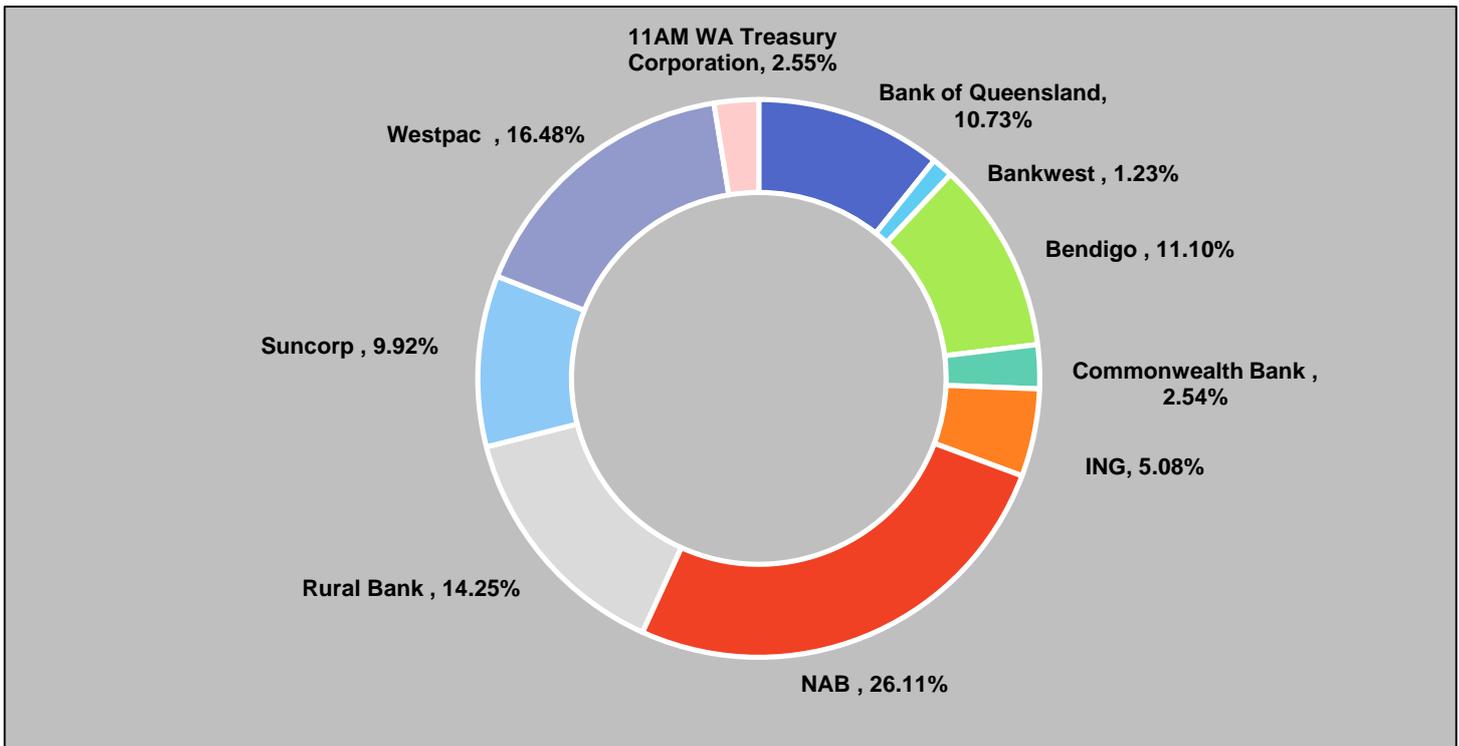


	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
OPERATING REVENUE						
Rates	1	(100,765,907)	(100,765,907)	(100,895,101)	129,194	0%
Specified Area Rates		(568,048)	(568,048)	(567,080)	(968)	(0)%
Grants and Subsidies		(1,997,909)	(1,978,597)	(2,015,538)	36,941	2%
Contributions Reimbursements and Donations	2	(1,079,459)	(952,838)	(1,043,198)	90,360	9%
Profit on Asset Disposals	3	(274,549)	(265,394)	(560,929)	295,535	100%
Fees and Charges	4	(41,465,320)	(39,890,374)	(40,047,270)	156,896	0%
Interest Earnings	5	(4,404,877)	(4,192,103)	(4,347,828)	155,725	4%
Other Revenue/Income	6	(1,041,989)	(986,989)	(1,046,854)	59,865	6%
Total Operating Revenue		(151,598,060)	(149,600,250)	(150,523,798)	923,548	0%
OPERATING EXPENSES						
Employee Costs	7	64,751,318	60,045,483	58,009,317	2,036,166	3%
Materials and Contracts	8	53,256,430	47,917,314	42,877,255	5,040,059	11%
Utilities (gas, electricity, water etc.)	9	5,650,882	5,023,340	5,247,785	(224,445)	(4)%
Depreciation & Amortisation of Non-Current Assets	10	30,405,036	27,893,140	27,399,063	494,077	2%
Loss on Asset Disposals		4,320,877	4,290,781	4,292,493	(1,712)	(0)%
Interest Expenses		478,506	410,485	410,472	13	0%
Insurance Expenses		1,395,342	1,395,342	1,415,266	(19,924)	(1)%
Other Expenses		1,000	1,000	1,000	-	0%
Total Operating Expenses		160,259,390	146,976,885	139,652,651	7,324,234	5%
(SURPLUS)/DEFICIT FROM OPERATIONS		8,661,332	(2,623,365)	(10,871,147)	8,247,782	314%
OPERATING NON-CASH ADJUSTMENTS						
Depreciation & Amortisation of Non Current Assets		(30,405,036)	(27,893,140)	(27,399,063)	(494,077)	(2)%
Loss on Asset Disposal		(4,320,877)	(4,290,781)	(4,292,493)	1,712	0%
Profit on Asset Disposals		274,549	265,394	560,929	(295,535)	100%
Other Non-Current items						
Movement in Non-current Items	11	(100,000)	(100,000)	351,465	(451,465)	(100)%
OPERATING CASH (SURPLUS)/DEFICIT		(25,890,032)	(34,641,891)	(41,650,309)	7,008,418	20%
NON-OPERATING REVENUE						
Capital Grants and Subsidies	12	(7,091,018)	(5,089,985)	(5,706,473)	616,488	12%
Capital Contributions	13	(547,439)	(64,139)	(324,008)	259,869	100%
Equity Distribution - TPRC		(666,667)	(333,333)	(333,333)	-	0%
Equity Investments	14	(6,300)	(6,300)	(52,069)	45,769	100%
Total Non-Operating Revenue		(8,311,424)	(5,493,757)	(6,415,883)	922,126	17%
CAPITAL EXPENDITURE						
Capital Projects	15	7,727,679	6,857,459	5,621,339	1,236,120	18%
Capital Works	16	33,822,205	26,084,333	19,792,228	6,292,105	24%
Vehicle and Plant Replacements	17	2,685,299	2,244,298	1,466,557	777,741	35%
Loan Repayment Principal		3,201,862	2,595,258	2,595,258	-	0%
Total Capital Expenditure		47,437,046	37,781,349	29,475,382	8,305,967	22%
CAPITAL (SURPLUS)/DEFICIT		39,125,622	32,287,592	23,059,499	9,228,093	29%
(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL		13,235,590	(2,354,299)	(18,590,810)	16,236,511	690%
FUNDING						
Proceeds from Disposal	18	(2,359,559)	(577,283)	(544,029)	(33,255)	(6)%
Loans - New Borrowings		-	-	-	-	0%
Transfer from Trust		(1,930,000)	-	-	-	0%
Transfer from Reserve		(19,670,579)	-	-	-	0%
Transfer to Reserve		9,113,389	-	-	-	0%
Transfer to Accumulated Surplus		-	-	-	-	0%
Transfer from Accumulated Surplus		-	-	-	-	0%
Opening Funds		(4,428,425)	(4,428,425)	(4,428,425)	-	0%
CLOSING FUNDS	19	(6,039,584)	(7,360,007)	(23,563,264)	16,203,257	220%

INVESTMENT SUMMARY

May-19

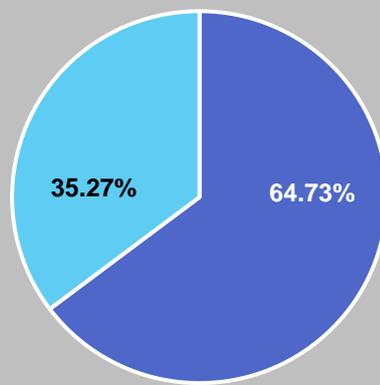


Municipal Funds	\$49,914,738	YTD Return	2.70%
Reserve Funds	\$68,160,262	Benchmark	2.00%
	<u>\$118,075,000</u>	RBA Rate	1.50%

<u>Investment Policy Limits</u>					
	<u>LT Rating</u>	<u>Limit</u>		<u>LT Rating</u>	<u>Limit</u>
Bank of Queensland	A-*	10%	NAB	AA-	25%
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 MAY 2019**

1. Rates \$129,194

Rates income is slightly higher than budget predominantly arising from higher interim rates levied than anticipated year to date.

2. Contributions, Reimbursements and Donations \$90,360

This favourable variance arose mainly from Contributions \$48,936, Insurance \$18,022, Recoverable Legal Fees \$16,413 and Other Miscellaneous Reimbursements \$15,196, partially offset by an unfavourable variance for Reinstatement of Works (\$10,467).

3. Profit on Asset Disposals \$295,535

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 \$305,564, partially offset by an unfavourable timing variance for the disposal of replaced Vehicles, Plant and Equipment (\$10,029).

4. Fees and Charges \$156,896

	YTD Budget	YTD Actual	Variance
a) Licenses & Registrations	\$661,917	\$772,503	\$110,586
b) Sports & Recreation Fees	\$8,685,260	\$8,776,136	\$90,876
c) Parking Fees	\$2,964,798	\$2,864,951	(\$99,847)
d) Other Fees & Charges	\$27,578,399	\$27,633,680	\$55,281
	<u>\$39,890,374</u>	<u>\$40,047,270</u>	<u>\$156,896</u>

a) This favourable variance arose predominantly from Dog Registrations \$96,861 and Cat Registrations \$17,970.

b) Favourable variances arose from Membership Fees \$125,455, Park Hire \$26,690 and Learn to Swim Program \$18,063, partially offset by unfavourable variances for Court Sport Revenue (\$45,794) and Hire of Facilities (\$36,329). The balances of variances are spread across a number of areas.

c) Unfavourable variances arose mainly from Multi Storey Car Park Fees (\$55,711) and Off Street Parking Fees (\$48,703).

Favourable Variance
Unfavourable Variance

- d) Favourable variances arose from Building and Development Fees \$32,901, Fines and Penalties \$32,514, Other Fees and Charges \$18,188 and Hire and Rentals \$7,282, partially offset by unfavourable variances for Refuse Charges (\$21,338) and Inspection and Control Fees (\$14,267).

5. Interest Earnings

\$155,725

Interest earned on investments exceeded budget by \$140,106 due to higher volumes invested and better than expected returns year to date and Rates Penalty Interest \$14,949.

6. Other Revenue

\$59,865

This favourable variance arose mainly from a credit adjustment of \$45,648 due to stale cheques issued in previous years being written off as a result of non-presentation. In addition, a favourable variance arose from Rebates Received \$37,389 for rebates received from LGIS Scheme dividends during the year. This is partially offset by an unfavourable variance for Bus Shelter Illuminated Advertising (\$26,000).

7. Employee Costs

\$2,036,166

	YTD Revised Budget	YTD Actual	Variance
a) Salaries and Wages	\$57,181,100	\$55,504,670	\$1,676,430
b) Other Employment Costs	\$2,864,383	\$2,504,647	\$359,736
	<u>\$60,045,483</u>	<u>\$58,009,317</u>	<u>\$2,036,166</u>

- a) A favourable variance arose for Salaries and Wages in various areas including Parks \$256,795, Engineering Maintenance \$148,560, Planning Approvals \$135,593, Organisational Development Administration \$133,590, Environmental Development \$121,434, Library Operations \$93,002, Governance and Strategy \$74,134, Landscaping and Conservation Services \$72,005, Building Services \$69,034, CEO Administration \$61,135, Human Resources Administration \$57,076, Executive and Risk Services \$56,086, Planning and Community Development \$55,659, Building Maintenance Works \$53,102, Parking Services \$51,377 and Marketing and Communications \$50,067 mainly due to vacant positions. The balances of variances are spread across a number of areas.
- b) Favourable variances arose for Labour Recovery - Capital Works \$277,706, Other Employment Costs \$118,120, Staff Training \$30,128 and Conferences and Seminars \$24,236, partially offset by an unfavourable variance for Agency Employees (\$96,662) covering vacant positions.

Favourable Variance

Unfavourable Variance

8. Materials and Contracts
\$5,040,059

	YTD Revised Budget	YTD Actual	Variance
a) Professional Fees and Costs	\$2,918,276	\$2,467,683	\$450,593
b) Public Relations, Advertising & Promotions	\$1,356,213	\$983,120	\$373,093
c) Computing	\$1,847,211	\$1,664,787	\$182,424
d) Administration	\$1,560,498	\$1,011,065	\$549,433
e) Furniture, Equipment & Artworks	\$2,547,635	\$2,271,101	\$276,534
f) Contributions & Donations	\$1,889,491	\$1,626,452	\$263,039
g) External Service Expenses	\$21,728,906	\$19,073,126	\$2,655,780
h) Telephones & Communication	\$845,454	\$766,125	\$79,329
i) Charges and Recoveries	(\$285,227)	(\$442,686)	\$157,459
j) Members Costs	\$691,003	\$620,354	\$70,649
k) Accommodation & Property	\$1,430,818	\$1,362,672	\$68,146
l) Other Building Materials	\$2,205,951	\$2,103,052	\$102,899
m) Waste Management Services	\$6,529,696	\$6,740,589	(\$210,893)
Other Expenses	\$2,651,389	\$2,629,815	\$21,574
	<u>\$47,917,314</u>	<u>\$42,877,255</u>	<u>\$5,040,059</u>

- a) Favourable variances arose mainly for Consultancy \$440,188, Licence Searches \$23,075, Recoverable Legal Expenses \$19,807, Lodgement Fees \$14,931 and Auction Fees \$9,683, partially offset by unfavourable timing variances for Valuation Fees (\$28,782) and Legal Expenses (\$27,386).
- b) This favourable variance was predominantly due to Promotions \$184,507 of which \$74,708 relates to the Waste Management Better Bins Project, General Advertising \$115,630, Signage \$33,750 and Catering \$24,368.
- c) This includes favourable timing variances for Computer Software Maintenance \$101,508, Data Communication Links \$49,778, Computer Software Licences \$33,117 and Internet Provider Costs \$24,297, partially offset by an unfavourable timing variance for Computer Software Subscriptions (\$29,890).
- d) This favourable timing variance arose predominantly from Sundry Administration Expenses \$402,240, Printing \$61,050, Photography and Video Production \$39,438, Stationery \$23,818 and Interstate Conferences \$21,810. The balances of variances are spread across a number of areas.
- e) Favourable timing variances arose mainly from Plant and Equipment Purchases – Minor \$89,278, Plant and Equipment Maintenance and Repair \$72,342, Computer and Communications Equipment Purchases – Minor \$46,105, Furniture and Office Equipment Purchases – Minor \$25,983, Hire of Equipment \$18,355 and Computer and Communications Equipment Maintenance \$17,200.
- f) Favourable timing variances arose mainly from Grants and Contributions Made \$156,171, Community Funding Program \$31,633, Prizes and Trophies \$29,040, Donations \$26,939 and Sponsorship \$19,877.

Favourable Variance
Unfavourable Variance

- g) This favourable timing variance mainly arose from External Contractors and Services \$1,787,929 of which \$451,150 relates to Yellagonga Wetlands – Smart Monitoring and Management Program, General Tipping Fees \$770,589, CEO Administration \$668,056 and Parks \$346,540. The balances of variances are spread across a number of areas.
- h) This favourable timing variance predominantly arose from Postage, Courier and Freight Services \$65,260 and Office Telephone and Faxes \$42,958, partially offset by an unfavourable timing variance for Mobile Phones, Pagers and Radios (\$32,718).
- i) This favourable timing variance arose mainly from Operational Overhead Recoveries \$126,713 and Vehicle Running Expenses \$45,435.
- j) Favourable timing variances arose mainly from Elected Members Training and Conference Expenses \$58,895 and Expenses Reimbursements for Elected Members \$10,831.
- k) This favourable variance arose mainly from Refuse Removal Charges \$105,096, partially offset by an unfavourable variance for Rental and Outgoings (\$34,534).
- l) This favourable variance arose predominantly from Materials – Building Minor Works \$203,685, partially offset by an unfavourable variance for External Material Purchases – Contract (\$106,978).
- m) Unfavourable timing variances arose from Domestic Green Waste Collection and Processing (\$84,259), Bulk Green Waste Collection and Processing (\$57,866), Recycling Waste Collection and Processing (\$32,522), Bulk Hard Waste Collection and Processing (\$24,766) and General Waste Collection (\$11,470).

9. Utilities

(\$224,445)

Unfavourable timing variances arose mainly from Electricity costs for Parks (\$101,724), Lighting (\$80,972) and Asset Management Administration (\$40,474). The balances of the variances are spread across a number of areas.

10. Depreciation & Amortisation of Non-Current Assets

\$494,077

Favourable variances arose for Depreciation – Open Reserves \$334,590, Depreciation – Buildings \$156,649, Depreciation - Roads Infrastructure \$49,392, Depreciation – Lighting \$40,012 and Depreciation – Computer and Communications Hardware \$35,348, partially offset by an unfavourable variance for Impairment / Write Off of Assets (\$62,081) arising from the demolition of the Jack Kikeros Community Hall, Depreciation – Mobile and Other Plant (\$37,237) and Depreciation – Computer Software (\$35,348). The balances of the variances are spread across a number of areas.

Favourable Variance
Unfavourable Variance

11. Movement in Non-Current Items
(\$451,465)

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

12. Capital Grants and Subsidies
\$616,488

	YTD Revised Budget	YTD Actual	Variance
a) State Government – Main Roads Grant	\$1,474,415	\$1,328,948	(\$145,467)
b) State Government – Black Spot Program	\$601,647	\$537,647	(\$64,000)
c) Other Grants & Subsidies – Non-Government	\$923,524	\$1,693,343	\$769,819
d) Commonwealth Grants - Other Other Grants	-	\$56,136	\$56,136
	\$2,090,399	\$2,090,399	-
	<u>\$5,089,985</u>	<u>\$5,706,473</u>	<u>\$616,488</u>

- a) Unfavourable timing variances arose across the program due to projects progress. This program includes 9 projects which are complete awaiting invoices from Main Roads WA for line-marking. These projects include Davalia Road – Grandilla Street to Beach Road (\$32,000), Gibson Avenue - Rudall Way (North) to Hepburn Avenue (\$21,533), Blackall Drive – Allenswood Road to Hartly Court (\$11,680), Gibson Avenue – Livingstone Way to Livingstone Way (\$7,107), Gibson Avenue - Livingstone Way to Whitfords Avenue (\$4,013) and Delamere Road / Providence Drive Roundabout (\$3,840). In addition, an unfavourable timing variance arose for Joondalup Drive – City Boundary Westbound (\$46,480) which is being delivered by Main Roads contractor in conjunction with road improvement works at Joondalup Drive – Burns Beach Road and Wanneroo Road Intersection Upgrades.
- b) Unfavourable timing variances arose for Warwick Road and Allenswood Drive (\$24,000) which is complete awaiting final invoices and Marmion Avenue and Gilbert Road (\$72,000) which has been delayed due to an increase in scope and costs for necessary relocation of two Western Power poles. The City has re-submitted the grant application for additional funds to Main Roads and is awaiting the outcome before commencing construction. This is partially offset by a favourable timing variance that arose from a progress payment received for Whitfords Avenue and Trappers Drive \$32,000.
- c) A favourable variance arose from an unbudgeted Community Sport & Infrastructure Grant of \$500,000 for Whitfords Nodes Lookout Stairway \$274,451 and Playspace Renewal \$225,549 as part of the Whitfords Nodes Health and Wellbeing Hub Upgrades. In addition, unbudgeted grants were received from Community Sport and Infrastructure Grant for Kingsley Park Floodlighting Upgrade \$200,000 and the West Australian Cricket Association for wicket upgrades at Juniper Park \$13,500 and Marri Park \$12,682. Favourable timing variances arose from the Stronger Communities Grant of \$20,000 received for Percy Doyle – Sorrento Bowling Clubrooms upgrades

Favourable Variance
Unfavourable Variance

and Perth Bike Network grants for Hillary's Animal Beach \$30,000. This is partially offset by an unfavourable variance for Beach Road Shared Path Design (\$10,000) which was completed under budget.

- d) A favourable variance arose for Tennis Court Resurfacing Program from an unbudgeted grant of \$42,000 received from an Australian Sports Grant for Warwick Tennis Court Upgrades. In addition, a favourable timing variance arose from Yellagonga Wetlands - Smart Monitoring and Management \$14,136.

13. Capital Contributions

\$259,869

This favourable variance arose from unbudgeted grant funding received for Duffy House Restoration \$272,727 and Renewable Energy Certificates receipts \$14,597, partially offset by an unfavourable variance (\$20,000) that arose as the result of a misallocation made in the 2018-19 Mid-Year Budget Review where a capital contribution reflected was actually a capital grant for the Sorrento Bowling Club Refurbishment project.

14. Equity Investments

\$45,769

This favourable variance arose from 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.

15. Capital Projects

\$1,236,120

	YTD Revised Budget	YTD Actual	Variance
a) Cafes/Restaurants/Kiosks	\$233,559	\$175,974	\$57,585
b) Joondalup Performing Arts & Cultural Facility	\$208,030	\$72,073	\$135,957
c) Better Bins Project – 3 Bin System	\$5,465,556	\$4,637,557	\$827,999
d) Information Technology Projects	\$323,000	\$151,184	\$171,816
Other Programs	\$627,314	\$584,551	\$42,763
	<u>\$6,857,459</u>	<u>\$5,621,339</u>	<u>\$1,236,120</u>

- a) A favourable timing variance arose for this delayed project, expenditure for which is anticipated to increase in the coming months from the finalisation of the various lease agreements.
- b) Following Council's decision not to commence detailed design at this time, this favourable timing variance has arisen due to further project investigation/research progressing behind estimates.

Favourable Variance
Unfavourable Variance

- c) A favourable timing variance arose for this project which is completed and awaiting payment of final invoices.
- d) A favourable timing variance arose for this program due to projects progress.

16. Capital Works
\$6,292,105

	YTD Revised Budget	YTD Actual	Variance
a) Parks Equipment Program	\$2,280,548	\$1,555,088	\$725,460
b) Street Lighting Program	\$4,176,146	\$4,879,060	(\$702,914)
c) Paths Program	\$3,490,279	\$851,394	\$2,638,885
d) Foreshore & Natural Areas Management Program	\$706,005	\$330,898	\$375,107
e) Major Projects Program	\$1,773,270	\$756,889	\$1,016,381
f) Parking Facilities Program	\$199,427	\$146,981	\$52,446
g) Major Road Construction Program	\$646,080	\$233,545	\$412,535
h) Road Preservation Program	\$6,087,859	\$5,355,487	\$732,372
i) Streetscape Enhancement Program	\$1,408,392	\$882,302	\$526,090
j) Traffic Management Program	\$1,576,534	\$1,424,827	\$151,707
k) Parks Development Program	\$1,375,712	\$1,088,881	\$286,831
l) Other Programs	\$2,364,081	\$2,286,876	\$77,205
	<u>\$26,084,333</u>	<u>\$19,792,228</u>	<u>\$6,292,105</u>

- a) Favourable timing variances arose for Whitfords Nodes Health and Wellbeing Hub \$757,913 which is currently awaiting quotations and Outdoor Gym Equipment Installation \$35,870 which is to be carried forward to 2019/20, to be delivered as part of the Whitfords Nodes Health and Wellbeing Hub project, and Favershams Park Playspace Renewal \$22,740 which is complete awaiting final invoices. In addition, favourable variances arose for Negresco Park Playspace Renewal \$15,510, Shade Structure Program \$11,299 and Bollard and Fencing Renewal Program \$8,159 which were completed under budget. This is partially offset by unfavourable timing variances for Juniper Park Playspace Renewal (\$29,616), Cockman Park Play Space Renewal (\$23,430), Cricket Infrastructure Renewal Citywide (\$22,877) and Park Signage Renewal (\$14,477) which are completed ahead of schedule. The balances of variances are spread across a number of areas.
- b) This unfavourable timing variance is mainly due to Stage 3 Joondalup City Centre Lighting (\$590,012) and Lighting and Pole Renewal Program, (\$50,272) which are progressing ahead of schedule and Kingsley Park Floodlighting Upgrade (\$109,208) which is complete ahead of schedule. Ocean Reef Road LED Conversion (\$16,134) is complete with all invoices paid ahead of schedule. This is partially offset by a favourable timing variance for Sir James McCusker Park Path Lighting \$54,239 which has commenced and is scheduled for completion in June 2019.
- c) This favourable timing variance is mainly due to Burns Beach to Mindarie Dual Use Path \$2,599,976 which has been delayed.

Favourable Variance
Unfavourable Variance

The tender for its construction was awarded by Council in May 2019 and is scheduled to commence in July 2019. In addition, a favourable timing variance arose for Hillarys Animal Beach Shared Path \$45,000 which commenced slightly behind forecast in May 2019. The balances of variances are spread across a number of projects within the program.

- d) Favourable timing variances arose for Whitfords Nodes Hillarys Lookout Stairway \$224,731 and Bushland Reserve Paths Renewal Program \$104,895 both of which are being delivered as part of the Whitfords Nodes Health and Wellbeing Hub project. Conservation Reserves Interpretive Signage \$41,092 is progressing with forecast completion in June 2019. The balances of variances are spread across the program.
- e) Favourable timing variances arose across the program due to projects progress including Percy Doyle - Utilities Upgrade \$437,176, Joondalup Administration Building Major Refurbishment \$326,894 and Craigie Leisure Centre Upgrades \$131,145. In addition, a favourable variance arose for Percy Doyle – Duncraig Leisure Centre Refurbishments \$51,697 which was completed under budget.
- f) A favourable timing variance arose for Hillarys Animal Beach Parking Upgrades \$43,767 which has commenced behind schedule and a favourable variance arose for City Centre Car Park P4 Renewal \$8,679 which is complete under budget.
- g) The favourable timing variance for Major Road Construction Program is predominantly due to Burns Beach Road / Joondalup Drive Roundabout \$384,724 which is being delivered by Main Roads WA contractor in conjunction with the Joondalup Drive / Wanneroo Road Intersection project. Works were originally scheduled to commence January 2019 but have now been rescheduled for January 2020. A favourable timing variance also occurred for design of Warwick Road / Erindale Road Intersection Upgrades \$27,811 with construction scheduled in 2019/20.
- h) Favourable variances arose for Braden Way \$111,146, Windward Loop \$87,944, Parnell Avenue - Seacrest Drive to Martin Road \$79,023, Denmark Way \$46,701 and Oliver Street \$40,196 which were completed under budget. Favourable timing variances arose for Arnisdale Road – Glengarry Drive to Merrick Way \$98,141, Road Preservation – Asphalt Overlay Program \$106,412 and Pennant Place \$40,113 due to projects progress. In addition, a favourable timing variance arose for Joondalup Drive – City Boundary (Westbound) \$106,343 which is being delivered by Main Roads WA contractor in conjunction with the Joondalup Drive / Wanneroo Road Intersection project. This is partially offset by unfavourable timing variances for projects progressing ahead of schedule including Amadeus Gardens (\$37,692), Transom Way (\$28,467) and Arbery Avenue (\$19,179). Unfavourable variances arose for Forest Hill Drive (\$38,728), Stilt Way (\$35,265) and Gibson Avenue – Livingstone Way to Livingstone Way (\$22,979) which were completed over budget. The balances of variances are spread across a number of areas.
- i) Streetscape Enhancement Program favourable timing variance is mainly due to the City Centre Streetscape Renewal Program \$265,845, Leafy City Program \$120,353 and Streetscape Enhancement Program \$131,056 due to projects progress.
- j) Favourable timing variances arose from Marmion Avenue and Gilbert Road \$192,924, which is delayed due to the grant application having to be re-submitted to Main Roads for an increase in scope and costs necessary for relocation of two Western Power poles, and Grand Boulevard & Shenton Avenue \$87,233 which is complete awaiting

final invoices. This is offset by unfavourable timing variances for State Black Spot Program projects Warwick Road and Allenswood Drive (\$136,764) and Marmion Avenue and Ocean Reef Road (\$52,401) which are complete ahead of schedule and Gilbert Road Traffic Management (\$41,346) which is progressing ahead of schedule. The balances of variances are spread across a number of areas.

- k) A favourable timing variance arose for Juniper Park Landscape Master Plan \$174,532 which commenced later than forecast. In addition, favourable timing variances arose for the Heritage Precinct Development \$145,443, Park Amenity Renewal \$35,612 and Tree Planting Program \$25,059 due to projects progress. This is partially offset by an unfavourable variance for Manapouri / Windermere Irrigation Upgrades (\$108,870) which is complete ahead of schedule. The balances of variances are spread across a number of areas.
- l) Favourable timing variances arose for Stormwater Drainage Program \$41,041, Major Building Capital Works Program \$31,672 and Bridges Program \$4,132.

17. Vehicle and Plant Replacements

\$777,741

This favourable variance for Fleet and Plant purchases includes timing variances for six utilities, three vans and a truck \$670,117 which are progressing. Orders totalling \$433,342 have been placed and are scheduled for delivery in the coming months. Funds will be carried forward into 2019-20 for undelivered goods.

18. Proceeds from Disposal

(\$33,255)

This unfavourable timing variance arose from Fleet and Plant disposals due to progress of the vehicle and plant replacement program.

Favourable Variance
Unfavourable Variance

19. Closing Funds
\$16,203,257

	June 2018	May 2019
Current Assets		
Cash and Investments	\$100,085,669	\$118,082,310
Rates Outstanding, Sundry Debtors and Other Receivables	\$3,026,090	\$2,351,063
Accrued Income	\$1,208,522	\$1,665,589
Prepayments	\$687,023	\$256,245
Inventories	\$188,284	\$167,754
Total Current Assets	\$105,195,588	\$122,522,961
Current Liabilities		
Trade Creditors	\$4,522,569	\$3,622,656
Sundry Payables	\$610,874	\$1,536,685
Accrued Expenses	\$5,116,012	\$4,349,738
Other Payables	\$2,305,685	-
Borrowings	\$3,201,862	\$606,605
Provision for Annual Leave	\$4,497,672	\$4,487,659
Provision for Long Service Leave	\$5,855,900	\$6,126,952
Provision for Workers Compensation Insurance	\$2,503,467	\$3,458,025
Provision for Sick Leave	\$1,006,450	\$1,031,506
Other Provisions	\$196,914	\$194,855
Total Current Liabilities	\$29,817,405	\$25,414,681
Net Current Assets	\$75,378,183	\$97,108,283
Add back: Borrowings	\$3,201,862	\$606,605
Less: Cash Backed Reserves	\$74,151,621	\$74,151,621
Closing Funds – Surplus/(Deficit)	\$4,428,425	\$23,563,264

Favourable Variance
Unfavourable Variance