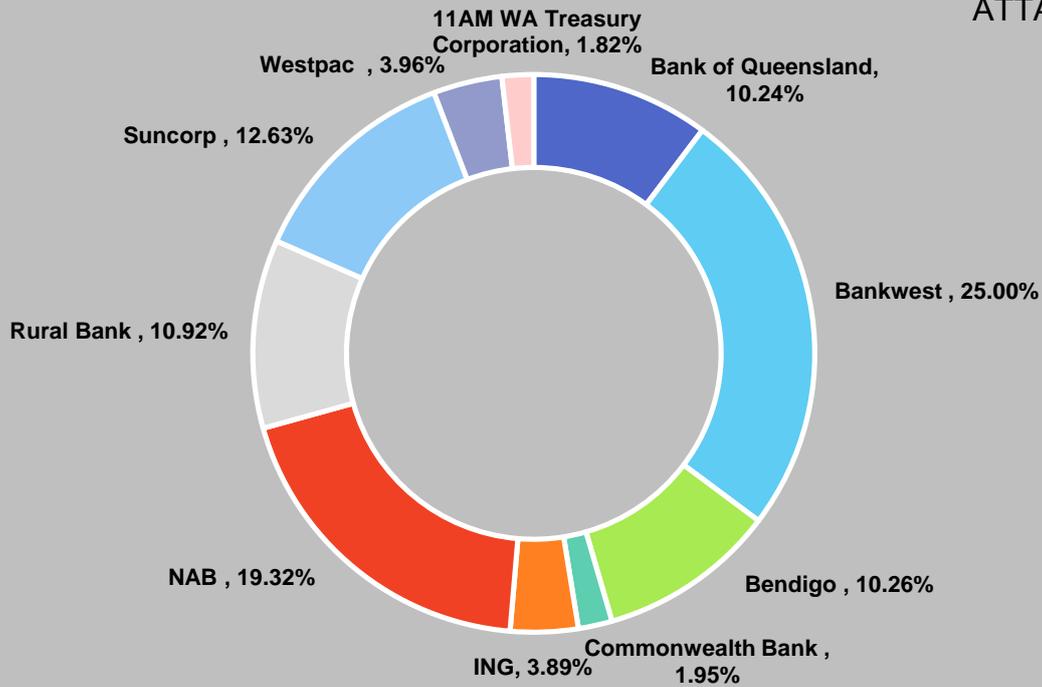


	Notes	Adopted Budget	YTD Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(100,296,743)	(100,296,743)	(100,772,556)	475,813	0%
Specified Area Rates		(561,099)	(561,099)	(568,395)	7,296	1%
Grants and Subsidies	2	(3,526,604)	(1,711,873)	(941,147)	(770,726)	(45)%
Contributions Reimbursements and Donations		(1,100,753)	(544,292)	(564,229)	19,937	4%
Profit on Asset Disposals	3	(41,225)	(13,742)	(257,534)	243,792	100%
Fees and Charges	4	(41,337,134)	(31,843,582)	(31,761,673)	(81,909)	(0)%
Interest Earnings	5	(3,446,921)	(1,995,859)	(2,654,027)	658,168	33%
Other Revenue/Income	6	(213,466)	(105,353)	(798,097)	692,744	100%
Total Operating Revenue		(150,523,946)	(137,072,542)	(138,317,658)	1,245,116	0%
OPERATING EXPENSES						
Employee Costs	7	65,529,623	33,811,024	32,460,983	1,350,041	4%
Materials and Contracts	8	52,554,318	26,153,204	24,042,840	2,110,364	8%
Utilities (gas, electricity, water etc.)	9	5,613,600	2,669,825	2,744,746	(74,921)	(3)%
Depreciation & Amortisation of Non-Current Assets	10	30,819,322	15,420,016	15,273,375	146,641	1%
Loss on Asset Disposals	11	212,295	42,060	183,732	(141,672)	(100)%
Interest Expenses		476,596	211,833	211,798	35	0%
Insurance Expenses		1,383,322	1,382,622	1,394,321	(11,699)	(1)%
Other Expenses		-	-	0	(0)	0%
Total Operating Expenses		156,589,076	79,690,585	76,311,795	3,378,790	4%
(SURPLUS)/DEFICIT FROM OPERATIONS		6,065,131	(57,381,957)	(62,005,863)	4,623,906	8%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(30,819,322)	(15,420,016)	(15,273,375)	(146,641)	(1)%
Loss on Asset Disposal		(212,295)	(42,060)	(183,732)	141,672	100%
Profit on Asset Disposals		41,225	13,742	533,990	(520,248)	100%
Other Non-Current items						
Movement in Non-current Items	12	(100,000)	(100,000)	95,158	(195,158)	(100)%
OPERATING CASH (SURPLUS)/DEFICIT		(25,025,262)	(72,930,292)	(76,833,822)	3,903,530	5%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	13	(8,904,948)	(1,493,898)	(2,960,800)	1,466,902	98%
Capital Contributions	14	(450,000)	(450,000)	(44,139)	(405,861)	(90)%
Equity Distribution - TPRC	15	(1,166,667)	(583,334)	(333,333)	(250,001)	(43)%
Acquired Infrastructure Assets		-	-	-	-	0%
Equity Investments	16	-	-	(6,300)	6,300	0%
Renewable Energy Certificates Revenue		-	-	-	-	0%
Total Non-Operating Revenue		(10,521,615)	(2,527,232)	(3,344,573)	817,341	32%
CAPITAL EXPENDITURE						
Capital Projects	17	7,961,809	1,327,387	941,483	385,904	29%
Capital Works	18	29,734,882	7,608,207	9,891,479	(2,283,272)	(30)%
Vehicle and Plant Replacements	19	2,574,000	1,198,000	619,339	578,661	48%
Loan Repayment Principal		3,201,862	1,585,964	1,585,964	-	0%
Equity Investments		-	-	(0)	-	100%
Total Capital Expenditure		43,472,553	11,719,558	13,038,265	(1,318,707)	(11)%
TPRC Development Costs		-	-	-	-	0%
CAPITAL (SURPLUS)/DEFICIT		32,950,938	9,192,326	9,693,692	(501,366)	(5)%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		7,925,676	(63,737,966)	(67,140,130)	3,402,164	5%
FUNDING						
Proceeds from Disposal	20	(1,969,790)	(108,247)	(457,283)	349,036	100%
Loans - New Borrowings		-	-	-	-	-
Transfer from Trust		(1,930,000)	-	-	-	-
Transfer from Reserve		(11,444,145)	-	-	-	-
Transfer to Reserve		7,802,777	-	-	-	-
Transfer to Accumulated Surplus		-	-	-	-	-
Transfer from Accumulated Surplus		-	-	-	-	-
Opening Funds	21	(534,903)	(534,903)	(4,428,425)	3,893,522	100%
CLOSING FUNDS	22	(150,385)	(64,381,116)	(72,025,838)	7,644,722	12%

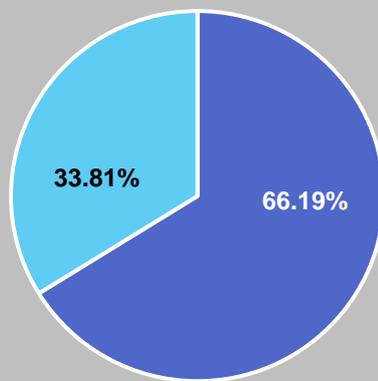


Municipal Funds	\$80,891,252	YTD Return	2.67%
Reserve Funds	\$73,163,748	Benchmark	2.00%
	<u>\$154,055,000</u>	RBA Rate	1.50%

Investment Policy Limits					
	<u>LT Rating</u>	<u>Limit</u>		<u>LT Rating</u>	<u>Limit</u>
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

Fossil Fuel Vs Non Fossil Fuel Investment *



■ Fossil Fuel ■ Non Fossil Fuel

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

NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2018

1. Rates \$475,813

Rates income is higher than budget predominantly arising from higher interim rates levied than estimated year to date. Necessary adjustments will be effected in the Mid Year Review.

2. Grants and Subsidies (\$770,726)

This unfavourable timing variance arose mainly from the Commonwealth General Purpose Grant (\$813,077) which was partly received in the previous financial year. This is partly offset by an unbudgeted Grant \$47,992 from the Department of Veteran Affairs through the Armistice Centenary Grant Program. Budgets in both cases will be adjusted at the Mid Year Budget Review.

3. Profit on Asset Disposals \$243,792

This favourable timing variance arose due to the timing of the disposal of surplus land holdings and profit on sale of land at Tamala Park \$200,439 and disposal of replaced Vehicles, Plant and Equipment \$43,353.

4. Fees and Charges (\$81,909)

	YTD Budget	YTD Actual	Variance
a) Refuse Charges	\$20,576,068	\$20,496,038	(\$80,030)
b) Building & Development Fees	\$958,000	\$1,065,702	\$107,702
c) Sports & Recreation Fees	\$4,510,417	\$4,592,851	\$82,434
d) Fines & Penalties	\$840,355	\$753,085	(\$87,270)
e) Other Fees & Charges	\$4,958,742	\$4,853,997	(\$104,745)
	<u>\$31,843,582</u>	<u>\$31,761,673</u>	<u>(\$81,909)</u>

a) An unfavourable timing variance predominantly arising from Domestic Refuse Removal Charges (\$84,279).

b) This favourable variance mainly arose from Development Application Fees \$112,859.

c) A favourable variance mainly arising from Membership Fees \$114,540 and Admission Fees \$24,197, partially offset by unfavourable variances for Park Hire (\$33,979) and Learn to Swim Program (\$26,384).

Favourable Variance
Unfavourable Variance

d) An unfavourable variance arose mainly from Parking Infringements (\$124,012) and Poundage Fees (\$17,757), partially offset by favourable variances for Suburban Parking \$21,881 and Dog Act Costs and Fines \$18,986.

e) Unfavourable variances arose from Other Fees and Charges (\$39,684), Hire and Rentals (\$29,379), Inspection and Control Fees (\$25,336) and Parking Fees (\$14,392), partially offset by a favourable variance for Licenses and Registrations \$4,046.

5. Interest Earnings

\$658,168

Favourable timing variances arose from Interest from Investments \$654,097, Penalty Interest \$23,649 and Interest on Pensioners Deferred Rate \$5,272, partially offset by an unfavourable timing variance for Interest on Instalments (\$24,850).

6. Other Revenue / Income

\$692,744

This favourable variance arose predominantly from an unbudgeted Contribution \$500,000 from Satterley in lieu of providing the City with land for future community purposes (Beaumaris Beach Estate) and unbudgeted rebates received from LGIS \$213,828 representing the City's share of rebates provided to LGIS scheme members. This was partially offset by an unfavourable timing variance for Adshel Advertising (\$39,936).

7. Employee Costs

\$1,350,041

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$31,828,248	\$30,408,026	\$1,420,222
b) Other Employment Costs	\$1,982,776	\$2,052,957	(\$70,181)
	<u>\$33,811,024</u>	<u>\$32,460,983</u>	<u>\$1,350,041</u>

a) A favourable variance arose for Salaries and Wages in various areas, including Parks \$363,917, Planning Approvals \$258,018, Building Services \$95,360, Cultural Services \$90,886, Traffic Engineering \$87,592 and Engineering Maintenance \$73,399 mainly due to vacant positions, partially offset by an unfavourable variance for Leisure Centres (\$109,197). The balances of variances are spread across a number of areas.

b) An unfavourable variance arose for Agency Employees (\$250,024) covering vacant positions, partially offset by favourable variances for Other Employment Costs \$100,167 and Labour Recovery - Capital Works \$79,676. The balances of variances are spread across a number of areas.

Favourable Variance
Unfavourable Variance

8. Materials and Contracts
\$2,110,364

	YTD Budget	YTD Actual	Variance
a) Professional Fees and Costs	\$1,449,966	\$1,501,823	(\$51,857)
b) Public Relations, Advertising & Promotions	\$693,009	\$446,331	\$246,679
c) Computing	\$1,271,317	\$1,106,778	\$164,539
d) Other Building Materials & Supplies	\$1,002,921	\$1,178,817	(\$175,896)
e) External Service Expenses	\$11,598,210	\$10,551,847	\$1,046,363
f) Accommodation & Property	\$1,022,671	\$872,679	\$149,992
g) Administration	\$1,015,855	\$642,054	\$373,801
h) Furniture, Equipment & Artworks	\$1,158,969	\$920,247	\$238,722
i) Charges & Recoveries	(\$93,790)	(\$245,160)	\$151,370
j) Travel, Vehicles & Plant	\$811,450	\$966,374	(\$154,924)
k) Contributions & Donations	\$1,170,176	\$1,109,427	\$60,748
l) Other Materials & Contracts	\$5,052,450	\$4,991,623	\$60,827
	<u>\$26,153,204</u>	<u>\$24,042,840</u>	<u>\$2,110,364</u>

- a) Unfavourable timing variances arose for Consultancy (\$24,858), Legal Expenses (\$19,509) and Recoverable Legal Expenses (\$19,489), partially offset by a favourable timing variance for Lodgement Fees \$14,166. The balances of variances are spread across a number of areas.
- b) This favourable variance was predominantly due to Promotions \$111,734, General Advertising \$52,218, Signage \$28,707, Catering \$18,668, Bar Stocks \$18,582 and Public Relations \$15,873.
- c) This includes favourable timing variances for Computer Software Licences \$64,962, Computer Software Subscriptions \$57,226, Computer Software Maintenance \$29,321, and Internet Provider Costs \$26,553, partially offset by an unfavourable timing variance for Purchased Computer Software (\$20,565).
- d) An unfavourable timing variance arose predominantly from External Material Purchases – Contract (\$276,713) and External Material Purchases – Day Labour (\$21,938), partially offset by a favourable timing variance for Materials - Minor Building Works \$124,581.
- e) This favourable timing variance mainly arose from External Contractors and Services \$1,171,837 of which \$339,701 relates to Yellagonga Wetlands – Smart Monitoring and Management Program and Programme Activities \$133,351, partially offset by an unfavourable timing variance for General Waste Tipping Fees (\$333,261). The balances of variances are spread across a number of areas.
- f) This favourable timing variance arose predominantly from Refuse Removal Charges \$151,041. The balances of variances are spread across a number of areas.
- g) This favourable timing variance mainly arose from Other Sundry Administration Expenses \$283,735, Printing \$48,895, Photography and Video Production \$21,865 and Interstate / Overseas Conferences \$14,691.

Favourable Variance
Unfavourable Variance

- h) Favourable timing variances arose mainly from Computer and Communications Equipment Purchases – Minor \$140,461, Plant and Equipment Purchases – Minor \$40,474, Hire of Equipment \$37,617 and Furniture and Office Equipment Purchases – Minor \$22,558.
- i) This favourable timing variance arose predominantly from Operational Overhead Recoveries \$109,108 and Capital Overhead Recoveries \$31,756. The balances of variances are spread across a number of areas.
- j) This unfavourable timing variance arose mainly from Parts and Repairs (\$98,318), Fuel (\$38,815) and Vehicle Servicing Costs (\$27,397).
- k) Favourable timing variances arose mainly from Community Funding Program \$80,494, Prizes and Trophies \$25,369 and Donations \$16,156, partially offset by an unfavourable timing variance for Sponsorship (\$58,787).
- l) Includes favourable timing variances for Members Costs \$49,296, Telephones and Communication \$21,670 and Books and Publications \$13,355, partially offset by an unfavourable timing variance for Waste Management Services (\$24,719).

9. Utilities

(\$74,921)

Unfavourable timing variances arose mainly from electricity costs for Civic Chambers (\$32,260), Leisure Centres (\$22,205) and Library Operations (\$20,504).

10. Depreciation & Amortisation of Non-Current Assets

\$146,641

Depreciation variances arose due to revaluation and asset capitalisation at 30 June 2018. Favourable variances arose for Depreciation – Open Reserves \$558,454 and Depreciation – Buildings \$84,998, partially offset by unfavourable variances for Depreciation – Computer and Communications Hardware (\$137,024), Depreciation – Mobile and Other Plant (\$120,486), Depreciation – Lighting (\$47,322). In addition, an unfavourable variance arose for Impairment / Write Off of Assets (\$166,494). The balances of the variances are spread across a number of areas. Amendments to depreciation budgets will be effected in the Mid Year Budget Review.

11. Loss on Asset Disposals

(\$141,672)

This unfavourable timing variance arose in respect of the disposal of Fleet and Plant Assets.

12. Movement in Non-Current Items

(\$195,158)

This timing variance arose in respect of a decrease in Non-current Long Service Leave Liability, reflecting movements for the year to date.

Favourable Variance
Unfavourable Variance

13. Capital Grants and Subsidies
\$1,466,902

	YTD Budget	YTD Actual	Variance
a) Road Preservation / Resurfacing Program	\$1,143,460	\$1,373,690	\$230,230
b) Street Lighting Program	\$5,000	\$752,529	\$747,529
c) Traffic Management Program	\$68,000	\$234,314	\$166,314
d) Major Roads Construction	\$0	\$473,023	\$473,023
e) Capital Projects	\$277,438	-	(\$277,438)
f) Other Programs	\$0	\$127,244	\$127,244
	<u>\$1,493,898</u>	<u>\$2,960,800</u>	<u>\$1,466,902</u>

- a) This favourable variance is mainly due to additional Direct Grant funding received for Parnell Avenue – Seacrest Drive to Martin Drive \$40,000 and Federal Local Road funding received for Road Preservation Program – Asphalt Overlay \$313,160, Davalia Road - Granadilla Street to Beach Road \$50,000, Arnisdale Road – Glengarry Drive to Merrick Way \$26,433 and Blackall Drive – Allenswood Road to Hartley Court \$21,400. In addition, a favourable timing variance arose from receipt of final grant payment for Whitfords Avenue East Bound - Alexander Road – Gibson Avenue \$36,810 completed in 2017-18. This is partially offset by unfavourable timing variances for Cummings Way (\$127,000), Road Preservation Program – Crack Sealing (\$83,000) and Zamia Place (\$64,553) due to advanced receipt of funding for these projects in the previous financial year, and an unfavourable timing variance for Carew Place (\$40,000) with grant funding to be received in coming months. Budgets for these programs will be adjusted at the Mid Year Budget Review.
- b) This favourable variance mainly arose from unbudgeted grant funding of \$641,250 received from the Department of Industry for Stage 2 of the Joondalup City Centre Street Lighting. In addition, a favourable timing variance arose from receipt of the final grant payment for Warrandyte Park Floodlighting Upgrade \$111,279 completed in 2017/18.
- c) This favourable variance is a combination of the timing of final payments for 2017/18 State Black Spot Project Whitfords Avenue / John Wilkie Tarn \$78,667 and progress payments for 2017/18 projects Warwick Train Station \$54,667 and Ocean Reef Road / Trappers Drive \$60,000. An unbudgeted amount of \$16,000 was received for Moore Drive / Marmion Avenue due to additional grant funding received. This is offset by an unfavourable timing variance for Warwick Road / Allenswood Drive (\$48,000) due to project delays with the project re-scheduled for completion in February 2019.
- d) A favourable variance arose from additional funding received for multi-year project Warwick Road / Erindale Road Intersection Upgrades \$360,000. In addition a favourable timing variance arose from Major Road Improvement Grant for Whitfords Avenue Median Upgrades \$113,023 which was anticipated to be received in 2017/18.
- e) This unfavourable timing variance arose from Yellagonga Wetlands – Smart Monitoring and Management delayed due to re-scheduling of Federal Government funding, phasing for which will be adjusted at Mid-Year Budget Review.

Favourable Variance
Unfavourable Variance

- f) Favourable timing variances arose for Streetscape Enhancement Program \$49,612, Major Building Capital Works Program \$30,000, Foreshore and Natural Areas Management Program \$22,633, Major Projects Program \$20,000 and New Paths Program \$5,000.

14. Capital Contributions \$405,861

This unfavourable timing variance arose mainly from Burns Beach to Mindarie Dual Use Path (\$450,000) due to project progress, partially offset by unbudgeted contributions received for refurbishment of the clubrooms at Windermere Park \$22,727, replacement of the floor tiles in the tennis change rooms at Percy Doyle Reserve \$9,957 and Park Signage Renewal \$4,000. In addition, unbudgeted rebates of \$7,455 were received for renewable energy appliances installed during upgrade of Penistone Park.

15. Equity Distribution - TPRC \$250,001

The dividend distribution from Tamala Park Regional Council was below budget estimates. Adjustments will be made in the Mid Year Budget Review.

16. Equity Investments \$6,300

This favourable variance arose from unbudgeted GST contributions from TPRC in respect of land sales undertaken. This has arisen as a result of the new GST rules on property sales that commenced on 01 July 2018.

17. Capital Projects \$385,904

	YTD Budget	YTD Actual	Variance
a) Yellagonga Wetlands -Smart Monitoring and Management	\$221,590	-	\$221,590
b) Joondalup City Centre Commercial Office Development	\$257,451	\$89,949	\$167,502
c) Cafes / Restaurants / Kiosks	\$146,934	\$73,114	\$73,820
d) Better Bins Project	\$0	\$427,256	(\$427,256)
e) Information Technology Projects	\$266,750	\$61,695	\$205,055
f) Joondalup Performing Arts & Cultural Facility	\$115,788	\$50,809	\$64,979
g) Infrastructure Asset Management System Implementation	\$110,000	\$55,617	\$54,383
h) Ocean Reef Marina	\$79,374	\$28,388	\$50,986
Other Programs	\$129,500	\$154,655	(\$25,155)
	<u>\$1,327,387</u>	<u>\$941,483</u>	<u>\$385,904</u>

Favourable Variance
Unfavourable Variance

- a) Favourable timing variance due to re-scheduling of Federal Government funding for this project, phasing for which will be adjusted at Mid-Year Budget Review.
- b) Favourable timing variance due to project progress which is awaiting recommendations arising from the Order of Magnitude Business Case currently being prepared by the consultant.
- c) This favourable timing variance arose mainly from Burns Beach Café / Restaurant with expenditure on this project expected to increase in coming months due to the finalisation of the lease with White Salt.
- d) This unfavourable timing variance is a result of this project progressing ahead of schedule in preparation for roll out in January to May 2019.
- e) Favourable timing variances arose for IT Disaster Recovery Facilities \$155,000 and Network Infrastructure Upgrade Program \$50,055.
- f) This favourable timing variance is due to Council's decision not to progress to detailed design at this time.
- g) A favourable timing variance arose for this project for which the Building Condition Audit is currently in progress, with further payments to be made in coming months to finalise the contract.
- h) A favourable timing variance arose due to the City's expenditure on this project being managed by LandCorp as required.

18. Capital Works

(\$2,283,272)

	YTD Budget	YTD Actual	Variance
a) Street Lighting Program	\$658,000	\$2,386,021	(\$1,728,021)
b) Road Preservation/Resurfacing Program	\$2,073,933	\$2,751,556	(\$677,623)
c) Traffic Management Program	\$358,290	\$552,692	(\$194,402)
d) Paths Program	\$570,000	\$710,127	(\$140,127)
e) Major Buildings Capital Works Program	\$641,500	\$1,013,643	(\$372,143)
f) Parks Development Program	\$281,500	\$414,807	(\$133,307)
g) Major Projects Program	\$1,034,021	\$285,602	\$748,419
h) Streetscape Enhancement Program	\$580,979	\$418,456	\$162,523
i) Other Programs	\$1,409,984	\$1,358,575	\$51,409
	<u>\$7,608,207</u>	<u>\$9,891,479</u>	<u>(\$2,283,272)</u>

- a) This unfavourable timing variance is due predominantly to Stage 2 Joondalup City Centre Lighting (\$1,754,198) which is a multiyear project carried over from the previous year and Whitfords Nodes Car Park (\$33,830) which is now complete. This is partially offset by favourable timing variances for Kingsley Park Floodlighting

Favourable Variance
Unfavourable Variance

Upgrade \$45,170 which has commenced, the Floodlight and Pole Replacement Program \$14,666 and Environmental Design Lighting \$10,000 due to project progress.

- b) Unfavourable timing variances arose from a number of projects across the program completed ahead of schedule including Armytage Way (\$101,015), Zamia Place (\$76,631), Rosedene Way (\$53,283), Oldham Street (\$65,982), Whitfords Avenue East Bound - Moora Road to Wanneroo Road (\$53,615) and the Road Preservation Program - Asphalt Overlay (\$39,444). This is offset by favourable variances for Poynter Drive – Griffell Way to Granadilla Street \$38,000 which has been withdrawn following a recent condition audit that determined resurfacing is not required and Gibson Avenue – Rudall Way to Hepburn Avenue \$66,329 which is complete awaiting final invoices. In addition, a favourable timing variance arose from Joondalup Drive – City Boundary West Bound \$58,733 due to project progress. The balances of variances are spread across a number of areas.
- c) Unfavourable timing variances arose as a result of projects funding brought forward from the previous financial year including Venturi Drive Median Treatment (\$75,629), Warwick Train Station (\$33,949) and Marmion Avenue and Ocean Reef Road (\$49,905) which are all now complete. In addition, unfavourable timing variances arose for Perilya Road Improvements (\$50,196) which is complete ahead of forecast and Marmion Avenue and Moore Drive (\$61,287) which is 95% complete ahead of schedule. This is partially offset by Blackspot project Marmion Avenue and Burns Beach Road \$47,761 which is complete under budget and Warwick Road and Allenswood Drive \$31,871 which has commenced behind schedule.
- d) Several unfavourable timing variances arose across the Path Replacement Program which is progressing ahead of schedule with 22 (92%) projects complete including Shenton Avenue under Shared Path Renewal & Resurfacing (\$111,466), Moore Drive Shared Path (\$39,333) and New Bus Shelter Installation (\$27,579) which is complete awaiting payment of final invoices. This is partially offset by a favourable timing variance for New Path Program project Sandalwood Drive – Marlock Drive to Calectasia Street \$80,000 which is delayed until March 2019 awaiting the outcome of a petition by residents. The balances of variances are spread across a number of areas.
- e) This unfavourable timing variance arose mainly due to Air Conditioning Replacement Program (\$96,711), Mirror Park Toilets Refurbishment (\$80,667), Iluka Sports Roof Upgrade (\$47,436), Emerald Park Community Facility Upgrade (\$36,176) and Mawson Park Toilets / Changeroom Refurbishment (\$24,583) being completed ahead of schedule. In addition, Windermere Park Clubroom Refurbishment (\$116,852) is progressing ahead of schedule. The balances of variances are spread across a number of areas.
- f) Unfavourable timing variances arose from a number of projects progressing ahead of schedule including Prince Regent Park Irrigation Upgrades (\$50,653), Whitfords West Park Irrigation Renewal (\$34,605), Tree Planting Program (\$32,419) and Beachside Park Irrigation Upgrades (\$27,501). In addition, an unfavourable variance arose from Fairway / Carnaby Park Irrigation Consolidation (\$32,191) which was complete over budget. This is partially offset by a favourable timing variance for the Park Amenity Renewal Program \$23,523.

Favourable Variance

Unfavourable Variance

- g) Favourable timing variances exist for works at Percy Doyle Reserve for the Tennis Clubrooms Refurbishment \$303,150 which is complete and Power Upgrade \$195,355 which is 36% complete. In addition, a favourable timing variance arose for Joondalup Administration Building Upgrade \$233,920 which has been delayed awaiting outcome of a building rationalisation review.
- h) This favourable timing variance is mainly due to the Streetscape Renewal Program \$146,529 which has been rescheduled for winter planting in April 2019 and will be rephased at Mid Year review. In addition, a favourable timing variance arose from Arterial Roads Streetscape Upgrade Program \$15,986 which is complete awaiting final invoices.
- i) Favourable timing variances arose from the Foreshore and Natural Areas Management Program \$47,277, Parks Equipment Program \$21,238 and Parking Facilities Program \$14,065 due to projects progress. This is partially offset by unfavourable timing variances for Stormwater Drainage Program (\$28,080) and Major Road Construction (\$3,091).

19. Vehicle and Plant Replacements

\$578,661

This favourable variance for Fleet and Plant purchases includes timing variances for four vans, three plant items, one truck and one utility (\$577,000) which are progressing. Orders totalling \$792,940 have been placed and are scheduled for delivery in the coming months.

20. Proceeds from Disposal

\$349,036

This favourable timing variance arose from Fleet and Plant disposals which includes \$103,015 for items replaced in the previous financial year.

21. Opening Funds

\$3,893,522

Variations in the actual results for 2017-18 compared to the budget estimate gave rise to a favourable variance of \$3,893,522 in opening funds. Adjustment to opening funds will be reflected in the Mid Year Budget Review.

Favourable Variance
Unfavourable Variance

22. Closing Funds
\$7,644,722

	June 2018	December 2018
Current Assets		
Cash and Investments	\$100,085,669	\$154,665,472
Rates Outstanding, Sundry Debtors and Other Receivables	\$3,026,090	\$19,826,538
Accrued Income	\$1,208,522	\$1,323,881
Prepayments	\$687,023	\$305,567
Inventories	\$188,284	\$172,200
Total Current Assets	\$105,195,588	\$176,293,658
Current Liabilities		
Trade Creditors	\$4,522,569	\$1,741,966
Sundry Payables	\$610,874	\$10,780,424
Accrued Expenses	\$5,116,012	\$2,464,607
Other Payables	\$2,305,685	-
Borrowings	\$3,201,862	\$1,615,900
Provision for Annual Leave	\$4,497,672	\$4,381,023
Provision for Long Service Leave	\$5,855,900	\$6,067,496
Provision for Workers Compensation Insurance	\$2,503,467	\$3,498,581
Provision for Sick Leave	\$1,006,450	\$993,127
Other Provisions	\$196,914	\$188,975
Total Current Liabilities	\$29,817,405	\$31,732,099
Net Current Assets	\$75,378,183	\$144,561,559
Add back: Borrowings	\$3,201,862	\$1,615,900
Less: Cash Backed Reserves	\$74,151,620	\$74,151,620
Closing Funds – Surplus/(Deficit)	\$4,428,425	\$72,025,838

Favourable Variance
Unfavourable Variance