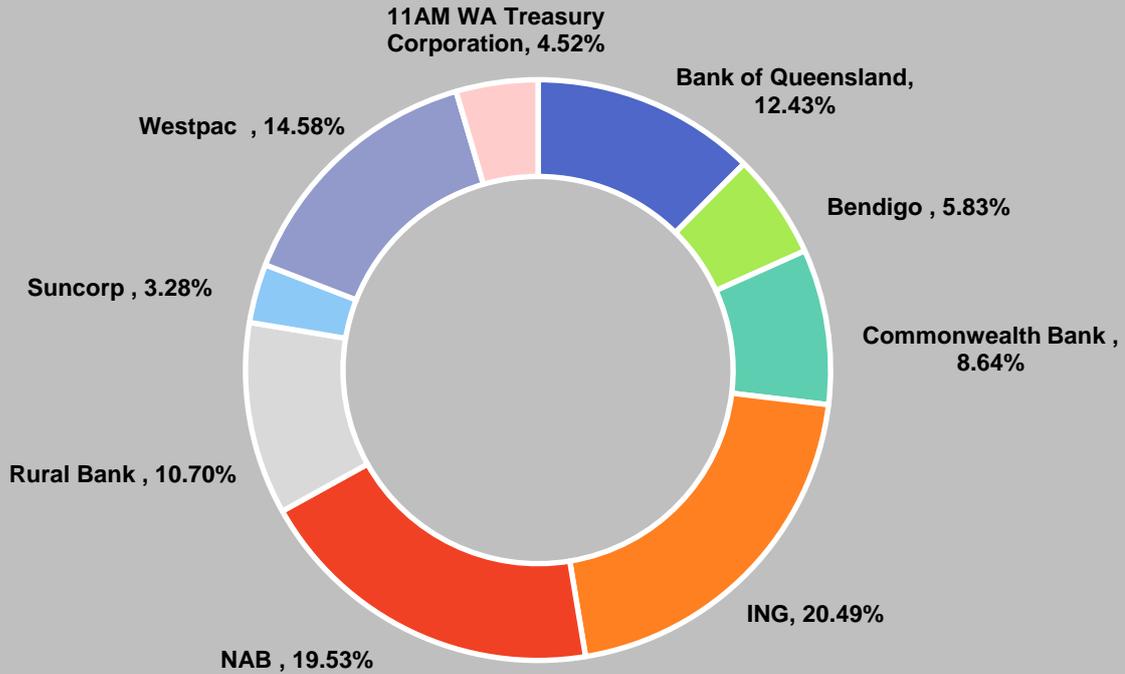


	Notes	Revised Budget	YTD Revised Budget	YTD Actual	YTD Variance \$	YTD Variance %
<b>OPERATING REVENUE</b>						
Rates	1	(103,689,389)	(103,689,389)	(104,027,393)	338,004	0%
Specified Area Rates		(708,239)	(708,239)	(712,302)	4,063	1%
Grants and Subsidies	2	(3,281,243)	(3,281,243)	(6,381,498)	3,100,255	94%
Contributions Reimbursements and Donations	3	(1,098,152)	(1,098,152)	(1,859,217)	761,065	69%
Profit on Asset Disposals	4	(330,299)	(330,299)	(834,826)	504,527	153%
Fees and Charges	5	(41,778,996)	(41,778,996)	(38,642,594)	(3,136,402)	(8)%
Interest Earnings	6	(3,448,964)	(3,448,964)	(3,598,979)	150,015	4%
Other Revenue/Income		(528,651)	(528,651)	(535,363)	6,712	1%
<b>Total Operating Revenue</b>		<b>(154,863,931)</b>	<b>(154,863,931)</b>	<b>(156,592,172)</b>	<b>1,728,241</b>	<b>(1)%</b>
<b>OPERATING EXPENSES</b>						
Employee Costs	7	64,393,916	64,393,916	61,977,600	2,416,316	4%
Materials and Contracts	8	53,992,338	53,992,338	46,387,789	7,604,549	14%
Utilities (gas, electricity, water etc.)	9	6,070,714	6,070,714	5,742,917	327,797	5%
Depreciation & Amortisation of Non-Current Assets	10	32,210,956	32,210,956	31,443,682	767,274	2%
Loss on Asset Disposals	11	662,015	662,015	295,695	366,320	55%
Interest Expenses		511,296	511,296	526,151	(14,855)	(3)%
Insurance Expenses		1,403,330	1,403,330	1,418,200	(14,870)	(1)%
<b>Total Operating Expenses</b>		<b>159,244,565</b>	<b>159,244,565</b>	<b>147,792,034</b>	<b>11,452,531</b>	<b>7%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS</b>		<b>4,380,636</b>	<b>4,380,636</b>	<b>(8,800,138)</b>	<b>13,180,772</b>	<b>(301)%</b>
<b>OPERATING NON-CASH ADJUSTMENTS</b>						
Depreciation & Amortisation of Non Current Assets		(32,210,956)	(32,210,956)	(31,443,682)	(767,274)	(2)%
Loss on Asset Disposal		(662,015)	(662,015)	(295,695)	(366,320)	(55)%
Profit on Asset Disposals		330,299	330,299	834,826	(504,527)	153%
Other Non-Current items		-	-	-	-	-
Movement in Non-current Items	12	(100,000)	(100,000)	348,543	(448,543)	(449)%
<b>OPERATING CASH (SURPLUS)/DEFICIT</b>		<b>(28,262,037)</b>	<b>(28,262,037)</b>	<b>(39,356,146)</b>	<b>11,094,107</b>	<b>39%</b>
<b>NON-OPERATING REVENUE</b>						
Capital Grants and Subsidies	13	(7,062,993)	(7,062,993)	(5,599,029)	(1,463,964)	(21)%
Capital Contributions	14	(1,137,368)	(1,137,368)	(440,626)	(696,742)	(61)%
Equity Distribution - TPRC		(500,000)	(500,000)	(500,000)	-	0%
Other Non-Operating Revenue	15	(19,274)	(19,274)	(136,829)	117,555	610%
<b>Total Non-Operating Revenue</b>		<b>(8,719,635)</b>	<b>(8,719,635)</b>	<b>(6,676,484)</b>	<b>(2,043,151)</b>	<b>(23)%</b>
<b>CAPITAL EXPENDITURE</b>						
Capital Projects	16	3,577,896	3,577,896	1,494,343	2,083,553	58%
Capital Works	17	37,400,464	37,400,464	27,002,956	10,397,508	28%
Vehicle and Plant Replacements	18	2,294,161	2,294,161	1,595,510	698,651	30%
Loan Repayment Principal		3,324,328	3,324,328	3,324,328	-	0%
<b>Total Capital Expenditure</b>		<b>46,596,849</b>	<b>46,596,849</b>	<b>33,417,137</b>	<b>13,179,712</b>	<b>28%</b>
<b>CAPITAL (SURPLUS)/DEFICIT</b>		<b>37,877,214</b>	<b>37,877,214</b>	<b>26,740,653</b>	<b>11,136,561</b>	<b>29%</b>
<b>(SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL</b>		<b>9,615,174</b>	<b>9,615,174</b>	<b>(12,615,493)</b>	<b>22,230,668</b>	<b>(231)%</b>
<b>FUNDING</b>						
Proceeds from Disposal		(3,222,881)	(3,222,881)	(1,508,257)	(1,714,624)	(53)%
Loans - New Borrowings		-	-	-	-	0%
Transfer from Trust	19	(2,189,285)	(2,189,285)	-	(2,189,285)	(100)%
Transfer from Reserve	20	(15,292,263)	(15,292,263)	-	(15,292,263)	(100)%
Transfer to Reserve	20	4,769,078	4,769,078	-	4,769,078	100%
Opening Funds		(5,581,095)	(5,581,095)	(5,581,095)	-	0%
<b>CLOSING FUNDS</b>	21	<b>(11,901,272)</b>	<b>(11,901,272)</b>	<b>(19,704,844)</b>	<b>7,803,574</b>	<b>66%</b>

# INVESTMENT SUMMARY

June-20

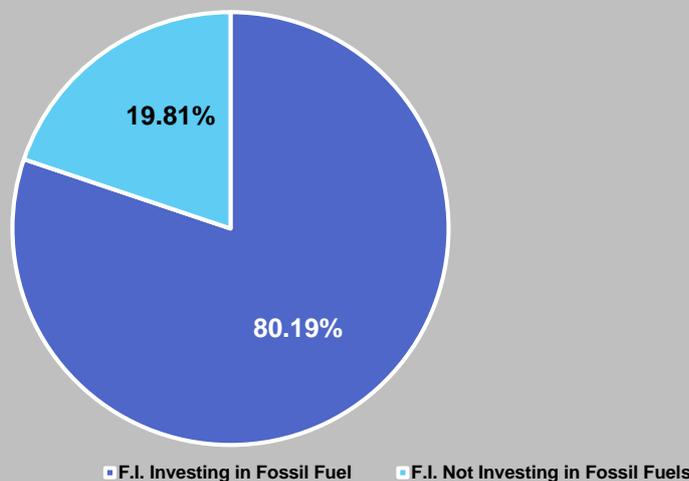


Municipal Funds	\$42,769,720	YTD Return	1.49%
Reserve Funds	\$79,275,280	Benchmark	1.25%
	\$122,045,000	RBA Rate	0.25%

<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

## Financial Institutions (FI) Investing Vs 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 30 JUNE 2020 (Subject to end of year finalisation)**

**1. Rates \$338,004**

This favourable variance arose mainly from additional Interim Rates.

**2. Grants and Subsidies \$3,100,255**

A favourable timing variance has arisen from advance receipt of 2020/21 Federal General Purpose (WALGGC) Grant \$1,769,059 and 2020/21 Federal Assistance (FLRG) Grant \$1,266,129. In addition, a favourable variance arose from the City being successful in grant applications to the Department of the Environment and Energy. Funding was received for four projects of \$20,000 each for Projects Coastal Fencing, Littorina Park Natural Area rehabilitation, Warwick Open Space bushland and Trigonometric park natural area. In addition, \$75,206 favourable variance arose in relation to the Yellagonga Wetlands Project.

**3. Contributions Reimbursements and Donations \$761,065**

This favourable variance mainly arose from reimbursements \$826,296 of additional waste management costs incurred by the City due to fire at and subsequent closure of Cleanaway's Guildford Materials Recovery Facility (MRF). This was partially offset by unfavourable variance from lower legal fees recoverable (\$60,250) following the decision to cease rates recovery action at the onset of the COVID-19 pandemic. The balances of the variances are spread across a number of areas.

**4. Profit on Asset Disposal \$504,527**

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 \$566,301, partially offset by an unfavourable timing variance for the disposal of replaced Vehicles, Plant and Equipment (\$61,774).

**5. Fees and Charges (\$3,136,402)**

	YTD Budget	YTD Actual	Variance
a) Sports & Recreation Fees	\$9,530,905	\$7,069,710	(\$2,461,195)
b) Parking Fees	\$3,624,000	\$3,332,642	(\$291,358)
c) Fines & Penalties	\$1,591,125	\$1,253,565	(\$337,559)
Other Fees & Charges	\$27,032,966	\$26,986,677	(\$46,289)
	<u>\$41,778,996</u>	<u>\$38,642,594</u>	<u>(\$3,136,402)</u>

a) Unfavourable variances arose due to the closure of the Leisure Centres and Facilities as a result of the restrictions from COVID-19 Pandemic. Variances included Learn to Swim Program (\$687,363), Admission Fees (\$412,957), Membership Fee (\$613,144), Other Hire of Facilities (\$357,427), Court Sport Revenue (\$244,500) and Term Programme Activities (\$101,970).

b) Unfavourable variances arose from On Street Parking Fees (\$85,044) and Off-Street Parking Fees (\$132,703). The decline in parking revenue is attributable to business

closures and restrictions during the WA state of emergency arising from the COVID-19 pandemic.

- c) Unfavourable variances arose mainly from Parking Infringements (\$269,078) and Library Fines & Penalties (\$22,643), due to the impact of the COVID-19 pandemic. The City refrained from issuing parking infringements during the peak pandemic period and libraries were closed for several weeks.

**6. Interest Earnings**

**\$150,015**

This is primarily due to Interest earned on investments as a result of higher average volumes invested than budget estimates and better than expected returns year to date, due to term deposit rates locked in prior to more recent interest rate falls.

**7. Employee Costs**

**\$2,413,316**

	YTD Budget	YTD Actual	Variance
a) Salaries and Wages	\$61,934,001	\$60,147,328	\$1,786,673
b) Other Employment Costs	\$2,459,915	\$1,833,272	\$626,643
	<u>\$64,339,916</u>	<u>\$61,980,600</u>	<u>\$2,413,316</u>

- a) Favourable timing variances for Salaries and Wages arose from vacancies in various areas, including closure of facilities due to COVID-19.
- b) Favourable variances arose mainly from Other Employee Costs \$302,200, Staff Training \$169,433 and Standard Labour Recoveries Capital \$202,436, offset by agency costs (\$191,497) to cover some vacant positions.

**8. Materials and Contracts**

**\$7,604,549**

	YTD Budget	YTD Actual	Variance
a) Administration	\$1,819,005	\$1,173,663	\$645,342
b) Accommodation & Property	\$958,509	\$814,878	\$143,631
c) Members Costs	\$767,504	\$646,511	\$120,993
d) Furniture, Equipment & Artworks	\$2,516,869	\$2,073,714	\$443,155
e) External Service Expenses	\$22,178,626	\$19,297,027	\$2,881,599
f) Contributions & Donations	\$1,990,005	\$1,187,192	\$802,813
g) Waste Management Services	\$10,508,556	\$10,291,849	\$216,707
h) Computing	\$2,766,472	\$2,084,115	\$682,357
i) Public Relations, Advertising & Promotions	\$1,309,881	\$811,540	\$498,341
j) Professional Fees & Costs	\$3,151,047	\$1,785,245	\$1,365,802
k) Telephones and Communications	\$802,172	\$708,219	\$93,953
l) Finance Related Costs	\$532,447	\$657,191	(\$124,744)
m) Other Materials	\$2,655,661	\$2,781,366	(\$125,705)
Other Materials & Contracts	\$2,035,586	\$2,075,281	(\$39,695)
	<u>\$53,992,340</u>	<u>\$46,387,791</u>	<u>\$7,604,549</u>

- a) This favourable variance arose mainly from Other Sundry Administration Expenses \$427,717 which includes funds unspent in respect of the Innovation Fund and the building security review. Other favourable variances included Printing \$72,086 and Council Election Costs \$32,967. The balances of variances are spread across a number of areas.
- b) This favourable variance arose mainly from Refuse Removal Charges \$53,219 and Security \$62,007 predominantly from the cancellation of the Joondalup Festival due to COVID-19. The balances of variances are spread across a number of areas.
- c) This favourable variance arose mainly from Elected Members Conferences and Training expenses \$106,252.
- d) Favourable variance arose from Hire of Equipment predominately from the cancellation of the Joondalup Festival \$173,871. In addition, a favourable timing variance arose mainly from Plant & Equipment Purchase-Minor \$155,614. The balance of variances are spread across a number of areas.
- e) Favourable variances arose mainly from General Waste Tipping Fees \$298,577 and External Contractors and Services \$2,190,679 spread across various areas due to timing of costs including Parks \$475,045, CEO Administration \$505,828, City Rangers \$243,479 and City Projects \$140,522. In addition, favourable arose in Programme activities \$245,426. The significant part of these variances arose as a result of restricted activity due to the COVID-19 state of emergency. The balances of variances are spread across a number of areas.
- f) This favourable variance arose mainly from Sponsorship \$422,768 predominately due to no significant event held, Grants & Contributions \$169,445, and Community Funding Program \$147,023. The balances of variances are spread across a number of areas.
- g) Favourable variances arose from Domestic Green Collection and Processing \$76,507 and Recycling Waste Collection and Processing \$327,687. The balances of variances are spread across a number of areas.
- h) This favourable variance arose mainly from Data Communication Links \$72,030 and Computer Software Subscriptions \$614,394. The balances of variances are spread across a number of areas.
- i) Favourable variances arose across a number of areas including Advertising-General \$185,555 and Promotions \$148,741.
- j) Favourable variances arose mainly from Consultancy \$1,083,221, as a number of initiatives were not progressed due to the onset of the COVID-19 pandemic, and Legal Expenses Recoverable \$93,246 as a result of a decision to not progress with rates debt recovery after the COVID-19 pandemic began.
- k) Favourable variances arose across a number of areas including Postage, Courier and Freight Services \$64,344 and Office Telephones \$45,450.
- l) Unfavourable variances arose from Bad debts written off \$165,055, including rates penalty interest written off since March 2020 due to COVID-19 as determined by Council.

**9. Utilities** **\$327,797**

Favourable timing variances arose mainly from Electricity costs for Roads \$209,564, Buildings \$151,112 partially offset by a favourable timing variance for Parks (\$59,922). The balances of variances are spread across a number of areas.

**10. Depreciation** **\$767,274**

Favourable variances arose for Impairment/Write off assets \$609,252 pertaining to capitalisation of assets, which will be progressed as part of end of financial year processes and Depreciation – Buildings \$92,850. The balances of the variances are spread across a number of areas.

**11. Loss on Asset Disposals** **\$366,320**

This favourable variance arose primarily due to the timing of the sale of Burlos Court, Joondalup. This is now expected to take place in the 2020/21 financial year. In addition, favourable timing variances \$121,079 arose from the sale of Vehicle, Plant and Equipment which are expected to be disposed in the coming months.

**12. Movement in Non-Current Items** **(\$448,543)**

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.

**13. Capital Grants and Subsidies** **(\$1,463,964)**

	YTD Budget	YTD Actual	Variance
a) State Government Grants – Capital Other	\$1,422,953	\$964,526	(\$458,427)
b) State Government Blackspot	\$484,011	\$377,747	(\$106,264)
c) State Government – MRRG Roads Grant	\$1,876,362	\$873,249	(\$1,003,113)
d) Other Grants and Subsidies Capital Other	\$1,324,607	\$1,246,535	(\$78,072)
e) Commonwealth Grant-Roads to Recovery	\$1,221,128	\$1,403,040	\$181,912
Other Programs	\$733,932	\$733,932	-
	<u>\$7,062,993</u>	<u>\$5,599,029</u>	<u>(\$1,463,964)</u>

a) This unfavourable variance arose predominantly in relation to the final instalment of the Better Bins Project grant (\$354,000) which is now only expected to be received in the next financial year. In addition, an unfavourable variance also arose for PEP2707

Whitfords Nodes Park Health & Wellbeing Hub (\$100,427) with the project being carried forward into the 2020/21 financial year.

- b) This unfavourable variance arose predominantly SBS2078 Marmion Ave & Gilbert Rd (\$86,254) which is awaiting final invoices before the final grant claim can be completed.
- c) This unfavourable variance arose predominantly from RDC2019 Burns Beach Rd/Joondalup Dr Roundabout (\$576,000) with the project being delivered by Main Roads, and which is awaiting the payment of the 2nd 40% claim submitted in June 2020. In addition, an unfavourable variance arose for RDC2020 Warwick Rd – Erindale Rd Intersection Upgrade (\$360,000) with the project currently in design phase with construction due to commence in January 2021.
- d) This unfavourable variance arose predominantly for Padbury Link Shared Path (\$80,000) with the project being carried forward into the 2020/21 financial year.
- e) Roads to Recovery is progressing ahead of schedule with funding received earlier than expected for RPR2004 W1108 Road Preservation & Resurfacing Program \$174,937. The balance is spread across a number of projects.

**14. Capital Contributions (\$696,742)**

This unfavourable variance arose from the timing of the capital contribution from the Tamala Park Regional Council \$730,000 to complete the northern section of the Burns Beach to Mindarie Dual Use Path, which is now expected to be received in the following financial year.

**15. Other non-operating revenue \$117,555**

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

**16. Capital Projects \$2,083,553**

	YTD Budget	YTD Actual	Variance
a) Automation Accounts Payable	\$267,060	\$142,560	\$124,500
b) Cafes/Restaurants/Kiosks	\$1,315,248	\$135,168	\$1,180,080
c) Network Infrastructure Upgrade Program	\$454,000	\$155,218	\$298,782
d) Joondalup Performing Arts & Cultural Facility	\$95,025	\$14,951	\$80,074
e) Public Art	\$244,628	\$-	\$244,628
Other Projects	\$1,201,936	\$1,046,447	\$155,489
	\$3,577,896	\$1,494,343	\$2,083,553

- a) This favourable timing variance arose due to the project progress due to continue into the first half of the next year and expenditure to increase over the coming months.
- b) Expenditure of this project is anticipated to increase over the coming months, as this project progresses and is expected to be carried forward to the next financial year.

- c) Expenditure of this project is anticipated to increase over the coming months, as this project progresses and is to be carried forward to 2020/21.
- d) 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.
- e) This favourable variance arose due to no project being identified and undertaken in 2019/20 within this multi-year program with the funding expected to be carried forward to 2020/21 during which a review of the Public Art Program will be conducted as part of the Cultural Planning process to identify future works for funds to be allocated.

**17. Capital Works**

**10,397,508**

	No. Budgeted Projects	YTD Budget	YTD Actual	Variance	Key Variance
a) Foreshore and Natural Areas Management Program (FNM)	6	\$1,013,289	\$751,048	\$262,241	FNM2054 - \$141,053
b) Major Building Capital Works Program (BCW)	12	\$2,036,712	\$1,852,547	\$184,165	BCW2634 - \$95,588
c) Paths Program (FPN)	12	\$3,860,756	\$2,984,510	\$876,246	FPN2240-\$856,602
d) Major Projects Program (MPP)	11	\$4,697,313	\$2,423,933	\$2,273,380	MPP2072-\$685,493 MPP2006-\$613,000
e) Road Preservation/Resurfacing Program (RPR)	86	\$6,409,740	\$5,612,225	\$797,515	RPR2961-\$84,458
f) Street Lighting Program (STL)	14	\$4,082,542	\$2,300,717	\$1,781,825	STL2003 - \$1,434,784 STL2073 - \$132,372
g) Stormwater Drainage Program (SWD)	11	\$1,074,023	\$1,017,159	\$56,864	SWD2181 - \$64,542
h) Parks Equipment Program (PEP)	23	\$3,588,697	\$2,767,169	\$821,528	PEP2707 - \$599,518
i) State Blackspot Projects (SBS)	7	\$734,451	\$633,514	\$100,937	SES2086 - \$110,078
j) Parks Development Program (PDP)	23	\$1,762,856	\$1,397,840	\$365,016	PDP2118 - \$176,179
k) Local Traffic Management (LTM)	8	\$1,516,653	\$1,054,603	\$462,050	LTM2148 - \$212,684
l) Major Road Construction Program (RDC)	3	\$2,771,837	\$1,283,778	\$1,488,059	RDC2020-\$1,356,304
m) Streetscape Enhancement Program (SSE)	4	\$1,585,770	\$1,051,951	\$533,819	SSE2056-\$395,053
n) Parking Facilities Program (PFP)	4	\$691,713	\$310,854	\$380,859	PFP2069-\$235,352
Other Program	30	\$1,574,107	\$1,561,106	\$13,004	
	<b>254</b>	<b>\$37,400,464</b>	<b>\$27,002,956</b>	<b>\$10,397,508</b>	

- a) A favourable variance arose FNM2054 Whitfords Nodes, Hillarys \$141,053 which is expected to be completed in August 2020. The funds will be carried forward into the 2020/21 financial year. Further favourable variance arose on FNM2070 Bushland Reserve Paths Renewal \$48,485, FNM2059 Bushland Reserve Fencing \$17,281 and FPN2058 Conservation Reserve Interpretive signage \$55,062 which were completed below budget.
- b) Favourable variances arose on the Building Construction Works Program, with BCW2634 Duffy House Restoration \$95,588 being carried forward to 2020/21 financial year. Projects completed below budget include BCW2560 Septic System Upgrades \$43,551 and BCW2622 Falkland Park Extension \$56,104. BCW2562 Ellersdale Park Clubroom Refurbishment is a multi-year project with a favourable variance totalling \$59,026 and currently in design phase. These offset completed projects with unfavourable variances including BCW2025 Building Capital Works Various Location (\$39,928), BCW2450 Environmental Initiatives (\$23,910) and BCW2573 Short Life Services Replacement Program (\$11,383).
- c) Favourable variance predominately occurred on FPN2240 Burns Beach to Mindarie Dual Use Path \$856,602 with the project being a multiyear project. In addition, FPN2271 Padbury Shared Path Link \$77,681 and FPR2156 Shared Path Renewal & Resurfacing \$135,398 are being carried forward to the next financial year. These variances offset an unfavourable variance on FPN2245 Beach Road WABN Shared Path (\$91,478).
- d) The Major Projects favourable variance totals \$2,273,380 and relates to projects carried forward to the next financial year, including: MPP2006 Cafes and Kiosks – Pinnaroo Point \$613,000 currently in investigation phase, MPP2067 Percy Doyle – Mildenhall Refurbishment \$139,563 and MPP2072 Percy Doyle – Utilities Upgrade \$685,493 which are both currently in progress. Multi-year projects with major favourable variances include: MPP2034 Joondalup Admin Building Major Refurbish \$394,280, MPP2069 Percy Doyle – Floodlighting Upgrades \$148,521, MPP2013 Warwick Sports Centre \$122,218 and MPP2026 Works Operation Centre Extension \$17,298. Further variances have occurred on MPP2053 Jinan Gardens Construction \$228,162 which has been withdrawn and an unfavourable timing variance on MPP2050 Craigie Leisure Centre Upgrades (\$68,267) which is a multi-year project.
- e) The Road Preservation program for 2019/20 has been completed with a favourable variance across the program totalling \$819,961, which offsets an unfavourable timing variance RPR2957 Joondalup Drv – City Boundary Westbound (\$22,446) which is a multi-year project and in progress.
- f) Street Lighting program has experienced a number of delays due to Covid-19 and the supply of luminaires has resulted in four projects being carried forward into the 2020/21 financial year. These projects include; STL2052 Lighting Infrastructure Renewal Program \$38,907, STL2084 Iluka Beach Park \$33,173, STL2088 Tom Simpson Park LED \$70,348 and STL2090 Sorrento Foreshore LED Upgrade \$44,789 all of which are currently expected to be completed by August 2020. Other variances have occurred on multi-year projects STL2003 Joondalup City Centre Lighting \$1,434,784 which is progressing through stage four and STL2107 W3848 Mirror Park Sports Lighting (\$4,949). Positive variances on completed projects included STL2073 Ellersdale Pk Floodlighting Upgrade \$132,372 and STL2104 W3838 Emerald Park Cricket Net Lighting \$10,053.

- g) Stormwater Drainage projects are all now complete. The favourable variance is net of favourable and unfavourable variances on a number of projects, including SWD2181 Princeville Tor Catchments \$64,542 and SWD2216 Roadwork Aligned Drainage Upgrades \$51,010 offsetting SWD2001 Stormwater Drainage Upgrades (\$84,967) with the remainder of the variance spread across various projects.
- h) The variance arises mainly from PEP2707 Whitfords Nodes Park Health & Wellbeing Hub is experiencing a favourable variance \$599,518 with the project being carried forward to 2020/21 and expected to be completed by March 2021.
- i) Favourable variances have occurred on multi-year projects SBS2086 Ocean Reef Rd & Eddystone Ave Upgrade \$110,078 and SBS2089 Hepburn Ave – Mitchell Fwy SB on Ramp \$68,291. These are offset by overspends on SBS2078 Marmion Ave & Gilbert Rd (\$63,617) and SBS2075 Hepburn Ave Road Shoulders (\$18,195) which are both completed.
- j) The Parks Development Program favourable variance predominately arose from multiyear projects PDP2118 Moolanda Park LMP \$176,179 and for PDP2272 Heritage Precinct Development \$109,256. Further variances have occurred on three projects which are being carried forward into 2020/21 financial year, including PDP2280 Bridgewater Park Cabinet Renewal \$23,920, PDP2305 Walter Padbury Bore Renewal \$22,073 and PDP2322 McCubbin Park Irrigation Renewals \$33,200 which is currently under review. Further favourable variances have occurred on completed project PDP2282 Dog Exercise Park \$36,182, PDP2287 Braden Park Irrigation \$32,233 which are offsetting unfavourable variances from PDP2293 Hawker Park Irrigation (\$56,160) and PDP2284 Warwick Open Space Secondary Bore (\$41,172).
- k) Local Traffic Management variances mainly relates LTM2148 Marmion/Readshaw Intersection Upgrade \$212,684 which is being carried forward into the 2020/21 financial year and is expected to be completed by August 2020. LTM2153 Boas/McLarty Intersection Upgrade is a multi-year project which a positive variance at the end of financial year totalling \$142,088. Other major favourable variances related to LTM2128 Marmion/Edinburgh Ped Crossing \$111,815 and LTM2163 Chessell Drive Road Improvements \$19,377, these are offset by LTM2132 Minor Roads Safety Improvements (\$36,852).
- l) Major Road Construction projects are all multi-year with favourable variances relating to RDC2020 Warwick Rd/Erindale Rd Intersect Upgrade \$1,356,304, RDC2021 Whitfords Ave/Northshore Dr Roundabout \$342,650 and an unfavourable variance on RDC2019 Burns Beach Rd/Joondalup Dr Roundabout (\$210,896) which is currently in progress.
- m) Favourable variance arose in relation to SSE2055 Streetscape Renewal Program which was completed with a favourable \$73,527 variance which offsets SSE2011 Arterial Roads Landscape Upgrade Program that is also completed with an unfavourable variance (\$32,590). Multi-year projects have also produced favourable variance including SSE2056 W3450 City Centre Streetscape Renewal Program \$395,053 and SSE2057 W3014 Leafy City Program \$97,829.
- n) Parking Facilities Program has one carried forward project PFP2066 Pinnaroo Point Parking Improvements \$143,802 which is linked to MPP2006 Cafes and Kiosks – Pinnaroo Point and are both due to be completed by February 2021. Multi-year project PFP2069 Burns Beach Coastal Parking Construction is currently in design phase and with a end of financial year various totalling \$235,352.

**18. Vehicle and Plant Replacements****\$698,651**

This favourable timing variance predominately arose for three Tractors and one Truck \$410,000 with the order having been placed and awaiting delivery in the coming months.

**19. Transfers from Trust****(\$2,189,285)**

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

**20. Transfers from/ to Reserve****(\$10,523,185)**

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

**21. Closing Funds****\$19,704,844**

	June 2019	June 2020
<b>Current Assets</b>		
Cash and Investments	\$111,629,542	\$122,330,362
Rates Outstanding, Sundry Debtors and Other Receivables	\$4,014,542	\$6,992,281
Accrued Income	\$1,437,933	\$983,654
Prepayments	\$475,123	\$443,960
Inventories	\$245,434	\$135,252
<b>Total Current Assets</b>	<b>\$117,802,574</b>	<b>\$130,885,509</b>
<b>Current Liabilities</b>		
Trade Creditors	\$4,911,992	\$3,562,282
Sundry Payables	\$563,195	\$1,196,264
Accrued Expenses	\$5,512,097	\$5,965,003
Other Payables	\$4,150,599	\$2,748,448
Borrowings	\$3,324,328	\$2,445,660
Provision for Annual Leave	\$4,644,369	\$4,937,838
Provision for Long Service Leave	\$6,285,252	\$6,426,340
Provision for Workers Compensation Insurance	\$2,562,776	\$2,879,457
Provision for Sick Leave	\$994,195	\$1,114,783
Other Provisions	\$194,957	\$159,244
<b>Total Current Liabilities</b>	<b>\$33,143,760</b>	<b>\$31,224,278</b>
<b>Net Current Assets</b>	<b>\$84,658,814</b>	<b>\$99,661,232</b>
<b>Add back: Borrowings</b>	<b>\$3,324,328</b>	<b>\$2,445,660</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>\$19,704,844</b>

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