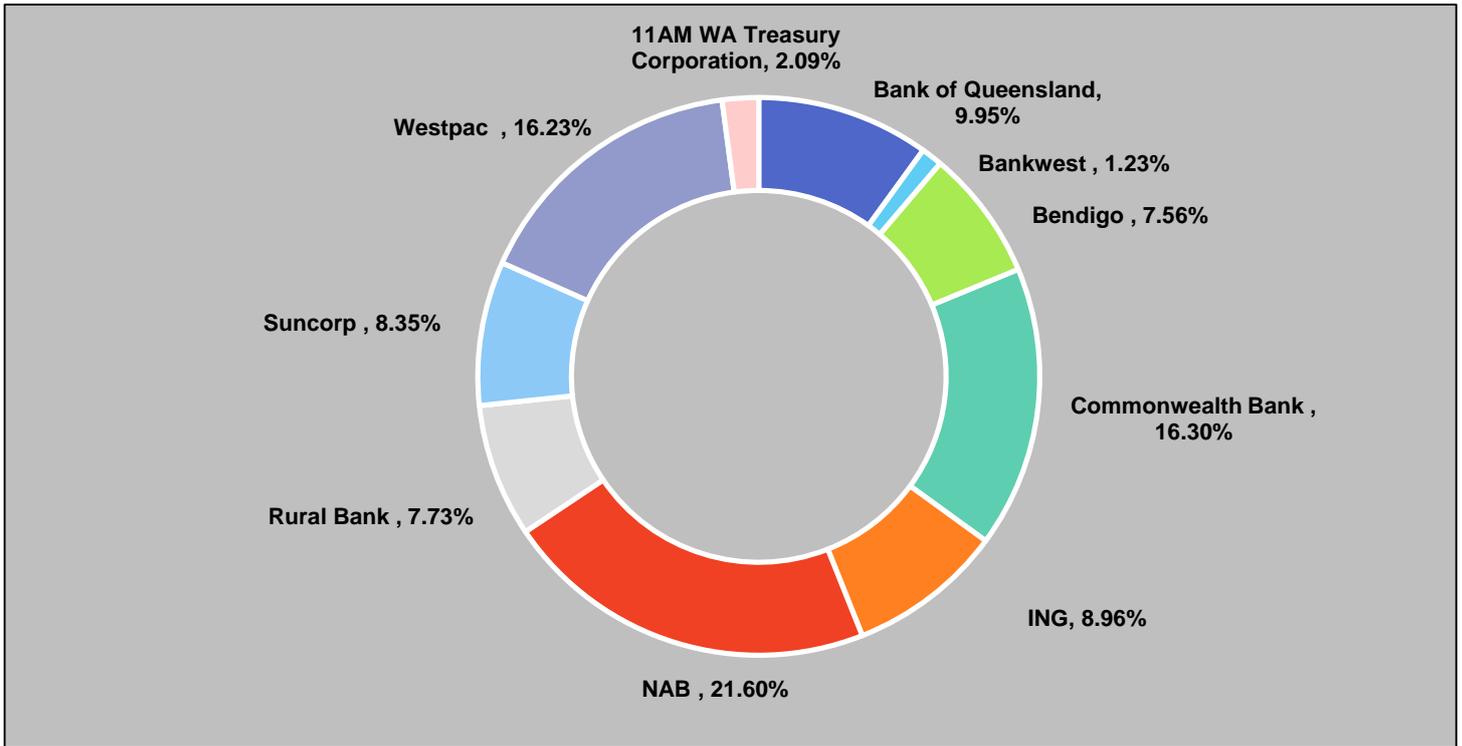


	Notes	Adopted Budget	YTD Adopted Budget	YTD Actual	YTD Variance \$	YTD Variance %
<b>OPERATING REVENUE</b>						
Rates	1	(103,410,513)	(103,410,513)	(103,690,571)	280,058	0%
Specified Area Rates		(698,945)	(698,945)	(708,239)	9,294	1%
Grants and Subsidies	2	(5,813,788)	(2,898,062)	(1,709,238)	(1,188,824)	(41)%
Contributions Reimbursements and Donations	3	(1,013,160)	(612,985)	(691,094)	78,109	13%
Profit on Asset Disposals	4	(88,946)	(12,452)	(206,360)	193,908	1557%
Fees and Charges		(42,165,954)	(33,789,278)	(33,750,584)	(38,694)	(0)%
Interest Earnings	5	(3,668,336)	(2,640,050)	(2,549,928)	(90,122)	(3)%
Other Revenue/Income	6	(535,856)	(446,406)	(421,421)	(24,985)	(6)%
<b>Total Operating Revenue</b>		<b>(157,395,498)</b>	<b>(144,508,691)</b>	<b>(143,727,435)</b>	<b>(781,256)</b>	<b>1%</b>
<b>OPERATING EXPENSES</b>						
Employee Costs	7	65,187,583	39,239,378	37,733,565	1,505,813	4%
Materials and Contracts	8	51,053,002	28,516,436	24,648,111	3,868,325	14%
Utilities (gas, electricity, water etc.)		5,978,544	3,382,938	3,342,896	40,042	1%
Depreciation & Amortisation of Non-Current Assets	9	32,590,981	18,195,955	18,141,345	54,610	0%
Loss on Asset Disposals	10	280,841	199,333	264,577	(65,244)	(33)%
Interest Expenses		558,311	338,446	325,998	12,448	4%
Insurance Expenses		1,405,410	1,403,069	1,403,884	(815)	(0)%
<b>Total Operating Expenses</b>		<b>157,054,671</b>	<b>91,275,555</b>	<b>85,860,376</b>	<b>5,415,179</b>	<b>6%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS</b>		<b>(340,826)</b>	<b>(53,233,136)</b>	<b>(57,867,059)</b>	<b>4,633,923</b>	<b>9%</b>
<b>OPERATING NON-CASH ADJUSTMENTS</b>						
Depreciation & Amortisation of Non Current Assets		(32,590,981)	(18,195,955)	(18,141,345)	(54,610)	(0)%
Loss on Asset Disposal		(280,841)	(199,333)	(264,577)	65,244	33%
Profit on Asset Disposals		88,946	12,452	206,360	(193,908)	1557%
Other Non-Current items						
Movement in Non-current Items	11	(100,000)	(100,000)	208,672	(308,672)	(309)%
<b>OPERATING CASH (SURPLUS)/DEFICIT</b>		<b>(33,223,702)</b>	<b>(71,715,971)</b>	<b>(75,857,949)</b>	<b>4,141,978</b>	<b>6%</b>
<b>NON-OPERATING REVENUE</b>						
Capital Grants and Subsidies	12	(5,234,345)	(1,897,009)	(2,977,202)	1,080,193	57%
Capital Contributions	13	(140,733)	(40,733)	(256,314)	215,581	529%
Equity Distribution - TPRC		(500,000)	-	-	-	0%
Other Non-Operating Revenue	14	-	-	(37,555)	37,555	100%
<b>Total Non-Operating Revenue</b>		<b>(5,875,078)</b>	<b>(1,937,742)</b>	<b>(3,271,071)</b>	<b>1,333,329</b>	<b>69%</b>
<b>CAPITAL EXPENDITURE</b>						
Capital Projects	15	3,576,568	1,484,944	1,111,033	373,911	25%
Capital Works	16	35,335,429	15,995,169	12,988,141	3,007,028	19%
Vehicle and Plant Replacements	17	1,860,000	153,000	584,201	(431,201)	(282)%
Loan Repayment Principal		3,324,328	1,856,056	1,856,056	-	0%
Equity Investment		-	-	-	-	(100)%
<b>Total Capital Expenditure</b>		<b>44,096,325</b>	<b>19,489,169</b>	<b>16,539,431</b>	<b>2,949,738</b>	<b>15%</b>
<b>CAPITAL (SURPLUS)/DEFICIT</b>		<b>38,221,247</b>	<b>17,551,427</b>	<b>13,268,360</b>	<b>4,283,067</b>	<b>24%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL</b>		<b>4,997,545</b>	<b>(54,164,544)</b>	<b>(62,589,589)</b>	<b>8,425,045</b>	<b>16%</b>
<b>FUNDING</b>						
Proceeds from Disposal	18	(3,178,800)	(2,855,000)	(1,250,536)	(1,604,464)	(56)%
Loans - New Borrowings		-	-	-	-	0%
Transfer from Trust		(2,002,729)	-	-	-	0%
Transfer from Reserve		(13,139,643)	-	-	-	0%
Transfer to Reserve		14,548,144	-	-	-	0%
Transfer to Accumulated Surplus		-	-	-	-	0%
Transfer from Accumulated Surplus		-	-	-	-	0%
Opening Funds	19	(1,573,189)	(1,573,189)	(5,581,095)	4,007,906	255%
<b>CLOSING FUNDS</b>	20	<b>(348,672)</b>	<b>(58,592,733)</b>	<b>(69,421,220)</b>	<b>10,828,487</b>	<b>18%</b>

**INVESTMENT SUMMARY**

January-20

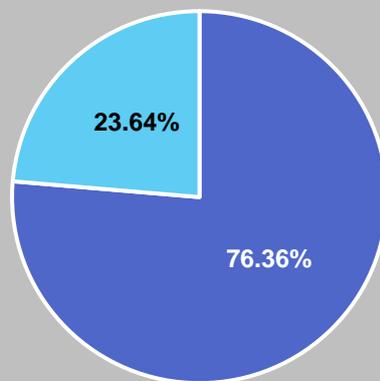


Municipal Funds	\$82,376,212	YTD Return	1.67%
Reserve Funds	\$80,498,788	Benchmark	1.25%
	<u>\$162,875,000</u>	RBA Rate	0.75%

<b>Investment Policy Limits</b>					
	<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

**Financial Institutions (FI) Investing Vs Not Investing in Fossil Fuels\***



■ F.I. Investing in Fossil Fuel    ■ F.I. Not Investing in Fossil Fuels

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

**NOTES TO AND FORMING PART OF THE FINANCIAL ACTIVITY STATEMENT FOR THE PERIOD ENDED 31 JANUARY 2020**

**1. Rates \$280,058**

This favourable variance arose mainly from additional Interim Rates.

**2. Grants and Subsidies (\$1,188,824)**

This unfavourable timing variance arose mainly from Federal General Purpose (WALGGC) Grant (\$818,160) and Federal Road (FLRG) Grant (\$597,483) due to advances received in the previous financial year, partially offset by unbudgeted receipt of State Grant funding for Fire Mitigation \$159,520. These values have been adjusted at the Mid Year Budget Review.

**3. Contributions Reimbursements and Donations \$78,109**

This variance is mainly due to Insurance \$37,187 and Other Miscellaneous Reimbursements \$20,302.

**4. Profit on Asset Disposals \$193,908**

This favourable timing variance arose predominately due to the timing of the disposal of surplus land holdings and profit on sale of land at Tamala Park.

**5. Interest Earnings (\$90,122)**

This unfavourable variance is mainly due to Interest from Other Financial Institutions (\$97,692) mainly due to a lower return from investments than anticipated in budget estimates.

**6. Other Revenue (\$24,985)**

This unfavourable timing variance arose mainly from favourable timing variance for Bus Shelter Revenue (\$104,608) due to progress of the new bus shelters roll out partially offset by Correction & Adjustments-Credit (prior year) \$66,768.

**7. Employee Costs \$1,505,813**

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$37,155,474	\$36,004,819	\$1,150,655
b) Other Employment Costs	\$2,083,904	\$1,728,746	\$355,158
	<u>\$39,239,378</u>	<u>\$37,733,565</u>	<u>\$1,505,813</u>

**Favourable Variance**  
**Unfavourable Variance**

- a) Favourable timing variances for Salaries and Wages arose from vacancies in various areas.
- b) Favourable timing variances arose mainly from Labour Recovery Capital Works \$260,830, Other Employee Costs \$89,504 and Staff Training \$90,595, partially offset by an unfavourable variance for Agency Employees (\$144,315) covering vacant positions. The balances of variances are spread across a number of areas.

**8. Materials and Contracts**
**\$3,868,325**

	YTD Budget	YTD Actual	Variance
a) Administration	\$1,086,579	\$628,668	\$457,911
b) Accommodation & Property	\$759,549	\$601,916	\$157,633
c) Members Costs	\$463,101	\$402,704	\$60,397
d) Telephones & Communication	\$523,963	\$438,890	\$85,073
e) Furniture, Equipment & Artworks	\$1,289,712	\$905,886	\$383,826
f) External Service Expenses	\$11,702,971	\$9,836,420	\$1,866,551
g) Contributions & Donations	\$1,075,658	\$708,046	\$367,612
h) Charges & Recoveries	(\$202,396)	(\$128,336)	(\$74,060)
i) Professional Fees & Costs	\$1,385,255	\$1,054,419	\$330,836
j) Public Relations, Advertising & Promotions	\$657,252	\$452,703	\$204,549
k) Waste Management Services	\$5,104,461	\$5,275,519	(\$171,058)
l) Computing	\$1,609,777	\$1,436,533	\$172,545
Other Materials & Contracts	\$3,060,554	\$3,034,743	\$25,811
	<u>\$28,516,436</u>	<u>\$24,648,111</u>	<u>\$3,868,325</u>

- a) This favourable timing variance arose mainly from Other Sundry Administration Expenses \$261,156, Printing \$61,226 and Photography and Video Production \$27,808. The balances of variances are spread across a number of areas.
- b) This favourable variance arose mainly from Refuse Removal Charges \$119,763 and Rental and Outgoings \$29,999. The balances of variances are spread across a number of areas.
- c) This favourable variance arose mainly from Elected Members Conferences and Training \$52,551.
- d) Favourable variances arose mainly from Postage, Courier and Freight Services \$37,618 and Office Telephone and Faxes \$54,022, partially offset by an unfavourable timing variance for Mobile Phones, Pager and Radios (\$16,984).
- e) Favourable timing variances arose mainly from Plant and Equipment Purchase – Minor \$102,109, Plant and Equipment Maintenance and Repair \$87,013, Computer and Communications Equipment Maintenance and Repair \$58,756 and Computer and Communications Equipment Purchase – Minor \$144,620.
- f) Favourable variances arose mainly from General Waste Tipping Fees \$431,160 and External Contractors and Services \$1,330,859 spread across various areas due to timing of costs including Natural Areas \$431,160 and Parks \$62,959. The balances of variances are spread across a number of areas.

<b>Favourable Variance</b>
<b>Unfavourable Variance</b>

- g) This favourable variance arose mainly from Sponsorship \$235,524 and Community Funding Program \$105,355. The balances of variances are spread across a number of areas.
- h) This favourable variance arose mainly from Operational Overhead Recoveries \$58,420. The balances of variances are spread across a number of areas.
- i) Favourable variances arose across a number of areas including Recoverable Legal Expenses \$44,225, Consultancy \$259,995 and Licence Fees \$24,386.
- j) Favourable timing variances arose mainly from General Advertising \$87,796 and Promotions \$95,963.
- k) Unfavourable variances arose from Bulk Green Waste Collection and Processing (\$148,069), General Waste Collection and Processing (\$10,110), Bulk Hard Waste Collection and Processing (\$42,806) and Recycling Waste Collection and Processing (\$37,675), partially offset by favourable timing variances for Domestic Green Waste Collection and Processing \$66,281 and Weekend Greens \$1,321.
- l) Favourable variances arose across a number of areas including Computer Software Subscriptions \$529,304, partially offset by Computer Software Maintenance (\$310,677).

**9. Depreciation**

**\$54,610**

Favourable variances arose for Depreciation – Buildings \$278,233, Depreciation – Open Reserves \$225,463, Depreciation – Footpaths Infrastructure \$55,557 and Depreciation Computer and Communications Hardware \$48,288, partially offset by unfavourable variances for Depreciation – Mobile and Other Plant (\$264,645) and Impairment/Write off of assets (\$266,918). The balances of the variances are spread across a number of areas.

**10. Loss on Asset Disposals**

**(\$65,244)**

Unfavourable timing variances arose from Fleet and Plant Disposals (\$12,903) and from the disposal of surplus land (\$49,582).

**11. Movement in Non-Current Items**

**(\$308,672)**

This timing variance arose in respect of a decrease to Non-current Long Service Leave Liability, which is long service leave accrued in respect of service less than 7 years and not yet eligible to be paid out or accessed.

**12. Capital Grants and Subsidies**

**\$1,080,193**

	YTD Budget	YTD Actual	Variance
a) State Government – Metropolitan Regional Road Group Roads Grant	\$524,494	\$588,536	\$64,042
b) State Government - Direct Roads	\$409,932	\$533,932	\$124,000

**Favourable Variance**  
**Unfavourable Variance**

Grant			
c) Other Grants & Subsidies	-	\$129,000	\$129,000
d) Commonwealth Grants - Other	-	\$200,000	\$200,000
e) State Government Grants - Capital Other	\$454,000	\$937,696	\$483,696
f) Commonwealth Grants - Capital - Roads to Recovery	\$436,983	\$530,027	\$93,044
Other	\$71,600	\$58,011	(\$13,589)
	<u>\$1,897,009</u>	<u>\$2,977,202</u>	<u>\$1,080,193</u>

- a) This favourable timing variance arose mainly from RDC2021 - Whitfords Avenue / Northshore Drive Roundabout \$235,200, partially offset by unfavourable timing variances for RDC2020 - Warwick Road / Erindale Road Intersection Upgrade (\$114,000), RDC2019 - Burns Beach Road / Joondalup Drive Roundabout (\$63,400) and RPR3032 Warwick Rd – Dorchester to Coolibah (EB) (\$54,907) with these claims not expected until February 2020, July 2020 and June 2020, respectively. The balances of variances are spread across a number of areas.
- b) This favourable timing variances arose from Direct Grant Roads Program for RPR2973 - Madrona Crescent \$124,000 which was received earlier than estimated.
- c) This favourable timing variance arose from the Public Transport Authority Bicycle Path Grant for FPN2245 - Beach Road WA Bicycle Network Shared Path \$129,000 which was received earlier than estimated.
- d) This favourable variance arose from LTM2128 - Marmion / Edinburgh Pedestrian Crossing Improvements \$200,000 which was received from a State Government election promise.
- e) This favourable variance arose predominantly from a Lotterywest grant for PEP2707 - Whitfords Nodes Park Health and Wellbeing Hub \$592,009 which was received earlier than estimated and is offset by FPN2255 Hillarys Animal Beach Shared Path (\$108,313).
- f) This favourable timing variance arose mainly from RPR2098 – Chelsford Road \$72,000 and RPR2924 – Clontarf Street – Cliff Street to Saint Patricks Road \$34,750 due to projects progress and is offset by RPR3010 Laurel Street (\$17,623) which is now completed. Phasing for these projects has been adjusted at the Mid-Year Budget Review.

### 13. Capital Contributions

**\$215,581**

This favourable variance arose from unbudgeted contributions from the Public Transport Authority for Beach Road Shared Path \$125,134 and Emerald Park \$42,500 from the cricket club for the construction of lights for the cricket nets. In addition, a higher than estimated contribution was received for Joondalup Bowling Club Toilet Block Construction \$47,947.

Favourable Variance
Unfavourable Variance

**14. Other non-operating revenue \$37,555**

This favourable timing variance arose from GST refunds in respect of TPRC land sales undertaken.

**15. Capital Projects \$373,911**

	YTD Budget	YTD Actual	Variance
a) Cafes/Restaurants/Kiosks	\$185,354	\$98,754	\$86,600
b) CCTV – Mirror Park	\$50,000	-	\$50,000
c) Better Bins Project – 3 Bin System	-	\$113,825	(\$113,825)
d) Automation Accounts Payable	\$267,480	\$83,636	\$183,844
e) Joondalup Performing Arts & Cultural Facility	\$93,275	\$9,356	\$83,919
f) Other Programs	\$888,835	\$805,462	\$83,373
	\$1,484,944	\$1,111,033	\$373,911

- a) This favourable timing variance is due to the design phase of the project requiring a scope variation requested by the Major Projects and Finance Committee. Future expenditure and phasing for this project have been adjusted at the Mid Year Budget Review.
- b) This favourable timing variance arose due to the progress of this project which is due to commence in coming months.
- c) This unfavourable timing variance arose due to carry forward of this project from the previous year, which has been updated in the Mid Year Budget Review.
- d) This favourable timing variance arose due to the project progressing behind initial budget estimates. Adjustments to phasing have been amended in the Mid Year Budget Review.
- e) Following Council's decision not to commence detailed design at this time, this favourable timing variance has arisen due to further required project investigation and research progressing behind schedule. Expenditure and phasing for this project have been adjusted at the Mid-Year Budget Review.
- f) Favourable timing variances due to projects progress arose across the program including Council Chamber Audio Visual System \$49,262, Network Infrastructure Upgrade Program \$33,429 and Antenna Reid Promenade \$29,500.

Favourable Variance
Unfavourable Variance

16. Capital Works\***\$3,007,028**

		No. Budgeted Projects	YTD Budget	YTD Actual	Variance	Key Variances
a)	Foreshore and Natural Areas Management Program (FNM)	6	\$522,775	\$372,037	\$150,738	Whitfords Nodes Hillarys Lookout-\$114,259
b)	Major Building Capital Works Program (BCW)	12	\$1,077,799	\$1,248,018	\$ (170,219)	Falkland Park Extension-(\$188,583)
c)	Parking Facilities Program (PFP)	3	\$8,000	\$169,202	\$ 7(161,202)	Hillarys Animal Beach Parking Upgrades-(\$161,231)
d)	Major Projects Program (MPP)	13	\$2,038,802	\$1,062,604	\$976,198	Percy Doyle Utilities Upgrade-\$709,151, Jinan Garden-\$121,882
e)	Road Preservation/Resurfacing Program (RPR)	80	\$3,669,077	\$2,860,360	\$808,717	Steele Road-\$121,263
f)	Street Lighting Program (STL)	13	\$1,547,000	\$1,082,252	\$464,748	Ellersdale Park Floodlighting Upgrade-\$290,280
g)	Major Road Construction Program (RDC)	3	\$601,216	\$117,063	\$484,153	Burns Beach Rd/Joondalup Drive Roundabout-\$488,534
h)	Paths Program (FPN & FPR)	36	\$2,359,500	\$2,545,718	(\$186,218)	Beach Rd (West) Shared Path-(\$118,245)
i)	Stormwater Drainage (SWD)	10	\$700,500	\$401,974	\$298,526	Princeville Tor Catchments -\$277,829
j)	Parks Development Program (PDP)	22	\$911,000	\$350,000	\$200,460	Heritage Precinct Development-\$158,849
k)	Parks Equipment Program (PEP)	23	\$1,812,500	\$1,712,547	\$99,953	Whitfords Nodes Park Health & Wellbeing Hub-\$56,279
l)	Streetscape Enhancement (SSE)	4	\$350,000	\$442,010	(\$92,010)	Streetscape Renewal-(\$68,771)
m)	Traffic Management Program (LTM & SBS)	12	\$397,000	\$263,616	\$133,384	Marmion/Edinburgh Pedestrian Crossing-\$113,631
	Other Programs	1	\$-	\$200	(\$200)	
		<b>238</b>	<b>\$15,995,169</b>	<b>\$12,988,141</b>	<b>\$3,007,028</b>	

\* Project Budgets, including phasing, have been adjusted in MYR19-20

<b>Favourable Variance</b>
<b>Unfavourable Variance</b>

- a) The favourable timing variance arose mainly due to progress of FNM2054 – Whitfords Nodes Hillarys Lookout Stairway \$114,259 with expenditure on this project expected to increase in coming months. Further favourable variance has occurred on FNM2076 Natural Areas Asset Program \$35,921 with the project 100% completed.
- b) Unfavourable variances arose mainly from projects progressing ahead of schedule including BCW2573 – Short Life Services Replacement Program (\$103,516) and BCW2622 - Falkland Park Extension (\$188,583). BCW2635 – Joondalup Bowling Club Toilet Construction an unfavourable variance of (\$26,482) with the project completed. This is partially offset by favourable timing variances for BCW2632 – Kingsley Community Vision \$28,501 and BCW2560 – Septic System Upgrades \$43,551 which are both completed. Further variances have occurred on BCW2025 Building Capital Works Various Locations \$49,885 and BCW2450 Environmental Initiatives \$29,307 which are all progressing ahead of scheduled.
- c) This unfavourable variance relates to completed project PFP2067 - Hillarys Animal Beach (\$161,231) which was carried forward from the previous year and has been adjusted at the Mid-Year Budget Review.
- d) Favourable timing variances arose from several projects which are in progress including MPP2072 Percy Doyle – Utilities Upgrade \$709,151, MPP2026 Works Operation Centre Extension \$37,571, MPP2034 Joondalup Admin Building Major Refurbish \$44,907, MPP2065 Percy Doyle – Sorrento Bowling Clubroom \$117,655 which is completed awaiting invoices. MPP2053 Jinan Gardens Construction \$121,882 is currently in design and MPP2006 Cafes and Kiosks – Pinnaroo Point \$43,000 is being investigated. MPP2067 Percy Doyle – Mildenhall \$38,872 and MPP2069 Percy Doyle Floodlighting \$60,621 are currently in progress with completion expected in June 2020.
- e) The favourable variance on the Road Preservation Program mainly relates to 43 completed projects with a variance totalling \$765,183 awaiting final supplier invoices. Further variances have occurred on RPR3020 Kinross/Blairgowrie Roundabout \$39,610 due to the project delayed until March 2020 and RPR2004 Road Preservation & Resurfacing Program \$82,964 which is an annual program.
- f) This favourable timing variance arose predominantly from STL2073 Ellersdale Park Floodlighting Upgrades \$290,280, STL2083 Thornton Pk Pathway Lighting \$46,814 which are currently in progress. STL2003 - Joondalup City Centre Street Lighting \$34,553 which is progressing ahead of schedule with Stage 3 now completed and Stage 4 programmed to commence in February. Further favourable variances have occurred on STL2089 Falkland Pk Security Lighting \$34,061 which is delayed with expected completion now June 2020
- g) A timing variance has occurred on RDC2019 - Burns Beach Road/Joondalup Drive \$488,534 which is being delivered by Main Roads.
- h) The unfavourable timing variance mainly arose from FPN2262 Beach Road (West) Shared Path (\$118,245) which was carried forward from the previous year, FPN2240 Burns Beach to Mindarie Dual Use Path (\$98,727), FPN2245 Beach Road WABN Shared Path (\$92,586) FPR2156 Shared Path Renewal & resurfacing (\$27,479) and FPR2261 Shenton Ave – Marmion Ave to Naturalist (\$22,751) which are all currently in progress. This is offset by a favourable variance on FPR2251 Whitfords Ave \$120,000 which is expected to be completed in June 2020, FPN2208 Tallow Ramble



\$39,800, FPN225 Hillarys Animal Beach Shared Path \$27,823 and FPR2163 Caledonia Park \$57,227 which are all completed.

- i) This favourable timing variance mainly arose from SWD2181 Princeville Tor \$227,829 with completion expected in March 2020, and SWD2199 Simpson Park \$88,956 which is in progress. This is partially offset by SWD2133 Northshore Sump (\$63,623) which is a carried forward project and SWD2204 Chelsford Rd Drainage Upgrades (\$22,980) which is completed.
- j) This favourable variance mainly arose from PDP2272 Heritage Precinct Development \$158,849 which is being investigated, PDP2280 Bridgewater Park Cabinet Renewal \$44,640 and PDP2293 Hawker Pk Irrigation Renewals \$39,881 which are both progressing as scheduled. PDP2287 Braden Pk Irrigation Renewals \$12,400 and PDP2311 Seacrest Park \$10,303 are both completed. These are offset by unfavourable variance from PDP2282 Dog Exercise Park (\$44,163) which is completed and PDP2302 Warrigal Pk Bore Renewal (\$27,800) due to the timing of invoices.
- k) Park Development favourable variance relates to PEP2044 Universal Access Paths Program \$20,835, PEP2707 Whitfords Nodes Pk Health & Wellbeing Hub \$56,279, PEP2785 Kelvin Park \$21,064 which are all in progress. PEP2517 Tennis Court Resurfacing Program \$23,270 and PEP2638 Park Seating Renewal City Wide \$153,12 which are both completed. Unfavourable variance relates to timing issues on PEP2075 Parks Asset Replacement/Renewal (\$18,796), PEP2619 Bollards and Fencing Renewal Program (\$11,136), PEP2695 Drinking Fountains and PEP2776 Shade Sail Program (\$26,535)
- l) Streetscape Enhancement Program unfavourable variance includes SSE2055 Streetscape Renewal Program (\$68,771) with is currently in progress and SSE2056 City Centre Streetscape Renewal Program (\$24,998) which is currently in quotation phase.
- m) This favourable timing variance mainly arose from LTM2128 Marmion/Edinburgh Pedestrian Crossing \$113,631 with the balance spread across the program.

#### **17. Vehicle and Plant Replacements**

**(\$431,201)**

This unfavourable timing variance arose mainly from one Tip Truck (\$246,780) and seven items of Plant (\$214,772) funds for which were carried forward from the previous year. This has been adjusted at the Mid Year Budget Review. This is partially offset by a favourable timing variance for a Mower / Slasher \$70,000 to be ordered in coming months. Orders totalling \$963,654 have been placed and are awaiting delivery.

#### **18. Proceeds from Disposal**

**(\$1,604,464)**

This unfavourable timing variance arose mainly in respect of Lot 803 (15) Burlos Court, Joondalup (\$1,634,000) with offers received not resulting in its sale. Investigations are continuing concerning a potential collaborative development project. This partially offset by a favourable timing variance from Vehicle and Plant Disposals \$32,118.

Favourable Variance
Unfavourable Variance

**19. Opening Funds****\$4,007,906**

Variations in the actual results for 2018-19 compared to the budget estimate gave rise to a favourable variance of \$4,007,906 in opening funds. The drivers for the increased end of year surplus, after taking end of year reserve movements and other offsets into account, are reductions in operating and capital expenditure and additional operating revenue. Adjustment to opening funds has been reflected in the Mid Year Budget Review.

**20. Closing Funds****\$10,828,487**

	<b>June 2019</b>	<b>January 2020</b>
<b>Current Assets</b>		
Cash and Investments	\$111,629,542	\$163,187,301
Rates Outstanding, Sundry Debtors and Other Receivables	\$4,014,542	\$16,869,634
Accrued Income	\$1,437,933	\$1,036,655
Prepayments	\$475,123	\$407,058
Inventories	\$245,434	\$159,090
<b>Total Current Assets</b>	<b>\$117,802,574</b>	<b>\$181,659,738</b>
<b>Current Liabilities</b>		
Trade Creditors	\$4,911,992	\$593,792
Sundry Payables	\$563,195	\$10,654,105
Accrued Expenses	\$5,512,097	\$3,184,269
Other Payables	\$4,150,599	-
Borrowings	\$3,324,328	\$1,468,272
Provision for Annual Leave	\$4,644,369	\$4,295,570
Provision for Long Service Leave	\$6,285,252	\$6,239,281
Provision for Workers Compensation Insurance	\$2,562,776	\$3,515,634
Provision for Sick Leave	\$994,195	\$1,185,253
Other Provisions	\$194,957	\$168,567
<b>Total Current Liabilities</b>	<b>\$33,143,760</b>	<b>\$31,304,743</b>
<b>Net Current Assets</b>	<b>\$84,658,814</b>	<b>\$150,354,995</b>
<b>Add back: Borrowings</b>	<b>\$3,324,328</b>	<b>\$1,468,272</b>
<b>Less: Cash Backed Reserves</b>	<b>\$82,402,047</b>	<b>\$82,402,047</b>
<b>Closing Funds – Surplus/(Deficit)</b>	<b>\$5,581,095</b>	<b>\$69,421,220</b>

<b>Favourable Variance</b>
<b>Unfavourable Variance</b>