \$30,000.

15. Equity Distribution - TPRC **\$166,667**

This favourable variance arose due to a higher than expected distribution payment received from Tamala Park Regional Council. Earlier indications from Tamala Park Regional Council estimated the distribution to the City for 2017-18 year to be \$500,000.

16. Capital Projects **\$1,114,749**

	YTD Revised Budget	YTD Actual	Variance
a) Joondalup City Centre Commercial Office Development	\$533,301	\$187,594	\$345,707
b) Public Art	\$145,026	-	\$145,026
c) Information Technology Projects	\$363,335	\$266,712	\$96,623
d) Infrastructure Asset Management System Implementation	\$266,000	\$154,969	\$111,031
e) Yellagonga Wetlands Smart Monitoring & Management Program	\$342,662	-	\$342,662
f) Acquisition of Land 12 Blackwattle Parade, Padbury	\$87,280	(\$720)	\$88,000
Other Projects	\$1,646,332	\$1,634,122	\$12,210
	<u>\$3,540,556</u>	<u>\$2,425,807</u>	<u>\$1,114,749</u>

- a) This favourable timing variance arises from delays due to ongoing review of the development and continuing negotiations with the developer.
- b) This favourable timing variance arises from an appropriate site for a new Public Art commission not being identified in the current year with funding to be carried forward to the next financial year.

Favourable Variance
Unfavourable Variance

- c) This favourable variance arose due to savings achieved through negotiation of service and supply contracts.
- d) This favourable timing variance arose due to delays in the collation of data for building and drainage assets with quotation requests currently in development to undertake condition assessments for both asset classes.
- e) Delay in Federal Government funding for this project, now expected to be received in the next financial year, has resulted in the delayed commencement of this program.
- f) This favourable variance arose due to delays in finalisation of the contract of sale for this property which is currently being considered by the Department of Planning, Lands and Heritage.

17. Capital Works**\$8,474,165**

	YTD Revised Budget	YTD Actual	Variance
a) New Paths Program	\$402,760	\$334,326	\$68,434
b) Major Projects Program	\$6,612,501	\$5,254,738	\$1,357,763
c) Streetscape Enhancement Program	\$1,631,005	\$1,255,316	\$375,689
d) Major Road Construction Program	\$1,295,535	\$859,791	\$435,745
e) Road Preservation/Resurfacing Program	\$8,476,888	\$7,542,199	\$934,690
f) Street Lighting Program	\$5,128,870	\$1,977,731	\$3,151,139
g) Blackspot Projects Program	\$2,061,210	\$1,321,788	\$739,422
h) Local Traffic Management Program	\$1,410,000	\$717,589	\$692,410
i) Stormwater Drainage Program	\$1,359,099	\$1,061,161	\$297,938
j) Major Building Capital Works	\$1,834,181	\$1,547,399	\$286,782
k) Parks Development Program	\$1,694,240	\$1,558,580	\$135,660
Other Programs	\$3,550,184	\$3,551,690	(\$1,506)
	<u>\$35,456,474</u>	<u>\$26,982,309</u>	<u>\$8,474,165</u>

- a) A favourable timing variance arose for Burns Beach to Mindarie Dual Use Path \$54,941 which is a multiyear project with unspent funds to be carried forward for construction in the next financial year. In addition, a favourable variance arose for the completed Bus Shelter Program \$16,764. These are partially offset by minor unfavourable variances across the program.
- b) Favourable timing variances arose for multiple year projects including Joondalup Administration Building Major Refurbishment \$440,227, Craigie Leisure Centre Upgrades \$237,761, Joondalup Men's Shed \$205,352, Percy Doyle – Utilities Upgrade \$61,288, Percy Doyle – Duncraig Leisure Centre Refurbishment \$32,657 and Penistone Park – Facility Redevelopment \$281,392 which is undergoing rectification of defects following practical completion. In addition, Prince Regent Park Community Facility Upgrade \$100,000 has been withdrawn from the Capital Program pending further review of this project. The balances of variances are spread across the program.

Favourable Variance

Unfavourable Variance

- c) Favourable timing variances arose for multiple year projects City Centre Streetscape Renewal Program \$267,580 and Leafy City Program \$83,583 which are progressing. In addition, favourable variances arose for completed programs Arterial Roads Landscape Upgrades \$12,506 and Streetscape Renewal Program \$12,020.
- d) Favourable timing variance mainly due to multiyear project Burns Beach Road / Joondalup Drive Roundabout \$384,000 which is being delivered through Main Roads WA with construction forecast for completion in 2019/20. In addition, a favourable variance arose for completed project Ocean Reef Road Duplication Stage 2– Marmion Avenue to Swanson Way \$50,280.
- e) A favourable timing variance arose for Main Roads WA Roads Rehabilitation Projects \$351,612 which is to be carried forward to 2018/19. In addition, favourable variances arose for completed projects Road Crack Sealing and Patching Program \$91,078, Parking Services Renewal Program \$71,384, Northwood Way \$57,716 and Whitfords Avenue EB – Alexander Road to Gibson Avenue \$71,306. These are partially offset by an unfavourable variance for the Asphalt Overlay Programs (\$114,455). The balances of variances are spread across the program.
- f) Favourable timing variances arose mainly due to the current progress of Stage Two of Joondalup City Centre Lighting, \$2,621,379, Sir James McCusker Park Path Lighting \$60,999 and Pinnaroo Point Car Park Lighting \$77,670 which is on hold whilst awaiting a decision on future café developments within the existing Car Park. In addition, a favourable variance arose for Warrandyte Floodlighting Upgrade \$333,135 which was completed under budget predominantly due to a contingency provision not being required. The balances of variances are spread across a number of projects.
- g) A number of favourable timing variances arose across the Blackspot program including Grand Boulevard and Shenton Avenue \$89,762, Marmion Avenue and Ocean Reef Road \$99,595 and Whitfords Avenue and Trappers Drive \$74,431 all of which will be carried forward for completion in the next financial year. Favourable timing variances also arose for Hepburn Avenue Road Shoulders \$227,921, Marmion Avenue and Gilbert Road \$162,000 and Warwick Road and Allenswood Drive \$108,000 with design for these projects occurring in the current year and construction in the next financial year. This is partially offset by an unfavourable variance for completed project Ocean Reef Road and Trappers Drive (\$62,607).
- h) Favourable timing variances arose for Venturi Drive Median Treatment \$179,282 which has been re-quoted due to initial quotations received exceeding budget and Marmion Avenue – Edinburgh Avenue Pedestrian Crossing Improvements \$340,253 which is delayed awaiting approval from Main Roads for the scope of the project. Both of these projects will be carried forward to the next financial year. In addition, a favourable variance arose for Whitfords Avenue Median Treatment \$166,437 which was constructed in conjunction with other Black Spot and Major Roads projects and completed under budget.
- i) Favourable timing variances arose for Northshore Avenue Sump Renewal works \$229,545 which is experiencing delays due to progress on the memorandum of understanding, Parin Pioneer Park Development \$82,297 and Periwinkle Park Catchment Upgrades \$37,863 which have been delayed due to weather. These projects shall be carried forward for completion in the next financial year. These are partially offset by an unfavourable variance for Oleaster Way Sump (\$80,072) which was completed over budget. The balances of variances are spread across the program.

Favourable Variance

Unfavourable Variance

- j) Favourable timing variances arose for Mawson Park Toilets / Changeroom Refurbishment \$209,839 which is delayed due to the need to demolish the existing building and Windermere Park Clubroom Refurbishment \$79,207 which is a multiyear project. Construction works for both of these projects is expected to commence in 2018-19. The balances of variances are spread across the program.
- k) Favourable variances arose for Geddes Park Irrigation Upgrades \$46,918, Keppell Park Irrigation Upgrades \$38,805 and Castlecrag Park Irrigation Upgrade \$22,081 with works completed under budget.

18. Vehicle and Plant Replacements

\$848,580

This favourable variance for Fleet and Plant purchases includes a number of items which have been deferred for replacement until 2018-19 including two trucks, two vans, four trailers and two tractors at a combined value of \$732,000. The remaining variance of \$116,580 is attributed to savings achieved across the program.

19. Proceeds from Disposal

(\$3,374,384)

The timing of the disposal of surplus land holdings generated an unfavourable variance of (\$3,422,777) partially offset by a favourable timing variance for Fleet and Plant assets disposals \$48,393.

20. Transfers from Trust and Transfers from / to Reserve

The transfers from Trust and the transfers from and to Reserves are in progress to be finalised as part of the end of year financial statements preparation.

Favourable Variance
Unfavourable Variance

21. Closing Funds (Subject to end of year finalisation)**\$7,757,315**

	June 2017	June 2018
Current Assets		
Cash and Investments	\$91,237,574	\$99,954,898
Rates Outstanding, Sundry Debtors and Other Receivables	\$2,956,710	\$5,440,127
Accrued Income	\$967,074	\$1,208,522
Prepayments	\$10,653	\$687,024
Inventories	\$144,976	\$188,284
Total Current Assets	\$95,316,987	\$107,478,855
Current Liabilities		
Trade Creditors	\$3,786,997	\$4,522,569
Sundry Payables	\$523,645	\$2,851,710
Accrued Expenses	\$4,796,208	\$5,129,236
Other Payables	\$2,107,983	\$2,305,685
Borrowings	\$3,084,740	\$3,201,863
Provision for Annual Leave	\$4,366,612	\$4,497,672
Provision for Long Service Leave	\$5,579,310	\$5,855,900
Provision for Workers Compensation Insurance	\$3,550,341	\$2,500,831
Provision for Sick Leave	\$964,736	\$1,006,450
Other Provisions	\$59,321	\$196,914
Total Current Liabilities	\$28,819,891	\$32,068,830
Net Current Assets	\$66,497,096	\$75,410,025
Add back: Borrowings	\$3,084,740	\$3,201,863
Less: Cash Backed Reserves	\$69,497,820	\$69,497,820
Less: Non Current Items (subject to end of year finalisation)	-	\$1,356,753
Closing Funds – Surplus/(Deficit)	\$84,016	\$7,757,315

Favourable Variance

Unfavourable Variance